

Inspiring Experience, Creating Place for Good

Annual Report 2022





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CONTENT

| | |
|----|---|
| 2 | Message from Chairman and Managing Director |
| 7 | 2022 Key Events |
| 8 | Vision, Mission, Background and Objective |
| 10 | Key Information |

Structure of FTREIT and REIT Manager

| | |
|----|--|
| 18 | FTREIT Structure |
| 19 | Organisation Structure of REIT Manager |
| 20 | Board of Directors |
| 24 | Management Team |

FTREIT's Strategy and Management

| | |
|----|------------------------------------|
| 28 | FTREIT Strategy |
| 30 | Management Discussion and Analysis |
| 35 | Distribution Payment |
| 36 | Location Footprint |
| 43 | Industry Outlook |

Risk Management and Corporate Governance

| | |
|-----|------------------------------------|
| 50 | Management |
| 64 | Corporate Governance |
| 74 | Risk Factors |
| 80 | Prevention of Conflict of Interest |
| 86 | Legal Dispute |
| 86 | Social Responsibility |
| 91 | Trustee's Opinion |
| 92 | Independent Auditor's Report |
| 95 | Financial Statements |
| 126 | Contact Channels |



Mr. Thanarat Boonyakosol
Managing Director

Mr. Threekwan Bunnag
Chairman and Independent Director

MESSAGE FROM CHAIRMAN AND MANAGING DIRECTOR

Dear Unitholders,

On behalf of Frasers Property Industrial REIT Management (Thailand) Co., Ltd. ("Company" or "REIT Manager") as the REIT Manager of Frasers Property Thailand Industrial Freehold & Leasehold REIT (FTREIT), we would like to present the operating results of FTREIT for the period of October 1, 2021, to September 30, 2022 (the fiscal year 2022).

2022 is the year of general recovery from the Covid-19 pandemic. Thailand started implementing its relaxation of the Covid-19 measures and fully re-opened and returned to normalcy in July 2022. The execution of domestic tourism stimulus measures have resulted in the regaining in domestic consumptions in the private sector whereas the tourism sector also shows signs of positive improvement and has become a major supporting factor for the country's economic recovery. The changes in general lifestyle due to the Covid-19 outspread, particularly the increasing demand for online supply of goods and services via online platforms has helped supporting the growth prospects of the e-commerce business. Additionally, the government continues to promote the country's economic goals of becoming the regional Electric Vehicle (EV) production hub of ASEAN, and a key production center of EV cars in the world. This EV production is listed among the country's 12 target industries that are aimed at driving its economy. This will encourage the growth in the rental of industrial spaces and logistic facilities, resulting from the increasing demand of operating spaces from the EV industry as well as its related industry. Nevertheless, the world economy still encounters various significant risks such as the slowdown in global trade demand due to depressed world economic and trading environment, the risks from major wars, the increasing energy costs, the global financial uncertainty that cause interest rate volatility, the weakening of the Baht against major world currencies, China's Covid-19 control strategy and its possible

impact on the slowdown of global economy, and the geopolitical risk that may disrupt the global stability on energy, food, and global supply chain.

Overview of Property Rental Business

In 2022, FTREIT had an average occupancy rate of 86.4%, up from 85.4% of the previous year, and a renewal rate that was higher than 84.5%. This results from the prime quality and promising location of its properties, which are located in various locations within the areas of the Eastern Economic Corridor (EEC) Development Plan, as well as in various locations in the eastern and northern zones of Bangkok. All these locations are the key strategic areas for industrial and logistic investments. The major assets of FTREIT comprise of factories and warehouses. Their demand has been positively impacted by economic and investment growth in the transportation and logistics sectors, particularly the third party logistics, that were booming during the Covid-19 pandemic due to a continued surge in e-commerce that affected consumer behaviors. This is reflected in a continual growth in high demand for warehouses. At present, we are still observing a good sign in our business from the increase of the longer-term rental contracts which is higher this year than last year. As for the problem of supply chain disruption, especially in the semiconductor industry caused by the China's zero Covid policy, the situation is presently improving as the supply chain conditions are better managed. This has resulted in positive impacts to the recovery of the Thai electronic and auto industries.

Investment in Additional Assets

The Company, acting as the REIT Manager of FTREIT, continues to focus on investing in additional assets, as per its prescribed investment policy in its trust deed. The Company chooses to invest in quality assets which are located on promising locations,

and are capable of generating long-term investment returns that are stable. In the fiscal year 2022, the REIT Manager invested in 4 new additional assets, all of which are assets acquired from Frasers Property (Thailand) Public Company Limited, consisting of 13 units of factory buildings and 14 units of warehouse buildings totaling a combined leasable area of 76,675 sq.m., with a total investment value of approximately THB 1,715.00 million⁽¹⁾. As of September 30, 2022, FTREIT had a portfolio value of its rental properties worth approximately THB 46,319 million, and a total area of leasable assets of approximately 2.14 million sq.m., composed of 353 units of factories with a total leasable area of 906,385 sq.m., and 315 units of warehouses with a total leasable area of 1,232,771 sq.m. The ratio of its freehold properties to leasehold properties in its rental portfolio were 73.4% and 26.6%, respectively.

Operating Results and Distribution Payment

During the fiscal year 2022, FTREIT had a total income of THB 3,645.00 million, or an increase of 6.68% from the prior fiscal year. The increase in total income came from a higher occupancy rate together with additional returns made from additional assets that were acquired during the year. The REIT Manager considered paying quarterly distribution payment, which totaled four payments per year. The total distribution payment for the year was THB 2,165.81 million or the distribution payment of THB 0.7070 per unit trust, or an increase of 0.49% from the previous year.

Additionally, as of September 30, 2022, FTREIT had total assets of THB 46,891.36 million, and total interest-bearing debts of THB 12,083.80 million. Its ratio of interest-bearing debts to total assets was 25.8%, which was rather low. This low geared position enabled FTREIT to have more flexibility in its capital structure management. Its net assets value per unit was THB 10.8401, increased by 0.90% from the previous year.

TRIS Rating Co., Ltd. continues to affirm its rating on FTREIT at “A” with “Stable” Outlook. This credit rating reflects FTREIT’s strong record of operating results and financial strength, as well as its well-balanced capital structure and appropriate financial costs. The high credit rating benefits FTREIT’s funding scheme, particularly for the management of its funding costs amid the continued fluctuation in interest rates and the uncertainty of economic risks.

Sustainability

The REIT Manager emphasizes on sustainability development that focuses on the environment, social, and governance (ESG), and also recognizes the importance of all stakeholders. It does not merely focus on business returns and outcomes, but is concerned more on good corporate governance, as well as all possible social, environmental and stakeholder impacts. In the fiscal year 2022, FTREIT was selected for the fourth consecutive year as being one among 100 public listed companies that have outstanding Environmental, Social and Governance (ESG) performance, or commonly known as the ESG 100.

On the international platform, FTREIT participated for the past two years in the assessment and validation of ESG performance and best sustainability practices under the Global Real Estate Sustainability Benchmark (GRESB), which is an internationally recognised benchmark standard. FTREIT was awarded an “A” standard for the disclosure of its sustainability information or ranked second out of 6 selected companies from the companies in the group of “Southeast Asia (Industrial)”. The recognition reflects FTREIT’s continued commitment in its business sustainability development. Additionally, FTREIT also recognizes the importance of the reduction of greenhouse gas emissions and started its information assessment process for preparation of its Net-Zero Carbon Roadmap which aims at the sustainable

Note : (1) Exclude expenses related to investments in new additional assets.

reduction of greenhouse gas emissions. It also follows the disclosure guidelines of the Task Force on Climate-related Financial Disclosures (TCFD) aiming to comply with the international standard on climate-related risks and opportunities. FTREIT also considers the transparency and appropriateness of its information disclosure that it provides to investors and financial institutions, local and international, for their investment and lending purposes. FTREIT is committed to provide opportunities for both long-term business returns and environmental benefits.

Future Outlook

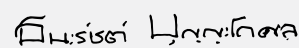
Thai and global economies have encountered continued challenges namely the continued spread of Covid-19, the Russia-Ukraine war, and the volatility in energy prices, all of which have affected the global economic growth during the past few years. However, the fully reopening of many countries after the Coronavirus have helped with the recovery of their economies and the return of their economic activities to normal levels. The Thai economy outlooks are better with growth in private consumption and investments, relocation of production base by foreign investors, improvement in tourism and service sectors, and expansion in export activities. These are in line with the government economic stimulus measures and tax incentives that promote foreign investments, particularly in the EV industry and 12 other target industries. All of these provide positive outlook for the FTREIT's assets in the future.

For the fiscal year 2023, the REIT Manager plans to continue investing in additional high-quality assets by acquiring them from Frasers Property Thailand group and from other parties, as well as preparing itself to meet the demand for property rental by upgrading and the upkeep of its properties to be in good condition for rent. It also commits to business sustainability; continue good relationships with existing tenants, finding new potential tenants who are stable, making a proper funding plan for investment opportunities in additional assets. Moreover, it shall plan its strategy for efficient management of FTREIT, and be ready to face the challenges of economic volatility and increased market competition in the property rental business. Indeed, it aims to focus on generating returns from property rentals and provide regular and sustainable distribution payments to its unitholders.



Mr. Threekwan Bunnag

Chairman and
Independent Director



Mr. Thanarat Boonyakosol

Managing Director



2022 KEY EVENTS

Dec 2021

- Completed the divestment, ownership of land and factory with leasable area 2,625 sq.m., located in Navanakorn Industrial Zone, Tambol Khlong Nueng, Amphur Khlong Luang, Patum Thani Province, value of THB 60 million. The buyer is Afrex (Thailand) Co., Ltd. (Not related party).
- Issued debentures No.2/2021, amounting to THB 1,000 million, with a tenor of 3 years and a fixed rate at 1.84% per annum.

JUN 2022

Completed the acquisition, ownership of land, factories, and warehouses from Frasers Property Thailand with value of THB 796.51 million.*

MAY 2022

- Selected in ESG100 in 2022 by Thaipat Institute for the fourth consecutive year.
- TRIS Rating affirms the company rating on FTREIT at “A” with a “stable” outlook.
- Issued debentures No.1/2022, amounting to THB 1,600 million
 - Series 1** – amounting to THB 1,000 million, with a tenor of 3 years and fixed rate at 3.05%
 - Series 2** – amounting to THB 600 million, with a tenor of 5 years and fixed rate at 3.85%

AUG 2022

Completed the acquisition, ownership of land and factories from Frasers Property Thailand with value of THB 133.10 million.*

SEP 2022

Completed the acquisition, ownership of land, factories, and warehouses from Frasers Property Thailand with value of THB 785.51 million.*

OCT 2022

Achieved the highest rank “A Level” of the Public Disclosure from GRESB (Global Real Estate Sustainability Benchmark) with a score of 86 points. It is the second consecutive years for FTREIT that has participated.

Note : Exclusive of expenses in relation to the investment in additional investment assets are composed of, for example, Appraisal Fees, Legal Fees, and Independent Financial Adviser Fee.

VISION

To be a leading Industrial and Logistics REIT in Thailand

MISSION

- To efficiently manage properties under the REIT
- To strategically invest in high quality standard of properties by using funding with appropriate cost
- To manage risks of the REIT to contribute sustainable distribution to unitholders



BACKGROUND AND OBJECTIVE

Frasers Property Thailand Industrial Freehold & Leasehold REIT ("FTREIT"), formerly known as TICON Freehold and Leasehold Real Estate Investment Trust or "TREIT" has been established pursuant to the Transactions in Capital Market Act B.E. 2550 on 12 December 2014, with registered capital of THB 3,425 million. In this regard, BBL Asset Management Co. Ltd., the Trustee of the Trust has appointed Frasers Property Industrial REIT Management (Thailand) Co., Ltd. ("FIRM") to act as the REIT Manager. Frasers Property Industrial (Thailand) Co., Ltd. are hired as the Property Manager and Thailand Securities Depository Co., Ltd. acts as the Trust Registrar.

FTREIT has been established for the purpose to raise funds from general investors and to use the proceeds from such fundraising to acquire, lease and/or sub-lease of immovable properties. The Trust will take the transfer of the ownership and / or leasehold rights and/ or sub-leasehold rights therein and seek benefits from those properties by way of lease, sub-lease, transferring and / or disposing of immovable properties the Trust invests in or acquires. The Trust will also improve, modify, construct and/or develop immovable properties by taking the transfer of a construction permit and / or applying for other permits and/or executing any transactions necessary and

advisable for immovable properties, with the aim of generating income and returns for the Trust and its unitholders. This includes investment in other properties and/ or securities and/or seeks interest by any other means as prescribed by securities laws and/or other relevant law.

The major shareholder of the REIT Manager is Frasers Property (Thailand) Public Company Limited ("FPT"), as a sponsor. FPT is a leading real estate developer spanning in three asset classes across (1) Residential (2) Industrial and Logistics (3) Commercial, moreover, digital business platform including robotics and automation solutions together with the hyperscale data center.

FTREIT is sturdily supported by FPT which grants the Right of First Refusal (ROFR) for industrial and logistics real estate to FTREIT. If FPT has a plan to sell industrial and logistics property, it must be offered to FTREIT before the others. This right is an important factor in driving continual growth of FTREIT. Moreover, FTREIT also invests in third parties' property to enhance its growth.

As a result of the high quality industrial and logistics properties located in prime areas in Thailand, it can attract tenants which are leading local and foreign companies in many industries.



2015

The Trust's units have been listed and tradable on the Stock Exchange of Thailand since 9 January 2015 onwards. In the end of fiscal year 2015, the additional Trust's units were issued with a total value of THB 2,243 million to invest in the additional factories and warehouses.



2017

Conversion of three TICON's property funds which are TFUND, TLOGIS and TGROWTH into the REIT in December 2017.



2019

In January 2019, the name was changed from TREIT to FTREIT.

KEY INFORMATION

| | |
|--------------------------|---|
| REIT Name | Frasers Property Thailand Industrial Freehold & Leasehold REIT |
| Abbreviation | FTREIT |
| REIT Manager | Frasers Property Industrial REIT Management (Thailand) Co., Ltd. |
| Property Manager | (1) Frasers Property Industrial (Thailand) Co., Ltd. (2) Sahathai Property and Development Co., Ltd. |
| Trustee | BBL Asset Management Co., Ltd. |
| Auditor | KPMG Phoomchai Audit Ltd. |
| Accounting Period | 1 October - 30 September |

As of 30 September 2022

| | | | |
|---------------------------------|------------------------|---|---------------------|
| Market capitalization | 31,552.89 million Baht | Number of trust units | 3,063,387,048 units |
| Net assets value (NAV) | 33,207.48 million Baht | Closing price at the last day of fiscal year | 10.30 Baht |
| Trust registered capital | 29,213.38 million Baht | Par value | 9.5363 Baht |
| Capital from unitholders | 31,118.59 million Baht | NAV per unit | 10.8401 Baht |
| Establishment date | 12 December 2014 | Price / NAV | 0.95 times |
| First day trade | 9 January 2015 | Weighted average land lease expiry | 21.1 years |

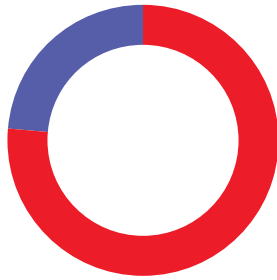
| No. | Top 10 Unitholders | Number of units | Percent ⁽²⁾ |
|--------------|--|----------------------|------------------------|
| 1 | Frasers Property Group ⁽¹⁾ | 815,428,298 | 26.62 |
| 2 | Social Security Office | 339,689,673 | 11.09 |
| 3 | Bangkok Life Assurance Plc. | 168,825,156 | 5.51 |
| 4 | Bangkok Bank Plc. | 123,535,978 | 4.03 |
| 5 | K Property Infrastructure Flexible Fund | 103,095,582 | 3.37 |
| 6 | TMB EASTSPRING Property and Infrastructure Income Plus Flexible Fund | 82,613,405 | 2.70 |
| 7 | Principal Property Income Fund | 62,340,624 | 2.03 |
| 8 | SCB Property and Infrastructure Flexible Fund | 61,615,956 | 2.01 |
| 9 | Mitsui & Co. (Asia Pacific) Pte. Ltd. | 48,800,000 | 1.59 |
| 10 | Muang Thai Life Assurance Plc. | 36,219,042 | 1.18 |
| 11 | Others | 1,221,223,334 | 39.87 |
| Total | | 3,063,387,048 | 100.00 |

Remark : (1) Frasers Property Group = Frasers Property (Thailand) Plc. and Frasers Property Thailand (International) Pte. Ltd.
(2) Foreign unitholders are capable to hold trust units not exceeding 49% of the issued and paid up units. As of 30 September 2022, the trust units held by foreigner were at 25.47%.

PORTFOLIO OVERVIEW

Property Tenure

(NLA breakdown)

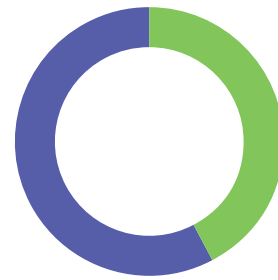


Freehold 73.4%

Leasehold (WALE 21.1 years) 22.6%

Property Type

(NLA breakdown)

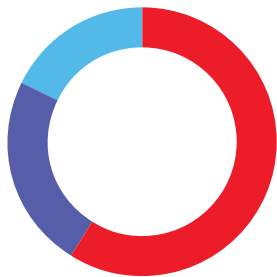


Factory 42.4%

Warehouse 57.6%

Location

(NLA breakdown)



EEC 58.9%

Northern Bangkok 23.5%

Eastern Bangkok 17.6%

| Type of Asset | Number of units | NLA (sq.m.) |
|---------------|-----------------|------------------|
| Factory | 353 | 906,385 |
| Warehouse | 315 | 1,232,771 |
| Total | 668 | 2,139,156 |

| Assets | Fair Value (million Baht) |
|--|---------------------------|
| Assets acquired before 2022 ⁽¹⁾ | 44,599.71 |
| Assets acquired in 2022 ⁽²⁾ | 1,719.67 |

Remark : (1) Appraisal value by 15 Business Advisory Ltd. and Jones Langlasalle (Thailand) Ltd.

(2) Appraisal value by 15 Business Advisory Ltd. and fair value as at acquisition date

Industry of Tenant

(Revenue breakdown)



Logistics 30.8%

Electronics 23.9%

Automotive 20.0%

Retail 7.2%

E-commerce 2.0%

Others 16.1%

Nationality of Tenant

(Revenue breakdown)



Japanese 39.6%

European 22.6%

Asians (Excluded Japanese) 18.3%

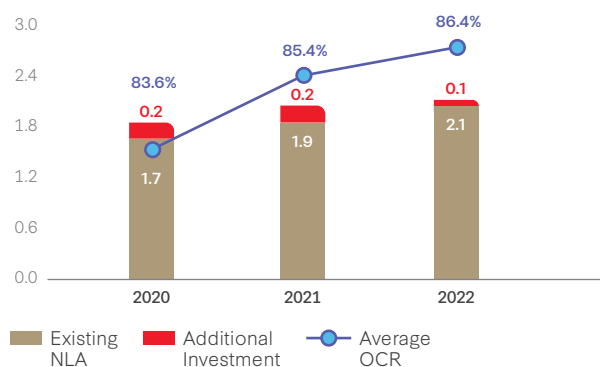
Thai 14.2%

US 5.3%

PORTFOLIO OVERVIEW

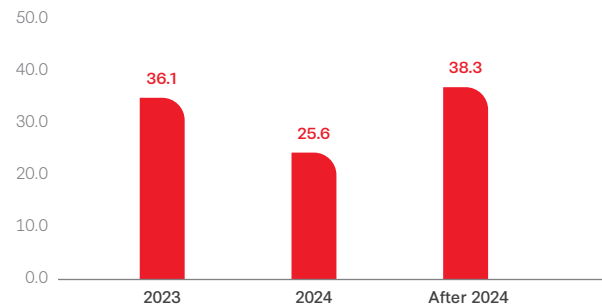
Growth in NLA and Occupancy Rate

Unit : million sq. m.



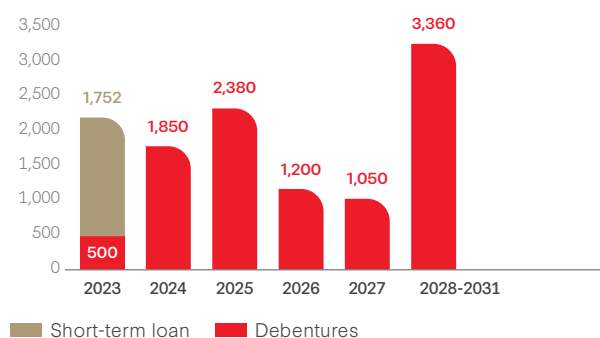
Lease Expiry Profile

Unit : %



Debt Maturity Profile

Unit : million Baht



Capital Structure

Unit : million Baht

| | |
|---------------------------------|--------------------|
| Total Assets | 46,891.36 |
| Total Liabilities | 13,683.88 |
| Capital from Unitholders | 31,118.59 |
| Retained Earnings | 2,088.89 |
| IBD to Total Assets | 25.77 % |
| Credit Rating | A (Stable Outlook) |

DISTRIBUTION PAYMENT POLICY

The Trust has a policy to pay distributions to unitholders at least 2 times a year and not less than 90% of the net profit after adjustments.

| Performance for fiscal year | Distribution (Baht per unit) | | |
|-----------------------------|------------------------------|-------------------|--------|
| | Dividend | Capital Reduction | Total |
| 2018 ⁽¹⁾ | 0.4769 | 0.0031 | 0.4800 |
| 2019 ⁽²⁾ | 0.6680 | - | 0.6680 |
| 2020 | 0.6690 | - | 0.6690 |
| 2021 | 0.6740 | - | 0.6740 |
| 2022 | 0.7070 | - | 0.7070 |

Remark : (1) Accounting period : 1 January - 30 September 2018

(2) 2019 onwards, accounting period : 1 October - 30 September each year

SUMMARY OF BORROWING

As of 30 September 2022

Total gross borrowings (before net of expenses related to issuance and offering of debentures and loan facilitation) was at 12,092.01 million Baht, consisting of debentures 10,340.00 million Baht and short-term loan 1752.01 million Baht (short-term loan was borrowings from the domestic financial institutions) or 85.51% and 14.49% of total borrowing respectively. The borrowings contained certain conditions and covenants, such as the determination of IBD to total assets ratio not exceeding 60% as at the end of each quarter and/or year end, the limitation of granting

additional loan commitment for financial indebtedness or encumbrance, except under normal business operations.

FTREIT was assigned with an A (Stable Outlook) (Investment Grade) rated by TRIS rating Co., Ltd. at 31 May 2022.

As of 30 September 2022, IBD to total assets ratio was at 25.77%.

FINANCIAL HIGHLIGHT

For the year ended, during 1 October – 30 September

Unit: million Baht

| Key financial highlight | 2020 | 2021 | 2022 |
|--|---------------|---------------|---------------|
| Rental and service income | 2,883.82 | 3,239.35 | 3,594.49 |
| Interest income | 12.19 | 4.58 | 2.81 |
| Income from rental guarantees | 62.18 | 111.48 | 4.70 |
| Income from forfeiture of rental and service deposits | 1.57 | 15.21 | 20.93 |
| Net profit on investments before finance cost | 2,413.73 | 2,741.65 | 2,880.00 |
| Finance cost | 314.74 | 370.67 | 361.10 |
| Net profit on investments | 2,098.99 | 2,370.98 | 2,518.90 |
| Increase in net assets resulting from operations | 1,194.29 | 2,152.29 | 2,407.23 |
| Number of trust units issued and paid up at the end of year (unit) | 2,822,387,048 | 3,063,387,048 | 3,063,387,048 |
| Earning per unit (EPU) (Baht) | 0.4231 | 0.7026 | 0.7858 |
| Distribution per unit (DPU) (Baht) | 0.6690 | 0.6740 | 0.7070 |
| Capital reduction per unit | - | - | - |
| Net cash from (used in) operating activities | (2,483.27) | (251.29) | 1,499.40 |
| Net cash from (used in) financing activities | 2,732.33 | 497.12 | (1,968.17) |
| Net increase (decrease) in cash and cash equivalents | 249.06 | 245.84 | (468.77) |
| Net asset | 29,974.65 | 32,910.93 | 33,207.48 |
| Net asset value per unit (Baht) | 10.6203 | 10.7433 | 10.8401 |
| Price / NAV (times) | 1.35 | 1.15 | 0.95 |
| IBD to total assets (%) | 26.81 | 25.12 | 25.77 |
| Closing price at the last day of fiscal year | 14.30 | 12.40 | 10.30 |
| Market capitalization | 40,360.13 | 37,986.00 | 31,552.89 |

MANAGEMENT DISCUSSION AND ANALYSIS

In 2022 (1 October 2021 - 30 September 2022), FTREIT had increase in total income of 228.34 million Baht, or 6.68% from the same period of the previous year. The main reasons were increase in rent and service income from higher occupancy rate and more rental and service income from 4 tranches of acquisitions of additional assets in 2022.

However, cost of rent and service and trust management fee rose following the increase in rental and service income and larger portfolio from assets acquisition.

In addition, in 2022 (1 October 2021 - 30 September 2022), FTREIT had loss on changes in fair value of investments in properties of 116.27 million Baht, from annual revaluation of properties. This improved from losses of 218.70 million Baht of the previous year. Moreover, FTREIT had net gain on sale of investments in properties of 4.60 million Baht. These resulted in increase in net assets resulting from operations of 2,407.23 million Baht for 2022, increased by 254.94 million Baht or 11.85% from the previous year.

FEE AND EXPENSES PAYABLE BY THE REIT

| Fee and Expenses in 2022 | | Amount (million Baht) | % of net profit on investments |
|--------------------------|-----------------------------------|--------------------------|-----------------------------------|
| 1 | Cost of rent and service | 284.46 | 11.29 |
| 2 | Trust management fee | 418.31 | 16.61 |
| 3 | Trustee fee | 21.26 | 0.84 |
| 4 | Registrar fee | 4.58 | 0.18 |
| 5 | Professional fee | 1.86 | 0.07 |
| 6 | Consulting fee | 6.01 | 0.24 |
| 7 | Unit issuance fee | - | - |
| 8 | Amortisation of deferred expenses | 12.45 | 0.50 |
| 9 | Finance cost | 361.10 | 14.34 |
| 10 | Other expenses | 16.07 | 0.64 |
| Total | | 1,126.10 | 44.71 |

RISK FACTORS IN CONNECTION WITH INVESTMENT IN REIT

All investors should consider the risks that may impact the REIT as following

1. Risks relating to the operation of the REIT

- Risks from compliance with investment-related contracts
- Risks relating to finding tenants near the end of a land lease term
- Risks from the REIT's performance based on the ability of property manager
- Risks from a conflict of interest between the REIT, and FPIT and FPT, that may affect the REIT's operation
- Risks from borrowing

2. Risks relating to the ability to facilitate benefits from the property

- Risks from tougher competition that may affect occupancy rate and rental rate decrease.
- Risks from economic conditions and domestic politics
- Risks from natural disasters, accidents, and sabotage
- Risks from contagious disease outbreak and fear of outbreak or other serious public health problems
- Risks from termination or non-renewal of tenant

- f) Risks from tenant's ability to pay rental service, and/or common area fees
- g) Risks from a high concentration of tenants in the aspect of lease portion and/or industry and/or nationality
- h) Risks relating to land delivery after a land lease ends
- i) Risks from expropriation of whole or partial investment properties under the immovable property expropriation act, which might affect FTREIT not being able to seek benefits from the property and affect operating performance of the REIT
- j) Risks from a right to early termination exercised

3. Risks from changes in property values

- Property invested in the form of leasehold
- Property invested in the form of freehold

For more information, please read "Risk Factors"

GENERAL INFORMATION

REIT Manager

Frasers Property Industrial REIT Management (Thailand) Co., Ltd.

Mitrtown Office Tower, 22nd - 23rd Floor
944 Rama 4 Road, Wangmai Subdistrict,
Pathumwan District, Bangkok 10330

Tel. +662-483-0000

Trustee

BBL Asset Management Co., Ltd.

Sathorn City Tower, 7th, 21st and 26th Floor
175 South Sathorn Road, Tungmahamek, Sathorn,
Bangkok 10120

Tel. +662-674-6400



Frasers Property Logistics Park (Sriracha)

STRUCTURE OF FTREIT AND REIT MANAGER

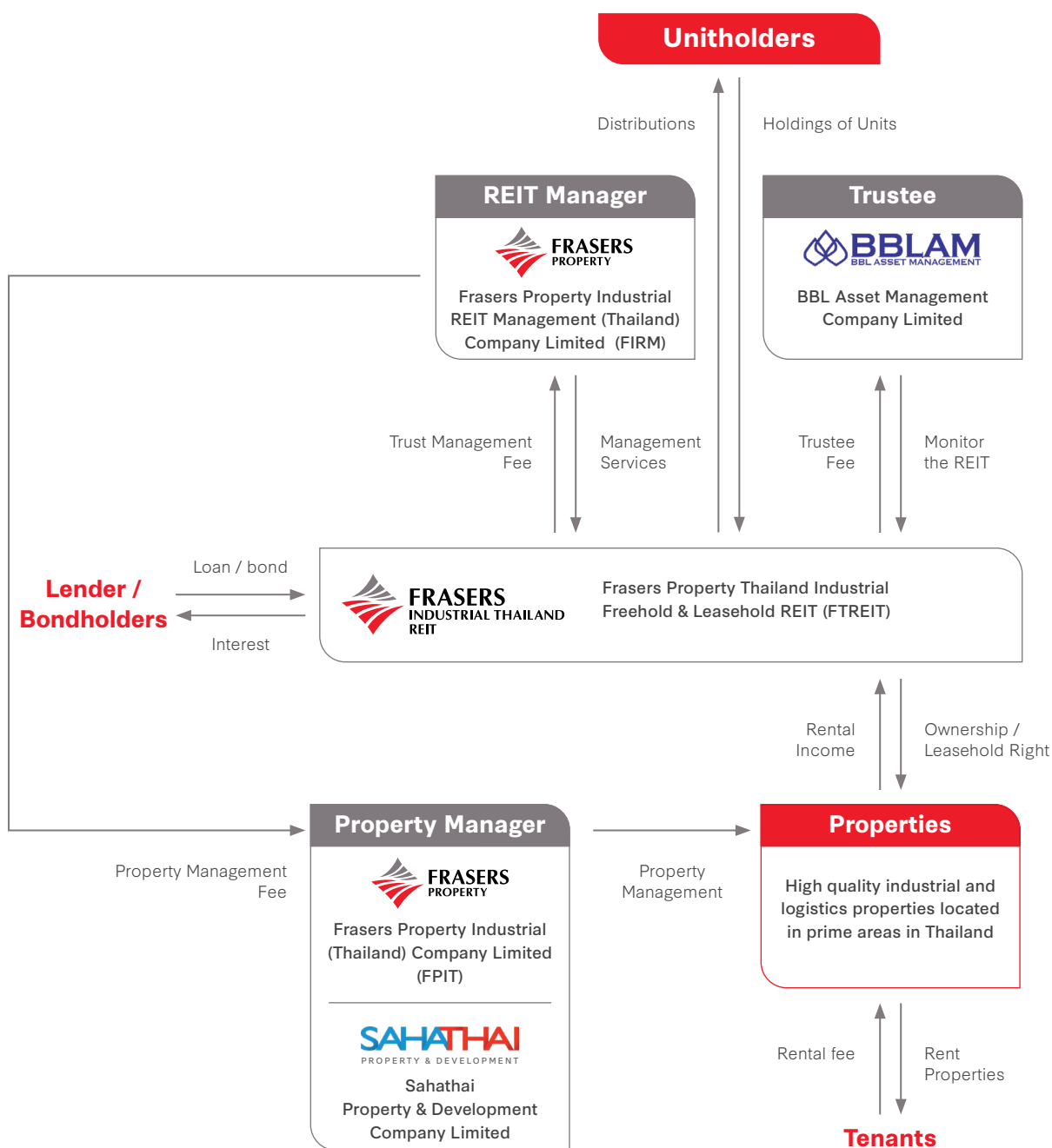




Frasers Property Logistics Park (Sriracha)

FTREIT STRUCTURE

As of 30 September 2022

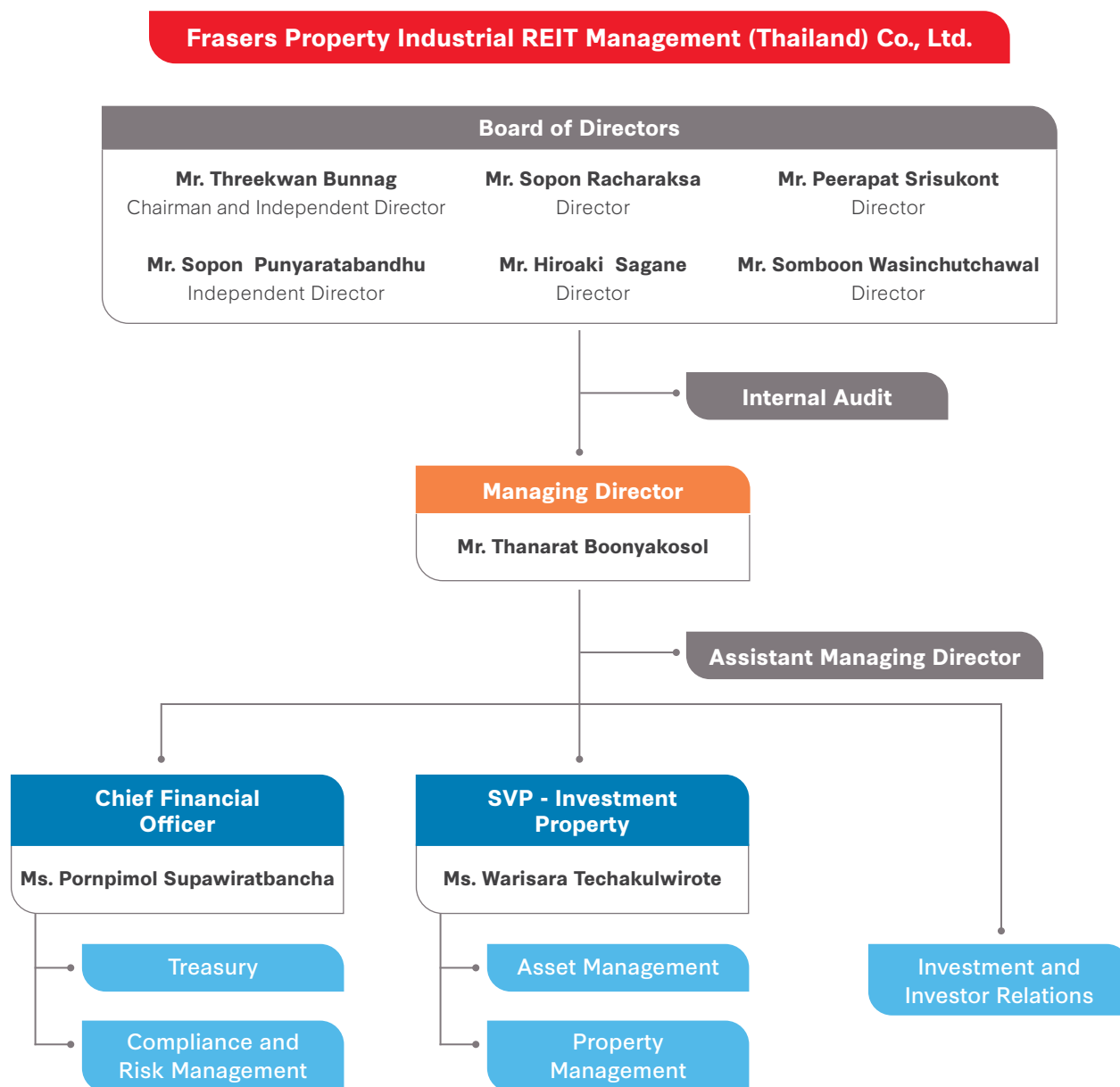


Note :

- (1) FIRM and FPIT has a same major shareholder which is Frasers Property (Thailand) Plc. (FPT). As of 30 September 2022, FPT held 70% of FIRM's paid-up capital and 100% of FPIT's paid-up capital.
- (2) FPT and its subsidiary are FTREIT's major unitholders. The total holding of 26.6% of the capital from unitholders, as of 30 September 2022.
- (3) Sahathai Property & Development Co., Ltd. was appointed to be the property manager for Free Zone area in Frasers Property Logistics Park (Laem Chabang 3).
- (4) FTREIT management is subject to Trust Deed which the full version is available on the Attachment no. 7 Trust Deed: <https://market.sec.or.th/public/ipos/IPOSDE01.aspx?TransID=290654>

ORGANISATION STRUCTURE OF REIT MANAGER

As of 30 September 2022



BOARD OF DIRECTORS

As of 30 September 2022



Mr. Threekwan Bunnag
(65)
Chairman and
Independent Director

Appointed on 15 January 2019
Length of service as Chairman and Independent Director : 3 years 8 months
Direct unitholding : None
Spouse unitholding : 0.03%
Family relationship with Director and Management : None

EDUCATION :

- Master of Business Administration, University of North Texas, USA

TRAINING :

Thai Institute of Directors Association (IOD)

- 2017 Advance Audit Committee Program (AAPC) 27/2017
- 2006 Director Accreditation Program (DAP) 58/2006
- 2001 Director Certification Program (DCP) 12/2001

THE BRIEF WORKING EXPERIENCE DURING THE PAST 5 YEARS :

Position in the REIT Manager of FTREIT

- 2018 – Present
Chairman and Independent Director
Fraser's Property Industrial REIT
Management (Thailand) Co., Ltd.

Position in other listed companies

- Independent Director and Chairman of Audit Committee - SVI Plc.

Position in non-listed companies

- Independent Director and Chairman of Audit Committee - Beryl 8 Plus Co., Ltd.
- Director - Emerald Bay Resort Co., Ltd.
- Director - Emerald Bay Villa Co., Ltd.
- Director and Chairman of Audit Committee - Siam Agro-Food Industry Plc.
- Director - Gold Master Plc.



Mr. Sopon Punyaratabandhu
(60)
Independent Director

Appointed on 20 May 2013
Length of service as Independent Director : 9 years 4 months
Direct unitholding : None
Spouse unitholding : None
Family relationship with Director and Management : None

EDUCATION :

- M.S. in Accounting, Thammasat University
- B.B.A (Honour) in Accounting, Thammasat University

TRAINING :

Thai Institute of Directors Association (IOD)

- 2020 IT Governance and Cyber Resilience Program (ITG) 15/2020
- 2015 Corporate Governance for Capital Market Intermediaries (CGI) 5/2015
- 2007 Role of the Compensation Committee (RCC) 1/2006 and 2/2007
- 2002 Director Certification Program (DCP) 17/2002

THE BRIEF WORKING EXPERIENCE DURING THE PAST 5 YEARS :

Position in the REIT Manager of FTREIT

- 2013 – Present
Independent Director
Fraser's Property Industrial REIT
Management (Thailand) Co., Ltd.

Position in other listed companies

- Independent Director, Member of Audit Committee, and Chairman of the Corporate Governance Committee - SVI Plc.
- Executive Director - Copperwired Plc.
- Executive Director - Vintcom Technology Plc.
- Independent Director, Member of Audit Committee, and Chairman of the Risk Management Committee - Asia Plus Group Holding Plc.

Position in non-listed companies

- Director - Vent SG Power Co., Ltd.
- Chairman - Vnet Power Co., Ltd.
- Independent Director and Chairman of Audit Committee - Asset Plus Fund Management Co., Ltd.
- Independent Director and Member of Audit Committee - Asia Plus Securities Co., Ltd.
- President - Vnet Capital Co., Ltd.

OTHER EXPERIENCE :

- Member of Audit Committee, Electronic Transactions Development Agency, Ministry of Digital Economy and Society
- Director and Chairman of Audit Committee, Electrical and Electronics Institute
- Certified Public Accountant, registration no. 3821
- Fellow Member, Thai Institute of Directors Association



Mr. Sopon Racharaksa

(50)

Director

Authorized Signatory Director

Appointed on 27 January 2017

Length of service as Director :

5 Years 8 Months

Direct unitholding : None

Spouse unitholding : None

Family relationship with Director and Management : None

EDUCATION :

- M.A., Public Administration, National Graduate Institute for Policy Studies, JAPAN
- M.A., Economics, Michigan State University, USA
- B.A., Economics, Thammasat University

TRAINING :

Thai Institute of Directors Association (IOD)

- 2019 Director Certification Program (DCP) 282/2019
- 2018 Board Success through Financing & Investment (BFI) 5/2018

Institute of Business and Industrial Development (IBID)

- 2015 Business Development, Industry and Investment for Top Executives 2/2015

THE BRIEF WORKING EXPERIENCE DURING THE PAST 5 YEARS :

Position in the REIT Manager of FTREIT

- 2017 – Present
Director
Fraser Property Industrial REIT Management (Thailand) Co., Ltd.

Position in other listed companies

- 2020 - Present Executive Director
- Fraser Property (Thailand) Plc.
- 2017 - 2020 President
- Fraser Property (Thailand) Plc.
- 2018 - 2020 Acting Chief Executive Officer - Fraser Property (Thailand) Plc.

Position in non-listed companies

- Director - Fraser Property Thailand (Vietnam) Pte. Ltd.
- Director - PBA Robotics (Thailand) Co., Ltd.
- Director - Automation Asset Co., Ltd.

- Director - Wangnoi Logistics Park Co., Ltd.
- Director - Bangkok Logistics Park Co., Ltd.
- Director - Bangpakong Logistics Park Co., Ltd.
- Director - System Assets Co., Ltd.
- Director - TCC Exhibition and Convention Center Co., Ltd.
- Director - TRA Land Development Co., Ltd.
- Director - Frasers Property Power (Thailand) Co., Ltd.
- Director - Mosho Entertainment Co., Ltd.
- Director - Another Scenario Co., Ltd.
- Director - N.C.C. International Events Co., Ltd.
- Director - N.C.C. Image Co., Ltd.
- Director - N.C.C. Exhibition Organizer Co., Ltd.
- Director - F & B International Co., Ltd.
- Director - SMJC Development Co., Ltd.
- Director and Chief Executive Officer - Fraser Property Industrial (Thailand) Co., Ltd.
- Director - Fraser Property BFTZ Co., Ltd.
- Director - Fraser Property Demco Power 6 Co., Ltd.
- Director - Fraser Property Demco Power 11 Co., Ltd.
- Director - Eco Industrial Services Co., Ltd.
- Director - Fraser Property Thailand (International) Pte. Ltd.
- Director - Fraser Property Thailand (Hong Kong) Limited
- Director - PT SLP Surya TICON Internusa, Indonesia
- Director - PT Surya Internusa Timur, Indonesia
- Director - Amigos An Phu Holding Pte. Ltd.
- Director - Amigos An Phu (Singapore) Pte. Ltd.
- Director - Alps Ventura Pte. Ltd.
- Director - New Motion Pte. Ltd.
- Director - Grand Trail Holdings Pte. Ltd.
- Director - Grand Trail Investments Pte. Ltd.



Mr. Hiroaki Sagane

(51)

Director

Authorized Signatory Director

Appointed on 1 December 2018

Length of service as Director :

3 Year 9 Months

Direct unitholding : None

Spouse unitholding : None

Family relationship with Director and Management : None

EDUCATION :

- Political Science and Economics, Waseda University, JAPAN.

TRAINING :

Thai Institute of Directors Association (IOD)

- None -

THE BRIEF WORKING EXPERIENCE DURING THE PAST 5 YEARS :

Position in the REIT Manager of FTREIT

- 2018 – Present
Director
Fraser's Property Industrial REIT Management (Thailand) Co., Ltd.

Position in other listed companies

- None -

Position in non-listed companies

- General Manager - Mitsui & Co. (Asia Pacific) Pte. Ltd.



Mr. Peerapat Srisukont

(53)

Director

Authorized Signatory Director

Appointed on 1 August 2016

Length of service as Director :

6 Years 1 Month

Direct unitholding : None

Spouse unitholding : None

Family relationship with Director and Management : None

EDUCATION :

- Master of Business Administration (M.B.A.), Mahidol University International College
- Master of Science in Civil Engineering, Texas A&M University, Kingsville, USA
- Bachelor of Engineering, Chulalongkorn University

TRAINING :

Thai Institute of Directors Association (IOD)

- 2017 Director Certification Program (DCP) 238/2017

THE BRIEF WORKING EXPERIENCE DURING THE PAST 5 YEARS :

Position in the REIT Manager of FTREIT

- 2016 – Present
Director
Fraser's Property Industrial REIT Management (Thailand) Co., Ltd.
- 2016 – 2021
Managing Director
Fraser's Property Industrial REIT Management (Thailand) Co., Ltd.

Position in other listed companies

- None -

Position in non-listed companies

- Director and Audit Committee
- The Krung Thep Thanakom Co., Ltd.
- Director
- Wangnoi Logistics Park Co., Ltd.
- Assistant Chief Executive Officer
- Fraser's Property Industrial (Thailand) Co., Ltd.



**Mr. Somboon
Wasinchutchawal**

(59)

Director

Appointed on 1 November 2021

Length of service as Director :

11 months

Direct unitholding : None

Spouse unitholding : None

Family relationship with Director and Management : None

EDUCATION :

- Master of Business Administration, Thammasat University
- Bachelor of Accounting, Thammasat University

TRAINING :

Thai Institute of Directors Association (IOD)

- 2008 Directors Certification Program (DCP) 102/2008

THE BRIEF WORKING EXPERIENCE DURING THE PAST 5 YEARS :

Position in the REIT Manager of FTREIT

- 2021 – Present
Director
Fraser's Property Industrial REIT Management (Thailand) Co., Ltd.

Position in other listed companies

- Executive Committee and Chief Financial Officer
- Fraser's Property (Thailand) Plc.

Position in non-listed companies

- Director - PT SLP Internusa Karawang, Indonesia
- Director - PT SLP Surya TICON Internusa, Indonesia
- Director - PT Surya Internusa Timur, Indonesia
- Director - N.C.C. Management & Development Co., Ltd.
- Director - Nawamin Residence Co., Ltd.
- Director - Fraser's Property Corporate Services (Thailand) Co., Ltd.
- Director - Fraser's Property Thailand (Hong Kong) Ltd.
- Director - Bangkok Logistics Park Co., Ltd.

- Director - Automation Asset Co., Ltd.
- Director - Fraser's Property Treasury Center (Thailand) Co., Ltd.
- Director - System Assets Co., Ltd.
- Director - Wangnoi Logistics Park Co., Ltd.
- Director - Bangpakong Logistics Park Co., Ltd.
- Director - ECO Industrial Services Co., Ltd.
- Director - Fraser's Property BFTZ Co., Ltd.
- Director - Fraser's Property Industrial (Thailand) Co., Ltd.
- Director - Silom Corporation Co., Ltd.
- Director - Baan Mae Phim Co., Ltd.
- Director - Golden Land Property Development Plc.
- Director - Bhakdi Hospitality Co., Ltd.
- Director - Bhakdi Retail Co., Ltd.
- Director - Kasemsubbhakdi Co., Ltd.
- Director - Fraser's Property Home Co., Ltd.
- Director - Fraser's Property Power (Thailand) Co., Ltd.
- Director - Samyan Mitrtown Holding Co., Ltd.

MANAGEMENT TEAM

As of 30 September 2022



Mr. Thanarat Boonyakosol

Managing Director

EDUCATION :

- MBA (Finance), National Institute of Development Administration

WORK EXPERIENCE :

- 2021 - Present Managing Director
Frasers Property Industrial REIT Management (Thailand) Co., Ltd.
- 2018 - 2021 Managing Director
Frasers Property Commercial Asset Management (Thailand) Co., Ltd.
- 2012 - 2018 Senior Fund Manager of Property and Infra Structure Fund Management Department
Kasikorn Asset Management Co., Ltd.
- 2000 - 2012 Assistant Vice President of Property Fund Management
One Asset Management Ltd.



Ms. Pornpimol Supawiratbanha

Chief Financial Officer

EDUCATION :

- Master's Degree in Business Administration, Thammasat University
- Bachelor's Degree in Finance and Banking, Thammasat University

WORK EXPERIENCE :

- 2018 - Present Chief Financial Officer
Frasers Property Industrial REIT Management (Thailand) Co., Ltd.
- 2001 - 2018 Head of Treasury
Frasers Property (Thailand) Plc.



Ms. Warisara Techakulwirote

Senior Vice President - Investment Property

EDUCATION :

- Master of Business Administration, Thammasat University
- Bachelor of Business Administration, Chulalongkorn University
- Certified Investment and Securities Analyst Program (CISA) level 1

WORK EXPERIENCE :

- 2019 - Present Senior Vice President - Investment Property
Frasers Property Industrial REIT Management (Thailand) Co., Ltd.
- 2008 - 2019 Senior Vice President, Real Estate & Infrastructure Investment
BBL Asset Management Co., Ltd.
- 2004 - 2008 Assistant Vice President, Property Fund Department
Krungthai Asset Management Plc.



Frasers Property Logistics Center (Amata City Chonburi)

FTREIT'S STRATEGY AND MANAGEMENT





FTREIT STRATEGY



The REIT Manager's principal objectives are to deliver regular and stable distributions to Unitholders, as well as to achieve long-term growth in DPU and NAV per unit, while maintaining a sustainable capital structure.

ACTIVE ASSET MANAGEMENT

To understand and meet the needs of the retail tenants, the REIT Manager has hired Property Managers, FPT Group ex-owners of the properties), to manage its asset because of their relationship and knowledge of the retail tenants as well as their working teams which can serve tenants in time and efficiently. From their long experience as leaders in the business of building factories and warehouses for lease, both companies have a large client base of both Thai and international clients.

Frasers Property (Thailand) group manages assets professionally and has experience in managing occupancy rate, rental rates as well as ensuring a constant renewal rate of rental agreements, in addition to improving operational efficiency and costs. Also, REIT manager engages in Asset Enhancement Initiative such as Installation solar panels on the rooftop of property.

ASSET ENHANCEMENT INITIATIVE

The REIT Manager seeks to do an Asset Enhancement Initiative ("AEI") to improve quality of properties under trust and to meet the needs of tenants. AEI includes expansion of leasable area, installing and/or building improvement. AEI shall provide opportunity to REIT to increase occupancy rate and/or WALE which should improve revenue for the trust and create memorable and enriching experiences for tenants.

INVESTMENT

The REIT Manger will continue to source and pursue strategic asset acquisitions for the trust. Backed by strong and established sponsor, Frasers Property (Thailand) group, FTREIT is able to leverage on the Sponsor's strong network and pipeline of quality assets. The Sponsor provides Right of First Refusal ("ROFR") to FTREIT and must propose selling properties to the trust before proposing them to any third party. ROFR is the key to sustainable growth for FTREIT.

FTREIT employs the strategy of investing in high quality industrial and logistics property in prime locations and strategic areas owned by other parties. FTREIT does not invest only in domestic factories and warehouses; FTREIT also invests in overseas industrial and logistics properties which can generate high returns for FTREIT. The REIT Manager considers the suitability and qualifications of the targeted properties based on following key factors:

- Quality of the assets i.e. location, landscape, building conditions, engineering systems, utilities; and overall environment; must comply with the regulations and be of acceptable risk
- Returns from investment
- Qualifications of tenants and rental & service payment ability
- Occupancy rate

In addition, based on Notification No.49/2012 announced by The Office of Securities and Exchange Commission, Thailand and trust deed, a Trust can develop greenfield projects at a value not exceeding 10% of total asset value. The opportunity to develop a greenfield project allows FTREIT to develop property in the future.

In the fiscal year 2022, FTREIT has invested in 27 units of factory and warehouse valued at THB 1,715 million (exclusive of expenses in relation to the investment in additional investment assets). The total net leasable area of the new properties is 76,675 sq.m.

CAPITAL AND RISK MANAGEMENT

The REIT manager seeks to optimize the capital structure and cost of capital structure. The REIT manager considers the market interest rate in each situation and forecasts the interest rate to help make the decision to proceed with the type of loan which reflects the lowest cost of debt to FTREIT in order to maximize benefit for the unitholders. The REIT manager sets the policy on lending loan/debentures or any type of loan at an appropriate level, to maintain refinancing risk and comply with SEC regulations which set leverage level not over 35% (for no investment grade) and 60% (for investment grade). Moreover, the Credit Rating of FTREIT is not below investment grade. The current rating of FTREIT is A (Stable Outlook) which is rated by TRIS Rating Co., Ltd. and this is the highest rating for industrial and logistics REITs in Thailand.

As of 30 September 2022, FTREIT has LTV ratio at 25.8 %, Weighted average debt maturity at 3.4 years and Weighted average cost of borrowings at 3.02% per annum.



MANAGEMENT DISCUSSION AND ANALYSIS

INDEPENDENT AUDITOR'S REPORT

| | | |
|-------------|--------------------|--|
| 2022 | Fiscal year | 1 October 2021 - 30 September 2022 |
| | Auditor | Ms. Yuwanuch Thepsongvaj Certified public accountant registration No. 5371, KPMG Phoomchai Audit Ltd. |
| | Opinion | The accompanying financial statements present fairly, in all material respects, the financial position of the Trust. |
| 2021 | Fiscal year | 1 October 2020 - 30 September 2021 |
| | Auditor | Mrs. Wilai Buranakittisopon Certified public accountant registration No. 3920, KPMG Phoomchai Audit Ltd. |
| | Opinion | The accompanying financial statements present fairly, in all material respects, the financial position of the Trust. |
| 2020 | Fiscal year | 1 October 2019 - 30 September 2020 |
| | Auditor | Mrs. Wilai Buranakittisopon Certified public accountant registration No. 3920, KPMG Phoomchai Audit Ltd. |
| | Opinion | The accompanying financial statements present fairly, in all material respects, the financial position of the Trust. |

FINANCIAL HIGHLIGHTS

Unit: million Baht

| Item | 2022 | 2021 | 2020 |
|--|-----------------|-----------------|-----------------|
| Statement of Comprehensive Income | | | |
| Rental and service income | 3,594.49 | 3,239.35 | 2,883.82 |
| Other income ⁽¹⁾ | 50.51 | 177.30 | 164.59 |
| Total income | 3,645.00 | 3,416.66 | 3,048.41 |
| Cost of rental and service | 284.46 | 214.40 | 191.62 |
| REIT management fee ⁽²⁾ | 444.15 | 422.40 | 400.21 |
| Other expenses ⁽³⁾ | 36.38 | 38.21 | 42.85 |
| Finance cost | 361.10 | 370.67 | 314.74 |
| Total expenses | 1,126.10 | 1,045.67 | 949.42 |
| Net profit on investments | 2,518.90 | 2,370.98 | 2,098.99 |

Unit: million Baht

| Item | 2022 | 2021 | 2020 |
|---|------------------|------------------|------------------|
| Statement of financial position | | | |
| Investments in freehold and leasehold properties at fair value | 46,319.38 | 44,758.33 | 41,143.61 |
| Investments measured at fair value through profit or loss | - | 300.00 | 926.02 |
| Cash and cash equivalents | 331.28 | 800.06 | 554.22 |
| Rent and service receivables | 148.53 | 130.69 | 176.47 |
| Other assets ⁽⁴⁾ | 92.17 | 76.95 | 69.45 |
| Total assets | 46,891.36 | 46,066.03 | 42,869.77 |
| Short-term loans | 1,752.01 | 800.00 | 2,856.15 |
| Deposits from rental and service | 1,157.63 | 1,163.24 | 1,033.34 |
| Long-term loan | - | 1,737.64 | - |
| Debentures | 10,331.79 | 9,034.42 | 8,638.27 |
| Other liabilities ⁽⁵⁾ | 442.45 | 419.79 | 367.36 |
| Total liabilities | 13,683.88 | 13,155.10 | 12,895.12 |
| Trust registered capital | 29,213.38 | 29,213.38 | 28,313.42 |
| Capital from trust unitholders | 31,118.59 | 31,118.59 | 28,313.42 |
| Retained earnings | 2,088.89 | 1,792.34 | 1,661.23 |
| Net Assets | 33,207.48 | 32,910.93 | 29,974.65 |
| Net asset value per unit (Baht) | 10.8401 | 10.7433 | 10.6203 |
| Number of trust units issued at the end of year (million units) | 3,063.39 | 3,063.39 | 2,822.39 |

Note : (1) Other income = Interest income + Income from rental guarantees + Income from forfeiture of rental and service deposits + Other income
(2) REIT Management fee = Trust Management fee + Trustee fee + Registrar fee
(3) Other expenses = Professional fees + Administrative expenses + Amortisation of deferred expenses
(4) Other assets = Accrued interest income + Other receivables + Deferred expenses + Other assets
(5) Other liabilities = Accrued expenses + Accrued interest expenses + Withholding taxes payable + Lease liabilities + Provision for return + Other liabilities

Unit: million Baht

| Item | 2022 | 2021 | 2020 |
|--|------------|----------|------------|
| Statement of cash flows | | | |
| Net cash from (used in) operating activities | 1,499.40 | (251.29) | (2,483.27) |
| Net cash from (used in) financing activities | (1,968.17) | 497.12 | 2,732.33 |
| Net increase (decrease) in cash and cash equivalents | (468.77) | 245.84 | 249.06 |
| Cash and cash equivalents at the beginning of period | 800.06 | 554.22 | 305.16 |
| Cash and cash equivalents at the end of period | 331.28 | 800.06 | 554.22 |

MANAGEMENT DISCUSSION AND ANALYSIS

FTREIT PERFORMANCE

(1) KEY PERFORMANCE IN FY2022

During FY2022, FTREIT invested in additional assets for 4 batches i.e. each in June, August, and 2 batches in September 2022. The additional assets are from Frasers Property Group. As at 30 September, 2022, net leaseable area (NLA) was 2,139,156 sq.m. NLA divides into factories area of 906,385 sq.m. and warehouses area of 1,232,771 sq.m. (42.4% : 57.6%). Moreover, NLA also divides into freehold area of 1,570,168 sq.m. and leasehold area of 568,988 sq.m. (73.4% : 26.6%).

The additional investment in FY2022 increased FTREIT's NLA from 2,065,106 sq.m. to 2,139,156 sq.m., increased by 3.6%. Also, number of property units under mangemement increased from 642 to 668 units (in FY2022, there was the divestment of one unit of factory, around 2,625 sq.m.). As of 30 September 2022, the occupancy rate was at 86.1%, higer than 86.4% at the end of previous year. Weighted average lease expiry (WALE) was 1.9 years. The renewal rate and average occupancy rate for 12 months (1 October 2021 – 30 September 2022) were at 84.5% and 86.4% respectively.

KEY INFORMATION OF FY2022 AS COMPARED WITH FY2021

| | As of 30 September 2021 | As of 30 September 2022 | Change (%) |
|------------------------------|-------------------------|-------------------------|------------|
| Number of properties (units) | 642 | 668 | +4.1 |
| Fair value (million Baht) | 44,758 | 46,319 | +3.5 |
| Net leasable area (sq.m.) | 2,065,106 | 2,139,156 | +3.6 |
| Occupied area (sq.m.) | 1,784,423 | 1,840,780 | +3.2 |
| Occupancy rate (%) | 86.4 | 86.1 | -0.3 |

(2) INCOME

In FY2022, FTREIT generated total income of 3,645.00 million Baht, increasing by 228.34 million Baht or 6.68% as compared to the same period of previous year. Total income consists of rent and service income of 3,594.49 million Baht, interest income of 2.81 million Baht, income from rental guarantees of 4.70 million Baht, Income from forfeiture of rental and service deposits of THB 20.93 million and other income of 22.07 million Baht.

Rent and service income in 2021 and 2022 amounted to 3,239.35 million Baht and 3,594.49 million Baht, respectively, increasing by 355.13 million Baht or 10.96% from previous year. The increase was driven by rising rent and service income from improved occupancy rate of existing assets and more NLA from the additional asset acquisition during the year as mentioned above.

(3) EXPENSES

In FY2022, FTREIT had total expenses of 1,126.10 million Baht, increasing by 80.43 million Baht or 7.69% from previous year. Main reasons were increases in cost of rent and services, trust management fee following higher rent and service income and larger portfolio from additional asset acquisitions.

(4) NET PROFIT ON INVESTMENTS

In FY2022, FTREIT's net profit on investments increased by 147.91 million Baht or 6.24% as compared to same period of previous year, due mainly to the increase of rental and service income as mentioned above.

In this regard, FTREIT had loss on changes in fair value of investments in properties of 116.27 million Baht from annual revaluation of properties.

This improved from losses of 218.70 million Baht of the previous year. Moreover, FTREIT had Net gain on sale of investments in properties of 4.60 million Baht. These resulted in increase in net assets resulting from operations of 2,407.23 million Baht for FY2022, increased by 254.94 million Baht or 11.85% from the previous year.

(5) INVESTMENTS

As of 30 September 2022, FTREIT had Investments in freehold and leasehold properties at fair value of 46,319.38 million Baht increasing from 44,758.33 million Baht as at 30 September 2021. The main reason was 4 batches of additional asset acquisitions in FY2022.

(6) LOANS AND DEBENTURES

In FY2022, FTREIT issued and offered debentures at amount of 2,600 million Baht. Moreover, short-term loans from financial institutions were drawdowned in amount of 4,002.01 million Baht for redemption of matured debentures, prepayment of long-term loan, repayment of matured short-term loans and financing investments in additional assets.

As of 30 September 2022, FTREIT had loans and debentures totaling 12,083.80 million Baht, increasing by 511.74 million Baht (net of repayment portion) as compared to at 30 September 2021. As of 30 September 2021, and 2022, IBD to total asset value (LTV%) were at 25.12% and 25.77% respectively. The ratios were lower than the rate of 35% for non-investment credit rating and 60% for credit rating at investment grade announced by the Securities and Exchange Commission (SEC). Remaining the ratio was in accordance with the terms and conditions regarding rights and duties of issuer and debenture holders of FTREIT's debentures, including the terms and conditions of loan agreement with the financial institution.

In addition, FTREIT's credit rating rated by TRIS Rating Co., Ltd. (TRIS) was at level A (Stable Outlook) (at Investment Grade). TRIS provided this rating on 31 May 2022.

| Leverage Ratio | As of 30 September | |
|---|--------------------|-------|
| | 2021 | 2022 |
| Total liabilities to capital from unitholders (times) | 0.42 | 0.44 |
| IBD to total assets value (LTV)(%) ^{(1) (2)} | 25.12 | 25.77 |
| IBD to EBITDA ratio (times) | 4.20 | 4.18 |
| Current portion of IBD to total IBD (%) | 18.15 | 18.64 |
| Interest coverage ratio (times) ⁽³⁾ | 7.43 | 8.01 |

Note : (1) IBD includes issuance of commercial paper or entrance into agreements with substance of borrowing, excludes other debts.
 (2) Debenture issuer (FTREIT) shall maintain IBD to total assets value not exceeding 60% of total assets value of the REIT at the end of fiscal year along the term of debentures.
 (3) Interest coverage ratio = (Net profit on investments + finance cost + amortisation of deferred expenses) / finance cost

FUTURE OUTLOOK

Thai and global economies have encountered continued challenges namely the continued spread of Covid-19, the Russia-Ukraine war, and the volatility in energy prices, all of which have affected the global economic growth during the past few years. However, the fully reopening of many countries after the Coronavirus have helped with the recovery of their economies and the return of their economic activities to normal levels. The Thai economy outlooks are better with growth in private consumption and investments, relocation of production base by foreign investors, improvement in tourism and service sectors, and expansion in export activities. These are in line with the government economic stimulus measures and tax incentives that promote foreign investments, particularly in the EV industry and 12 other target industries. All of these provide positive outlook for the FTREIT's assets in the future.

For the fiscal year 2023, the REIT Manager plans to continue investing in additional high-quality assets by acquiring them from Frasers Property Thailand group and from other parties, as well as preparing itself to meet the demand for property rental by upgrading and the upkeep of its properties to be in good condition for rent. It also commits to business sustainability; continue good relationships with existing tenants, finding new potential tenants who are stable, making a proper funding plan for investment opportunities in additional assets. Moreover, it shall plan its strategy for efficient management of FTREIT, and be ready to face the challenges of economic volatility and increased market competition in the property rental business.



Frasers Property Logistics Park (Sriracha)

DISTRIBUTION PAYMENT

DISTRIBUTION PAYMENT POLICY

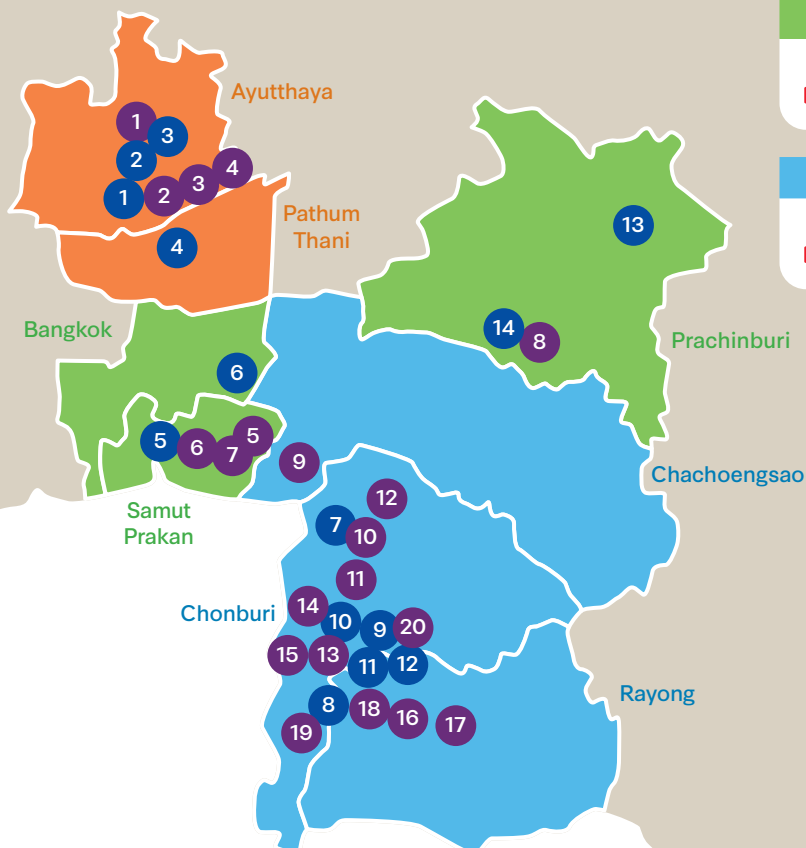
1. The Trust has a policy to pay distributions to unitholders at least twice a year. However, the REIT Manager might consider paying dividends more than twice to unitholders as it deems necessary and appropriate.
2. If the Trust has net profit in any accounting period, the REIT Manager shall pay distributions to unitholders not less than 90% of the net profit excluding unrealised gain on revaluation or valuation review of the properties or leasehold rights of the properties in that accounting period, including other adjustments according to the Notification of the Office of the Securities and Exchange Commission.
3. If the Trust has accumulated losses remaining, the REIT Manager will not pay distributions to unitholders.

HISTORICAL PAYMENT

| | Fiscal Period | Source of Distribution | Unit Rate (Baht) | | | Payment Date |
|---|----------------------|--------------------------------|------------------|----------------|--------|--------------|
| | | | Distribution | Capital Return | Total | |
| 2022 0.7070 Baht/Unit | 1 Jul 22 - 30 Sep 22 | Net Profit | 0.1870 | - | 0.1870 | 2 Dec 22 |
| | 1 Apr 22 - 30 Jun 22 | Net Profit | 0.1750 | - | 0.1750 | 1 Sep 22 |
| | 1 Jan 22 - 31 Mar 22 | Net Profit | 0.1750 | - | 0.1750 | 1 Jun 22 |
| | 1 Oct 21 - 31 Dec 21 | Net Profit | 0.1700 | - | 0.1700 | 3 Mar 22 |
| 2021 0.6740 Baht/Unit | 1 Jul 21 - 30 Sep 21 | Net Profit | 0.1690 | - | 0.1690 | 2 Dec 21 |
| | 1 Apr 21 - 30 Jun 21 | Net Profit | 0.1690 | - | 0.1690 | 1 Sep 21 |
| | 1 Jan 21 - 31 Mar 21 | Net Profit | 0.1680 | - | 0.1680 | 2 Jun 21 |
| | 1 Oct 20 - 31 Dec 20 | Net Profit | 0.1680 | - | 0.1680 | 3 Mar 21 |
| 2020 0.6690 Baht/Unit | 1 Jul 20 - 30 Sep 20 | Retained earnings | 0.1680 | - | 0.1680 | 2 Dec 20 |
| | 1 Apr 20 - 30 Jun 20 | Net Profit | 0.1670 | - | 0.1670 | 3 Sep 20 |
| | 1 Jan 20 - 31 Mar 20 | Net Profit | 0.1670 | - | 0.1670 | 8 Jun 20 |
| | 1 Oct 19 - 31 Dec 19 | Net Profit | 0.1670 | - | 0.1670 | 11 Mar 20 |
| 2019 0.6680 Baht/Unit | 1 Jul 19 - 30 Sep 19 | Net Profit & Retained earnings | 0.1670 | - | 0.1670 | 11 Dec 19 |
| | 1 Apr 19 - 30 Jun 19 | Net Profit | 0.1670 | - | 0.1670 | 12 Sep 19 |
| | 1 Jan 19 - 31 Mar 19 | Net Profit | 0.1670 | - | 0.1670 | 7 Jun 19 |
| | 1 Oct 18 - 31 Dec 18 | Net Profit | 0.1670 | - | 0.1670 | 14 Mar 19 |
| 2018 0.4800 Baht/Unit | 1 Jul 18 - 30 Sep 18 | Net Profit & Retained earnings | 0.1600 | - | 0.1600 | 18 Dec 18 |
| | 1 Apr 18 - 30 Jun 18 | Net Profit & Retained earnings | 0.1569 | 0.0031 | 0.1600 | 11 Sep 18 |
| | 1 Jan 18 - 31 Mar 18 | Net Profit | 0.1600 | - | 0.1600 | 11 Jun 18 |

Note : The more historical payment is available on www.ftreit.co.th

LOCATION FOOTPRINT



NORTHERN BKK



Factory
143 units



Warehouse
27 units

EASTERN BKK



Factory
22 units



Warehouse
55 units

EEC



Factory
188 units



Warehouse
233 units

Factory 353 units
Warehouse 315 units



Property
668
units



Leasable area
2.13
Million sq.m.



Average
Lease Expiry
1.9 Years



Occupancy
Rate
86.4%

PROPERTY DETAILS

As of 30 September 2022, FTREIT invested in high standard factories and warehouses which located in strategic industrial and logistics area. There are totaling 668 units of factories and warehouses with net leasable area of 2,139,156 sq.m. Details are as follows:

| Project / Industrial Estate / Industrial Park / Industrial Promotion Zone | Ownership | | No (Unit) | Net Leasable Area (Sq.m.) | Cost (Baht) | Fair Value adjusted based on Thai Accounting Standard ⁽¹⁾ (Baht) | | Investment Year (Based on fiscal year) |
|---|-----------|-------------------|-----------|---------------------------|----------------|---|--|--|
| | FH | LH ⁽²⁾ | | | | | | |
| FACTORY | | | | | | | | |
| 1 Bangpa-in Industrial Estate | 100% | - | 15 | 32,300 | 730,911,670 | 659,312,500 | | 2017, 2018 |
| 2 Hi-Tech Industrial Estate | 90% | 10% | 42 | 116,653 | 2,471,155,543 | 2,703,544,629 | | 2014, 2017, 2018, 2020, 2021, 2022 |
| 3 Rojana Industrial Park - Ayutthaya | 93% | 7% | 63 | 150,282 | 3,152,772,907 | 3,314,076,096 | | 2014, 2015, 2017, 2018, 2021, 2022 |
| 4 Navanakorn Industrial Promotion Zone | 91% | 9% | 23 | 56,850 | 1,220,093,593 | 1,251,473,302 | | 2017, 2018, 2020, 2022 |
| 5 Bangpoo Industrial Estate | 100% | - | 13 | 40,325 | 919,216,540 | 1,091,341,000 | | 2017, 2018 |
| 6 Ladkrabang Industrial Estate | 100% | - | 1 | 1,300 | 39,887,357 | 35,900,000 | | 2021 |
| 7 Amata City Chonburi Industrial Estate | 91% | 9% | 103 | 271,225 | 6,827,642,866 | 7,594,806,382 | | 2015, 2017, 2018, 2020 |
| 8 Amata City Rayong Industrial Estate | 81% | 19% | 38 | 100,400 | 2,387,233,094 | 2,646,737,507 | | 2014, 2015, 2017, 2020 |
| 9 WHA Industrial Development Chonburi 1 | 100% | - | 6 | 18,300 | 505,287,630 | 452,721,000 | | 2014, 2015, 2021 |
| 10 Pinthong Industrial Estate 1 | 100% | - | 19 | 39,250 | 917,000,000 | 1,007,931,681 | | 2017 |
| 11 Pinthong Industrial Estate 2 | 59% | 41% | 9 | 21,025 | 485,779,903 | 477,132,243 | | 2014, 2017 |
| 12 Pinthong Industrial Estate 3 | 87% | 13% | 13 | 38,100 | 963,834,804 | 944,575,400 | | 2014, 2017 |
| 13 Kabinburi Industrial Zone | 100% | - | 3 | 7,125 | 154,202,374 | 154,202,373 | | 2022 |
| 14 Rojana Industrial Park – Prachinburi | 100% | - | 5 | 13,250 | 322,425,467 | 322,425,466 | | 2022 |
| Total | | | 353 | 906,385 | 21,097,443,748 | 22,656,179,579 | | |
| WAREHOUSE | | | | | | | | |
| 1 Frasers Property Logistics Center (Rojana Ayutthaya) | 100% | - | 3 | 18,324 | 294,000,000 | 315,000,000 | | 2017 |
| 2 Frasers Property Logistics Center (Wang Noi 1) | 100% | - | 15 | 89,616 | 1,893,632,644 | 2,125,453,013 | | 2017, 2021 |
| 3 Frasers Property Logistics Park (Wang Noi 2) | 100% | - | 8 | 19,600 | 380,399,645 | 356,000,000 | | 2015, 2020 |
| 4 Cold Storage (CTD) | 100% | - | 1 | 18,354 | 668,454,696 | 664,800,342 | | 2019 |
| 5 Frasers Property Logistics Center (Bangplee 1) | - | 100% | 10 | 76,477 | 1,449,601,143 | 1,414,341,610 | | 2014, 2015 |
| 6 Frasers Property Logistics Center (Bangplee 2) | - | 100% | 9 | 124,634 | 2,087,509,328 | 1,919,188,816 | | 2021 |
| 7 Frasers Property Logistics Center (Bangplee 3) | - | 100% | 28 | 106,692 | 1,955,288,238 | 1,910,604,070 | | 2015, 2018 |

| Project / Industrial Estate / Industrial Park / Industrial Promotion Zone | Ownership | | No (Unit) | Net Leasable Area (Sq.m.) | Cost (Baht) | Fair Value adjusted based on Thai Accounting Standard ⁽¹⁾ (Baht) | Investment Year (Based on fiscal year) |
|---|-----------|-------------------|------------|---------------------------|-----------------------|---|--|
| | FH | LH ⁽²⁾ | | | | | |
| 8 Frasers Property Logistics Center (Rojana Prachinburi) | 100% | - | 8 | 14,832 | 342,545,860 | 290,800,000 | 2018 |
| 9 Frasers Property Logistics Park (Bangna) | 31% | 69% | 82 | 258,260 | 5,126,216,188 | 4,775,733,877 | 2014, 2015, 2017 |
| 10 Frasers Property Logistics Center (Amata City Chonburi) | 100% | - | 7 | 19,650 | 485,500,000 | 535,631,615 | 2017 |
| 11 Frasers Property Logistics Park (Sriracha) | 100% | - | 22 | 99,768 | 1,845,351,618 | 1,712,786,839 | 2014, 2019, 2020, 2021 |
| 12 Frasers Property Logistics Center (Phan Thong 1) | 100% | - | 8 | 30,100 | 661,755,970 | 627,559,164 | 2015, 2022 |
| 13 Frasers Property Logistics Center (Laemchabang 1) | 100% | - | 21 | 69,404 | 1,229,400,000 | 1,360,519,403 | 2017 |
| 14 Frasers Property Logistics Park (Laemchabang 2) | 100% | - | 26 | 81,700 | 1,916,036,201 | 1,710,704,476 | 2014, 2015, 2019, 2020 |
| 15 Frasers Property Logistics Center (Laemchabang 3) | 100% | - | 24 | 80,012 | 2,127,338,446 | 1,719,000,000 | 2019 |
| 16 Frasers Property Logistics Center (Eastern Seaboard 1 A) | 100% | - | 7 | 35,430 | 602,080,180 | 591,028,277 | 2017, 2018 |
| 17 Frasers Property Logistics Center (Eastern Seaboard 1 B) | 100% | - | 12 | 28,968 | 565,870,079 | 517,500,000 | 2015, 2018 |
| 18 Frasers Property Logistics Center (Eastern Seaboard 2 A) | 100% | - | 7 | 24,900 | 479,528,016 | 459,348,363 | 2014, 2022 |
| 19 Frasers Property Logistics Park (Eastern Seaboard 3) | 100% | - | 8 | 15,350 | 310,999,956 | 310,999,956 | 2022 |
| 20 Frasers Property Logistics Center (Bowin) | 100% | - | 9 | 20,700 | 359,684,210 | 346,200,000 | 2018 |
| Total | | | 315 | 1,232,771 | 24,781,192,418 | 23,663,199,821 | |
| Grand Total | | | 668 | 2,139,156 | 45,878,636,166 | 46,319,379,400 | |

| Type of Property | No (Unit) | Net Leasable area (Sq.m.) | Cost (Baht) | Fair Value adjusted based on Thai Accounting Standard ⁽¹⁾ (Baht) | Fair Value adjusted based on Thai Accounting Standard / NAV (%) |
|---|------------|---------------------------|-----------------------|---|---|
| Factory ⁽³⁾ | 353 | 906,385 | 21,097,443,748 | 22,656,179,579 | 68.23 |
| Warehouse ⁽³⁾ | 315 | 1,232,771 | 24,781,192,418 | 23,663,199,821 | 71.26 |
| Total | 668 | 2,139,156 | 45,878,636,166 | 46,319,379,400 | 139.48 |
| Net Assets Value (NAV) as of 30 September 2022 | | | | 33,207,483,772 | 100.00 |

Remark : 1. Fair value based on Income approach method adjusted based on Thai Accounting Standard No. 40 (TAS40) "Property Investment", disclosed in statement of financial position as of 30 September 2022)
2. Average land lease term remaining of 21.1 years
3. Average age of factory = 15.0 years and average age of warehouse = 9.4 years

VALUE OBTAINED FROM LATEST REVIEW OF APPRAISAL REPORT

(1) APPRAISAL VALUE OF THE MAIN INVESTMENT ASSETS BEFORE ACQUIRING IN 2022

The appraisal values on the assets for initial investment, the first capital increase, the conversion of TFUND, TLOGIS and TGROWTH and the additional investment during fiscal year 2018 - 2021, totally 642 units composed of factory 341 units and warehouse 301 units were assessed by 15 Business Advisory Co., Ltd., and Jones Langlasalle (Thailand) Ltd., independent appraisal which can be summarized as follows:

Part 1 - Appraisal report dated 1 November 2021, fair value of THB 2,305,200,000

Part 2 - Appraisal report dated 1 May 2022, fair value of THB 22,513,700,000

Part 3 - Appraisal report dated 1 August 2022, fair value of THB 19,705,900,000

| Type of asset | No (Unit) | NLA (Sq.m.) | Type of Ownership | Fair Value ⁽²⁾ (Baht) | Fair Value adjusted based on Thai Accounting Standard ⁽³⁾ (Baht) |
|---------------|--------------------|------------------|-------------------|----------------------------------|---|
| Factory | 340 ⁽¹⁾ | 873,660 | Freehold | 20,304,700,000 | 20,293,320,872 |
| | | | Leasehold | 1,558,200,000 | 1,555,718,752 |
| Warehouse | 301 | 1,188,821 | Freehold | 14,691,500,000 | 14,678,387,540 |
| | | | Leasehold | 7,970,400,000 | 8,072,286,904 |
| Total | 641 | 2,062,481 | | 44,524,800,000 | 44,599,714,068 |

Remark :

1. As of 9 December 2021, FTREIT divested land with a factory building, located in Navanakorn Industrial Zone, Pathum Thani province.
2. Fair value based on Income approach method.
3. Fair value based on Income approach method adjusted based on Thai Accounting Standard No.40 (TAS40) "Property Investment", disclosed in statement of financial position as of 30 September 2022).

SUMMARY OF KEY ASSUMPTIONS

VALUATION METHOD

Discounted cash flows; The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected market rental growth rate, occupancy rate and capitalisation rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

- Expected market rental growth rates = 2.5% - 3.0%
- Occupancy rates = 70.0% - 95.0%
- Discount rates = 8.0% - 9.5%
- Capitalisation rates = 6.0%

For more information, please read the report on website <https://www.ftreit.co.th/th/investor-relations/downloads/appraisal-reports>

(2) APPRAISAL VALUE OF THE ADDITIONAL INVESTMENT ASSETS IN FISCAL YEAR 2022

In fiscal year 2022, FTREIT acquired new assets totaling of 4 times. The reasons of investment are to enhance FTREIT's portfolio growth, as well as to diversify investment risks. The fair values of assets are based on income approach method from appraisal reports of Nexus Property Consultant Co., Ltd. and 15 Business Advisory Limited, the independent appraisers.

| Project | Fair Value (Million Baht) | | Investment Value ⁽¹⁾ (Million Baht) | Vendor ⁽²⁾ | Transaction Date |
|--|---------------------------|-------------|---|-----------------------|------------------|
| | Nexus | 15 Business | | | |
| (1) Navanakorn Industrial Promotion Zone | | | | | |
| Freehold land and factory, 1 unit with NLA 2,975 sq.m. | 72.80 | 70.10 | 77.11 | FPT | 28 Jun 2022 |
| Rojana Industrial Park - Ayutthaya | | | | | |
| Freehold land and factory, 2 units with NLA 4,550 sq.m. | 118.30 | 108.70 | 119.57 | FPT | |
| Frasers Property Logistics Center (Eastern Seaboard 2 A) | | | | | |
| Freehold land and warehouse, 3 units with NLA 9,100 sq.m. | 174.20 | 164.10 | 180.51 | FPIT | |
| Frasers Property Logistics Center (Phan Thong 1) | | | | | |
| Freehold land and warehouse, 3 units with NLA 19,500 sq.m. | 383.60 | 381.20 | 419.32 | FPIT | |
| Valuation date was 1 June 2022 | | | | | |
| (2) Hi-Tech Industrial Estate | | | | | |
| Freehold land and factory, 2 units with NLA 4,825 sq.m. | 124.70 | 121.00 | 133.10 | FPT | 1 Aug 2022 |
| Valuation date was 1 June 2022 | | | | | |
| (3) Frasers Property Logistics Park (Eastern Seaboard 3) | | | | | |
| Freehold land and warehouse, 8 units with NLA 15,350 sq.m. | 299.20 | 281.90 | 310.09 | FPIT | 15 Sep 2022 |
| Valuation date was 1 June 2022 | | | | | |
| (4) Kabinburi Industrial Zone | | | | | |
| Freehold land and factory, 3 units with NLA 7,125 sq.m. | 148.40 | 139.80 | 153.78 | FPT | 23 Sep 2022 |
| Rojana Industrial Park - Prachinburi | | | | | |
| Freehold land and factory, 5 units with NLA 13,250 sq.m. | 301.30 | 292.40 | 321.64 | | |
| Valuation date was 1 June 2022 | | | | | |
| Total | | | 1,715.12 | | |

Remark :

1. Investment value is the fair value before adjusting following on Thai Accounting Standard (exclusive of expenses in relation to the investment in additional investment assets)
2. FPT = Frasers Property (Thailand) Plc., and FPIT = Frasers Property Industrial (Thailand) Co., Ltd.
3. Source of funds was from borrowings.
4. Expenses in relation to the investment in additional investment assets are composed of, for example, Appraisal Fees, Legal Fees, and Independent Financial Adviser Fee.

SUMMARY OF KEY ASSUMPTIONS

VALUATION METHOD

Discounted cash flows; The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected market rental growth rate, occupancy rate and capitalisation rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

- Expected market rental growth rates = 2.5% - 3.0%
- Occupancy rates = 75.0% - 85.0%
- Discount rates = 9.0%
- Capitalisation rates = 6.0%

(3) APPRAISAL VALUE OF THE DISPOSITION ASSETS IN FISCAL YEAR 2022

In fiscal year 2022, FTREIT sold real estate 1 time for reasons to diversify investment risks and receive benefit from realize gain of disposal. The fair value of the assets is based on Income approach method from the appraisal reports of 15 Business Advisory Limited, the independent appraiser.

| Project | Investment Value ⁽¹⁾ (Million Baht) | Fair Value ⁽²⁾ (Million Baht) | Disposal Value ⁽³⁾ (Million Baht) | Transaction Date |
|--|---|---|---|---------------------|
| Navanakorn Industrial Promotion Zone Freehold land and factory, 1 unit with NLA 2,625 sq.m. The buyer is Afrex (Thailand) Co., Ltd. (Not a related party) | 51.20 | 57.60 | 60.00 | 9 Dec 2021 |

Remark : 1. As at 20 December 2017

2. As at 1 September 2021

3. This transaction has been approved by the REIT manager's Board of Directors. As the transaction size is less than 3% of the net assets, therefore there is no requirement to propose to the unitholders' meeting.

SUMMARY OF KEY ASSUMPTIONS

VALUATION METHOD

Discounted cash flows; The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected market rental growth rate, occupancy rate and capitalisation rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

- Expected market rental growth rates = 2.5%
- Occupancy rates = 70.0% - 80.0%
- Discount rates = 9.0%
- Capitalisation rates = 6.0%

RETURN FROM INVESTMENT PROPERTY

REVENUE STRUCTURE

Revenue Structure of FTREIT can be breakdown by type of assets as following detail.

Unit: million Baht

| Type of asset | 2022 (1 Oct. 2021 - 30 Sep. 22) | | 2021 (1 Oct. 20 - 30 Sep. 21) | |
|--|------------------------------------|--------------|----------------------------------|--------------|
| | Amount | % | Amount | % |
| 1 Factory | 1,654.5 | 46.0 | 1,546.1 | 47.7 |
| 2 Warehouse | 1,940.0 | 54.0 | 1,693.3 | 52.3 |
| Total rental and service income | 3,594.5 | 100.0 | 3,239.4 | 100.0 |

Remark : Rental and service income composed of lease income, service income, utility income, insurance income and land and building tax income.

REVENUE CONCENTRATION OF TOP TEN TENANTS

From the efficient management of tenant groups and additional asset acquisition, as of 30 September 2022, the concentration of the top 10 tenants was at 24.34%.

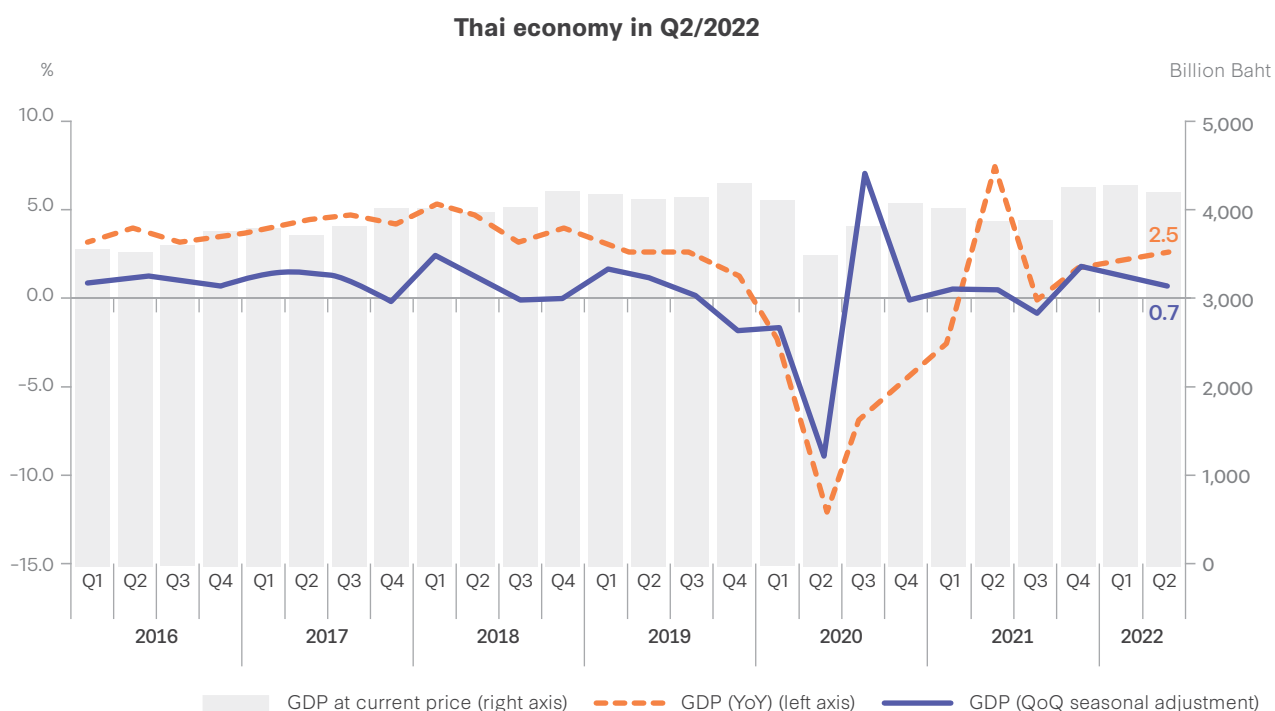
LIST OF TOP 10 TENANTS

As of 30 September 2022

| No. | Nationality | % of total rental and service income | Industry |
|-----|-------------|--------------------------------------|-------------|
| 1 | German | 6.84% | Logistics |
| 2 | Thai | 3.80% | Retail |
| 3 | Korean | 2.67% | Electronics |
| 4 | Japanese | 2.24% | Logistics |
| 5 | Singaporean | 1.75% | Electronics |
| 6 | Thai | 1.56% | Logistics |
| 7 | Thai | 1.53% | Logistics |
| 8 | USA | 1.36% | Logistics |
| 9 | Japanese | 1.30% | Automotive |
| 10 | Chinese | 1.29% | E-commerce |

INDUSTRY OUTLOOK

1. THAI ECONOMY OUTLOOK



Source : NESDC Report

The Thai Economy in the second quarter of 2022 increased by 2.5%, accelerating from a 2.3% growth in the previous quarter. This was mainly from the private consumption and the export of services. However, the export of goods, the government consumptions, and the private and government investments trended to be decelerated. For the Production side, especially the accommodation and food service activities, the wholesale and retail trade; repair of motor vehicles and motorcycles, and the transportation and storage continued to increase. In term of the agricultural and the electricity, gas, steam and air conditioning supply was slowed down. Meanwhile, manufacturing and construction sectors was decreased. After seasonal adjustment, the Thai economy grew by 0.7% from the first quarter. As the result, in the first half of 2022, the Thai economy expanded by 2.4%.

The Thai economy in 2022 is projected to expand in the range of 2.7% - 3.2%, mainly supported by; (i) the improvement in private consumption; (ii) the recovery of tourism sector; and (iii) the continual expansion of export of goods. Export value of goods in US dollar terms is anticipated to expand by 7.9%. Meanwhile, private consumption expenditure and private investment are expected to increase by 4.4% and 3.1%, respectively. Headline inflation is estimated to be in the range of 6.3% - 6.8% and the current account is projected to record a deficit of 1.6% of GDP. However, the Thai economy may be affected by several key risk factors, which could result in slower-than-expected growth and needed to be closely monitored, including: (i) the volatility of the global economy and financial market; (ii) the flood situation; and (iii) the uncertain situation of COVID-19 and monkeypox outbreaks.

PRIVATE CONSUMPTION AND GOVERNMENT EXPENDITURE

Private consumption expenditures expanded by 6.9%, accelerating from a 3.5% expansion in the previous quarter. This was mainly supported by an easing of COVID-19 infection control measures. Expenditure in services increased by 13.7%, accelerating from a 4.1% growth in the previous quarter, following an accelerated expansion of spending on restaurants & hotels, and recreation & culture which grew by 56.9% and 6.8%, respectively. Expenditure in semi-durable goods increased by 1.9%, accelerating from a 0.4% expansion in the previous quarter, in line with an accelerated expansion of spending on furnishings & household equipment, and clothing & footwear which expanded by 1.0% and 2.4%, respectively. However, expenditure in non-durable goods increased by 2.7%, decelerating from a 3.3% growth in the previous quarter, in accordance with a slowdown of spending in electricity, and gas & other fuels which grew by 0.4%, compared with a 3.4% growth in the previous quarter. Expenditure on durable goods grew by 3.4%, decelerating from a 4.5% growth in the previous quarter, following a slowdown of spending on purchase of vehicles which grew by 10.7%, compared with a 14.1% growth in the previous quarter. However, the consumer confidence index towards the economic situation decreased to 34.9 from 37.3 in the previous quarter, due to the concern towards the rising cost of living amid prolonged geopolitical conflict between Russia and Ukraine.

Government consumption expenditure increased by 2.4%, compared with a 7.2% growth in the previous quarter. Whereas, social welfare expenditure (Non – Monetary Items) for purchases of goods and services dropped by 17.0%, compared with a 87.6% growth in the previous quarter. Moreover, compensation of employees (wage and salary) and purchases of goods and services increased by 1.3% and 0.1% respectively. The government budget disbursement rate in this quarter was at 22.9%.

Summary of the first half of 2022, private consumption and government consumption expenditure expanded by 5.2%, and 4.7% respectively.

INVESTMENT

Total investment decreased by 1.0% in this quarter, compared with 0.8% growth in the previous quarter, in accordance with decrease in the public investment about 9.0%, compared with consecutively decreased of 4.7% in the previous quarter. Such decrease was consisted of decrease in the government investment of 15.1% and increase in state-owned enterprises (SOEs) of 2.9%. The disbursement rate of capital budget in this quarter was 18.0%, higher than 15.1% in the previous quarter but lower than 20.5% in the same quarter of last year. For the private investment increased by 2.3%, slower down compared with a 2.9% growth in the previous quarter. This was due to lower increase in investment in machinery and equipment of 3.3%, accelerating from 5.4% in the previous quarter. Meanwhile, investment in construction declined by 1.3% for 7 consecutive years but lower than the decrease of 8.0% in the previous quarter. The other private construction decreased by 40.9%, due to the final phase of the mass rapid transit construction for the yellow line and pink line.

Summary of the first half of 2022, total investment decreased by 0.1% decrease of Public Investment and 2.6% growths of private investment.

EXPORTS

Export value in the second quarter of 2022 was recorded at 74,523 million US dollars, increasing by 9.7%, compared with 14.4% growth in the previous quarter. The export volume index expanded by 4.4%, decelerating from a 10.1% increase in the previous quarter. The sector that had the expansion were Chemicals and Petrochemicals (4.9%), Machinery and equipment (7.0%), Integrated circuits and parts (9.4%), Electrical appliance parts (3.8%), Medical equipment and tools (8.0%), Animal feeds (21.6%), Rice (46.6%), Rubbers (3.0%), and Sugar (113.6%) etc. Meanwhile, Passenger cars, Trucks, Parts and computer equipment, and rubber products were decreased by 48.3%, 9.6%, 10.1%, and 13.1%, respectively. The export price increased by 5.1%, continued from a 4.0% rise in the previous quarter.

The exports to the main markets continually expanded while exports to China, Hong Kong, and Australia decreased. Excluding unwrought gold, export value expanded by 9.9 percent. In Baht terms, export value was increased by 20.5%.

Summary of the first half of 2022, the export value was 147,811 million US dollars, increased by 12.0%, accordance with an increase in export volume and price of 7.1% and 4.6%, respectively.

MANUFACTURING

Manufacturing sector declined by 0.5%, compared to 2.0% growth in the previous quarter according to the decrease in all production groups. The contraction was partly caused by the continued global supply disruption. This was in line with the decrease in the Manufacturing Production Index (MPI) of 0.7%. Manufacturing Production Index of the industries of the export-oriented industries (with export share of more than 60% of total production) continued to decline by 2.0% from 0.2% in the previous quarter. Manufacturing Production Index of the domestic-oriented industries (with export share of less than 30% of total production) decreased by 0.3%, compared to 2.2% growth in the previous quarter. For the last crucial index, Manufacturing Production Index of the industries (with 30%-60% export share of total production) declined slightly by 0.1%, compared to 2.3% expansion in the previous quarter. The average capacity utilization rate was at 61.08%, lower than 66.53% in the previous quarter and also 62.65% in the same period of last year. In the details, MPI with negative growth came from computer and peripheral equipment (-29.6%), plastics and synthetic rubber in primary forms (-11.6%), and basic iron and steel (-10.6%) etc. On the other hand, MPI with positive growth came from refined petroleum products (14.6%), motor vehicles (1.6%), and other rubber products (12.2%) etc.

Summary of the first half of 2022, the Manufacturing Production Index increased by 0.7 and the average capacity utilization rate was 63.81%.

TRANSPORTATION AND STORAGE

Transportation and storage sector continued to expanded for the third consecutive quarter by 5.3%, accelerated from a 4.6% growth in the previous quarter, following the continued expansion at a higher pace of air transport, land transport and transport via pipelines. Such expansion was in accordance with 27.1% growth, consisted of (i) a 148.2% increase in Air Transport Services Index, compared with 53.8% growth in the previous quarter (ii) a 15.2% increase in Land Transport and Transport via Pipeline Services Index, compared with 5.8% growth in the previous quarter (iii) a 1.4% increase in Water Transport Services Index. Besides, warehousing and support activities for transportation rose by 6.0%. Likewise, postal and courier activities continued to increase by 4.0%.

Summary of the first half of 2022, Transportation and storage sector expanded by 4.7%

Source : Thai Economic Performance in Q2 and Outlook for 2022, the National Economic and Social Development Council (NESDC), August 15, 2022.

THAI ECONOMIC OUTLOOK IN 2023

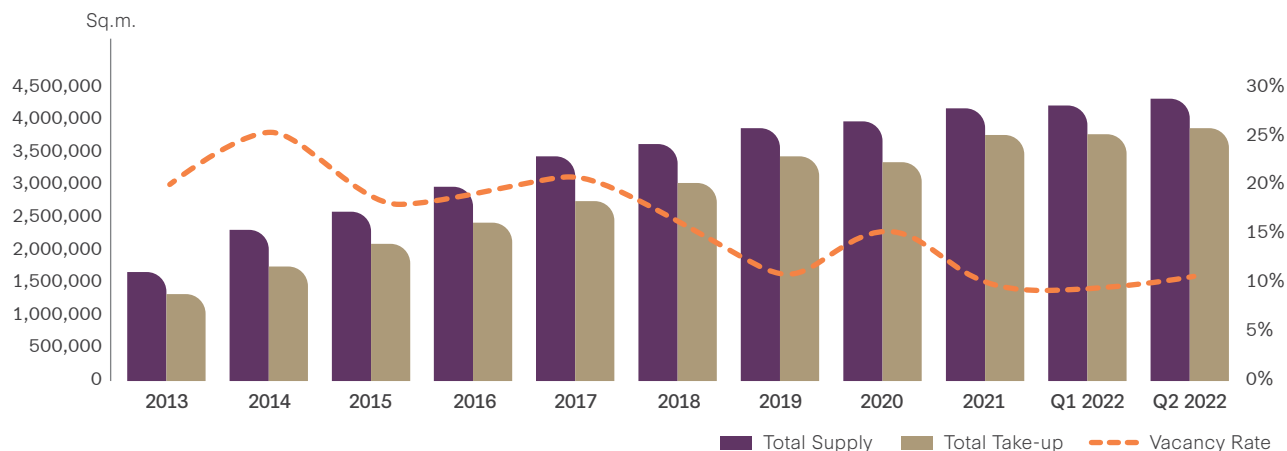
Thai economy in 2023 is expected to grow in the range of 3.0% - 4.0%, mainly supported by;

- (1) The number of tourists is expected to recovery especially the tourists from Asia, Europe, and America. Such recovery is expected to have more tourists travel to Thailand about 21.5 million people or an increase of 109% from the previous year;
 - (2) The private consumption is expected to increase by 3.2%;
 - (3) The export value of goods is anticipated to expand at slower speed by 2.5% following the softening global demand and trading partners;
 - (4) The private and public investment is anticipated to increase by 2.6% and 2.4%, respectively;
- Source: Office of the National Economic and Social Development Council (NESDC) as of 21 November 2022,

Source : Office of the National Economic and Social Development Council (NESDC) as of 21 November 2022, Bureau of Macroeconomic Policy (Ministry of Finance) as of 28 October 2022.

2. OVERALL WAREHOUSE MARKET

SUPPLY AND DEMAND OF WAREHOUSES FOR RENT



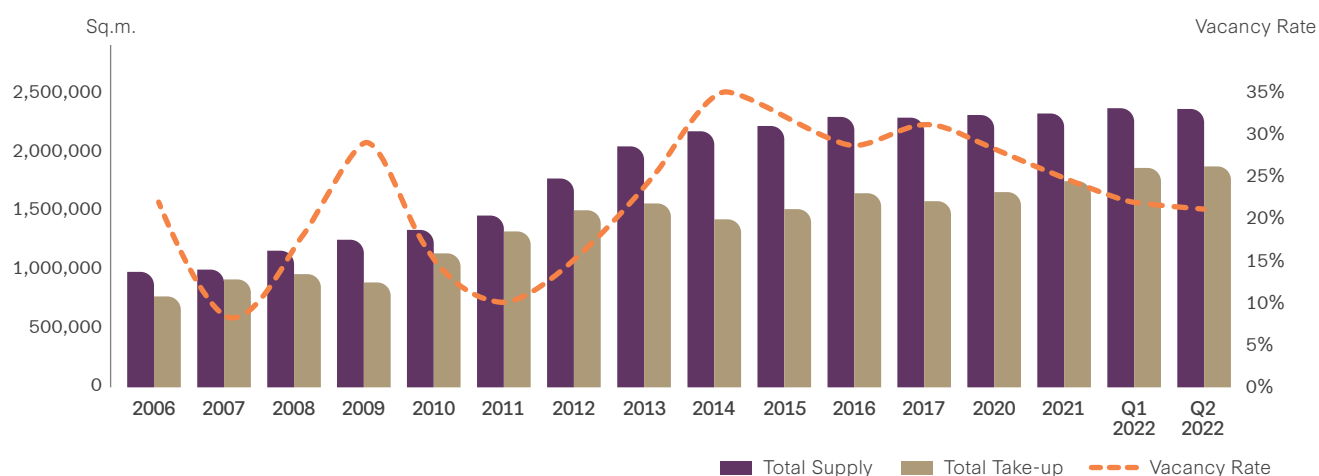
Source : CBRE Research, Q2 2022

The total supply of warehouses was at 4,272,321 sq.m. in the second quarter of 2022 increased by 112,626 sq. m., or 2.7% Q-o-Q and 7.2% Y-o-Y.

The total net take-up in the second quarter of 2022 was at 3,829,412 sq.m. increased by 53,984 sq. m., or 1.4% Q-o-Q and 12.5% Y-o-Y, which increased the occupancy rate to 90.8% from 89.6% in the previous quarter.

3. OVERALL FACTORY MARKET

SUPPLY AND DEMAND OF FACTORIES FOR RENT



Source : CBRE Research, Q2 2022

The total supply of factories for rent was at 2,389,427 sq.m. in the second quarter of 2022 increased slightly 1.7% Q-o-Q. Developer continue to be cautious adding speculative ready-built factories (RBF) development, preferring to wait for built-to-suit solutions where lease term are typically over 10 years, providing clients with bespoke solutions and developer with certain, longer term cashflows from rental factories.

The total net take-up in the second quarter of 2022 was at 1,906,045 sq.m. slightly increased 1.4% Q-o-Q but slightly decreased 1.9% Y-o-Y. The occupancy rate was at 79.8% slightly decreased from 80.0% in the previous quarter.

Source : CBRE Thailand

INDUSTRYSUMMARY AND OUTLOOK

In 2022, the warehouse industry continued to grow following the loosening of COVID-19 measurements, a recovery of production manufacturing, exports, and online shopping. According to Kasikorn research center, the online shopping is expected to be increased for the all year round of 2022, particularly B2C E-commerce which anticipated the value of THB 5.65 hundred thousand million or 13.5% Y-o-Y increases, approximately. Furthermore, they expected the market share of B2C E-Commerce will be increased from 14% in 2021 to 16% in 2022, compared to the total market share of retails segments.

For the industrial and industrial estate industry had significantly benefited from the loosening of the restrictions of COVID-19, especially the travel restrictions, which made the foreign investors had able to visit Thailand much easier than before.

The index of industrial confidence in June 2022 was at 86.3, increased from 84.3 in May 2022, which is the first time in 3 months. Meanwhile, the manufacturing sector improved in line with the Goods Order Index and domestic sales, increased from the previous month. The new land was sold or leased in the industrial estate in Q2-2022 has benefited from the existing tenants base, the expansion in the area, and the demand from foreign investors. Especially from China and Japan. In term of mega infrastructure projects from public investments in the Eastern Economic Corridor (EEC), such as a high-speed train connecting three airports, the Eastern Aviation City Laem Chabang Port Development project phase 3, the U-Tapao International Airport Development Project, and the Map Ta Phut Industrial Port Development Project Phase 3, assured the confidential of foreign investors, resulted in the sold/leased in the industrial estate increased of 81.98%. The new sales/leases mostly occurred in the EEC area for 85.28%. About the applications for the investment promotion in targeted industries from BOI had a total investment value of THB 100.58 billion. The target industries with the most applications for promotion were automotive, electrical appliances and electronics, and the food processing industry respectively.

However, we also have the negative factors that needed monitored closely, including the ongoing consequence from Russia-Ukraine war, resulted in the raw material and energy price remain fluctuated. Therefore, production costs increased even as many countries faced the inflation problems, soften the prospects of the global economy. Purchasing power of our partner countries tend to be slowed down, particularly the US and the European Union.

Source : Colliers Thailand



RISK MANAGEMENT AND CORPORATE GOVERNANCE



MANAGEMENT

Management structure of FTREIT as of 30 September 2022 consists of;

1



REIT

2



**REIT
MANAGER**

3



**PROPERTY
MANAGER**

4



TRUSTEE



1. REIT

GENERAL INFORMATION

| | |
|--|---|
| Name | Frasers Property Thailand Industrial Freehold & Leasehold REIT |
| Address | Sathorn City Tower, 7 th , 21 st and 26 th Floor, 175 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 |
| Website | www.ftreit.co.th |
| Trust registered and capital from unitholders | 3,063,387,048 units, 31,118,590,048 Baht |
| Par value | 9.5363 Baht |
| Legal structure | Trust |
| Term and type | Indefinite Maturity and Unredeemable |
| Type of business | Invest in freehold and leasehold of properties which are land and warehouses, factories and/or offices |
| Accounting period | 1 October – 30 September |
| Ticker symbol | FTREIT |

UNITHOLDER STRUCTURE

On the closing date as of 30 September 2022, the top ten unitholders consist of:

| No. | Name of natural person / Juristic Person | No. of Units | % ⁽³⁾ |
|--------------|--|----------------------|------------------|
| 1 | Frasers Property Group ^{(1), (2)} | 815,428,298 | 26.62 |
| 2 | Social Security Office | 339,689,673 | 11.09 |
| 3 | Bangkok Life Assurance Plc. | 168,825,156 | 5.51 |
| 4 | Bangkok Bank Plc. | 123,535,978 | 4.03 |
| 5 | K Property Infrastructure Flexible Fund | 103,095,582 | 3.37 |
| 6 | TMB EASTSPRING Property and Infrastructure Income Plus Flexible Fund | 82,613,405 | 2.70 |
| 7 | Principal Property Income Fund | 62,340,624 | 2.03 |
| 8 | SCB Property and Infrastructure Flexible Fund | 61,615,956 | 2.01 |
| 9 | Mitsui & Co. (Asia Pacific) Pte. Ltd. ⁽²⁾ | 48,800,000 | 1.59 |
| 10 | Muang Thai Life Assurance Plc. | 36,219,042 | 1.18 |
| 11 | Others | 1,221,223,334 | 39.87 |
| Total | | 3,063,387,048 | 100.00 |

Note : (1) Frasers Property Group = Frasers Property (Thailand) Plc. (FPT) and Frasers Property Thailand (International) Pte. Ltd.
 (2) FPT and Mitsui & Co. (Asia Pacific) Pte. Ltd. are the unitholders who have nominated the representatives to be the REIT manager's directors.
 (3) Foreign unitholders are capable to hold trust units not exceeding 49% of the issued and paid up units. As of 30 September 2022, the trust units held by foreigner were at 25.47%.

DEBT INSTRUMENT ISSUED BY FTREIT

Unsubordinated and unsecured debenture as of 30 September 2022, details are as follows.

| Debentures | Tranche | Interest (%) | Age (year) | Issued date | Maturity date | Number (unit) | Amount ('000 Baht) |
|------------|---------|--------------|------------|-------------|---------------|---------------|--------------------|
| No. 1/2017 | 2 | 4.18 | 7 | 5 Apr 2017 | 5 Apr 2024 | 1,000,000 | 1,000,000 |
| No. 1/2018 | 3 | 3.65 | 7 | 28 Jun 2018 | 28 June 2025 | 380,000 | 380,000 |
| | 4 | 4.06 | 10 | 28 Jun 2018 | 28 June 2028 | 1,260,000 | 1,260,000 |
| No. 2/2018 | 7 | 4.19 | 10 | 19 Dec 2018 | 19 Dec 2018 | 600,000 | 600,000 |
| No. 1/2019 | 1 | 2.63 | 4 | 8 Aug 2019 | 8 Aug 2023 | 500,000 | 500,000 |
| | 2 | 3.14 | 7 | 8 Aug 2019 | 8 Aug 2026 | 500,000 | 500,000 |
| No. 1/2020 | 1 | 3.00 | 7 | 3 Apr 2020 | 3 Apr 2027 | 450,000 | 450,000 |
| | 2 | 3.30 | 10 | 3 Apr 2020 | 3 Apr 2030 | 550,000 | 550,000 |
| No. 1/2021 | 1 | 1.69 | 3 | 24 Jun 2021 | 24 Jun 2024 | 850,000 | 850,000 |
| | 2 | 2.54 | 5 | 24 Jun 2021 | 24 Jun 2026 | 700,000 | 700,000 |
| | 3 | 3.30 | 7 | 24 Jun 2021 | 24 Jun 2028 | 700,000 | 700,000 |
| | 4 | 3.97 | 10 | 24 Jun 2021 | 24 Jun 2031 | 250,000 | 250,000 |

| Debentures | Tranche | Interest (%) | Age (year) | Issued date | Maturity date | Number (unit) | Amount ('000 Baht) |
|--------------|---------|--------------|------------|-------------|---------------|-------------------|--------------------|
| No. 2/2021 | 1 | 1.84 | 3 | 16 Dec 2021 | 16 Dec 2024 | 1,000,000 | 1,000,000 |
| No. 2/2022 | 1 | 3.05 | 3 | 31 May 2022 | 31 May 2025 | 1,000,000 | 1,000,000 |
| | 2 | 3.85 | 5 | 31 May 2022 | 31 May 2027 | 600,000 | 600,000 |
| Total | | | | | | 10,340,000 | 10,340,000 |

The debentures constitute direct, unconditional, unsecured and unsubordinated obligations of the issuer ranking pari passu with all other unsecured and unsubordinated obligations of the issuer, except for such as may be preferred by mandatory provisions of applicable law.

The debentures are bullet repayment and no early redemption option.

As of 31 May 2022, TRIS Rating affirms the company rating on FTREIT and the issue ratings on FTREIT's outstanding senior unsecured debentures at 'A' with a 'stable' rating outlook.



2. REIT MANAGER

GENERAL INFORMATION

| | |
|---------------------------------------|---|
| Name | Fraser's Property Industrial REIT Management (Thailand) Co., Ltd. |
| Address | Mitrtown Office Tower, 22 nd - 23 rd Floor, 944 Rama 4 Road, Wangmai, Pathumwan, Bangkok 10330 Tel : +66 2483 0000 |
| Email | FTREIT.IR@frasersproperty.com |
| Registered and Paid-up Capital | 1,000,000 shares, 10,000,000 Baht |
| Type of business | REIT Manager |
| Accounting period | 1 October – 30 September |

SHAREHOLDER STRUCTURE

As of 30 September 2022

| No. | Juristic Person | No. of Shares | % |
|--------------|--|------------------|-----------------|
| 1 | Frasers Property (Thailand) Plc. | 699,997 | 69.9997 |
| 2 | Frasers Property Industrial (Thailand) Co., Ltd. | 3 | 0.0003 |
| 3 | Mitsui & Co. (Asia Pacific) Pte. Ltd. | 300,000 | 30.0000 |
| Total | | 1,000,000 | 100.0000 |

BOARD OF DIRECTORS

As of 30 September 2022

| No. | Name - Surname | Position |
|-----|------------------------------|-----------------------------------|
| 1 | Mr. Threekwan Bunnag | Chairman and Independent Director |
| 2 | Mr. Sopon Punyaratabandhu | Independent Director |
| 3 | Mr. Sopon Racharaksa* | Director |
| 4 | Mr. Hiroaki Sagane* | Director |
| 5 | Mr. Peerapat Srisukont* | Director |
| 6 | Mr. Somboon Wasinchutchawal* | Director |

Note :

1. No. 3 - 6 are the authorized signatory director. Two directors jointly sign together with the Company's seal affixed.
2. Ms. Pornpimol Supawiratbancha, Chief Financial Officer, is the Company Secretary.

DUTY AND RESPONSIBILITIES OF BOARD OF DIRECTOR

Consist of 2 parts, the duty and responsibility to the Company and FTREIT.

1. Duty and responsibility of the Board of Directors towards the Company

- 1.1 Perform his duty in accordance with the law, the Company's objectives and regulations and the resolutions of the shareholders' meeting interest and be responsible for the shareholders;
- 1.2 Establish a policy and a guideline on the Company's operation and supervise to ensure that the management comply with the policy and the regulations efficiently and effectively under the good governance principle;
- 1.3 Report the Company's operation result to shareholders in a shareholders' meeting;
- 1.4 Organize efficient and reliable financial reporting, internal control, and internal audit;

- 1.5 Control and supervise the management to ensure fair and equal treatment to all stakeholders;
- 1.6 Exercise discretion independently when considering strategy, management of the business, director appointment, setting performance standard, as well as opposing to actions taken by other directors or the management in case of conflict that affects equality of all shareholders;
- 1.7 Consider and approve connected transactions in accordance with the relevant criteria and rules where a director who has interest in such matter shall have no rights to vote;
- 1.8 Appoint an internal auditor, monitor, and acknowledge the internal audit report.
- 1.9 An independent director shall consider and give opinion on reasonableness of connected transactions or transactions that may create conflict with the interests of FTREIT to ensure the transaction proceeds in accordance with the relevant criteria including material acquisition and disposal of assets;

- 1.10 Consider meeting agenda if any particular matters that should be considered by the board of directors are not included in the agenda of the board of directors' meeting;
- 1.11 Prepare a report in the form of "Disclosure of Director / Management's Interest" to the Company according to the Company's criteria;
- 1.12 Consider and appoint a director to replace a resigned director, select and propose additional directors to the Company's shareholders;
- 1.13 If necessary, the board of directors may obtain advice or professional opinion from an external consultant regarding the Company's business at the Company's expenses;
- 1.14 Consider and approve matters related to major operation of the Company such as paying benefits to shareholders, organizing a shareholders' meeting, selection and proposing compensation for an accounting auditor;
- 1.15 Conduct an induction so that the board of directors or an assigned person can give information on the Company's business to a new director.

2. Duty and Responsibility towards FTREIT

- 2.1 Establish significant policies for FTREIT such as investment policy, property lease policy, property manager selection policy;
- 2.2 Consider and approve acquisition or disposal of core assets according to the criteria specified in the Company's policy;
- 2.3 Consider and approve sourcing of fund for FTREIT including source of fund, fund amount, requirement, and related conditions;
- 2.4 Ensure that the management report performance of FTREIT and important issues to the board of directors every quarter or when appropriate;
- 2.5 Consider and approve the quarterly and annual financial statement of FTREIT;
- 2.6 Consider and approve an annual budget of FTREIT;
- 2.7 Consider and approve to pay distribution of returns to unitholders;

- 2.8 Consider and approve to arrange unitholders' meeting;
- 2.9 Consider and approve connected transactions in accordance with the relevant criteria and rules where a director who has interest in such matter shall have no rights to vote;
- 2.10 An independent director, consider and give opinion on reasonableness of connected transaction or transaction that may create conflict with the interests of FTREIT to ensure the transaction proceeds in accordance with the relevant criteria;
- 2.11 Consider and approve a guideline on risk management for potential risks to FTREIT;
- 2.12 Ensure that FTREIT has an internal control that meets the criteria specified in FTREIT's internal control procedure;
- 2.13 Consider and provide the opinion on the complaints and disputes as considered appropriate in order to solve FTREIT-related complaints and disputes raised by a third party proposed by the Legal and Compliance Department;
- 2.14 Consider the selection and nomination of the external auditor and determination of the audit fee;
- 2.15 In case a director receives internal information that are material to a change in securities price of FTREIT, he/she must suspend trading FTREIT's units before that information is disclosed to public and such material information must not be disclosed to a third party otherwise, he/she will be subject to punishment as prescribed by law;
- 2.16 Report unit trading transactions following form 59-REIT/IFT to the Securities and Exchange Commission (SEC) in accordance with the specified criteria.

INDEPENDENT DIRECTOR

"Independent Director" means the director, who is independent in expressing his opinion to the operation of the Company, must be a person who has no involvement or interest to the result of operation either directly or indirectly.

The qualifications of the Independent Director
are as follows:

- (1) An independent director may not hold more than 1% of total shares with voting rights of the Company, its subsidiaries, affiliated companies, or a person who may have a conflict of interest (including connected persons as prescribed in the Securities and Exchange Act B.E. 2535).
- (2) An independent director must not be involved in management or be a worker, employee, advisor who received fixed salary from the Company or its affiliated companies or a person who may have a conflict of interest where such interest must not exist for minimum of two years.
- (3) An independent director must have no direct or indirect business relationship or interest in the management and the finance of the Company, its affiliated companies or a person who may have a conflict of interest in a manner that may affect independency.
- (4) An independent director must not be a close relative to a director or a major shareholder of the Company, its subsidiaries or a person who may have a conflict of interest and is not appointed an agent to protect the interest of directors or major shareholders.
- (5) An independent director must exercise discretion independently as necessary in the interest of the Company and must be prepared to make objection to actions taken by other directors or management.
- (6) An independent director is able to attend meetings of the board of directors to make a decision on important activities of the Company.
- (7) An independent director must possess appropriate knowledge and experience or be a person with high level of competency and be accepted.
- (8) An independent director must not be a person whose name is listed in the list deemed by The Stock Exchange of Thailand to be unfit to be in the management according to the regulations of The Stock Exchange of Thailand.
- (9) An independent director must have never been convicted of an offence against the securities

law, the business law, the financial institution law, the non-life insurance law, the suppression and anti-money laundering law or other laws related to finance regardless of whether it is Thai law or foreign laws by the authority regarding offence on unfair acquisition and disposal of securities or bad-faith or fraudulent management.

- (10) An independent director has no other characteristic that may prevent him/her from giving independent opinion on the Company's operation performance.

The Company has set out scope of duty and responsibility of an independent director as follows:

- Consider, follow up, and give necessary advice to the Company regarding preparation of and disclosure of financial information of the Company and FTREIT to ensure accuracy, completeness, sufficiency, and timely submission.
- Consider, following and giving necessary advice regarding suitable internal control and work procedure to the Company as REIT Manager.
- Consider and give opinion on connected transaction or other transactions that may have conflict of interest with FTREIT to ensure compliance with the law and related requirement and that the transactions are justifiable and in the best interest of FTREIT.
- Take any other actions assigned by the board of directors in the best interest of FTREIT.

According to the above scope of duty, relevant departments must report the following matters to an independent director for consideration and acknowledgement and necessary advice:

- (1) Connected transactions or transactions that may create conflict with the interests of FTREIT.
- (2) Weakness in internal control procedure and work procedure that the Company as the REIT Manager needs to improve and improvement progress.

MANAGEMENT AND EMPLOYEES

As of 30 September 2022

| No. | Name - Surname | Position |
|-----|-------------------------------|---|
| 1 | Mr. Thanarat Boonyakosol | Managing Director |
| 2 | Ms. Pornpimol Supawiratbancha | Chief Financial Officer |
| 3 | Ms. Warisara Techakulwirote | Senior Vice President - Investment Property |

The total number of employees (excluding the management) is 14 persons, consist of;

| No. | No. | No. |
|-----|---|-----|
| 1 | Investment and Investor Relations | 3 |
| 2 | Asset Management | 1 |
| 3 | Property Management | 5 |
| 4 | Treasury | 2 |
| 5 | Compliance and Risk Management | 2 |
| 6 | Personal Assistant to Managing Director | 1 |

DUTY AND RESPONSIBILITY

The Company as the REIT Manager has duty and responsibility to control and manage FTREIT and FTREIT's investment in assets as well as control performance of the Property Managers. The REIT Manager must take any actions as assigned by the Trustee and as specified in the Trust Deed in the interest of unitholders including, but not limited to, the following:

1. General Duties

- 1.1 Trust establishment and management with duty of care and integrity by considering the best interest of the trust unitholders as a whole and complying with the Trust Deed and relevant laws and regulations.
- 1.2 Asset Management of Trust to be in accordance with the Trust Filing (Registration Statement for Sale of Trust), trust policy, unitholders' resolution and relevant rules, regulations and regulations including rules and notifications issued by SEC.
- 1.3 Unitholder's meeting arrangement in accordance with the terms and conditions specified in Trust Deed.
- 1.4 Capital increase/decrease in accordance with details specified in Trust Deed.

2. Duty of the REIT Manager in preparation of reports and disclosure

- 2.1 Prepare and disclose information of FTREIT and information as prescribed in Section 56 and Section 57 of Securities and Exchange Act B.E. 2535 and other information as specified in the Trust Deed.
- 2.2 Upon request of the Securities and Exchange Commission, make clarification, submit documents or evidence related to compliance or non-compliance to the Securities and Exchange Commission including, but not limited to, the following to the Securities and Exchange Commission, The Stock Exchange of Thailand, and unit holders;
 - Information regarding conflict with the interest of FTREIT and measures to resolve such conflict to be disclosed to investors clearly during an initial public offering and whenever a conflict of interest arises (if any);
 - Information regarding transactions entered into between FTREIT and connected persons and information regarding transactions entered into between FTREIT and the REIT Manager or connected person and the REIT Manager, information regarding acquisition or disposal of core assets and

equipment of FTREIT, information regarding borrowing transactions and encumbrance made by the trust;

- Information regarding interest or benefits received from a company/person who is a vendor of FTREIT (if any).

- 2.3 Ensure that unitholders receive complete and correct information and sufficient for voting to approve matters within a period specified in the Trust Deed and the regulations of The Stock Exchange of Thailand.
- 2.4 Prepare and send information, report and/or documents to the trustee within the specified period such as full report of property evaluation, monthly report presenting revenue and expenses, right of claim, due debts, market environment report, information regarding The FTREIT's investment in properties, information regarding acquisition or disposal of core assets.

3. Duty of the REIT Manager regarding Investment or Disposal of FTREIT's assets

- 3.1 Organize and/or make appropriate investment in core assets and other assets according to the investment plan and manage risks related to FTREIT and FTREIT's assets and the criteria specified in the Trust Deed.
- 3.2 Take necessary actions to ensure that disposal of assets or connected transactions related to the property for FTREIT is valid and effective.
- 3.3 Make analysis of the probability and review and conduct a due diligence of assets as well as assess risks that may be caused by investments in such assets and provide risk management procedure.
- 3.4 Value core assets in accordance with the criteria specified in the Trust Deed.
- 3.5 Maintain core assets in good conditions ready for generating income including repair, improvement, restoration, and maintenance of assets.
- 3.6 Take out sufficient insurance that covers the period of FTREIT's investment in core assets including non-life insurance that may occur to the assets, public liability insurance for damage that may be caused by the assets or the operation in the assets.

- 3.7 Assist the Trustee on disposal of FTREIT's core assets and find buyers for the core assets.

- 3.8 Give assistance to enable the Trustee to dispose or acquire or enter transactions with a third party in case of disposal, acquisition or any transaction that generates income from/to the FTREIT's assets.

- 3.9 Prepare an investment plan and a risk management plan related to FTREIT and FTREIT's assets, a borrowing plan and an annual financial management plan of FTREIT.

4. Duty of the REIT Manager regarding FTREIT's benefit

- 4.1 Facilitate the trustee or a person assigned by the trustee and a third-party during survey of core assets.
- 4.2 Consider and inspect conditions of core assets before handing over to retail tenants or the Trustee when entering or renewing a new lease agreement or a new service agreement or when a lease agreement or a service agreement expires (as the case may be).
- 4.3 Take necessary and appropriate actions in case a disaster occurs to FTREIT's assets.
- 4.4 Manage budget and cash flow of FTREIT.
- 4.5 Prepare financial statements of FTREIT in accordance with the accounting standard as prescribed by the accounting law.
- 4.6 Withdraw assets of FTREIT from a petty cash account only or for other purposes as agreed with the Trustee within the limit approved by the trustee.
- 4.7 Pay benefits to unitholders in accordance with the criteria and conditions specified in the Trust Deed.
- 4.8 Exercise the right of claims, take actions in defense, or exercise other legal rights on behalf of the Trustee regarding management of the trust as authorized by the Trustee from time to time; retain documents related to the operation of FTREIT.
- 4.9 Give advice to the Trustee regarding property market conditions or trend and potential impact on FTREIT.

5. Duty of the REIT Manager regarding Transaction with Potential Conflict of Interest

In case of a transaction with potential conflict of interest, the REIT Manager must consider justification and necessity of the transaction and obtain approval from the Trustee and request that the Trustee establish conditions on such transaction. If the Trustee does not approve the transaction or the transaction is not justifiable and necessary, the REIT Manager may not proceed with the transaction.

6. Duty of the REIT Manager associated with Borrowing

In case of FTREIT's borrowing, the REIT Manager has the following duties;

- 6.1 Disclose outstanding amount of the borrowing and reserves for debt repayment under the loan agreement or the borrowing commitment for each year until the debt payment completes (if any) in the memorandum of information, the prospectus, and the Annual Report of FTREIT.

- 6.2 Determine the appropriate reserve amount as mentioned in item (1), by considering the outstanding amount of loan or the borrowing commitment and the repayment period, impact on distribution payments to unitholders, and excess cash in case of the unrealized loss from the valuation or reappraisal of FTREIT's properties.

- 6.3 Allow FTREIT to postpone the reserve for any period of liquidity inadequacy and include it in the reserve for the next accounting period.

7. Other Duty

If an advisor is appointed to give advice or suggestion on FTREIT's investment in properties and management of FTREIT's assets, the advisor must have no direct or indirect interest in the matter under consideration. If the fact has changed and the advisor has interest in the matter under consideration, the REIT Manager must prevent the advisor who has direct or indirect interest from considering the matter and take actions as specified in REIT Manager Appointment Agreement.



3. PROPERTY MANAGER

3.1

| | |
|---------------------------------------|--|
| Name | Frasers Property Industrial (Thailand) Co., Ltd. |
| Address | Mitrtown Office Tower, 22 nd - 23 rd Floor, 944 Rama 4 Road, Wangmai, Pathumwan, Bangkok 10330 Tel : +66 2483 0000 |
| Registered and Paid-up Capital | 1,150,000,000 shares, 11,500,000,000 Baht |

SHAREHOLDER STRUCTURE

As of 30 September 2022

| No. | Juristic Person | No. of Shares | % |
|--------------|--|----------------------|--------------------|
| 1 | Frasers Property (Thailand) Plc. | 1,149,999,994 | 99.9999994 |
| 2 | Frasers Property Technology (Thailand) Co., Ltd. | 3 | 0.0000003 |
| 3 | Eco Industrial Services Co., Ltd. | 3 | 0.0000003 |
| Total | | 1,150,000,000 | 100.0000000 |

Frasers Property Industrial (Thailand) Co., Ltd. ("FPIT") has developed factory and warehouse buildings located in industrial estates, industrial parks, and industrial zones in Thailand. The construction of the above-mentioned buildings was carried out by FPIT's construction team which consisted of architects, engineers and project managers. The advantage of having its own construction team is more cost effective, quality control of building standards and more flexibility in construction management. FPIT can accelerate construction time to complete the building as per customer's request and can serve customer's requirements to adjust or build the extension.

3.2

| | |
|---------------------------------------|--|
| Name | Sahathai Property & Development Co., Ltd. |
| Address | 79 Moo 3 Phuchao Saming Phray Road, Bang Ya Phraek, Phra Pradaeng District, Samutprakan 10130 Tel : +66 2386 0000 |
| Registered and Paid-up Capital | 4,000,000 shares, 400,000,000 Baht |

SHAREHOLDER STRUCTURE

As of 30 September 2022

| No. | Juristic Person | No. of Shares | % |
|--------------|-----------------------------|------------------|-------------------|
| 1 | Sahathai Steel pipe Plc. | 3,999,997 | 99.999925 |
| 2 | Mr. Somchai Karuchit | 1 | 0.000025 |
| 3 | Ms. Sauwakun Karuchit | 1 | 0.000025 |
| 4 | Mr. Chairat Chongyangyuvong | 1 | 0.000025 |
| Total | | 4,000,000 | 100.000000 |

Sahathai Property and Development Co., Ltd. was established in 2013 to develop warehouse buildings for rent, especially in the Laem Chabang port area. Sahathai was appointed to be a property manager for Free Zone area in Frasers Property Logistics Park (Laem Chabang 3). Its responsibility excludes the duty in seeking benefits on REIT's core assets.

DUTY AND RESPONSIBILITY

1. Sales & Marketing

The property manager is responsible for finding new tenants to lease space of FTREIT's properties. They are also responsible for coordinating, negotiation with tenants for finalize lease and service agreement and/or agreement which related to FTREIT's properties. The property manager works closely with the Manger for setting rental rate and lease period. In additional, the property manager manages marketing programs for REIT, including exhibitions, billboard in properties locations for occupancy improvement.

2. Repair and Maintenance

Maintenance FTREIT's properties for ready to lease to tenants or ready to sale to buyer. The scope of work includes repair and develop properties for ensuring properties can generate benefit to FTREIT. The property manager manages and provide other services (preventive maintenance) including maintenance of security system, fire protection, communication, and other maintenance.

3. Reporting

The property manager is responsible for preparing and presenting monthly report of industrial/ logistics market including new tenants in period, renewal lease agreement in period, termination agreement in period and customers who interest to rent properties.

In addition, the property manager also prepares other documents such as repair and maintenance report, providing repair and maintenance invoice to the Manger for recording accounting transaction and/any other supporting documents which the Manager and Trustee request from the property manager.

4. Tenant Relations

Coordinate and support tenants for requesting license or permit from government agency. In addition, the property manager provides service which tenants request including repair and maintenance and/or any service which stated in lease agreement. The property manager provides insurance service to the FTREIT and/or related stakeholder. They also provide other service to tenants based on business practice of factory and warehouse business.

5. Supporting

The property manager supports and coordinates with the Manager for benefit of FTREIT.



4. TRUSTEE

GENERAL INFORMATION

| | |
|---------------------------------------|---|
| Name | BBL Asset Management Co., Ltd. |
| Address | Sathorn City Tower, 7 th , 21 st and 26 th Floor, 175 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Tel : +66 2674 6400 |
| Website | www.bblam.co.th |
| Registered and Paid-up Capital | 1,000,000 shares, 100,000,000 Baht |
| Type of business | Asset Management Service |

SHAREHOLDER STRUCTURE

As of 30 September 2022

| No. | Juristic Person | No. of Shares | % |
|--------------|------------------------------|------------------|-----------------|
| 1 | Bangkok Bank Plc. | 749,996 | 74.9996 |
| 2 | Asia Financial Holdings Ltd. | 100,000 | 10.0000 |
| 3 | Bangkok Life Assurance Plc. | 100,000 | 10.0000 |
| 4 | Bangkok Insurance Plc. | 50,000 | 5.0000 |
| 5 | Ms. Chollada Sophonpanich | 2 | 0.0002 |
| 6 | Mr. Chone Sophonpanich | 1 | 0.0001 |
| 7 | Ms. Voravan Tharaphum | 1 | 0.0001 |
| Total | | 1,000,000 | 100.0000 |

DUTY AND RESPONSIBILITY

1. Ensure that the Trust Deed contains material information required by related laws. Any changes in the Trust Deed shall be done in accordance with the criteria and procedures defined in the Trust Deed and related laws. In case there are any changes that are not complied, Trustee shall take actions by using its authority specified in the Trust Deed and in the Trust for Transactions in Capital Market Act, B.E. 2550 to protect the rights and interests of the unitholders. Additionally, if in the future there are any amendments in the regulation relating to trust units offering or management of the Trust listed under the Securities and Exchange Act, B.E. 2535 and the Trust for Transactions in Capital Market Act, B.E. 2550 and the Trust Deed is not complied with such amendments, Trustee shall process the amendment of the Trust Deed by following the procedures defined in the Trust Deed or the SEC order under section 21 of the Trust for Transactions in Capital Market Act, B.E. 2550;
 - 2.1 Ensure that the management of FTREIT carried out by the REIT Manager has been approved by SEC at all time;
 - 2.2 Oversee and take necessary actions to ensure that the REIT Manager is qualified and perform its duties according to the rules stipulated in the Trust Deed and related laws, as well as to revoke the existing REIT Manager and appoint the new one;
 - 2.3 Oversee that the investment of the Trust by the REIT Manager complied with the Trust Deed and related laws;
 - 2.4 Oversee and verify that the REIT Manager has a list of the assets, a system to keep track of benefits arising from the assets, and sufficient measures to protect the assets.
3. Oversee the REIT Manager to prepare and disclose the Trust information accurately and completely in accordance with the Trust Deed and related laws, including the preparation and submission of financial statements and reports on the financial status and results of operations of the Trust to the Securities and Exchange Commission as follows:
 - 3.1 Quarterly audited financial statement;
 - 3.2 Financial statement for the accounting period which the auditor already examined and commented;
 - 3.3 Reports on operating result of the Trust;
 - 3.4 Report on other disclosures information relating to the Trust

All reports shall be prepared according to the rules, conditions and procedures stated in the Notification of the Capital Market Commission and in line with the accounting standards prescribed by the law on accountancy by considering the standards approved by the Board of Supervision of Auditing Practices under the Auditor Act, B.E. 2505. In addition, the REIT Manager shall report and explain the reasons to the Office of the Securities and Exchange Commission, without delay, if there are any events prescribed in Section 57 of the Securities and Exchange Act B.E. 2535. The REIT Manager shall disclose the required information to the Stock Exchange of Thailand and submit an annual report of FTREIT to unitholders together with the invitation to the Annual General Meeting.

4. Supervise the REIT Manager to provide sufficient information for investors to make decision. Such information must be clearly communicated without any distortions and misleading. The REIT Manager needs to take precautions to ensure that proper guidance is given to the investors, or the proper decisions are made for the investors.
5. Ensure that the process of capital increase and capital reduction which is carried out by the REIT Manager is in line with the rules stipulated in the Trust Deed and related laws.
6. Oversee the operations of the REIT Manager in acquiring and disposal of assets of FTREIT to comply with the rules stipulated in the Trust Deed and related laws.
7. Ensure that the REIT Manager maintains the core assets to be in good conditions, ready for renting out to earn income. This includes the provision of adequate insurance for the duration of FTREIT investment, covering real estate insurance and liability insurance to third parties that may have been damaged by the real estate or the operation of the real estate.
8. Oversee the REIT Manager's business activities relating to borrowing for FTREIT, entering into any obligations of the Trust assets, entering into any agreements and conducting any other activities for FTREIT under the conditions stated in the Trust Deed and related laws.
9. Ensure the REIT Manager takes action regarding the valuation of the invested core assets as stipulated in the Trust Deed and related laws.
10. Oversee the REIT Manager to properly handle the transactions between the Trust and the REIT Manager or connected person of the REIT manager as stipulated in the Trust Deed and related laws.
11. Ensure the REIT Manager pays proper distribution to the unitholders with restriction to the right to receive benefits of unitholders who held trust units exceeding the allowed percentage or not in comply with the Trust Deed and related laws' stipulations. The REIT manager is required to conform with the rules stated in Trust Deed and related laws.
12. Ensure the REIT Manager arrange the Unitholders meeting, proceed to get resolutions from the meeting, and ensure that unitholders are given proper right to vote and reinforce the restriction for unitholders without the right to comply with the Trust Deed and related laws.
13. In case that the REIT Manager assigns other person to manage the invested assets, the Trustee shall ensure that the selection is done with cautiousness. The REIT Manager shall specify the roles and responsibilities of the property manager and the adequate measures to monitor and oversee the performance of the Property Manager.
14. Require the REIT Manager to prepare and submit report of disbursement of petty cash from FTREIT's bank account within proper timeframe for the Trustee to review regularly.
15. Require and monitor the REIT Manager to oversee that the administrative expenses charged to FTREIT are necessary, reasonable, and associated directly with the Trust management.
16. Comment on the actions or transactions the REIT Manager carried out for FTREIT in order to disclose the information to the unitholders or upon SEC's request.
17. Attend every unitholders' meeting to answer questions and make comments about the matter that unitholders are required to vote for resolution in regards of its compliance with the Trust Deed and related. The Trustee is required to make a clear remark and advise the unitholders that FTREIT cannot take any action that is not complied with the Trust Deed or related laws.

18. Prepare report to the SEC within 5 business days after being notified or aware of the REIT Manager's action or refrain from action that caused damages to FTREIT or when the REIT Manager not performing its duties as stipulated in the Trust Deed or related laws. The Trustee shall also take actions to resolve, prevent or recover such damages as deem appropriate.
 19. Force liquidation or oversee a forced liquidation to comply with the agreement between the Trust and other parties.
 20. Separate storage of Trustee belongings from the assets of the Trust.
 21. Act as the REIT Manager and may assign other persons to manage the Trust within the scope of the rules and conditions stated in the Trust Deed, when necessary, i.e in the absence of REIT Manager or when the REIT Manager cannot perform its duties to prevent, inhibit or limit the damages which might affect the benefits of FTREIT and of the unitholders. Additionally, with the authority stated in the Trust Deed and FTREIT Act, the Trustee shall arrange to appoint new REIT manager as it deems appropriate.
 22. In case that the Trustee holds the trust units, which it serves as a trustee. When it is required to exercise its right to vote or make any transaction as a unitholder, the Trustee shall consider and protect the benefit of the unitholders.
 23. Arrange for the preparation of the unitholder register book which may be assigned to the SET or other registrars, as allowed by the Securities and Capital Market Act. The unitholder register book shall contain the following details:
 - 23.1 General information, including name of the REIT Manager and the Trustee, number of trust units, par value, paid-up capital, date of trust unit issuance and restriction of unit transfer (if any);
 - 23.2 Details of each unitholder, including name, nationality, address of the unitholder, number of trust units (if any), number of trust units to be hold, date of registration to be or cease to be unitholders, date of cancelling and re-issuing of trust unit certificate (if any), and sequence number of requests to add or change records in the book (if any).
- In case that the number of units held by some unitholder is not comply with the percentage specified in the Notification of the Capital Market Supervisory Board governing the issuance and offering of trust units, such unitholder will be refrained from registration in the book. In case of assigning external party as the Registrar, the Trustee shall ensure that such assign party complies with the rules and guidelines for preparing certificate of unitholding and the Trust Deed, except the preparation of evidence required by the system of the Thailand Securities Depository Co., Ltd. (TSD).
24. Process the payment of cash or assets and grant the right or any right restriction to the unitholders, whose name appeared on the register book in compliance with the conditions of FTREIT obligations or related law.
 25. Prepare unitholding certificate for the unitholders which including the information that is necessary and sufficient for the unitholders to use as their evidence and reference to the Trustee, the REIT Manager, and others. The certificate must also include the information of related parties of FTREIT, such as the Trustee, the REIT Manager, the Registrar, so that the unitholders can contact those parties. The certificate must also state clearly that the unitholders cannot return or redeem the trust units. Any other restrictions of unitholder's right must be clearly specified as well.
 26. In the event of the existing REIT Manager must be out of duties in accordance with provisions in the Trust Deed and related law, the Trustee shall arrange to get unitholders' resolution to appoint new REIT Manager within 60 days after the incident and shall appoint the new REIT Manager within 30 days after the resolution date. In case that no resolution is obtained after the request, the Trustee shall appoint new REIT manager by considering the benefit of unitholders.

CORPORATE GOVERNANCE

As the REIT Manager, the Board of Directors realizes the importance of Corporate Governance and believes that good corporate governance is a crucial factor for FTREIT's operations, in order to efficiently and effectively manage the business to have stability, continuous growth and fairness to all stakeholders. For such reasons, the Board of Directors has stipulated the Corporate Governance Policy in order to be a guideline for REIT management to achieve the objectives that have been set for correctness and transparency.

1. STRUCTURE OF THE BOARD OF DIRECTORS

The REIT Manager has one committee, the Board of Directors, consisting of 6 directors (Duties and Responsibilities were disclosed in "Management"). Besides, there are no sub-committees.

| No. | Name - Surname | Position | No. of Attendance / No. of all meetings in 2022 |
|-----|--|-----------------------------------|--|
| 1 | Mr. Threekwan Bunnag | Chairman and Independent Director | 9 / 9 |
| 2 | Mr. Sapon Punyaratabandhu | Independent Director | 9 / 9 |
| 3 | Mr. Sapon Racharaksa | Director | 9 / 9 |
| 4 | Mr. Hiroaki Sagane | Director | 9 / 9 |
| 5 | Mr. Peerapat Srisukont | Director | 9 / 9 |
| 6 | Mr. Somboon Wasinchutchawal ¹ | Director | 8 / 9 |

Note :

1. Mr. Somboon Wasinchutchawal was appointed to be the Director on 1 November 2021, and he has started joining the Board of Director meeting since No.2/2022.
2. Ms. Pornpimol Supawiratbancha, Chief Financial Officer, is the Company Secretary passed the Company Secretary Program (CSP) 105/2020 conducted by Thai Institute of Directors Association (IOD).

STRUCTURE OF THE BOARD OF DIRECTORS

- The Chairman is an independent director, and all Independent Directors account for one-third of the Board of Directors.
- None of the directors is a member of REIT manager's management team.
- No Director has ever been an employee, shareholder or partner of KPMG Phoomchai Audit Ltd. which is the external audit firm of the REIT Manager and FTREIT.

THE BOARD OF DIRECTORS' MEETING

The REIT Manager holds the Board of Director Meeting at least once a quarter. In 2022, there were 9 meetings conduct by physical meeting and electronic means. The procedures are as follows:

- (1) Company Secretary shall send out the invitation together with meeting agenda and supporting documents with necessary contents for

consideration to every Director at least 7 days prior to the meeting date, so that the Directors will have sufficient time to review the information prior to the meeting.

- (2) The proposed agenda for the Board of Directors' meeting shall be about the operations of FTREIT including the operating results, the annual budget, the distribution payment, the arrangements for unitholder's meeting, investment in additional assets, related party transactions, business and investment plans, funding plans as well as progress in the implementation of the business plan.
- (3) In every meeting, the number of attending Directors shall be more than one half of total Directors. Every Director has the right to one vote. Any Director who has a conflict of interest in any matter shall have no right to vote on such matter.

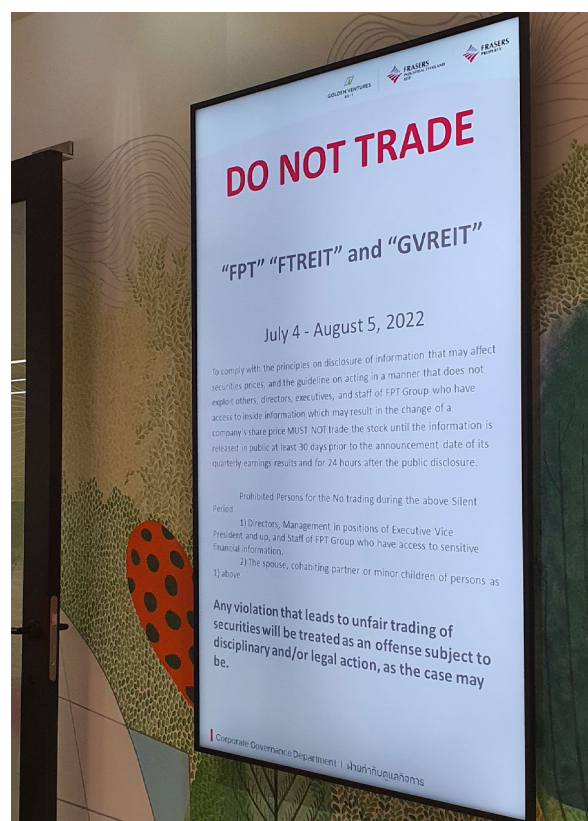
- (4) In the meeting, the Chairman will oversee the allocation of sufficient time for management to provide documents and information to debate important issues, and sufficient time for the Directors to discuss the important issues. All Directors are free to comment and propose the agenda.
- (5) Minutes with the record keeping of all related documents will be recorded accurately, in a complete and checkable manner. The minutes which are certified by the Board of Directors shall be kept as evidence for future reference.

2. RULES FOR PROPER USE OF INSIDE INFORMATION

The Board of Directors has regulated policies governing the use of internal information and the trading transactions of FTREIT, in order to promote equality and fairness towards all unitholders and to prevent Directors, Management or employees who can access material information from taking benefit for themselves or for others.

- (1) Directors, Management and all employees must never utilize material information that has not been disclosed to the public for their own or others' benefit and must strictly abide by the confidentiality policy regulated by the Company.
- (2) Directors, Management and all employees are allowed to invest in FTREIT's units. However, in order to prevent possible conflicts of interest, Directors, Management and employees who can access material information, as well as their spouses, partner, or children not having yet become sui juris are prohibited from buying, selling, transferring or getting transferred FTREIT's units under the following circumstances:
 - Within a one-month period before the financial statement is disclosed to the general public.
 - Before considering investment or divestment of assets.
 - Before the distribution payment to unitholders.

The Company Secretary will inform the related persons of the silent period. In this regard, if any related persons violate such regulations on the use of inside information, it is considered a disciplinary offense and the person can be subject to legal punishment.



The announcement during silent period via internal media in REIT Manager and Frasers property Thailand's office area.

3. INFORMATION DISCLOSURE TO UNITHOLDERS

The REIT Manager has emphasized the importance of information disclosure to unitholders in a sufficient, accurate, complete, fast, and transparent manner. Also, the information disclosure of FTREIT shall comply with rules and guidelines of information disclosure of the Securities and Exchange Commission and the Stock Exchange of Thailand.

KEY PRINCIPLES OF INFORMATION DISCLOSURE

- (1) Information to be disclosed must be accurate, complete, clear, and timely.
- (2) Must comply with the rules and regulations of information disclosure accurately and completely.
- (3) Every unitholder has equal right to receive the information.

CHANNELS OF INFORMATION DISCLOSURE

• Investor Relations Department

Investor Relations (IR) fully takes charge of providing information and collecting opinions from unitholders, investors, and analysts on a regular basis, as well as presenting operational performance and compiling comments. In this regard, unitholders or investors can contact IR at 02-483-0529 or email : ftreit.ir@frasersproperty.com

FTREIT's information is disclosed on website;

- (1) Website of the Stock Exchange of Thailand at www.set.or.th
- (2) Website of FTREIT at www.ftreit.co.th . This is in order to facilitate investors and interested individuals to update information, and is available in both Thai and English

• Unitholder Meeting

The REIT Manager held 2022 Annual General Unitholders Meeting on 27 January 2022 at 2.00 p.m. to report operating performance, the business plan, industry and business trends, distribution payment to unitholders, and answered questions.

• Investor Meeting

Throughout 2021, the REIT Manager has allowed opportunities for analysts, unitholders, and institutional investors in Thailand and overseas to meet with management via different arrays of activity on a continuous basis, as a way of sharing information operating performance, strategic plan, operational directions, and summarising key events throughout the year.

Due to the situation of Covid-19 is still continuously spreading, all meetings in 2022 were held through a video conference, the details are as follows:

1. Joining Opportunity Days conducted by the Stock Exchange of Thailand
2. Joining domestic and international roadshows
3. Holding analyst meeting
4. Joining conference calls

IR EVENTS IN 2022

| Events | No. of times |
|---|--------------|
| Annual General Meeting of Unitholders 2022 | 1 |
| Extraordinary General Meeting of Unitholders No.1/2022 | 1 |
| Analyst Meeting | 4 |
| Opportunity Day by the Stock Exchange of Thailand | 4 |
| Roadshows to provide the operating performance (December 2021 and May 2022) | 2 |

4. UNITHOLDER MEETING

GUIDELINES OF ARRANGING THE UNITHOLDER MEETING

The REIT Manager shall arrange a unitholder meeting as Annual General Meeting within 4 months after the end of the fiscal year. Other meetings of unitholders shall be called Extraordinary General Meetings. The REIT Manager shall hold the

Extraordinary General Meeting in line with the Trust Deed and related laws as follows:

- (1) When the REIT Manager considers that it is appropriate to call the unitholders' meeting
- (2) When the REIT Manager is required by the Trust Deed to get a resolution from the unitholders to carry out the following activities:

- The acquisition or disposal of FTREIT's major assets with the value equal to or over 30% of the total asset value;
 - The issuance of debentures or any debt instruments;
 - The increase or decrease of FTREIT's paid-up capital, as indicated in the Trust Deed;
 - The connected transactions with the REIT Manager or connected persons with the REIT Manager, with the transaction value equal to or above THB 20 million or higher or more than 3% of net asset value, whichever is higher;
 - The change of benefits and the capital returned to the unitholders;
 - The change of Trustee;
 - The change of REIT Manager and the appointment of new REIT Manager;
 - The amendment of Trust Deed that significantly impacts the rights of unitholders or the increase of fees and/or expenses to be higher than the maximum rate specified in the Trust Deed;
 - The cancellation of the Trust;
 - Any other circumstance that the Trustee and/or the REIT Manager deem necessary and appropriate to propose to the unitholders' meeting and to get resolution for such matter;
 - Any other circumstance required by the Securities and Exchange Commission.
- (3) When unitholders with a total number of units not less than 10% of total units sold make a written request to the REIT Manager to call for a Unitholders Meeting with clear reason stated in the request, the REIT Manager shall arrange a Unitholders' Meeting within 1 month after the date of receiving such request.

PROCEDURE FOR THE GENERAL MEETING OF UNITHOLDERS

| Details | 2022 Annual General Meeting | Extraordinary General Meeting No. 1/2022 |
|---|--|---|
| Date & Time | 27 January 2022 / 2.00 p.m. | 20 June 2022 / 3.00 p.m. |
| BEFORE THE MEETING | | |
| - Unitholders were involved in proposing the meeting agendas. Guidelines on meeting agenda proposal were posted on the Stock Exchange of Thailand's channels and the FTREIT website. | During 15 August - 15 October 2021 Nevertheless, proposal for agenda was made for the meeting. | - |
| - Kept unitholders informed of the meeting date well ahead of time for full participation. Communication on the matter was made through the Stock Exchange of Thailand's channels and the FTREIT website. | Since 5 November 2021 | Since 6 May 2022 |
| - Publishing of the invitation in daily newspaper not less than 3 days before the meeting day. | During 10 - 12 January 2022 | During 6 - 8 June 2022 |
| - Posted the meeting notice both in Thai and English on the FTREIT website. | Since 30 December 2021 | Since 31 May 2022 |
| - Thailand Securities Depository Co., Ltd. (TSD) distributed the invitation prior to the meeting not less than 7 days or 14 days (as the case may be). This provided unitholders with enough time to acknowledge the meeting agenda and to examine the information. | Started on 12 January 2022; 15 days prior to the meeting. | Started on 2 June 2022; 18 days prior to the meeting |

ON THE MEETING DAY**Meeting Method:**

The meeting was held via electronic means. Unitholders can join the meeting, vote, ask questions, and express opinions in the meeting via a webcast with online voting facility.

Meeting Proceeding:

- Unitholders could register their attendance roughly 1 hour ahead of the meeting time.
- Regulated the voting rights in the meeting to be in accordance with the number of units held; one unit is equivalent to one vote.
- Before the meeting commenced, there is informed the participating unitholders of their rights according to the rules and regulations, meeting proceedings and guidelines on casting votes, as well as the opportunity for unitholders to ask questions and fairly express opinions in the meeting.
- Arranged an independent, external inspector who performed a legal counsel role to monitor the meeting and ensure that the meeting was transparent and complied with the laws and regulations.
- The Chairman of the Board allocated enough time for the meeting and appropriately conducted the meeting with absolute transparency according to the agenda specified in the meeting notice. For the record, there has never been any occasion where documents containing essential information were distributed to the unitholders during the meeting without prior notice, nor the inclusion of additional agendas in the meeting without prior notice, to ensure fairness to unitholders who did not attend the meeting.
- Unitholders were allowed to join in the meeting even after the meeting had already commenced but they could only vote on the agendas that had not yet been voted for.
- Unitholders were encouraged to express their opinions and ask questions. The Chairman of the Board, Management of REIT Manager, the Trustee and the external auditor were also present to answer unitholders' questions.

AFTER THE MEETING

- | | | |
|---|-------------------------------|--------------------------|
| - Submitted the meeting's resolutions and accompanying details i.e. the number of votes for each agenda to the Stock Exchange of Thailand and posted on FTREIT's website on the day of the meeting so that absent unitholders could immediately access the information. | 27 January 2022 / 6.57 p.m. | 20 June 2022 / 7.16 p.m. |
| - Prepared the meeting minutes and distributed via the Stock Exchange of Thailand's channels and FTREIT's website within 14 days after the meeting. | Disclosed on 10 February 2022 | Disclosed on 4 July 2022 |

5. CONSIDERATION OF INVESTMENT AND MANAGEMENT OF FTREIT

According to Board of Directors meeting No. 9/2022 on 2 August 2022, REIT Manager's Directors has reviewed and developed new strategies, and also conducted the business plan to response with current business situations.

INVESTMENT IN CORE ASSETS

- (1) Conduct due diligence on assets;
- (2) Organize valuation of assets under investment as specified in the Trust Deed;
- (3) Establish risk prevention measures or remedy measures for potential damage caused by breach of agreement or non-enforcement under lease agreement, and disclose such risk prevention measures to the Trustee and unitholders in case of leasehold investment in the form of sub-lease.

For acquisition of additional core assets, the REIT Manager shall take additional actions as follows:

- (1) Propose to the Trustee for consideration and approval of investment in assets as specified in the Trust Deed and related laws.
- (2) Apply for approval for investment in assets as follows:
 - (2.1) Investment in assets owned by the REIT Manager or a connected person
 - For transactions valued over THB 1 million or equal to or above 0.03% of the net asset value of FTREIT, whichever is higher, an approval must be obtained from the Board of Directors;
 - For transactions valued equal to or above THB 20 million or over 3% of the net asset value of FTREIT, whichever is higher, an approval must be obtained by resolution of a meeting of unitholders;
 - The REIT Manager shall appoint a financial advisor regarding connected transactions to be entered into with the REIT Manager so that the Board of Directors and/or unitholders can make informed decision on approval of investment in such assets;

- The REIT Manager shall prohibit a person who is connected to the assets under disposal from participating in approval of investment in such assets.

(2.2) Investment in assets owned by a person who is not the fund manager or a connected person:

- For investment in assets with value equal to or above 10% of total asset value of FTREIT, an approval must be obtained from the Board of Directors;
- For investment in assets with value equal to or above 30% of total asset value of FTREIT, an approval must be obtained by a majority vote of unitholders attending the meeting.

CRITERIA FOR INVESTMENT IN CORE ASSETS AND EQUIPMENT

Acquisition of core assets and equipment by FTREIT must be in accordance with the criteria specified in the Trust Deed. The material details are summarized below:

- (1) It must be an investment in property in category of land and factory, warehouse and/or office buildings for acquisition of ownership or possessory right;
- (2) In case of acquisition of possessory right, the property must be acquired by means of issuance of a Nor.Sor.3 Kor. In case of leasehold, the property must be acquired by means of issuance of a title deed or a possessory right deed in a form of Nor. Sor. 3 Kor;
- (3) Properties to be acquired must not be enforced under the law on property rights or dispute unless the REIT Manager and the Trustee jointly consider and issue a written opinion that such enforcement under the law on property rights or such dispute has no material effect on making profit from the property and the conditions of acquisition of such property will benefit unitholders;
- (4) An agreement for acquisition of a property must not specify an agreement or an obligation that may prevent the Trust from disposing the property at a fair price (at the time of disposal) such as a pre-emptive right at fixed price;

- (5) Properties and/or assets to be acquired which are classified as core assets as prescribed in the notification of The Capital Market Supervisory Board must be ready for profit making with offering (if any) for each issuance including borrowing amounts (if any). FTREIT may make investment in projects under construction where the total value of investment amount for acquisition and development of the property until ready for assets of FTREIT (after offering of units) and FTREIT must be able to prove that there is sufficient working capital for such development without affecting the survival of the Trust;
- (6) Properties to be acquired must be fully evaluated including verification of title deed for disclosure to investors at least six months prior to application for acquisition but not exceeding one year preceding investment in such property with a minimum of two appraisers who are approved by the Securities and Exchange Commission;
- (7) Properties to be acquired must have minimum aggregate value of TH 500 million for the first-time investment in core assets;
- (8) In case of indirect investment in core assets by FTREIT, it must be an investment in property specified in (1) - (7) above through unitholding in a company incorporated with objectives to engage in the same business as FTREIT as specified in the Trust Deed. Such investment must meet the following criteria:
 - (8.1) FTREIT must hold shares in such company in a ratio as prescribed in the notification of the Securities and Exchange Commission or The Capital Market Supervisory Board;
 - (8.2) FTREIT must be able to prove that there are measures or mechanisms to enable the Trustee and the REIT Manager to take care of and control such company to ensure the operation as specified in the Trust Deed and the criteria of the Securities and Exchange Commission in a similar manner as if FTREIT were making direct investment in such core assets.
- (9) If value of properties to be acquired is above 5% higher than the minimum valuation price assigned by the valuation company within one year preceding the acquisition, facts and reasons for acquisition at such price must be provided.

DISPOSAL OF CORE ASSETS

The REIT Manager may consider disposing of core assets of FTREIT under the following procedures:

- (1) The REIT Manager must have core assets valued by an independent valuator in accordance with the criteria specified in the notification of Office of the Securities and Exchange Commission;
- (2) Disposal of core assets must be over and contain transaction details and approval procedures as specified in the Trust Deed and it must be approved by the trustee or a resolution of a meeting of unit holders in the same manner as acquisition of the assets.
- (3) Disposal of core assets in the following categories is permitted only when necessary and appropriate and with approval from the Board of Directors:
 - Disposal of core assets within one year from the date on which the trust acquires such core assets;
 - Disposal of core assets that FTREIT acquired back to the previous owner.

MANAGEMENT OF CORE ASSETS

In relation to management of core assets of FTREIT, the Company as the REIT Manager appoints a Property Manager who is selected based on experience in management of each type of property in which FTREIT will make investment. The REIT Manager appointed FPIT as the Property Manager for warehouses and FPT as the Property Manager for factories, (please see details in the topic **"Property Manager"**). The REIT Manager supervises and controls the Property Manager by the following means:

- (1) The REIT Manager establishes a marketing policy and strategy in property management for the Property Manager to comply with;
- (2) The REIT Manager controls and oversees the Property Managers' performance on a regular basis and checks accuracy and completeness of property-related tasks such as rental fee, outstanding payment, marketing activities, property condition, repair expenses, and insurance of core assets.

6. SELECTION OF PROPERTY MANAGERS

The REIT Manager may appoint one or more juristic person to act as property manager(s) to manage assets of FTREIT. Property Managers must be competent to manage and have knowledgeable people in estate management with not less than 3 years' experience. The REIT Manager is responsible for property management fees and FTREIT is responsible for other costs incurred by the property management, such as maintenance fees, etc. However, if a new Property Manager is appointed, the REIT Manager informs the trustee of the appointment within 15 days of the appointment of the new Property Manager.

Property Managers have a 5-year contract which can be renewed automatically. However, REIT Manager may change or appoint additional Property Managers within the terms outlined in the contract, when one of the following occurs:

- (1) Property Managers do not perform their duties according to terms and conditions of the contract of appointment and Property Managers do not remedy this within 60 days after receipt of notice from REIT Manager to rectify such non-performance.
- (2) If the rental rate of FTREIT's properties under management of any Property Manager is less than 50% for 3 consecutive months and if the annual performance of the property is less than the performance estimate specified in the annual operating plan that Property Managers have proposed and had approved by the REIT Manager for a consecutive period of more than 2 years except in case of force majeure.
- (3) Property Managers were ordered by the court to be in receivership or the court has appointed the official receiver to manage all, or a significant proportion, of the properties under the responsibility of the Property Manager.
- (4) Property Managers lack the ability to act as Property Managers as determined by the REIT Manager and do not fix such disability within 60 days.

7. MONITORING PROPERTY MANAGERS' PERFORMANCE

The management of properties of FTREIT, the REIT Manager supervises Property Managers appointed by FTREIT to achieve its purpose and to preserve the best benefit of FTREIT and unitholders. The REIT Manager has a system for executing and supervising Property Managers as follows;

7.1 MONTHLY MONITORING

- (1) Asset Management Department assigns Property Managers to submit a summary of factory visits of potential customers with customers' names and phone numbers. In addition, they need to submit report on the lease of the main properties, and property repair or maintenance report.
- (2) Finance and Accounting Department monitors the completeness of the rental received in FTREIT's accounts in each month.
- (3) Finance and Accounting Department investigates the unpaid rental report and check out the overdue rental tracking records. The property management department ensures that Property Managers follow the unpaid process and audit the tracing process include a copy of the notice (if any).
- (4) Asset Management Department examines the documents used in marketing to find tenants to ensure that such documents are not conducive to a conflict of interest in finding tenants of Property Managers by performing at least the examination of the presentation of each rental property equally, without regard to the ownership title and check on the pricing of property rental as a price advantage to any property owner or not.

Asset Management Department will contact the potential customers in item (1) by random to verify that the Property Managers are acting in a neutral manner without favoring any one property owner.

7.2 SEMI ANNUAL MONITORING

Every 6 months, or when appropriate, Asset Management Department meets with Property Managers to announce marketing policies, strategies and asset management. Property Managers provide information about the competition, relevant industry conditions, and issues that may arise with tenants.

7.3 ANNUAL MONITORING

- (1) Asset Management Department audits properties with Property Managers and property appraiser to ensure that the core assets of FTREIT are in normal operation. For the purposes of the annual property appraisal, it must be established that no additional construction or extension, except that which has received permission from FTREIT, has been made.
- (2) Property Management Department reviews and audits the quotations, coverage and premium rates and confirms that the primary coverage is included in the main insurance document in order to ensure that the core asset is properly insured as required by the company.

7.4 PROPERTY MAINTENANCE

Property Management Department reviews and audits the need for the properties' repairs and maintenance. This includes a list of repairers and costs before approval to ensure that the Property Managers perform repairs to the proper standards without any conflict of interest:

- (1) In event of repairs and maintenance, the cost is not allowed to exceed the amount approved by FTREIT for Property Managers to carry out their own procurement. However, every month, Property Management Department reviews and audits the correctness of the repairs and maintenance items prepared by Property Managers.
- (2) In event that repair and maintenance costs are more than the amount approved by FTREIT:

- For urgent cases, Property Managers must first obtain the approval from Property Management Department, via phone or E-mail.
- For non-urgent cases, Property Managers send the letter of approval to Property Management Department including details of the property such as property number, name of the lessee, damaged property photos, and the amount of money to ask for approval. The supporting documentation must illustrate the necessity and appropriateness of the proposed costs, by including photographs of property damage, or comparison of prices from more than one service provider.
- Property Management Department prepares a letter of approval of the cost limit for the Property Managers with copies of the letter being kept as evidence and sends the documents to Finance and Accounting Department for further processing.

8. INTEREST TRACKING PROCEDURE

The Company as the REIT Manager has appointed FPT, FPIT and may appoint other persons as deemed appropriate to collect revenue and manage spending of FTREIT. In these regards, the Company has a procedure to track the interests of FTREIT which requires the appointed person to submit a report of such to the REIT Manager such as lease income report, lease cost report, selling and administrative expenses report, outstanding debt report, debt collection report, occupancy report, repair and maintenance hiring report and tenant's core assets insurance report.

9. SELECTION AND NOMINATION OF DIRECTORS AND MANAGEMENT

The REIT Manager shall select the personnel to be responsible for the management of FTREIT based on his/her experience in the related functions, to ensure that such person could manage FTREIT for the maximum benefit of the unitholders. The REIT Manager shall consider the qualifications of the candidate as defined by the guidelines of the Securities and Exchange Commission (SEC) as follows:

- (1) Having work experience in the field of investment management or management of revenue generating real estate for not less than 3 years within the period of 5 years before the date of joining the company (depending on circumstances);
- (2) No prohibited characteristics of authorised personnel of the Management in accordance with the Capital Market Supervisory Board's concerning the qualification of a person in the capital market;
- (3) Directors or others who are assigned (depending on circumstances) will select a suitably qualified candidate according to the criteria as specified by Legal and Compliance department together with Investor Relations.

10. REIT MANAGER FEE

| Transaction | Conditions |
|--|---|
| Management Fee (Base Fee) | 0.25% per annum of the Trust's total assets |
| Performance Fee | 3.00% per annum of net income from rental and service agreement |
| Incentive fee | 5.00% per annum of Trust's net operating income |
| Commission fee for acquiring a new tenant | In proportion to rental and service periods but not over 3 months based on the latest rental and service rate of new tenant |
| Commission fee for buying / selling / transferring leasehold / receiving leasehold | Not more than 3.00% of the value of buying / selling / transferring leasehold / receiving leasehold |

REIT Manager fees in 2021 - 2022 were THB 395.47 million and THB 418.31 million, respectively.

11. TRUSTEE FEE

| No. | Condition |
|-----|--|
| 1 | 0.060% per annum of total asset value for a portion not exceeding THB 15,000 million |
| 2 | 0.045% per annum of total asset value for a portion that exceeding THB 15,000 million up to THB 30,000 million |
| 3 | 0.030% per annum of total asset value for a portion that exceeding THB 30,000 million |

Trustee fees in 2021 - 2022 were THB 21.05 million and THB 21.26 million, respectively.

12. AUDIT FEE

As the REIT Manager, Frasers Property Industrial REIT Management (Thailand) Co., Ltd. appointed KPMG Phoomchai Audit Ltd. as FTREIT's auditor for 2022 according to minutes resolution of Board of Directors Meeting No. 2/2022 on 5 November 2021, which was announced in the Annual General Unitholders Meeting 2022 on 27 January 2022.

Details of Audit fees in 2021 - 2022 are as follows:

| Transaction | 2021 | 2022 |
|---------------------|------------------|------------------|
| Audit fee | 1,845,000 | 1,845,000 |
| Other service fees | 112,000 | 10,500 |
| Total (Baht) | 1,957,000 | 1,855,500 |

RISK FACTORS

RISK FACTORS

1. RISKS RELATING TO THE OPERATION OF THE REIT

1.1 Risks from compliance with investment-related contracts

In investing in and facilitating benefits from the property, FTREIT enters into contracts of land lease and sub-lease, building lease, to sell and to purchase agreements of buildings/land and buildings and/or other relevant contracts for benefit facilitation on the property. Moreover, FTREIT coordinates with relevant parties to comply with terms and conditions.

However, there may be events that can be taken as grounds for termination of a contract or that are breach of contract. In such cases, although the REIT has a right to terminate a contract or to claim any damages, the REIT may not receive benefits as specified. For example, if a contracting party violates relevant terms and refuses to pay the REIT damages as required, the REIT may have to bring the case through administration of justice which can incur expenses and take time in the process. The REIT manager cannot predict how long such a process takes, its consequences, as well as damages the REIT can recover. In addition, although the court rules that the REIT win the case, the REIT may not be able to enforce the judgment. The unitholders therefore carry a risk of not receiving returns as much as expected.

Damages the REIT can claim from lessors in case of breach of contract have been determined for the key properties the REIT as invested in leases/sub-leases, entering into land and building leases. The lessors have agreed to pay the REIT damages according to the terms. The terms are reasonable and set in the interests of the unitholders. However, lessors may not compensate to cover some damages from their breach in the aspect of economic value. Also, the compensation maybe less than the investment amount of such assets.

1.2 Risks relating to finding tenants near the end of a land lease term

A part of the property the REIT has invested is leasehold property with lease term approximately 27 to 30 years from the investment date. The REIT, thus, carries a risk of not being able to find tenants when it is near the end of a lease term since a remaining lease term is one important factor a tenant considers. However, most leases last no longer than 3 years. This means such risks only occur during the last 3 years of a lease. Also, some tenants demand short-term leases. The REIT manager expects to be able to find tenants during the last 3 years before the lease contract expires.

1.3 Risks from the REIT's performance based on the ability of property manager

The REIT manager has appointed FPIT as the property manager for factories and warehouses. Property manager is responsible for managing FTREIT's properties assigned by the REIT manager, including facilitate benefits from the property, for example, finding new tenants, renewing leases, managing service agreement and/or common fee agreement with current tenants, advertising and publicising, maintenance, or developing the property the REIT has invested so that it is in a good and appropriate condition ready for facilitation of benefits, which directly affects the REIT's performance.

However, if FPIT is unable to perform their duties as the property manager from any reasons despite suitable and interesting management fee, the REIT may not appoint anyone else to assume such duties as well as FPIT. This may significantly lead negative effects to the REIT's performance and ability to pay distribution. However, personnel of the REIT manager has knowledges and experiences relevant to seeking benefits on industrial properties which enable the REIT manager manage the properties during nominating new property manager.

1.4 Risks from a conflict of interest between the REIT and FPIT and FPT that may affect the REIT's operation

The REIT manager has appointed FPIT as the property manager for factories and warehouses. FPT is the major shareholder of FPIT. Meanwhile, FPT and FPIT are owners of factories and warehouses located on common industrial estate, industrial park, and industrial promotion zone with the REIT's properties. Furthermore, FPT and FPIT offer to sell their factories and warehouses to the REIT. The mentioned roles of FPT and FPIT may cause conflict of interest with the REIT. The conflicts may come from the process of asset selection for sale to the REIT and finding new tenants for the REIT's properties. Moreover, the fact that FPT is a major unitholder of FTREIT and FPIT is a property manager may cause the conflict of interest in conducting property manager role and finding new tenants for FTREIT, FPT and FPIT.

However, the REIT manager has set measures to prevent a conflict-of-interest by imposing criteria and procedure for asset selection and acquisition as well as roles and responsibilities of FPIT as a property manager as follows:

- REIT manager sets measures to govern the property manager in equally presenting prospective clients information of warehouses and factories that are owned by FPIT and FPT themselves as well as the REIT's. Also, it is required that FPIT offer comparable rental rates based on size, usable area, location, and type of property. These are for transparency and providing adequate and equal information to support for client's decision.
- To present information of properties to potential clients, the property manager shall offer vacant units without identifying owner of the properties. This measure leads to equality of information providing. Furthermore, each month, the property manager shall prepare report or

submit name list of potential clients who are interested in properties of the property manager and FTREIT. In the report, there is information of location, usable area, and a description of a warehouse or a factory a client wishes to lease. This helps the REIT manager to monitor transparency in the administration of the property manager regarding finding tenants for FTREIT and/or themselves which are under their management.

- REIT manager sets appropriate types and rates of property management fee to be paid to FPIT as a property manager.
- REIT manager determines guideline to consider performance of the property manager. REIT manager can change the property manager in the following cases.
 - 1) If the annual operating performance of the properties in portfolio is lower than the annual plan proposed by the property manager and approved by REIT manager over than 2 consecutive fiscal years, except in the event of force majeure; and
 - 2) If the occupancy rate is lower than 50% for 3 consecutive months, except in the event of force majeure.

Property manager may consider repairing the REIT's properties by themselves and reimburse as the REIT's expenses in case of small work or work which needs expertise or work with limited time to process. However, in case of work with high value, REIT manager shall consider to have expert to prepare quantities take-off to support consideration.

1.5 Risks from borrowing

As of 30 September 2022, gearing ratio was at 25.1%. Gross borrowing from financial institutes and debentures (before net of issuance cost) totaling 12,092.01 million Baht, consisting of debentures of 10,340.00 million Baht and short-term loan of 1,752.01 million Baht.

FTREIT may have risks from borrowing relating to interest and/or principal payment which resulting in breach of loan agreements and/or terms and conditions of debentures. This may lead to cross default. As the REIT has to pay distribution to unitholders not less than 90% of its adjusted net profit for the fiscal year, it's possible that the REIT's liquidity or reserved cash is insufficient for repaying loans and debentures.

REIT manager shall refinance the REIT's outstanding loans from financial institutions and/or debentures with new debentures and/or loans. However, the REIT may not be able to issue and offer new debentures and/or engage new loan agreement and/or obtain new loan with good terms and conditions.

In case of default from inability to repay either whole or partial outstanding of loans from financial institutions and/or debentures which resulted from the abovementioned events, the REIT manager may consider other alternatives to fund such repayments such as issuance and offer of new trust units for capital increase including asset disposal. These may affect return of unitholders. In this regard, the REIT manager shall consider the alternatives which will benefit most to the REIT and unitholders by taking into account leverage status such as interest-bearing-debts to total assets ratio and ability to continuously generate income in the future. However, the REIT manager viewed that the mentioned default risk is at low level.

2. RISKS RELATING TO THE ABILITY TO FACILITATE BENEFITS FROM THE PROPERTY

2.1 Risks from tougher competition that may affect occupancy rate and rental rate decrease

At present, competition among businesses of the same type as the REIT's has become tougher, both in property investment and in finding reliable tenants. The tough competition may adversely affect the REIT's operation. Furthermore, the competitors may own strong funding sources

and other supportive factors given them competitive advantages. These may result in increased property management costs, decrease in occupancy rate or price reduction.

However, the staff of the REIT manager and the property manager have long experience in the leasehold warehouse and factory for rent business. Besides, the REIT's key properties are of high quality and standards. There is also an efficient public utility system that can satisfy tenants' demands on industrial use, now and in the future.

2.2 Risks from economic conditions and domestic politics

Uncertainty of Thai economic conditions and the global economy, including other macroeconomic factors, such as economic growth rate, government policies in investment and foreign affairs, monetary policies by the Bank of Thailand and fiscal policies by the government, domestic real estate prices, domestic consumption expenditure, and domestic political uncertainty etc. affect decisions of existing and prospective tenants, especially foreign entrepreneurs, which are major tenants. Additionally, the uncertainty may affect a number of leases and lease rates.

The REIT manager is aware of such risks from economic volatility and microeconomics factors including political uncertainty, therefore, gives priority to devising a strategy to build up strengths of the REIT's key properties. For example, investing in high quality properties located in promising locations and offering services that meet entire business needs of the tenants. This is to gain a competitive advantage and to maintain a client base during an economic downturn. Furthermore, the business of the REIT can also benefit from investment promotion measures targeting development in industrial sectors. For instance, applying for investment promotion through the Board of Investment Office, especially to encourage industrial entrepreneurs in other countries to choose Thailand as their production base.

However, in case of global or regional economic recession or domestic political unrest, Thai economic including the stock exchange maybe affected. Also, these may adversely affect demand for warehouse and factory for rent, tenants' performance, the REIT's financial status, and trading price of the trust units. The aforementioned factors are uncontrollable. The REIT manager is not able to assure that current and future Thai economy or government policies will not significantly affect tenants' operations, financial status and performance.

2.3 Risks from natural disasters, accidents, and sabotage

The REIT's key properties are at risk of being affected by natural disasters, accidents, and sabotage. Therefore, in order to ease a burden of loss, the REIT has arranged insurance with the sum insured covering the total value of the REIT's key properties. The insurance is regularly maintained and is divided into all risk insurance (excluding terrorism). Moreover, FTREIT considers doing a business interruption insurance and third-party insurance as appropriate.

Presently, the sum insured covering for flood damage is limited. Therefore, property value may reduce from the damage which over the coverage. Moreover, the REIT may fail to fund the repairing work or construction for replacement of such damaged properties.

However, REIT manager provides the appropriate insurance for the properties with most beneficial to the REIT. Impact from natural disaster is unusual and uncontrollable event such as flood occurred in 2011. Government and the affected industrial land developers have appropriate preventing plan and implementation. Nowadays, none of such affect in the mentioned area. Also, such unusual event is expected to be rare to occur in the future.

2.4 Risks from contagious disease outbreak and fear of outbreak or other serious public health problems

The pandemic influenza A H5N1, severe acute respiratory syndrome (SARS), middle east

respiratory syndrome (MERS), coronavirus disease 2019 (COVID-19), other life-threatening diseases, contagious diseases or severe epidemics result in decelerated global economy, which may affect business operations, and solvency to pay rental and service fee of tenants in some industries which may cause a negative impact on the REIT's income or financial position.

FPIT, the property manager, requested by certain tenants to consider alleviating and helping them survive the impact of COVID-19 outbreak. The REIT Manager in consultation with FPIT, therefore, considered supporting measures to tenants, focusing on consistent approach which is benefit for building a sustainable relationship with the tenants. Therefore, two main measures have been put in place, which are the rental rebate and deferral.

2.5 Risks from termination or non-renewal of tenant

The REIT is at risk as some tenants may not renew their leases. The REIT cannot find new tenants to replace those former tenants timely or some renewal cases may request for revised terms and conditions of lease, service and/or common area agreements which less benefit to the REIT as compared to the existing agreements. These may cause direct impact to the REIT's cash flow and performance. However, the property manager normally discusses lease renewal with existing tenants in advance. In case of termination, tenant is required to inform in written in advance. If the tenants renew their leases, the renewal agreements shall be signed before their leases end. Properties of the REIT locate on potential locations which attract new tenants to replace the ones terminating the leases.

2.6 Risks from tenant's ability to pay rental, service, and/or common area fees

Rental, service fees, or common area service fees which FTREIT received from the tenants according to lease agreement, service agreement, and/or common area service agreement (depending on the case) are the

REIT's major income. Therefore, a financial status of a tenant may directly affect the operation of the REIT. Generally, a tenant leaves a deposit of 3 - 6 months, worth of applicable rental, service fees, or common service fees (depending on terms of each lease) which the REIT can take a deposit given that rental, service fees, or maintenance fees cannot be collected from a tenant according to the agreement. However, if the REIT has to evict a tenant because of a failure to settle bills or breach of contract, time taken to complete a move-out process or finding a new tenant may be longer than 6 months. Such a delay may directly affect the REIT's income. However, under normal conditions, it takes about 3 - 6 months, which is close to the rental deposit period of tenants.

2.7 Risks from a high concentration of tenants in the aspect of lease portion and/or industry and/or nationality

As of 30 September 2022, income from top-10 tenants accounted for 24.3% of total rental and service income of the REIT in September 2022. The REIT may have risk from default of tenants in paying rent and terminating or not renewing their leases. However, such proportion of income from top ten tenants significantly decreased from 55% of the period before conversion of property funds into the REIT.

Besides risks from a concentration of tenants, the REIT may carry risks from a high concentration of tenants in the same industry or of the same nationality. For, if any industry is shrinking, or if there are issues in international relations, leases, in effect, may be terminated or may not be renewed, and the REIT's overall outcome may be affected.

In addition, FPIT as the property manager believes that the REIT's key properties are of high quality and located in promising locations. Moreover, the tenants' businesses are operated as a business cluster. The public sector has also introduced a policy to strengthen international relations. The property manager believes that these contributing factors will help encourage existing tenants to renew their leases. Also,

finding replacement tenants will not be difficult either. In addition, the REIT has a policy to invest in additional assets which will reduce dependence on income from a particular tenant.

2.8 Risks relating to land delivery after a land lease ends

Since a part of the REIT's property is an investment in a land lease with FPT and/or FPIT, and the lease agreement requires that the REIT be responsible for demolition of buildings prior to the delivery of the land as the lease ends, the REIT, thus, carries risks of a demolition burden and costs related to the demolition.

However, the REIT can sell demolished waste of warehouses or factory buildings as compensation for the demolition-related costs. In addition, the REIT has as long as 180 days to return the land. Therefore, it is reasonable to carry out the demolition work without affecting the REIT.

However, there may be changes to the demolition in the future. This may incur the REIT increased demolition-related costs and may have a significant impact on the REIT's financial status in the year the lease ends.

2.9 Risks from expropriation of whole or partial investment properties under the immovable property expropriation act, which might affect FTREIT not being able to seek benefits from the property and affect operating performance of the REIT

In case that whole or partial properties of the REIT are expropriated following criteria and approach mentioned in the immovable property expropriation act B.E. 2530 including the amendment and other relevant laws ("Expropriation Law"), the REIT may not receive the compensation under the act due to the incompliance with the conditions as set in the Expropriation Law or may receive the compensation in the lower amount than the investment value. These will significantly affect the REIT's business, operation and financial status.

If the leasehold properties which formerly owned by FPIT are expropriated, FPIT agrees to refund partial rental fee of such properties within 30 days since the date that FPIT obtains the compensation from the expropriation as mentioned in the relevant lease agreements. Also, in case that FTREIT has obligation to some tenants who lease on the expropriated properties in paying compensation with actual and suitable amount and trying its best to provide new properties for rent to the tenants and/or constructing new building for tenant, FPIT shall be responsible for conducting the mentioned obligation with its owned expenses.

2.10 Risks from a right to early termination exercised

Some of the REIT's key properties are under the terms of the lease that give a tenant a right to early termination of land and/or warehouse leases, and/or service agreements, and/or common area service agreement (if any) ("Tenant Service Agreement") without forfeiture of deposit. However, some of such agreements with option to early terminate has obligation for tenant who exercises the right to pay the fine which may be less than the deposit. If the case occurs with the properties acquired from FPIT and/or FPT, either or both of them (as the case may be) shall compensate to FTREIT with the amount equal to deposit or amount of difference between deposit and fine according to lease agreements (as the case may be). Thus, the early termination exercise shall not impact the REIT in this aspect.

For some warehouse project that the REIT acquired from FPIT, which FPIT has granted a tenant a right to early termination of a client service agreement (Option to Early Termination), tenant can pay part of the fine to the REIT with their deposit. However, the REIT manager views that the compensation of fine even without deposit is considered sufficient for relief the possible impact from the early termination of lease.

However, if a tenant exercises such a right and the REIT cannot find a new tenant timely, or cannot find a new tenant, or a new tenant make a shorter lease, the REIT's cash flow and overall outcome may be affected.

In the case that tenant would like to renew the lease after the expiry, the REIT manager may consider provide option to early terminate for another term, in order to attract the tenant. Then, if the option is exercised during the term, the REIT may not receive the compensation from FPIT and/or FPT. In this regard, the REIT manager may mitigate the mentioned risks by negotiating directly to tenant or assigning the property manager to do for cancelling the option to early terminate. The other alternative is that the REIT manager may negotiate with the property manager to compensate the deposit according to the renewed lease agreement.

3. RISKS FROM CHANGES IN PROPERTY VALUES

The REIT's key properties comprise of property the REIT has invested in the form of leasehold and freehold.

• Property invested in the form of leasehold

The value of the REIT's leasehold property depreciates due to a remaining lease term decrease, changes in a number of leases or lease rates, or other factors beyond the REIT manager's control, and the value becomes zero when a lease ends. Currently, the REIT has a total of 568,988 sq.m. or 26.6% of all leasehold properties.

• Property invested in the form of freehold

The value of the REIT's freehold property may change based on valuation of property valuers. This may be affected by changes in a number of leases or lease rates, or other factors beyond the REIT manager's control.

However, such changes may have a significant impact on the property values, the net property value, and the value of the REIT units.

PREVENTION OF CONFLICT OF INTEREST

1. TRANSACTIONS BETWEEN FTREIT AND REIT MANAGER INCLUDING RELATED PERSONS OF REIT MANAGER

The REIT Manager may make transactions between FTREIT and the REIT Manager including related persons of the REIT Manager in the future. It is important that such transactions shall be committed to the maximum benefit of FTREIT and can be verified that the transactions are done at a fair price, under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand and the Trust Deed.

1.1 DETAILS OF TRANSACTIONS BETWEEN FTREIT AND REIT MANAGER INCLUDING RELATED PERSONS OF THE REIT MANAGER

(1) Transactions between ftreit and reit manager

| Related Person / Nature of Relationship | Transaction | Amount (Million Baht) | | REIT Manager's Opinion |
|--|---|--------------------------|--------|--|
| | | 2022 | 2021 | |
| Frasers Property Industrial REIT Management (Thailand) Co., Ltd. (FIRM) | Trust management fee | 418.31 | 395.47 | The rate of REIT management fee is standard practice in business operations comparable to REIT Management fee of other REITs in Thailand. |
| | Commission fee from sale of investments in properties | 1.87 | - | |
| | Accrued trust management fee | 70.81 | 35.58 | |
| | Accrued expenses | - | 0.77 | |
| Nature of Relationship: REIT Manager | | | | Necessity and Reasonableness of Transactions: Directors and Management of FIRM have an experience and a good understanding on factories and warehouses for rent. |

(2) Transactions between ftreit and related persons of the reit manager

| Related Person / Nature of Relationship | Transaction | Amount (Million Baht) | | REIT Manager's Opinion |
|--|---|--------------------------|--------|--|
| | | 2022 | 2021 | |
| Frasers Property (Thailand) Plc. (FPT) | Rent and service income | - | 0.02 | <ul style="list-style-type: none"> Assets acquired from FPT and FPIT are appraised by certified independent appraisers and the investment is in compliance with the Trust deed as well as related laws and regulations including related rules. FIRM engages FPIT to act as the property managers. The management fee is at the market price and reasonable. |
| | Income from rental and service guarantees | - | 5.25 | |
| Nature of Relationship: <ul style="list-style-type: none"> FPT is the parent company of FIRM, holding 70% of paid-up capital, as of 30 September 2022 FPT group is a major unitholder of FTREIT, holding 26.6% of paid-up units, as of 30 September 2022 FPT is the parent company of FPIT who is a property manager of FTREIT | Repair and maintenance expenses | - | 0.35 | |
| | Common area service fee | 0.00 | 0.09 | |
| | Other service expenses | 3.43 | 0.45 | |
| | Utility expenses | 0.01 | 0.01 | |
| | Investment properties | 805.20 | 740.92 | |
| | Accrued expenses | 3.39 | 0.35 | |
| | | | | |
| | | | | |

| Related Person / Nature of Relationship | Transaction | Amount (Million Baht) | | REIT Manager's Opinion |
|--|---|--------------------------|--------|--|
| | | 2022 | 2021 | |
| Frasers Property Industrial (Thailand) Co., Ltd. (FPIT) Nature of Relationship: <ul style="list-style-type: none"> Property manager FPT is a major shareholder of FPIT and FIRM. As of 30 September 2022, FPT held 100% of paid-up capital of FPIT. | Rent and service income | 0.07 | 0.07 | Necessity and Reasonableness of Transactions: <ul style="list-style-type: none"> To comply with FTREIT's investment policy, FIRM considers investing in the potential properties to generate good returns to unitholders. Properties of FPT and FPIT are located on potential locations and occupied by famous tenants. They are considered to be able to generate returns for FTREIT and unitholders. FTREIT's factories and warehouses were formerly owned by FPT and FPIT. Thus, both of them have knowledge and understanding on properties together with skilled personnel and standard operation. |
| | Income from rental and service guarantees | 4.70 | 56.70 | |
| | Other income | 0.05 | 0.02 | |
| | Repair and maintenance expenses | 18.18 | 17.59 | |
| | Common area service fee | 30.97 | 33.88 | |
| | Utility expenses | 0.03 | 0.05 | |
| | Finance cost (Interest under lease liabilities) | 5.77 | 5.88 | |
| | Other service expenses | 17.29 | 2.82 | |
| | Investment properties | 909.92 | 783.10 | |
| | Rent and service receivables | 1.64 | 2.28 | |
| | Accrued expense | 21.45 | 8.96 | |
| | Lease liabilities | 180.40 | 183.93 | |
| Frasers Property Demco Power 6 Co., Ltd. Nature of Relationship: <ul style="list-style-type: none"> Joint venture of the parent company of REIT Manager FPIT is a major shareholder, holding 51% of paid-up capital, as of 30 September 2022 | Rent and service income | 0.16 | 0.16 | Rental rate for leasing roof area of FTREIT's warehouse buildings for installation solar roof is reasonableness according to market rate Necessity and Reasonableness of Transactions: To manage properties area for maximize benefits. |
| | Deposits from rental and service | 0.05 | 0.05 | |
| Frasers Property Demco Power 11 Co., Ltd. Nature of Relationship: <ul style="list-style-type: none"> Joint venture of the parent company of REIT Manager FPIT is a major shareholder, holding 51% of paid-up capital, as of 30 September 2022 | Rent and service income | 0.10 | 0.10 | |
| | Deposits from rental and service | 0.03 | 0.03 | |

| Related Person / Nature of Relationship | Transaction | Amount (Million Baht) | | REIT Manager's Opinion |
|---|------------------------|--------------------------|------|--|
| | | 2022 | 2021 | |
| Kasemsubbhakdi Co., Ltd. | Other service expenses | 0.14 | - | The conditions of service rate were the same as those applicable to normal clients according to the market rate. |
| Nature of Relationship: <ul style="list-style-type: none"> Joint venture of the parent company of REIT Manager TCC Assets (Thailand) is a major shareholder, holding 51% of paid-up capital, as of 30 September 2022 | | | | Necessity and Reasonableness of Transactions: Directors and Management of FIRM have an experience and a good understanding on factories and warehouses for rent. |

1.2 POLICY FOR MAKING TRANSACTIONS IN THE FUTURE

Trust Deed has a procedure for making transactions between FTREIT and the REIT Manager or its related persons with the following criteria:

- (1) Transactions between FTREIT and the REIT Manager or related persons of the REIT Manager with the following criteria:
 - a. The transactions must be in accordance with the Trust Deed and the relevant laws;
 - b. The transactions must be in the best interest of FTREIT;
 - c. The transactions must be reasonable and at fair price and fair market conditions;
 - d. Expenses to be charged from FTREIT (if any) must be at a fair and reasonable rate;
 - e. Any person who have interest in the transactions will not participate in decision making for approval of the transactions.
- (2) However, if it is necessary to enter a transaction that may cause conflict of interest, the below requirements and conditions shall be followed:
 - a. The transaction must be approved by the Trustee that it is in accordance with the Trust Deed and relevant laws;
 - b. In case the value of the transactions exceeds THB 1 million or equal to or over 0.03% of the net asset value of FTREIT, whichever value is higher, an approval of the Board of Directors of REIT Manager is required;

- c. In case the value of the transactions exceeds THB 20 million or equal to or over 3% of the net asset value of FTREIT, whichever is higher, the resolution of approval of the unitholders' meeting by at least three-fourths majority vote of the attending unitholders with the voting right is required.

- (3) If the related transaction is a transaction to acquire or sell of main properties, the calculation of value will base on acquisition or sell value of all properties of each project that will make it ready to seek benefit, including all properties relating to that project.
- (4) In order to seek approval from Trustee or unitholders' meeting, the REIT Manager and Trustee shall have the following responsibilities:
 - a. The REIT Manager shall prepare a paper requesting for approval or notice for unitholders' meeting with the REIT Manager's opinion on nature of transaction according to clause (1) together with supporting reasons and clear information; and
 - b. Trustee must attend the unitholders' meeting to provide its opinion whether the transaction is conformed to Trust Deed and relating applicable laws. In case that approval from the unitholders' meeting is required, the notice for meeting must include opinion from an independent financial advisor for such approval.

(5) In case that the information on related transaction between FTREIT and the REIT Manager or any person relating to the REIT Manager has been clarified in the information memorandum, such transaction shall not require approval in clause (2) and does not require to follow procedures to request for approval in clause (4).

1.3 GUIDELINES TO PREVENT CONFLICTS OF INTEREST

The REIT Manager has a system to prevent conflicts of interest between FTREIT and a person who may have conflicts of interest. The management who responsible for making

transactions that may cause a conflict of interest with the Legal and Compliance Department jointly ensure that such transaction is in accordance with the following guidelines:

- (1) Transaction must be complied with the Trust Deed and related laws and incurred to the maximum benefits of FTREIT;
- (2) Transaction must be reasonable and committed on the fair price and fair market conditions;
- (3) Stakeholders of the transaction shall not participate in the approval process of such transaction.

2. TRANSACTIONS BETWEEN FTREIT AND TRUSTEE INCLUDING RELATED PERSONS OF TRUSTEE

2.1 DETAILS OF TRANSACTIONS BETWEEN FTREIT AND TRUSTEE INCLUDING RELATED PERSONS OF TRUSTEE

FTREIT had transactions between Trustee and Related Persons of Trustee as follows:

| Related Person / Nature of Relationship | Transaction | Amount (Million Baht) | | REIT Manager's Opinion |
|---|------------------------------------|--------------------------|---------------|---|
| | | 2022 | 2021 | |
| BBL Asset Management Co., Ltd. (BBLAM) | Trustee fee Accrued trustee fee | 21.26 1.83 | 21.05 1.81 | Trustee fee is standard practice in business operations comparable to trustee fee of other REITs in Thailand. Necessity and Reasonableness of Transactions: FTREIT engages BBLAM to act as the Trustee for the purpose of securing TRUST benefit. Trustee shall obtain the Trustee fee for their duties and responsibilities under Trust Deed. |
| Nature of Relationship: Trustee | | | | |

| Related Person / Nature of Relationship | Transaction | Amount (Million Baht) | | REIT Manager's Opinion |
|--|---------------------------|--------------------------|--------|--|
| | | 2022 | 2021 | |
| Bangkok Bank Plc. (BBL) | Interest income | 0.16 | 0.25 | <ul style="list-style-type: none">• Terms and conditions of services are standard practice in business operations comparable to other financial institutes.• The rate of services fee for financial advisory, underwriter and / or agent for offering and allocation of Trust units as well as issuance and offering of debentures are in accordance with standard practice in business operations comparable to other service providers. |
| | Finance cost | 14.12 | 49.65 | |
| | Cash and cash equivalents | 78.59 | 144.95 | |
| Nature of Relationship: | Accrued interest income | 0.02 | 0.05 | |
| <ul style="list-style-type: none">• BBL is a major shareholder of Trustee, holding 75% of paid-up capital, as of 30 September 2022 | Accrued interest expense | 6.77 | 7.26 | |
| <ul style="list-style-type: none">• BBL held 4.0% of paid-up units of FTREIT, as of 30 September 2022. | Debentures | 330.00 | 377.40 | |
| Necessity and Reasonableness of Transactions: | | | | <ul style="list-style-type: none">• FTREIT has a saving account for operating activities in BBL and receives the interest with the same rate as other bank's customers, such rate was a normal rate of other banks and financial institutions.• BBL has experienced personnel with expertise and understanding in the capital market including related rules and regulations as well as proficiency in their roles as the financial advisory, underwriter and/or agent for issuance and offering of debentures. |
| | | | | |

2.2 POLICY FOR MAKING TRANSACTIONS IN THE FUTURE

In the event that FTREIT makes related transactions with the Trustee or related persons of the Trustee, the below procedures shall be followed:

- (1) Disclose information through the Stock Exchange of Thailand's website or other channels which are available for the unitholders;
- (2) Period of disclosure shall be reasonable which is not less than 14 days;
- (3) The channels, procedures and period for objection shall be provided for the unitholder which the period for objection shall not less than 14 days, unless in the event that the resolution of the unitholders is to request for objection against such related person transactions, the objection shall require to be made in such resolutions.

In this regard, if the unitholders made the objection in accordance with the procedure which is provided as specified in (3), exceeding one-fourths of the paid-up capital, Trustee shall not be allowed to make or approve such related person transactions.



LEGAL DISPUTE

LEGAL DISPUTE

As of 30 September 2022, FTREIT has no legal dispute that may significantly and adversely impact to FTREIT's business operation. Notwithstanding, the amount in dispute of all court cases are less than 5% of Net Asset Value (NAV).









SOCIAL RESPONSIBILITY




The Stakeholder Management Framework has been established according to the business value chain of FTREIT, the procedure are as follows:

| | |
|---|--|
| 1 Identifying the stakeholders | Considered by the engagement relevant to the business chain value of FTREIT. |
| 2 Identifying the impacts of FTREIT towards stakeholders | Evaluated by the impacts and opportunity in term of economy, society, and environment. |
| 3 Rating the influence level of stakeholders towards FTREIT | Evaluated by the influence level arising from other factors such as implementation, rules & regulations, and reputation. |
| 4 Grouping the stakeholders | Divided stakeholders into groups according to the level of impact and influence level of stakeholders towards FTREIT. |
| 5 Prioritizing the importance of stakeholders | Identifying the engagement guidelines appropriate to each group of stakeholders, such as interview, workshop, etc. |

REIT manager has classified FTREIT's major stakeholders into 9 groups: tenants, suppliers, creditors, unitholders, trustee, property manager, REIT manager, community, and government agencies. Implementation with stakeholders are as follows:

| Stakeholders | Expectation | Approaches | Communication Channel |
|---|---|---|--|
| (1) Tenants  | <ul style="list-style-type: none"> Fair trade Good Customer Relationship Effective response to customer complaints Risk and Crisis Management | <ul style="list-style-type: none"> Equal treatment to tenants Complying with trade terms and conditions Operating with business ethics Encouraging tenants to reduce energy consumption in operating activities, for example by proposing to replace energy-saving lamps, replacement of water-saving sanitary ware, etc. | <ul style="list-style-type: none"> Annual satisfaction surveys Virtual meeting / Email / Telephone Site visiting and property appraisal Contact the property manager |

| Stakeholders | Expectation | Approaches | Communication Channel |
|---|--|---|---|
| (2) Suppliers  | <ul style="list-style-type: none"> Fair trade Cooperation for business growth | <ul style="list-style-type: none"> Equal treatment to suppliers Complying with trade terms and conditions Operating with business ethics Knowledge sharing and supporting to build collaboration process A transparent and fair procurement process | <ul style="list-style-type: none"> Virtual meeting / Email / Telephone Contact the REIT manager / property manager |
| (3) Creditors  | <ul style="list-style-type: none"> Debt repayments as scheduled A practice in compliance with terms and conditions of relevant agreements | <ul style="list-style-type: none"> Debt repayment as scheduled and comply to conditions and covenants Maintaining the major financial ratio as required in conditions of debentures and bank loans covenants. | <ul style="list-style-type: none"> Virtual meeting / Email / Telephone Contact the REIT manager |
| (4) Unitholders  | <ul style="list-style-type: none"> Stable and profitable performance and business growth Sustainable growth and return Good corporate governance | <ul style="list-style-type: none"> Investing in quality assets Managing the REIT for stable and profitable performance and business growth Good corporate governance Appropriate risk management | <ul style="list-style-type: none"> Unitholder meeting Opportunity day organized by the Stock Exchange of Thailand Contact an investor relations Email : ftreit.ir@frasersproperty.com Website : www.ftreit.co.th |
| (5) Trustee  | <ul style="list-style-type: none"> REIT manager operates in compliance with trust deed and related laws prevent, inhibit or limit the damages which might affect the benefits of FTREIT and unitholders. | <ul style="list-style-type: none"> Operating in compliance with trust deed and related laws Good corporate governance Risk management | <ul style="list-style-type: none"> Virtual meeting / Email / Telephone Contact the REIT manager |
| (6) Property Managers  | <ul style="list-style-type: none"> Fair trade Cooperation for business growth | <ul style="list-style-type: none"> Equal treatment to property managers Operating in compliance with property management agreement and trade term and conditions Operating with business ethics Knowledge sharing and supporting to build collaboration process | <ul style="list-style-type: none"> Virtual meeting / Email / Telephone Contact the REIT manager |

| Stakeholders | Expectation | Approaches | Communication Channel |
|---|---|--|---|
| (7) REIT Manager  | <ul style="list-style-type: none"> Fair trade | <ul style="list-style-type: none"> Operating in compliance with the trust deed, REIT management agreement and related laws Operating with business ethics | <ul style="list-style-type: none"> Website : www.ftreit.co.th at the “Whistleblowing” page www.ftreit.co.th/en/sustainability/whistleblowing |
| (8) Community  | <ul style="list-style-type: none"> Good relationship with the community Compliance with social and environmental laws Community economy Promote the development of a better quality of life in the community and society Build a network of cooperation to jointly develop communities and society | <ul style="list-style-type: none"> Community engagement and social activities Organizing activities together Legal compliance | <ul style="list-style-type: none"> Community activities Contact the REIT manager / property manager Website : www.ftreit.co.th |
| (9) government agencies  | <ul style="list-style-type: none"> Compliance with laws and relevant regulations Information disclosure of business conduct transparently Creating economic value and social value | <ul style="list-style-type: none"> Community engagement and social activities Compliance with laws and relevant regulations Good corporate governance anti-corruption Occupational health and safety in workplace | <ul style="list-style-type: none"> Support the activities organized by the government Virtual meeting / Email / Telephone Contact the REIT manager / property manager Website : www.ftreit.co.th |

Code of conduct and business policies related to REIT Manager’s operation for FTREIT management have been published on www.ftreit.co.th under “Sustainability” and choosing “Code of Conduct”

SOCIAL ACTIVITIES IN 2022

GROW FOR THE GROWTH



On 22 April 2022, FTREIT together with Property Manager, Frasers Property Industrial (Thailand) Co., Ltd. have organized the “Grow for the Growth” Campaign, led by Mr. Sapon Racharaksa, Mr. Peerapat Srisukont and Mr. Thanarat Boonyakosol along with management and team. We selected the Zamiodulcas Zamifolia plant which is a tree that helps filter the air and absorb toxins in the atmosphere including organic fertilizers produced from grass clippings at our common area in Frasers Property Logistics Park (Bangna). This is for building awareness about the global warming and the use of recycle resources as well as to increase the green area in the logistics park for our tenants.

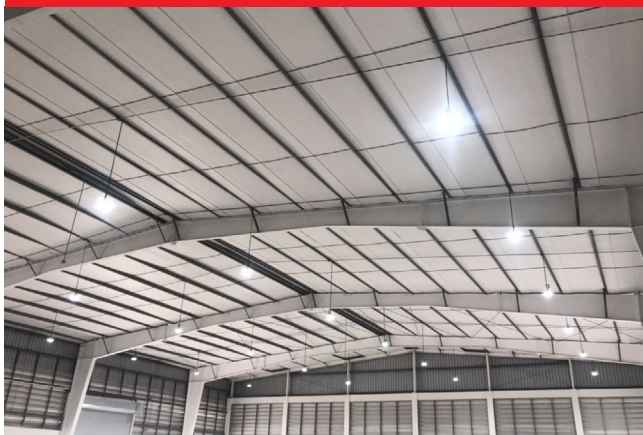
GREEN MOVES



In 2022, Frasers Property Industrial (Thailand) Co., Ltd. (FPIT), FTREIT's property manager, launched "Green Moves" campaign aiming for creating activity about sustainability. It initiates the first activity name "Waste Sorting Better" under the Green Moves campaign to cope with the waste management in project locations of FPIT and FTREIT.

In this first phase, we would start in 4 locations including Frasers Property Logistics Park (Bangna), Frasers Property Logistics Center (Bangplee 1), Frasers Property Logistics Park (Laemchabang 2), and Frasers Property Logistic Center (Wangnoi). In each location, we designate area for waste sorting in office area, canteen, as well as common area. We also prepare waste sorting information signage to promote this campaign to our customers. So, they would understand on how to sort the waste and build recognition on environmental sustainability.

CHANGE TO ENERGY SAVING



FTREIT has supported tenants' energy consumptions to achieve the goal of reducing greenhouse gas emissions (GHG). In the fiscal year 2022 (1 October 2021 - 30 September 2022), FTREIT had changed the lighting lamps in the factory and warehouse buildings from 400 watt Metal Halide High Bay to 150 watt LED High Bay lamps, saving more energy consumptions and expanding lifetime, totaling of 1,235 sets (866 sets changed in 2021). Moreover, FTREIT has changed the toilet sanitary wares to save water. And tenants started using solar panels in many projects.

PRIDE AND ACHIEVEMENTS IN 2022



• ESG100

FTREIT was selected as one of 100 listed companies with outstanding ESG (environmental, social and governance) performance known as the ESG100 in 2022 by ThaiPAT Institute for the fourth consecutive year.



• GRESB

FTREIT achieved the highest rank "A Level" of the Public Disclosure Report from GRESB (Global Real Estate Sustainability Benchmark) with a score of 86 points, ranked 2 out of 6 from all assessed participants in the group of Southeast Asia - Industrial. It is the second consecutive years for FTREIT that has participated, and we are the only Thai REITs in this group.



TRUSTEE'S OPINION



BBL ASSET MANAGEMENT CO., LTD.
บริษัทหลักทรัพย์จัดการกองทุนรวม บัวหลวง จำกัด

8th November 2022

To : Unitholders of Frasers Property Thailand Industrial Freehold and Leasehold REIT

Whereas, BBL Asset Management Company Limited ("BBLAM") acting as the Trustee of Frasers Property Thailand Industrial Freehold and Leasehold REIT ("FTREIT") which managed by Frasers Property Industrial REIT Management (Thailand) Company Limited ("FIRM") as the REIT manager during accounting period from 1st October 2021 to 30th September 2022.

In our opinion, FIRM has performed its duties in managing the FTREIT appropriately in accordance with the objectives specified in the Trust Deed and the Trust for Transactions in Capital Market Act B.E. 2550.

Yours Faithfully,

BBL Asset Management Co., Ltd.,

Trustee of Frasers Property Thailand Industrial

Freehold and Leasehold REIT

(Mr. Thawatchai Lueangsurarungse)

Senior Vice President

(Mr. Chukiet Wiriyaorkitkul)

Assistant Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Frasers Property Thailand Industrial Freehold & Leasehold REIT

Opinion

I have audited the financial statements of Frasers Property Thailand Industrial Freehold & Leasehold REIT ("the Trust"), which comprise the statement of financial position and details of investments as at 30 September 2022, the statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 30 September 2022, its financial performance, changes in net assets and cash flows for the year then ended in accordance with the accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust issued by the Association of Investment Management Companies as approved by the Securities and Exchange Commission.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of my report. I am independent of the Trust in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of investments in freehold and leasehold properties Refer to Notes 3 and 5 to the financial statements.

| The key audit matter | How the matter was addressed in the audit |
|---|---|
| Investments in freehold and leasehold properties are measured at fair value and are material to the Trust's financial statements. The fair value of investments in freehold and leasehold properties is determined by income approach using discounted future cash flows based on future operating results of each property. The Trust engaged independent external valuers to assist in valuing the fair value of these investments. | <p>My audit procedures included</p> <ul style="list-style-type: none">• Understanding and evaluating the basis upon which the Trust identified and assessed the fair value of assets.• Evaluating the independence, qualification and competence of valuers of the Trust.• Using the work of external expert engaged by KPMG in considering the reasonableness of measurement basis and key assumptions used for estimating fair value of assets. |

| The key audit matter | How the matter was addressed in the audit |
|---|---|
| Identification and assessment of the fair value require significant judgment in determining the key assumptions. Therefore, such matter is an area that my audit is particularly concentrated on. | <ul style="list-style-type: none"> • Evaluating the reasonableness of the key assumptions used in the valuation by comparing them against historical data, considering the reasonableness of significant movement in the asset valuation from the prior year, sampling check the relevant documents, and recomputing the valuation based on the discounted cash flow. • Evaluating the adequacy of the disclosures in accordance with Thai Financial Reporting Standards. |

Other Information

The REIT manager is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to REIT manager and request that the correction be made.

Responsibility of the REIT manager for the Financial Statements

The REIT manager is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust issued by the Association of Investment Management Companies as approved by the Securities and Exchange Commission, 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.

In preparing the financial statements, REIT manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless REIT manager either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by REIT manager.
- Conclude on the appropriateness of REIT manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit

evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with REIT manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide REIT manager with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with REIT manager, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Yuwanuch Thepsongvaj)

Certified Public Accountant
Registration No. 5371

KPMG Phoomchai Audit Ltd.
Bangkok
4 November 2022

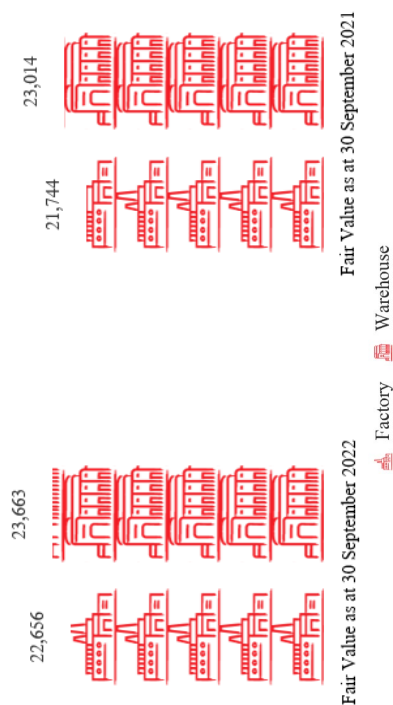
FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

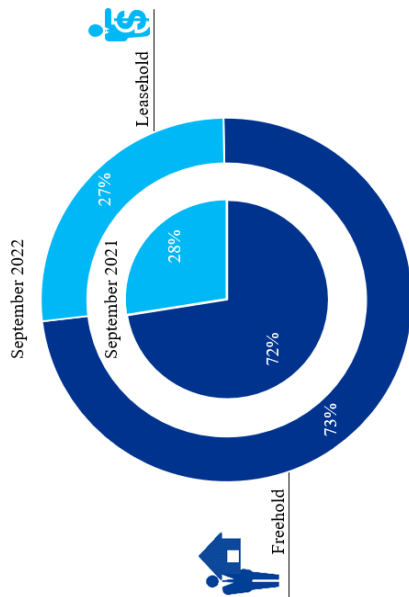
| | | 30 September | |
|--|----------|-----------------------|-----------------------|
| | Note | 2022 | 2021 |
| | | (in Baht) | |
| Assets | | | |
| Investments measured at fair value through profit or loss | | - | 300,000,000 |
| Investments in freehold and leasehold properties at fair value | 5 | 46,319,379,400 | 44,758,329,599 |
| Cash and cash equivalents | 6, 13 | 331,281,812 | 800,056,573 |
| Rent and service receivables | 4, 13 | 148,528,572 | 130,694,901 |
| Interest receivables | 13 | 352,267 | 920,471 |
| Other receivables | 13 | 1,633,258 | 3,898,855 |
| Deferred expenses | 7 | 2,728,043 | 15,174,743 |
| Other assets | | 87,455,566 | 56,952,557 |
| Total assets | | 46,891,358,918 | 46,066,027,699 |
| Liabilities | | | |
| Short-term loans | 8 | 1,752,010,000 | 800,000,000 |
| Accrued expenses | 13 | 100,541,231 | 79,871,015 |
| Accrued interest expenses | 13 | 94,705,920 | 99,314,551 |
| Withholding taxes payable | | 26,466,264 | 27,140,935 |
| Deposits from rental and service | 13 | 1,157,629,405 | 1,163,240,691 |
| Lease liabilities | 8, 13 | 180,403,903 | 183,927,074 |
| Long-term loan | 8 | - | 1,737,643,783 |
| Debentures | 8, 9, 13 | 10,331,787,808 | 9,034,418,835 |
| Other liabilities | | 40,330,615 | 29,539,129 |
| Total liabilities | | 13,683,875,146 | 13,155,096,013 |
| Net assets | | 33,207,483,772 | 32,910,931,686 |
| Net assets | | | |
| Trust registered capital | | 29,213,377,906 | 29,213,377,906 |
| Capital from trust unitholders | 10 | 31,118,590,048 | 31,118,590,048 |
| Retained earnings | 11 | 2,088,893,724 | 1,792,341,638 |
| Net assets | | 33,207,483,772 | 32,910,931,686 |
| Net asset value per unit (Baht) | | 10.8401 | 10.7433 |
| Number of trust units issued at the end of year (units) | | 3,063,387,048 | 3,063,387,048 |

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

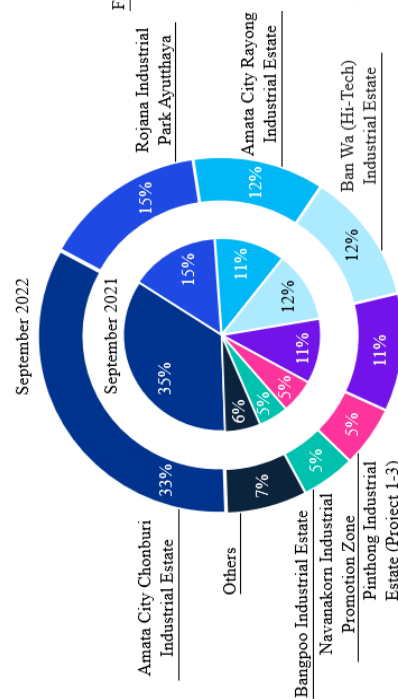
Fair Value by asset type (in million Baht)



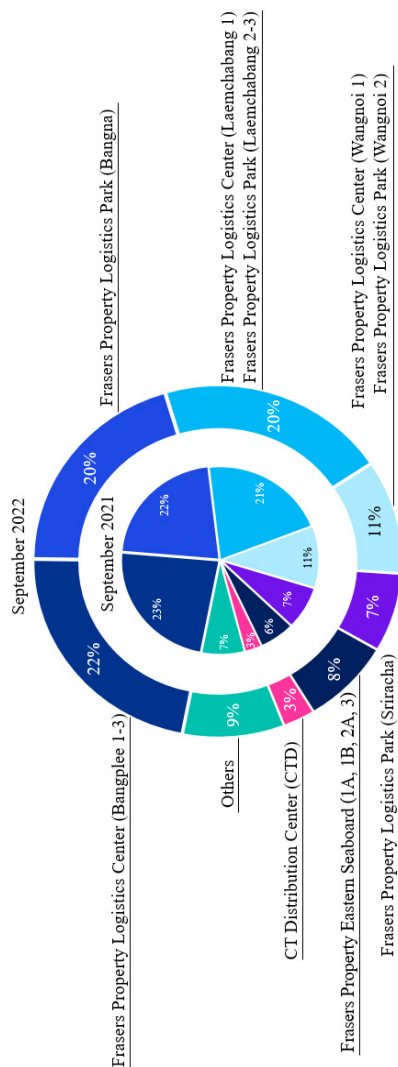
Area size by property ownership (square metre)



Fair Value of Factory by location



Fair Value of Warehouse by location



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

| Type of investments | Locations | 30 September 2022 | | | | 30 September 2021 | | | |
|---|--|------------------------------|-------------------|-------------------------|-------------------------------------|------------------------------|-------------------|-------------------------|-------------------------------------|
| | | Lease Area (square metre) | Cost (in Baht) | Fair value (in Baht) | Percentage of investments (%) | Lease Area (square metre) | Cost (in Baht) | Fair value (in Baht) | Percentage of investments (%) |
| Investments in freehold and leasehold properties (Note 5) | | | | | | | | | |
| Freehold on land and factories | | | | | | | | | |
| | Amata City Industrial Estate Rayong, Sai Chachoengsao-Satahrip Road, Map Yang Phon Sub-district, Phuak Daeng District, Rayong Province | 81,750 | 1,980,491,177 | 2,260,579,621 | 4.88 | 81,750 | 1,980,491,177 | 2,145,318,840 | 4.76 |
| | Pinthong Industrial Estate 1, Sai Nong Kho-Laem Chabang Road, Nong Kham Sub-district, Sri Racha District, Chonburi Province | 39,250 | 917,000,000 | 1,007,931,681 | 2.18 | 39,250 | 917,000,000 | 976,288,961 | 2.17 |
| | Pinthong Industrial Estate 2, Sai Nong Kho-Laem Chabang Road, Nong Kham Sub-district, Sri Racha District, Chonburi Province | 12,300 | 299,179,903 | 316,932,243 | 0.68 | 12,300 | 299,179,903 | 305,000,000 | 0.68 |
| | Pinthong Industrial Estate 3, Sai Nong Kho-Laem Chabang Road, Bowin and Bueng Sub-district, Sri Racha District, Chonburi Province | 33,225 | 859,034,804 | 858,475,400 | 1.85 | 33,225 | 859,034,804 | 828,750,320 | 1.84 |
| | Hi-Tech Industrial Estate, Sai Asia Road, Banlane Sub-district, Bangpa-In District, Ayuthaya Province | 104,953 | 2,269,255,543 | 2,508,144,629 | 5.41 | 100,128 | 2,135,869,515 | 2,356,752,578 | 5.23 |
| | Rojana Industrial Park, Rojana-Wangnoi Road, Ban Chang and Uthai Sub-district, Uthai District, Ayuthaya Province | 139,382 | 2,963,772,907 | 3,146,676,096 | 6.79 | 134,832 | 2,843,509,647 | 3,027,508,133 | 6.72 |
| | WHA Industrial Development Chonburi 1, Sai Chachoengsao-Satahrip Road, Bo Win Sub-district, Sri Racha District, Chonburi Province | 18,300 | 505,287,630 | 452,721,000 | 0.98 | 18,300 | 505,287,630 | 499,211,586 | 1.11 |
| | Amata City Chonburi Industrial Estate, Debaratna Road, Bankao, Panthong and Nongkhaka Sub-district, Panthong District and Don Hwaro Sub-district, Mueang Chonburi District, Chonburi Province | 246,975 | 6,288,020,459 | 7,113,045,515 | 15.36 | 246,975 | 6,288,020,459 | 7,058,596,306 | 15.67 |
| | Bangpa-In Industrial Estate, Udomsornyut Road, Klongjig Sub-district, Bangpa-In District, Ayuthaya Province | 32,300 | 730,911,670 | 659,312,500 | 1.42 | 32,300 | 730,911,670 | 723,148,333 | 1.60 |
| | Bangpu Industrial Estate, Sukhumvit road, Phraek Sa Sub-district, Muang Samut Prakan District, Samut Prakan Province | 40,325 | 919,216,540 | 1,091,341,000 | 2.36 | 40,325 | 919,216,540 | 1,058,172,674 | 2.35 |
| | Nava Nakorn Industrial Promotion Zone, Phahon Yothin Road, Khlong Nueng Sub-district, Khlong Luang District, Patum Thani Province | 51,850 | 1,139,193,593 | 1,172,773,302 | 2.53 | 51,500 | 1,113,107,234 | 1,153,164,375 | 2.56 |
| | Ladkrabang Industrial Estate, Lam Pla Thio Sub-district, Ladkrabang District, Bangkok | 1,300 | 39,887,357 | 35,900,000 | 0.08 | 1,300 | 39,887,357 | 39,887,357 | 0.08 |

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

| Type of investments | Locations | 30 September 2022 | | | | 30 September 2021 | | | |
|---|-----------|------------------------------|----------------|-------------------------|-------------------------------------|------------------------------|----------------|-------------------------|-------------------------------------|
| | | Lease Area (square metre) | Cost | Fair value (in Baht) | Percentage of investments (%) | Lease Area (square metre) | Cost | Fair value (in Baht) | Percentage of investments (%) |
| Freehold on land and factories (cont') | | | | | | | | | |
| Kabinburi Industrial Zone, Highway No.304 (Kabinburi-Nakhon Ratchasima), Kabinburi District, Nong Ki Sub-district, Kabinburi District, Prachinburi Province Rojana Industrial Park Prachinburi, Highway No.304, Hua Wa Sub-district, Si Maha Phot District, Prachinburi Province | 7,125 | 154,202,374 | 154,202,373 | 0.33 | - | - | - | - | |
| | 13,250 | 322,425,467 | 322,425,466 | 0.70 | - | - | - | - | |
| | 822,285 | 19,387,879,424 | 21,100,460,826 | 45.55 | 792,185 | 18,631,515,936 | 20,171,799,463 | 44.77 | |
| | | | | | | | | | |
| Freehold on land and warehouses | | | | | | | | | |
| Fraser's Property Logistics Center project (Amata City Chonburi), Bankao Sub-district, Phan Thong District, Chonburi Province | 19,650 | 485,500,000 | 535,631,615 | 1.16 | 19,650 | 485,500,000 | 534,848,008 | 1.19 | |
| Fraser's Property Eastern Seaboard 2(A) project, Sai Chachoengsao-Sattahip and Sai Nong kho-Phan Sadej Nok Road, Bo Win Sub-district, Sri Racha District, Chonburi Province | 24,900 | 479,528,016 | 459,348,363 | 0.99 | 15,800 | 298,478,563 | 250,898,817 | 0.56 | |
| Fraser's Property Wangnoi 1 project, Phahon Yothin Road, Payom Sub-district, Wang Noi District, Ayuthaya Province | 89,616 | 1,893,632,644 | 2,125,453,013 | 4.59 | 89,616 | 1,893,632,644 | 2,107,248,645 | 4.68 | |
| Fraser's Property Wangnoi 2 project, Phahon Yothin Road, Payom Sub-district, Wang Noi District, Ayuthaya Province | 19,600 | 380,399,645 | 356,000,000 | 0.77 | 19,600 | 380,399,645 | 361,000,000 | 0.80 | |
| Fraser's Property Eastern Seaboard 1(A) project, Sai Chachoengsao-Sattahip and Sai Nong kho-Phan Sadejroek Road, Bo Win Sub-district, Sri Racha District, Chonburi Province | 35,430 | 602,080,180 | 591,028,277 | 1.28 | 35,430 | 602,080,180 | 598,834,868 | 1.33 | |
| Fraser's Property Eastern Seaboard 1(B) project, Sai Pluak Daeng-Wang Ta Hin Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province | 28,968 | 565,870,079 | 517,500,000 | 1.12 | 28,968 | 565,870,079 | 501,197,085 | 1.11 | |
| Fraser's Property Siriracha project, Bangpra and Surasak Sub-district, Sri Racha District, Chonburi Province | 99,768 | 1,845,351,618 | 1,712,786,839 | 3.70 | 99,768 | 1,845,351,618 | 1,707,573,906 | 3.79 | |
| Fraser's Property Laemchabang 1 project, Nong Kham Sub-district, Sri Racha District, Chonburi Province | 69,404 | 1,229,400,000 | 1,360,519,403 | 2.94 | 69,404 | 1,229,400,000 | 1,373,284,701 | 3.05 | |
| Fraser's Property Laemchabang 2 project, Nong Kham Sub-district, Sri Racha District, Chonburi Province | 81,700 | 1,916,036,201 | 1,710,704,476 | 3.69 | 81,700 | 1,916,036,201 | 1,717,788,371 | 3.81 | |
| Fraser's Property Phan Thong 1 project, Phan Thong Sub-district, Phan Thong District, Chonburi Province | 30,100 | 661,755,970 | 627,559,164 | 1.34 | 10,600 | 241,280,000 | 148,800,506 | 0.33 | |
| Sahathai Property Laemchabang 3 K9 project, Bangkok-Pattaya Motorway Route 7, Thungsukla Sub-District, Sri Racha District, Chonburi Province | 80,012 | 2,127,338,446 | 1,719,000,000 | 3.71 | 80,012 | 2,127,338,446 | 1,724,895,993 | 3.83 | |
| Fraser's Property Bangna project, Debaratna Road, Bang Samak and Bang Wua Khamarak Sub-district, Bang Pakong District, Chachoengsao Province | 81,175 | 1,776,842,689 | 1,947,581,470 | 4.20 | 81,175 | 1,776,762,116 | 1,976,172,776 | 4.39 | |

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

| Type of investments | Locations | 30 September 2022 | | | | 30 September 2021 | | | |
|--|---|------------------------------|-------------------|-------------------------|-------------------------------------|------------------------------|-------------------|-------------------------|-------------------------------------|
| | | Lease Area (square metre) | Cost (in Baht) | Fair value (in Baht) | Percentage of investments (%) | Lease Area (square metre) | Cost (in Baht) | Fair value (in Baht) | Percentage of investments (%) |
| Freehold on land and warehouses (cont') | | | | | | | | | |
| | Cold Storage CTD - Wangnoi project, Cha Map Sub-district, Wang Noi District, Ayutthaya Province | 18,354 | 668,454,696 | 664,800,342 | 1.44 | 18,354 | 668,454,696 | 657,746,590 | 1.46 |
| | Fraser's Property Logistics Center (Rojana Ayutthaya) Zone 2 project, Rojana-Wang noi Road, Uthai Sub-district, Uthai District, Ayutthaya Province | 18,324 | 294,000,000 | 315,000,000 | 0.68 | 18,324 | 294,000,000 | 315,400,000 | 0.70 |
| | WHA Industrial Development Chonburi 1 project, Sai Chachoengsao-Sattahip Road, Bo Win Sub-district, Sri Racha District, Chonburi Province | 20,700 | 359,684,210 | 346,200,000 | 0.75 | 20,700 | 359,684,210 | 348,900,000 | 0.77 |
| | Fraser's Property Logistics Center (Rojana Prachinburi) project, Sai Chachoengsao-Kabinburi Road, Huawa Sub-district, Srinababho District, Prachinburi Province | 14,832 | 342,545,860 | 290,800,000 | 0.63 | 14,832 | 342,545,860 | 285,200,000 | 0.62 |
| | Fraser's Property Logistics Park Eastern Seaboard 3 Khao Khan Song Sub-district, Sri Racha District, Chonburi Province | 15,350 | 310,999,956 | 310,999,956 | 0.67 | - | - | - | - |
| | | 747,883 | 15,939,420,210 | 15,590,912,918 | 33.66 | 703,933 | 15,026,814,258 | 14,609,790,266 | 32.42 |
| Right-of-use | | | | | | | | | |
| Leasehold on land and freehold on factories | | | | | | | | | |
| | Rojana Industrial Park Zone 2, Rojana-Uthai Road, Banchang Sub-district, Uthai District, Ayutthaya Province | 10,900 | 189,000,000 | 167,400,000 | 0.36 | 10,900 | 189,000,000 | 174,600,000 | 0.39 |
| | Nava Nakorn Industrial Promotion Zone, Phahon Yothin Road, Khlong Nueng Sub-district, Khlong Luang District, Patum Thani Province | 5,000 | 80,900,000 | 78,700,000 | 0.17 | 5,000 | 80,900,000 | 79,300,000 | 0.18 |
| | | 15,900 | 269,900,000 | 246,100,000 | 0.53 | 15,900 | 269,900,000 | 253,900,000 | 0.57 |
| Leasehold on land and freehold on warehouses | | | | | | | | | |
| | Fraser's Property Bangna project, Debaratna Road, Bang Samak and Bang Wu Kanarak Sub-district, Bang Pakong District, Chachoengsao Province | 177,085 | 3,349,373,499 | 2,828,152,407 | 6.11 | 177,085 | 3,341,020,340 | 3,043,015,438 | 6.75 |
| | | 177,085 | 3,349,373,499 | 2,828,152,407 | 6.11 | 177,085 | 3,341,020,340 | 3,043,015,438 | 6.75 |
| Leasehold on land and factories | | | | | | | | | |
| | Hi-Tech Industrial Estate, Asia Road, Ban Len Sub-district, Bang Pa-in District, Ayutthaya Province | 11,700 | 201,900,000 | 195,400,000 | 0.42 | 11,700 | 201,900,000 | 202,077,500 | 0.45 |
| | Amata City Industrial Estate Chonburi, Sai Debaratna Road, Panthong and Nongkhaka Sub-district, Panthong District and Don Huaro Sub-district, Mueang Chon Buri District, Chonburi Province | 24,250 | 539,622,407 | 481,760,867 | 1.04 | 24,250 | 539,622,407 | 493,625,316 | 1.10 |

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

| Type of investments | Locations | 30 September 2022 | | | | 30 September 2021 | | | |
|---|---|------------------------------|-------------------|-------------------------|-------------------------------------|------------------------------|-------------------|-------------------------|-------------------------------------|
| | | Lease Area (square metre) | Cost (in Baht) | Fair value (in Baht) | Percentage of investments (%) | Lease Area (square metre) | Cost (in Baht) | Fair value (in Baht) | Percentage of investments (%) |
| Leasehold on land and factories (cont') | | | | | | | | | |
| | Pinthong Industrial Estate 2, Sai Nong Kho-Laem Chabang Road, Nongkham Sub-district, Sri Racha District, Chonburi Province | 8,725 | 186,600,000 | 160,200,000 | 0.35 | 8,725 | 186,600,000 | 160,100,000 | 0.36 |
| | Pinthong Industrial Estate 3, Sai Nong Kho-Laem Chabang Road, Bowin Sub-district, Sri Racha District, Chonburi Province | 4,875 | 104,800,000 | 86,100,000 | 0.19 | 4,875 | 104,800,000 | 83,400,000 | 0.19 |
| | Amata City Industrial Estate Rayong, Sai Chachoengsao-Satahip Road, Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province | 18,650 | 406,741,917 | 386,157,886 | 0.83 | 18,650 | 406,741,917 | 378,776,629 | 0.83 |
| | | 68,200 | 1,439,664,324 | 1,309,618,753 | 2.83 | 68,200 | 1,439,664,324 | 1,317,979,445 | 2.93 |
| Leasehold on land and warehouses | | | | | | | | | |
| | Fraser's Property Bangpree 1 project, Debaratna Road, Srisa Chorakhe Yai Sub-district, Bang Sao Thong District, Samutprakan Province | 76,477 | 1,449,601,143 | 1,414,341,610 | 3.05 | 76,477 | 1,449,601,143 | 1,398,509,306 | 3.10 |
| | Fraser's Property Bangpree 2 project, Bang Sao Thong Sub-district, Bang Sao Thong District, Samutprakan Province | 124,634 | 2,087,509,328 | 1,919,188,816 | 4.14 | 124,634 | 2,087,509,328 | 2,087,509,328 | 4.63 |
| | Fraser's Property Bangpree 3 project, Debaratna Road, Bangpla Sub-district, Bangpree District, Samutprakan Province | 106,692 | 1,955,288,238 | 1,910,604,070 | 4.13 | 106,692 | 1,955,288,238 | 1,875,826,353 | 4.16 |
| | | 307,803 | 5,492,398,709 | 5,244,134,496 | 11.32 | 307,803 | 5,492,398,709 | 5,361,844,987 | 11.89 |
| | Total investments in freehold and leasehold properties | 2,139,156 | 45,878,636,166 | 46,319,379,400 | 100.00 | 2,065,106 | 44,201,313,567 | 44,758,329,599 | 99.33 |

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

| | | 30 September 2022 | | | | 30 September 2021 | | | |
|--|------------------|------------------------|-----------------------|-------------------------------------|------------------------|-----------------------|-------------------------------------|--|---------------|
| Type of investments/ Issuer | Maturity date | Principal (in Baht) | Fair value | Percentage of investments (%) | Principal (in Baht) | Fair value | Percentage of investments (%) | | |
| Investments in securities | | | | | | | | | |
| Fixed deposits | | | | | | | | | |
| CIMB Thai Bank Public Company Limited | 22 November 2021 | - | - | - | 300,000,000 | 300,000,000 | | | 0.67 |
| Total investments in securities | | - | - | - | 300,000,000 | 300,000,000 | | | 0.67 |
| Total investments | | 45,878,636,166 | 46,319,379,400 | 100.00 | 44,501,313,567 | 45,058,329,599 | | | 100.00 |

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

STATEMENT OF COMPREHENSIVE INCOME

| | | Year ended 30 September | |
|--|--------|-------------------------|----------------------|
| | Note | 2022 | 2021 |
| | | (in Baht) | |
| Income | | | |
| Rent and service income | 13 | 3,594,486,679 | 3,239,354,848 |
| Interest income | 13 | 2,810,427 | 4,579,324 |
| Income from rental guarantees | 13 | 4,696,325 | 111,478,808 |
| Income from forfeiture of rental and service deposits | | 20,932,461 | 15,213,692 |
| Other income | 13 | 22,071,636 | 46,032,340 |
| Total income | | 3,644,997,528 | 3,416,659,012 |
| Expenses | | | |
| Cost of rent and service | 13 | 284,461,149 | 214,402,289 |
| Trust management fee | 12, 13 | 418,312,721 | 395,474,282 |
| Trustee fee | 12, 13 | 21,264,031 | 21,047,129 |
| Registrar fee | 12 | 4,577,421 | 5,876,380 |
| Professional fee | | 1,855,500 | 1,957,000 |
| Amortisation of deferred expenses | 7 | 12,446,700 | 14,025,052 |
| Administrative expenses | 13 | 22,080,602 | 22,226,266 |
| Finance cost | 13 | 361,102,882 | 370,665,673 |
| Total expenses | | 1,126,101,006 | 1,045,674,071 |
| Net profit on investments | | 2,518,896,522 | 2,370,984,941 |
| Net gain (loss) on investment | | | |
| Net gain on sale of investments in properties | 11 | 4,602,064 | - |
| Net loss on changes in fair value of investments in properties | 5, 11 | (116,272,797) | (218,698,894) |
| Total net loss on investments | | (111,670,733) | (218,698,894) |
| Increase in net assets resulting from operations | | 2,407,225,789 | 2,152,286,047 |

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

STATEMENT OF CHANGES IN NET ASSETS

| | | Year ended 30 September | |
|--|--------|-------------------------|-----------------------|
| | Note | 2022 | 2021 |
| (in Baht) | | | |
| Increase (decrease) in net assets resulting from operations during the year | | | |
| Net profit on investments | 11 | 2,518,896,522 | 2,370,984,941 |
| Net loss on investments | | (111,670,733) | (218,698,894) |
| Increase in net assets during the year | | 2,407,225,789 | 2,152,286,047 |
| Distributions to trust unitholders | 11, 14 | (2,110,673,703) | (2,021,171,485) |
| Increase in capital during the year | 10 | - | 2,805,167,938 |
| Increase in net assets during the year | | 296,552,086 | 2,936,282,500 |
| Net assets at 1 October 2021 / 2020 | | 32,910,931,686 | 29,974,649,186 |
| Net assets at 30 September | | 33,207,483,772 | 32,910,931,686 |
| Changes in number of Trust unit | | | |
| <i>(Baht 9.5363 per unit)</i> | | | |
| Trust unit at 1 October 2021 / 2020 <i>(units)</i> | | 3,063,387,048 | 2,822,387,048 |
| Issue new trust units | 10 | - | 241,000,000 |
| Trust unit at 30 September <i>(units)</i> | | 3,063,387,048 | 3,063,387,048 |

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

STATEMENT OF CASH FLOWS

| | | Year ended 30 September | |
|---|------|-------------------------|----------------------|
| | Note | 2022 | 2021 |
| (in Baht) | | | |
| Cash flows from operating activities | | | |
| Net increase in net assets from operations | | 2,407,225,789 | 2,152,286,047 |
| <i>Adjustments to reconcile net increase in net assets from operations to net cash from (used in) operating activities:</i> | | | |
| Net loss on changes in fair value of investments in properties | 5 | 116,272,797 | 218,698,894 |
| Acquisition of investments in securities | | - | (300,000,000) |
| Proceed from sale of investments in securities | | 300,000,000 | 926,021,928 |
| Acquisition of investments in properties | | (1,731,280,423) | (3,644,300,397) |
| Proceed from sale of investments in properties - net | | 55,802,064 | - |
| Net gain on sale of investments in properties | | (4,602,064) | - |
| Deferred expense amortisation | | 12,446,700 | 14,025,052 |
| Decrease (increase) in rent and service receivables | | (12,401,165) | 40,850,322 |
| Increase in other receivables | | (6,193,327) | (2,038,323) |
| Increase in other assets | | (30,503,009) | (22,562,337) |
| Increase (decrease) in accrued expenses | | 23,428,041 | (19,794,637) |
| Decrease in withholding taxes payable | | (674,671) | (3,475,905) |
| Increase (decrease) in deposits from rental and service | | (5,611,286) | 129,904,619 |
| Increase (decrease) in other liabilities | | 10,791,486 | (119,569,953) |
| Interest income | | (2,810,427) | (4,579,324) |
| Interest received | | 3,378,631 | 4,653,560 |
| Expected credit loss | | 3,026,418 | 7,929,222 |
| Finance cost | | 361,102,882 | 370,665,673 |
| Net cash from (used in) operating activities | | 1,499,398,436 | (251,285,559) |

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

| | | Year ended 30 September | |
|---|------|-------------------------|--------------------|
| | Note | 2022 | 2021 |
| | | (in Baht) | |
| Cash flows from financing activities | | | |
| Proceeds from short-term loans | | 4,002,010,000 | 2,943,132,000 |
| Repayment of short-term loans | | (3,050,000,000) | (5,001,122,000) |
| Proceeds from long-term loan | | - | 2,436,325,000 |
| Repayment of long-term loan | | (1,742,700,000) | (700,000,000) |
| Payment of lease liabilities | | (9,291,738) | (8,901,618) |
| Proceeds from debentures | | 2,595,591,116 | 2,495,704,558 |
| Repayment of debentures | | (1,300,000,000) | (2,100,000,000) |
| Proceeds from issue of trust units | 10 | - | 2,805,167,938 |
| Interest paid | | (353,108,872) | (352,011,200) |
| Distributions to trust unitholders | 14 | (2,110,673,703) | (2,021,171,485) |
| Net cash from (used in) financing activities | | (1,968,173,197) | 497,123,193 |
| Net increase (decrease) in cash and cash equivalents | | | |
| Cash and cash equivalents at 1 October 2021 / 2020 | | 800,056,573 | 554,218,939 |
| Cash and cash equivalents at 30 September | 6 | 331,281,812 | 800,056,573 |
| Non-cash transaction | | | |
| Payables for acquisition of investments in properties | | 208,800 | 2,966,625 |

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

NOTES TO FINANCIAL STATEMENTS

For the year ended 30 September 2022

| Note | Contents |
|------|--|
| 1 | General Information |
| 2 | Basis of preparation of the financial statements |
| 3 | Significant accounting policies |
| 4 | Financial risks |
| 5 | Investments in freehold and leasehold properties at fair value |
| 6 | Cash and cash equivalents |
| 7 | Deferred expenses |
| 8 | Interest-bearing liabilities |
| 9 | Debentures |
| 10 | Capital from trust unitholders |
| 11 | Retained earnings |
| 12 | Expenses |
| 13 | Related parties |
| 14 | Distributions to trust unitholders |
| 15 | Information on investment purchase and sale transactions |
| 16 | Segment information |
| 17 | Information on fair value level and fair value measurement of investment |
| 18 | Commitment with non-related party |
| 19 | Litigation |
| 20 | Events after the reporting period |

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors of the REIT manager on 4 November 2022.

1 GENERAL INFORMATION

Frasers Property Thailand Industrial Freehold & Leasehold REIT (“the Trust”) was established as a specific closed-end Real Estate Investment Trust with an indefinite term. The Trust was registered on 12 December 2014 with registered capital of Baht 3,425 million (342.50 million trust units, at Baht 10.00 per unit). Frasers Property Industrial REIT Management (Thailand) Company Limited (“Management Company”) acts as the REIT Manager and Frasers Property Industrial (Thailand) Company Limited is hired as the Property Management and Thailand Securities Depository Company Limited acts as the Registrar and BBL Asset Management Company Limited acts as Trustee.

The Trust’s objectives are to raise funds from general investors and to use the proceeds from such fundraising to acquire, lease and/or sub-lease of immovable properties. The Trust will take the transfer of the ownership and/or leasehold rights and/or sub-leasehold rights therein and seek benefits from those properties by way of lease, sub-lease, transferring and/or disposing of immovable properties the Trust invests in or acquires. The Trust will also improve, modify, construct and/or develop immovable properties by taking the transfer of a construction permit and/or applying for other permits and/or executing any transactions necessary and advisable for immovable properties, with the aim of generating income and returns for the Trust and its unitholders. This includes investment in other properties and/or securities and/or seeks interest by any other means as prescribed by securities laws and/or other relevant law.

The Trust’s major trust unitholders during the financial year were Frasers Property Thailand (International) Pte. Ltd. that was incorporated in Singapore (21.46% trust unitholding) and Social Security Office that was incorporated in Thailand (11.09% trust unitholding).

The Trust’s dividend payment policy is in accordance with condition and procedures as specified in prospectus.

2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared in accordance with the accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust, issued by the Association of Investment Management Companies (“AIMC”) as approved by The Securities and Exchange Commission. In case this accounting guidance does not specifically state the practical guidance for a transaction, the Trust shall apply Thai Financial Reporting Standard (TFRS) as announced by Federation of Accounting Professions (“Accounting Guidance”). The financial statements are presented in Thai Baht, which is the Trust’s functional currency.

The preparation of financial statements in conformity with an accounting guidance requires REIT manager to make judgements, estimates and assumptions that affect the application of the Trust’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements

(a) *Investments measured at fair value through profit or loss*

Investment are initially recognised at fair value through profit or loss when the Trust becomes a party to the contractual provisions of the instrument. Transaction costs that are directly attributable to acquire investments are recognised in profit or loss.

Gains and losses on measurement, including any interest or dividend income, are recognised in profit or loss.

The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b) *Investments in freehold and leasehold properties at fair value*

Investments in freehold and leasehold properties are measured at cost, including transaction costs, on initial recognition and subsequently at fair value, with any change recognised in profit or loss and presented as “gain (loss) from changes in fair value of investments in properties”

Cost includes expenditure that is directly attributable to the acquisition of the investments in freehold and leasehold properties. The fair value is based on appraisal value assessed by independent valuers approved pursuant to the notification of the Securities and Exchange Commission. The Trust will conduct appraisal of properties at least every 2 years, commencing from the date of appraisal the acquired properties or the latest date of appraisal properties or the date of disposal properties or there is any indication of impairment and conduct a review of appraisal at least every year after the date of the latest appraisal. The Trust will not appoint any valuers to appraise the properties for more than 2 consecutive times.

Differences between the proceeds from disposal and the carrying amount of investments in freehold and leasehold properties are recognised in profit or loss and presented as “net realised gain (loss) on investments”.

(c) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition.

(d) *Rent and service receivables*

Rent and service receivable is measured at transaction price less allowance for expected credit loss.

The Trust estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the rent receivable based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

Accrued rent and service income is presented as part of rent and service receivables.

(e) Equity issuance cost

Equity issuance cost comprise the trust's unit issuance and offering expenses as incurred which consisted of underwriting fees, Trust deed fees, registered fees and other directly related expenses.

The Trust entirely recognised equity issuance cost as a deduction on capital from unitholders. Excepting for the equity issuance cost incurred before 1 January 2020 was amortise as an expense over a period of 5 years on a straight-line basis according to previous accounting policy.

(f) Leases

At inception of a contract, the Trust assesses whether a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Trust allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Trust has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Trust recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use assets are initial measured at cost and classify as investment in property as described in note 3(b). The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred an estimate of restoration costs, and less any lease incentives received.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Trust uses the Trust's incremental borrowing rate to discount the lease payments to the present value. The Trust determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

The accounting policy for lessor is described in note 3(i).

(g) Interest-bearing liabilities

Interest-bearing liabilities are measured at amortised cost.

(h) Provisions

A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(i) Fair value measurement

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Trust has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Trust uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Trust recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Trust measures assets and assets positions at a bid price and liabilities and liabilities positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Trust determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(j) Rental income

At inception or on modification of a contract, the Trust allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Trust considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Trust recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of ‘rental income’. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the accounting period in which they are earned. Accrued rent and service income is presented as part of rent and service receivables.

(k) Service income

Revenue is recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Trust expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of trade discounts.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

(l) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(m) Expenses

Other expenses are recognised on accrual basis.

(n) Income tax

The Trust is exempt from corporate income tax in Thailand so that corporate income tax is not recorded in the financial statements.

(o) Distribution to unitholders

The Trust recognises a reduction in retained earnings at the date a distribution is declared.

4 FINANCIAL RISK

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

| <i>At 30 September 2022</i> | Carrying amount | Level 1 | Fair value | | Total |
|--|----------------------------|---------------------------|-------------------|-----------|------------|
| | | | Level 2 | Level 3 | |
| | | <i>(in thousand Baht)</i> | | | |
| <i>Financial liabilities measured at amortised cost</i> | | | | | |
| Deposits from rental and service | 1,157,629 | - | - | 1,096,890 | 1,096,890 |
| Debentures | 10,331,788 | - | 10,060,534 | - | 10,060,534 |

| <i>At 30 September 2021</i> | Carrying amount | Level 1 | Fair value | | Total |
|--|------------------------|---------------------------|-------------------|-----------|-----------|
| | | | Level 2 | Level 3 | |
| | | <i>(in thousand Baht)</i> | | | |
| <i>Financial liabilities measured at amortised cost</i> | | | | | |
| Deposits from rental and service | 1,163,241 | - | - | 1,101,113 | 1,101,113 |
| Long-term loan | 1,737,644 | - | - | 1,771,049 | 1,771,049 |
| Debentures | 9,034,419 | - | 9,129,731 | - | 9,129,731 |

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

| Type | Valuation technique |
|----------------------------------|--|
| Deposits from rental and service | Discounted cash flows |
| Long-term loan | Discounted cash flows |
| Debentures | Derived by using latest clean price of Thai Bond Market Association Government Bond. |

Credit risk

Credit risk is the risk of financial loss to the Trust if a tenant or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Trust's receivables from tenants. However, the related financial assets have short-term maturity, therefore, the Trust does not anticipate material losses from its debt collection.

The REIT manager has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Rent and service receivables

The Trust's exposure to credit risk is influenced mainly by the individual characteristics of each tenant. However, management also considers the factors that may influence the credit risk of its tenant base, including the default risk associated with the industry and country in which tenants operate.

The REIT Manager has established a credit policy under which each new tenant is analysed individually for creditworthiness before the Trust's standard payment and conditions are offered.

The Trust limits its exposure to credit risk from receivables by establishing a payment period and outstanding trade receivables are regularly monitored by the Trust. An impairment analysis is performed by the Trust at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables and reflect differences between economic conditions in the past, current conditions and the Trust's view of economic conditions over the expected lives of the receivables.

The following table provides information about the exposure to credit risk and ECLs for rent and service receivables.

| <i>Rent and service receivables at 30 September</i> | 2022 | 2021 |
|--|---------------------------|----------------|
| | <i>(in thousand Baht)</i> | |
| Within credit terms | 28,582 | 6,031 |
| Overdue: | | |
| Less than 3 months | 13,046 | 11,929 |
| 3 - 6 months | - | 3,383 |
| More than 6 months | 2,718 | 5,320 |
| Litigation receivables | 72,460 | 75,020 |
| Total | 116,806 | 101,683 |
| Accrued income under operating leases | 105,442 | 108,164 |
| Total | 222,248 | 209,847 |
| Less allowance for expected credit loss | (73,719) | (79,152) |
| Net | 148,529 | 130,695 |

| <i>Allowance for expected credit loss</i> | 2022 | 2021 |
|--|---------------------------|---------------|
| | <i>(in thousand Baht)</i> | |
| At 1 October 2021 / 2020 | 79,152 | 74,226 |
| Addition | 1,882 | 4,926 |
| Reverse | (7,315) | - |
| At 30 September | 73,719 | 79,152 |

Currency risk

The Trust has no financial assets or financial liabilities denominated in foreign currency, there is no exposure to currency risk.

Market risk

The Trust has no market risk related to return on investment security because the Trust has no holding of investment in equity and debt security.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Trust's operations and its cash flows because loans and debentures (see note 8 and 9) are mainly fixed. So the Trust has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Trust.

Liquidity risk

The Trust monitors its liquidity risk by maintains a level of cash deemed adequate by REIT manager to finance the Trust's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

| <i>At 30 September 2022</i> | Carrying amount | Contractual cash flows | | | Total |
|----------------------------------|--------------------|------------------------|---|----------------------|-------------------|
| | | 1 year or less | More than 1 years but less than 5 years | More than 5 years | |
| <i>(in thousand Baht)</i> | | | | | |
| Short-term loans | 1,752,010 | 1,780,004 | - | - | 1,780,004 |
| Deposits from rental and service | 1,157,629 | 486,640 | 601,169 | 69,820 | 1,157,629 |
| Lease liabilities | 180,404 | 9,683 | 40,601 | 199,477 | 249,761 |
| Debentures | 10,331,788 | 827,691 | 7,344,470 | 3,528,413 | 11,700,574 |
| Total | 13,421,831 | 3,104,018 | 7,986,240 | 3,797,710 | 14,887,968 |

| <i>At 30 September 2021</i> | Carrying amount | Contractual cash flows | | | Total |
|----------------------------------|--------------------|------------------------|---|----------------------|-------------------|
| | | 1 year or less | More than 1 years but less than 5 years | More than 5 years | |
| <i>(in thousand Baht)</i> | | | | | |
| Short-term loans | 800,000 | 802,474 | - | - | 802,474 |
| Deposits from rental and service | 1,163,241 | 489,110 | 609,502 | 64,629 | 1,163,241 |
| Lease liabilities | 183,927 | 9,292 | 39,990 | 209,771 | 259,053 |
| Long-term loan | 1,737,644 | 51,141 | 1,864,877 | - | 1,916,018 |
| Debentures | 9,034,419 | 1,571,023 | 4,758,081 | 4,112,727 | 10,441,831 |
| Total | 12,919,231 | 2,923,040 | 7,272,450 | 4,387,127 | 14,582,617 |

Financial risk management policies

The Trust manages potential risk on investment by setting risk management policy, e.g. investment diversification and analysis of investee's financial position.

5 INVESTMENTS IN FREEHOLD AND LEASEHOLD PROPERTIES AT FAIR VALUE

| | 2022 | 2021 |
|---|-------------------|-------------------|
| <i>(in thousand Baht)</i> | | |
| At 1 October 2021 / 2020 | 44,758,330 | 41,143,609 |
| Addition adjustments from first adoption of TFRS 16 | - | 186,153 |
| At 1 October 2021 / 2020 (as adjusted) | 44,758,330 | 41,329,762 |
| Addition | 1,728,522 | 3,647,267 |
| Disposal | (51,200) | - |
| Loss on fair value adjustment | (116,273) | (218,699) |
| At 30 September | 46,319,379 | 44,758,330 |

| <i>Year ended 30 September</i> | 2022 | 2021 |
|--|---------------------------|-----------|
| | <i>(in thousand Baht)</i> | |
| Amounts recognised in profit or loss | | |
| Rent and service income | 3,594,487 | 3,239,355 |
| Repair and maintenance expense: | | |
| - property that generated rent and service income | 49,649 | 42,941 |
| - property that did not generate rent and service income | 49,479 | 44,178 |

The fair value of investment in freehold and leasehold properties was determined by independent professional valuers, at discounted cash flow using risk-adjusted discount rates, according to the independent professional valuers' report on November 2021, May 2022 and August 2022 and was categorised as a Level 3 fair value.

| Significant unobservable inputs | Inter-relationship between key unobservable inputs and fair value measurement |
|---|--|
| <ul style="list-style-type: none"> • Expected market rental growth rates 2.5% (2021: 2.5 - 3.0%). • Occupancy rate 70.0 - 97.0% (2021: 70.0 - 95.0%). • Discount rates 8.0 - 9.5% (2021: 9.0 - 9.5%). • Capitalisation rates 6.0% (2021: 6.0 - 7.0%). | <p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> • Expected market rental growth rates higher (lower); • The occupancy rate were higher (lower); • Discount rates were lower (higher); • Capitalisation rates were lower (higher). |

Significant agreements during the year ended 30 September 2022 and 2021 were as follow:

2022

On 23 September 2022, the Trust entered into purchase agreement of land and constructions in Kabinburi Industrial Zone and Rojana Industrial Park Prachinburi with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 475.42 million according to the terms and conditions as specified in the agreement.

On 15 September 2022, the Trust entered into purchase agreement of land and constructions in Frasers Property Logistics Park Eastern Seaboard 3 project with Frasers Property Industrial (Thailand) Company Limited. Whereby counterparty agreed assets price of Baht 310.09 million according to the terms and conditions as specified in the agreement.

On 1 August 2022, the Trust entered into purchase agreement of land and constructions in Hi-Tech Industrial Estate with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 133.10 million according to the terms and conditions as specified in the agreement.

On 28 June 2022, the Trust entered into purchase agreement of land and constructions in Frasers Property Eastern Seaboard 2(A) project and Frasers Property Phan Thong 1 project with Frasers Property Industrial (Thailand) Company Limited. Whereby counterparty agreed assets price of Baht 599.83 million according to the terms and conditions as specified in the agreement.

On 28 June 2022, the Trust entered into purchase agreement of land and constructions in Nava Nakorn Industrial Promotion Zone and Rojana Industrial Park Ayutthaya with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 196.68 million according to the terms and conditions as specified in the agreement.

On 9 December 2021, the Trust entered into purchase and sale agreement of certain land and constructions in Nava Nakorn Industrial Promotion Zone with a company. Whereby the counterparty agreed the assets price at Baht 60.00 million according to the terms and conditions as specified in the agreement. In this regards, the Trust had expenses attributable to the disposal of such investments in properties of Baht 4.20 million.

2021

On 23 September 2021, the Trust entered into purchase agreement of land and construction in the Frasers Property Logistics Center (Wangnoi 1) with Frasers Property Industrial (Thailand) Company Limited. Whereby counterparty agreed assets price of Baht 439.97 million according to the terms and conditions as specified in the agreement.

On 1 September 2021, the Trust entered into purchase agreement of land and construction in WHA Industrial Development Chonburi 1 and Ladkrabang Industrial Estate with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 360.03 million according to the terms and conditions as specified in the agreement.

On 1 February 2021, the Trust entered into purchase agreement of land and construction in Hi-Tech Industrial Estate and Rojana Ayutthaya Industrial Park with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 380.89 million according to the terms and conditions as specified in the agreement.

On 1 December 2020, the Trust has entered into a land and warehouse sub-lease agreement for the period of 19 years from a company whereby Frasers Property Industrial (Thailand) Company Limited which is the previous sub-lessee from a company has agreed to cancel the sub-lease agreement for the Trust to invest in sub-leasehold right directly from a company. The agreed price of sub-leasehold right under the agreement totalling Baht 2,061.88 million. On 29 January 2021, the Trust made a payment and registered leasehold right according to the terms and conditions as specified in the agreement.

On 1 October 2020, the Trust entered into purchase agreement of land and construction in the Frasers Property Logistics Park (Sriracha), Surasak Sub-district, Sriracha District, Chonburi Province with Frasers Property Industrial (Thailand) Company Limited. Whereby counterparty agreed assets price of Baht 343.13 million according to the terms and conditions as specified in the agreement.

Compensation for rental and service concession in the contractor's customer service contracts (For the purchase and sale agreement of land and buildings dated 24 August 2020)

Frasers Property (Thailand) Public Company Limited and Frasers Property Industrial (Thailand) Company Limited agreed to compensate income with the Trust by counterparties agreed to compensate for rental and service income equal to the difference between the rental and service income under that customer's agreement before rental and service reduction and rental and service income under that customer's agreement after rental and service reduction for period of 6 months from the rental and service reduction effective date or from the rental and service reduction effective date until the end of rental and service reduction period, whichever is earlier of the sold properties to the Trust for period from the date that the Trust invested in guarantee properties to 31 March 2021 with total guarantee amount of Baht 130.00 million as specified in the agreements.

Guarantee income

Frasers Property (Thailand) Public Company Limited and Frasers Property Industrial (Thailand) Company Limited agreed to compensate income with the Trust by counterparties agreed to compensate for rental and service income of vacant or a part of vacant area or lease area that has rental, service and common rates less than the guaranteed rate of the sold and leased properties to the Trust for period of 12 months from transferred date or starting from the termination date of service agreement in compensation area to the date which the Trust entered into lease agreements with tenant (so as to same or new tenant). The guaranteed rental and service rates were the agreed rate as specified in the agreements.

Leases

As a lessee

The Trust leases a number of lands, warehouses and factories for 27 - 28 years. The rental is payable yearly as specified in the contract.

In 2021, additions to the right-of-use assets of the Trust were Baht 2,105.11 million.

| <i>Year ended 30 September</i> | 2022 | 2021 |
|---|---------------------------|-------|
| | <i>(in thousand Baht)</i> | |
| Amounts recognised in profit or loss | | |
| Interest on lease liabilities | 5,769 | 5,877 |

In 2022, total cash outflow for leases of the Trust was Baht 9.29 million (2021: Baht 8.90 million).

As a lessor

The leases of investment properties comprise a number of factories and warehouses that are leased to third parties under operating leases. Each of the leases contains an average non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts, but some leases require the lessee to reimburse the insurance costs of the Trust.

| <i>Year ended 30 September</i> | 2022 | 2021 |
|--|---------------------------|------------------|
| | <i>(in thousand Baht)</i> | |
| Amounts recognised in profit or loss | | |
| Net gain on sale of investments in properties | 4,602 | - |
| Lease payments to be received from operating leases at 30 September | 2022 | 2021 |
| | <i>(in thousand Baht)</i> | |
| 1 st year | 2,726,290 | 2,718,048 |
| 2 nd year | 1,723,398 | 1,705,124 |
| 3 rd year | 804,109 | 919,197 |
| 4 th year | 412,812 | 426,750 |
| 5 th year | 258,480 | 305,370 |
| After 5 th year | 595,491 | 569,796 |
| Total | 6,520,580 | 6,644,285 |

6 CASH AND CASH EQUIVALENTS

| | 2022 | | 2021 | |
|---|---------------------------|------------|---------------------------|------------|
| | Interest rate | | Interest rate | |
| | <i>(in thousand Baht)</i> | <i>(%)</i> | <i>(in thousand Baht)</i> | <i>(%)</i> |
| Cash on hand | 75 | - | 86 | - |
| Cash at banks - current accounts | | | | |
| Siam Commercial Bank Public Company Limited | 6,967 | - | - | - |
| Bangkok Bank Public Company Limited | 9,080 | - | 5,778 | - |

| | 2022 | | 2021 | |
|--|--------------------|--------------|--------------------|-------------|
| | Interest rate | | Interest rate | |
| | (in thousand Baht) | (%) | (in thousand Baht) | (%) |
| Cash at banks - saving accounts | | | | |
| Bangkok Bank Public Company Limited | 69,512 | 0.125 - 0.30 | 139,170 | 0.125 |
| Siam Commercial Bank Public Company Limited | 170,442 | 0.30 | - | - |
| United Overseas Bank (Thai) Public Company Limited | 75,206 | 0.35 | 155,023 | 0.35 - 0.43 |
| Cash at banks - fixed deposit account | | | | |
| CIMB Thai Public Company Limited | - | - | 500,000 | 0.40 |
| Total | 331,282 | | 800,057 | |

7 DEFERRED EXPENSES

| | 2022 | 2021 |
|--|--------------------|---------------|
| | (in thousand Baht) | |
| At 1 October 2021 / 2020 | 15,175 | 29,200 |
| Recognised as expenses during the year | (12,447) | (14,025) |
| At 30 September | 2,728 | 15,175 |

If the Trust was to recognise the deferred expenses as expenses in full at 30 September 2022, the Trust's net asset value (NAV) would be decreased to Baht 33,204.76 million (2021: Baht 32,895.76 million), and NAV per unit would be Baht 10.8392 per unit (2021: Baht 10.7383 per unit).

8 INTEREST-BEARING LIABILITIES

| | Note | 2022 | 2021 |
|--|------|--------------------|-------------------|
| | | (in thousand Baht) | |
| Unsecured | | | |
| Short-term loans | | 1,752,010 | 800,000 |
| Lease liabilities | | 180,404 | 183,927 |
| Long-term loan from financial institution net with front-end fee | | - | 1,737,644 |
| Debentures | 9 | 10,331,788 | 9,034,419 |
| Total interest-bearing liabilities | | 12,264,202 | 11,755,990 |

Changes in liabilities arising from financing activities

| | Other loans | Lease liabilities (in thousand Baht) | Total |
|--|-------------------|---|-------------------|
| At 1 October 2021 | 11,494,420 | - | 11,494,420 |
| Changes from financing cash flows | 77,643 | 183,927 | 261,570 |
| At 30 September 2021 / 1 October 2021 | 11,572,063 | 183,927 | 11,755,990 |
| Changes from financing cash flows | 511,735 | (3,523) | 508,212 |
| At 30 September 2022 | 12,083,798 | 180,404 | 12,264,202 |

On 19 February 2021, the Trust had entered into a long-term loan agreement from a financial institution totalling Baht 2,550.00 million which drawdown totalling Baht 2,442.70 million. The principal is due for repayment in 4 years. The interest is paid on the quarterly basis by THBFIX plus fixed rate per annum prescribed in the agreement. The long-term loan contained conditions and certain restrictions, such as the determination of financial ratio, the limitation of the resistance of additional borrowing, or the limitation of obligation except those incurred under normal commercial term or normal business of transactions as detail specified in the agreement. In this regards, on 31 May 2022, the Trust made repayment of principal including interest for long-term loan before it become dued resulting to the Trust has no outstanding long-term loan at 30 September 2022.

On 30 September 2022, the Trust has short-term loans from a financial institution amounting to Baht 170.00 million, bearing interest rates at BIBOR plus fixed rate per annum prescribed in the agreement. The principles are payable within October 2022 and interests are payable on maturity date.

On 30 September 2022, the Trust has short-term loan from a financial institution amounting to Baht 1,582.01 million, bearing interest rate at BIBOR plus fixed rate per annum prescribed in the agreement. The principle is payable within June and September 2023 and interest is payable on a semi-annually basis.

9 DEBENTURES

| Type of debenture | Interest rate (%) | Age (year) | Issued date | Maturity date | Number of debenture | | Amount | |
|--|-------------------|------------|------------------|------------------|---------------------|-------------------|--------------------|-------------------|
| | | | | | 30 September 2022 | 30 September 2021 | 30 September 2022 | 30 September 2021 |
| | | | | | (unit) | | (in thousand Baht) | |
| Unsubordinated and unsecured debenture | | | | | | | | |
| No. 1/2017 | | | | | | | | |
| - Tranche 2 | 4.18 | 7 | 5 April 2017 | 5 April 2024 | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| | | | | | <u>1,000,000</u> | <u>1,000,000</u> | <u>1,000,000</u> | <u>1,000,000</u> |
| No. 1/2018 | | | | | | | | |
| - Tranche 2 | 2.97 | 4 | 28 June 2018 | 28 June 2022 | - | 300,000 | - | 300,000 |
| - Tranche 3 | 3.65 | 7 | 28 June 2018 | 28 June 2025 | 380,000 | 380,000 | 380,000 | 380,000 |
| - Tranche 4 | 4.06 | 10 | 28 June 2018 | 28 June 2028 | 1,260,000 | 1,260,000 | 1,260,000 | 1,260,000 |
| | | | | | <u>1,640,000</u> | <u>1,940,000</u> | <u>1,640,000</u> | <u>1,940,000</u> |
| No. 2/2018 | | | | | | | | |
| - Tranche 6 | 3.14 | 3 | 19 December 2018 | 19 December 2021 | - | 1,000,000 | - | 1,000,000 |
| - Tranche 7 | 4.19 | 10 | 19 December 2018 | 19 December 2028 | 600,000 | 600,000 | 600,000 | 600,000 |
| | | | | | <u>600,000</u> | <u>1,600,000</u> | <u>600,000</u> | <u>1,600,000</u> |
| No. 1/2019 | | | | | | | | |
| - Tranche 1 | 2.63 | 4 | 8 August 2019 | 8 August 2023 | 500,000 | 500,000 | 500,000 | 500,000 |
| - Tranche 2 | 3.14 | 7 | 8 August 2019 | 8 August 2026 | 500,000 | 500,000 | 500,000 | 500,000 |
| | | | | | <u>1,000,000</u> | <u>1,000,000</u> | <u>1,000,000</u> | <u>1,000,000</u> |
| No. 1/2020 | | | | | | | | |
| - Tranche 1 | 3.00 | 7 | 3 April 2020 | 3 April 2027 | 450,000 | 450,000 | 450,000 | 450,000 |
| - Tranche 2 | 3.30 | 10 | 3 April 2020 | 3 April 2030 | 550,000 | 550,000 | 550,000 | 550,000 |
| | | | | | <u>1,000,000</u> | <u>1,000,000</u> | <u>1,000,000</u> | <u>1,000,000</u> |
| No. 1/2021 | | | | | | | | |
| - Tranche 1 | 1.69 | 3 | 24 June 2021 | 24 June 2024 | 850,000 | 850,000 | 850,000 | 850,000 |
| - Tranche 2 | 2.54 | 5 | 24 June 2021 | 24 June 2026 | 700,000 | 700,000 | 700,000 | 700,000 |
| - Tranche 3 | 3.30 | 7 | 24 June 2021 | 24 June 2028 | 700,000 | 700,000 | 700,000 | 700,000 |
| - Tranche 4 | 3.97 | 10 | 24 June 2021 | 24 June 2031 | 250,000 | 250,000 | 250,000 | 250,000 |
| | | | | | <u>2,500,000</u> | <u>2,500,000</u> | <u>2,500,000</u> | <u>2,500,000</u> |
| No. 2/2021 | | | | | | | | |
| - Tranche 1 | 1.84 | 3 | 16 December 2021 | 16 December 2024 | 1,000,000 | - | 1,000,000 | - |
| | | | | | <u>1,000,000</u> | <u>-</u> | <u>1,000,000</u> | <u>-</u> |

| Type of debenture | Interest rate | Age | Issued date | Maturity date | Number of debenture | | Amount | |
|--|---------------|--------|-------------|---------------|--------------------------|-------------------------|--------------------------|-------------------------|
| | | | | | 30 | 30 | 30 | 30 |
| | | | | | September 2022 | September 2021 | September 2022 | September 2021 |
| | | | | | (unit) | | (in thousand Baht) | |
| No. 1/2022 | (%) | (year) | | | | | | |
| - Tranche 1 | 3.05 | 3 | 31 May 2022 | 31 May 2025 | 1,000,000 | - | 1,000,000 | - |
| - Tranche 2 | 3.85 | 5 | 31 May 2022 | 31 May 2027 | 600,000 | - | 600,000 | - |
| | | | | | <u>1,600,000</u> | <u>-</u> | <u>1,600,000</u> | <u>-</u> |
| Total | | | | | <u>10,340,000</u> | <u>9,040,000</u> | <u>10,340,000</u> | <u>9,040,000</u> |
| Less unamortised cost relating to the issuance of debentures | | | | | | | (8,212) | (5,581) |
| Debentures - net | | | | | | | 10,331,788 | 9,034,419 |

Interest on debentures is due for repayment on a semi-annually basis.

The debentures contained certain restriction, such as the limitation of debt-to-total assets ratio of not exceed 60% at the end of year throughout the age of debentures, the limitation of the resistance of additional borrowing, the limitation of debt or the limitation of obligation except those incurred under normal commercial term or normal business of transactions.

10 CAPITAL FROM TRUST UNITHOLDERS

| | 2022 | | 2021 | |
|---------------------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|
| | Number | Amount | Number | Amount |
| | (in thousand unit /thousand Baht) | | (in thousand unit /thousand Baht) | |
| Capital from trust unitholders | <u>3,063,387</u> | <u>31,118,590</u> | <u>3,063,387</u> | <u>31,118,590</u> |
| Trust units at 1 October 2021 / 2020 | 3,063,387 | 31,118,590 | 2,822,387 | 28,313,422 |
| Issue new trust units | - | - | 241,000 | 2,805,168 |
| Trust units at 30 September | <u>3,063,387</u> | <u>31,118,590</u> | <u>3,063,387</u> | <u>31,118,590</u> |

At the 2022 Annual General Meeting of the Trust unitholders, held on 27 January 2022, the unitholders approved as follows;

- Approved the capital increase of the Trust by means of a general mandate through issuance totalling of not exceeding 919,016,114 trust units.
- Approved the offering and allocation of the additional trust units to be issued and offered for sale by means of a general mandate.

The resolution of the trust unitholders in relation to the capital increase by means of a general mandate will be valid for 1 year from the date on which the resolution is passed as proposed, or the date of next annual general meeting of trust unitholders, whichever is earlier.

On 25 January 2021, the Trust has increased capital by 241,000,000 units to the general public who are existing trust unitholder with the par value at Baht 9.5363 per unit and the offering price at Baht 11.70 per unit totalling Baht 2,819.70 million with cost relating to the issuance of trust unit amounting to Baht 14.53 million.

11 RETAINED EARNINGS

| | 2022 | 2021 |
|--|---------------------------|------------------|
| | <i>(in thousand Baht)</i> | |
| At 1 October 2021 / 2020 | 1,792,342 | 1,661,227 |
| Net profit on investments | 2,518,897 | 2,370,985 |
| Net gain on sale of investments in properties | 4,602 | - |
| Loss on changes in fair value of investments in properties | (116,273) | (218,699) |
| Distributions to trust unitholders | (2,110,674) | (2,021,171) |
| At 30 September | 2,088,894 | 1,792,342 |

12 EXPENSES

Management fee, trustee fee and registrar fee are calculated as follows:

- (a) Trust management fee
 - Base fee 0.25% per annum of the Trust's total assets
 - Property management fee 3.00% per annum of net income from rental and service agreement
 - Incentive fee 5.00% per annum of Trust's net operating income
 - Commission fee for In proportion to rental and service periods but not over 3 months based
acquiring a new lessee on the latest rental and service rate of new lessee
 - Commission fee for Not more than 3.00% of the value of buying/ selling/ transferring
buying/ selling/ leasehold/ receiving leasehold
transferring leasehold/
receiving leasehold
- (b) Trustee fee
 - 0.060% per annum of total asset value for a portion not exceed Baht 15,000 million
 - 0.045% per annum of total asset value for a portion that exceed Baht 15,000 million up to Baht 30,000 million
 - 0.030% per annum of total asset value for a portion that exceed Baht 30,000 million
- (c) Registrar fee Actual paid but not over Baht 5 million per annum excluding the other relevant expenses

The above fees (a)-(b) are calculated and charged to the Trust's account on a monthly basis.

Operating expenses include expenses incurred specifically for the Trust such as the Trust deed fees, utilities expenses, insurance premium, bank charge, postage expenses and various expenses which are incurred legally and others in accordance to the actual payment.

13 RELATED PARTIES

A related party is a person or entity that has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of the Trust; a person or entity that is under common control or under the same significant influence as the Trust; or a person or entity over which the Trust has direct or indirect control or has significant influence over the financial and managerial decision-making.

Other related parties which the Trust had significant transactions during the year with were as follows:

| Name of Entities | Country of Incorporation | Nature of relationships |
|--|--------------------------|---|
| Frasers Property (Thailand) Public Company Limited | Thailand | The parent company of REIT Manager |
| Frasers Property Industrial (Thailand) Company Limited | Thailand | Property Manager |
| Frasers Property Industrial REIT Management (Thailand) Company Limited | Thailand | The REIT Manager |
| BBL Asset Management Company Limited | Thailand | Trustee |
| TICON Industrial Growth Leasehold Property Fund | Thailand | Common management |
| Bangkok Bank Public Company Limited | Thailand | The major shareholder of Trustee |
| Frasers Property Demco Power 6 Co., Ltd. | Thailand | Joint venture of the parent company of REIT Manager |
| Frasers Property Demco Power 11 Co., Ltd. | Thailand | Joint venture of the parent company of REIT Manager |
| Kasemsubbhakdi Co., Ltd. | Thailand | Joint venture of the parent company of REIT Manager |

Significant transactions with related parties

| <i>Year ended 30 September</i> | 2022 | 2021 |
|--|---------------------------|-----------|
| | <i>(in thousand Baht)</i> | |
| Frasers Property (Thailand) Public Company Limited Group | | |
| Rent and service income | 333 | 347 |
| Income from rental and service guarantees | 4,696 | 61,946 |
| Other income | 48 | 21 |
| Acquisition of investment properties | 1,715,120 | 1,524,026 |
| Trust management fee | 418,313 | 395,474 |
| Commission fee from sale of investments in properties | 1,867 | - |
| Common area service fee | 30,978 | 33,971 |
| Repair and maintenance expenses | 18,182 | 17,937 |
| Utility expenses | 37 | 62 |
| Other service expenses | 20,870 | 3,269 |
| Finance cost | 5,769 | 5,877 |

Significant transactions with related parties
Year ended 30 September

| | 2022 | 2021 |
|--------------------------------------|---------------------------|--------|
| | <i>(in thousand Baht)</i> | |
| Bangkok Bank Public Company Limited | | |
| Interest income | 163 | 250 |
| Finance cost | 14,120 | 49,652 |
| BBL Asset Management Company Limited | | |
| Trustee fee | 21,264 | 21,047 |

Balances with related parties at 30 September

| | 2022 | 2021 |
|---|---------------------------|---------|
| | <i>(in thousand Baht)</i> | |
| Fraser's Property (Thailand) Public Company Limited Group | | |
| Rent and service receivables | 1,640 | 2,282 |
| Accrued trust management fee | 70,813 | 35,580 |
| Accrued expenses | 24,844 | 10,275 |
| Deposits from rental and service | 79 | 79 |
| Lease liabilities | 180,404 | 183,927 |
| Bangkok Bank Public Company Limited | | |
| Cash and cash equivalents | 78,592 | 144,948 |
| Accrued interest income | 19 | 53 |
| Accrued interest expense | 6,765 | 7,264 |
| Debentures | 330,000 | 377,400 |
| TICON Industrial Growth Leasehold Property Fund | | |
| Other receivables | 1 | 1,620 |
| BBL Asset Management Company Limited | | |
| Accrued trustee fee | 1,826 | 1,805 |

Commitments with related party

Future minimum lease payments required under non-cancellable common service contract

| | | |
|---------------|--------|-------|
| Within 1 year | 24,118 | 5,519 |
|---------------|--------|-------|

The Trust entered into a common service agreement with a related party for period of 3 years which will expire in December 2021. Currently, the Trust is in process of renewal the agreement. Therefore, the terms and conditions including service fee still remained as specified in the latest agreement.

The Trust purchased properties from related parties. See in note 5.

14 DISTRIBUTION TO TRUST UNITHOLDERS

During 2022 and 2021, the Trust has distributed dividends to trust unitholders as follows:

| The operation for the period | For the year ended 30 September 2022 | | Amount per unit <i>(in Baht)</i> | Amount <i>(in thousand Baht)</i> |
|-----------------------------------|--------------------------------------|------------------|-------------------------------------|-------------------------------------|
| | Approved date | Payment date | | |
| 1 July 2021 - 30 September 2021 | 5 November 2021 | 2 December 2021 | 0.1690 | 517,712 |
| 1 October 2021 - 31 December 2021 | 2 February 2022 | 3 March 2022 | 0.1700 | 520,778 |
| 1 January 2022 - 31 March 2022 | 6 May 2022 | 1 June 2022 | 0.1750 | 536,092 |
| 1 April 2022 - 30 June 2022 | 2 August 2022 | 1 September 2022 | 0.1750 | 536,092 |
| | | | | 2,110,674 |

| The operation for the period | For the year ended 30 September 2021 | | Amount per unit (in Baht) | Amount (in thousand Baht) |
|-----------------------------------|--------------------------------------|------------------|------------------------------|------------------------------|
| | Approved date | Payment date | | |
| 1 July 2020 - 30 September 2020 | 4 November 2020 | 2 December 2020 | 0.1680 | 474,161 |
| 1 October 2020 - 31 December 2020 | 2 February 2021 | 3 March 2021 | 0.1680 | 514,649 |
| 1 January 2021 - 31 March 2021 | 5 May 2021 | 2 June 2021 | 0.1680 | 514,649 |
| 1 April 2021 - 30 June 2021 | 2 August 2021 | 1 September 2021 | 0.1690 | 517,712 |
| | | | | 2,021,271 |

15 INFORMATION ON INVESTMENT PURCHASE AND SALE TRANSACTIONS

The Trust's purchase and sale transactions during the year ended 30 September 2022, excluding investments in cash at banks, amounted to Baht 1,779.72 million which was 0.81% of the average net asset values during the year (2021: Baht 3,614.98 million which was 7.39% of the average net asset values during the year).

16 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 rental of immovable properties. Its operation is carried on only in 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.

17 INFORMATION ON FAIR VALUE LEVEL AND FAIR VALUE MEASUREMENT OF INVESTMENT

| <i>Fair value categorised by measurement approach</i> | | Level 1 | Level 2 | Level 3 | Total |
|--|-------------|---------|---------------------------|------------|------------|
| | <i>Note</i> | | <i>(in thousand Baht)</i> | | |
| <i>At 30 September 2022</i> | | | | | |
| Investments in freehold and leasehold properties at fair value | 5 | - | - | 46,319,379 | 46,319,379 |
| <i>At 30 September 2021</i> | | | | | |
| Investment measured at fair value through profit or loss | | - | 300,000 | - | 300,000 |
| Investments in freehold and leasehold properties at fair value | 5 | - | - | 44,758,330 | 44,758,330 |

The financial instruments traded in non-active markets and measured at obviously quoted market prices, buying and selling prices offered by traders or optional price references with supporting observable data will be categorised as level 2. These financial instruments comprised bank deposits.

Investment in freehold and leasehold properties at fair value categorised in level 3 have significant unobservable data as they are not actively traded.

18 COMMITMENT WITH NON-RELATED PARTY

| | 2022 | 2021 |
|--|---------------------------|---------------|
| | <i>(in thousand Baht)</i> | |
| <i>Future minimum lease payments under non-cancellable common service contracts</i> | | |
| Within 1 year | 1,680 | 1,680 |
| After 1 year but within 5 years | 6,720 | 6,720 |
| After 5 years | 20,441 | 22,121 |
| Total | 28,841 | 30,521 |

The Trust entered into common service agreement with a company for period of 19 years which will expire in November 2039.

19 LITIGATION

On 17 March 2022, the Trust was filed as a co-defendant in a civil case for the compensation of warehouse damages totalling Baht 118.28 million. The lawsuit is currently in the judicial process and the Trust assessed that there was an uncertainty to compensate such damages. Accordingly, no provision was recognised as at 30 September 2022. In this regards, the Trust and the Property Manager have the public liability insurance with limit of liability by Baht 100.00 million.

20 EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors Meeting of the REIT Manager held on 4 November 2022, the Board approved the resolutions as follows;

- Approved the appropriation of distribution of Baht 0.1870 per unit, totalling Baht 572.85 million. Such distribution will be paid to trust unitholders in December 2022.
- Resolved to propose to the annual general meeting of trust unitholders of the trust in January 2023 to consider to approve the capital increase of the Trust by means of a general mandate through issuance of trust unit totalling of not exceeding 919,016,114 units.

CONTACT CHANNELS

FTREIT

Frasers Property Thailand Industrial Freehold & Leasehold REIT

175 Sathorn City Tower, 7th, 21st and 26th Floor,
South Sathorn Road, Tungmahamek, Sathorn,
Bangkok 10120

Tel : +66 2483 0000

www.ftreit.co.th

TRUSTEE

BBL Asset Management Co., Ltd.

175 Sathorn City Tower, 7th, 21st and 26th Floor,
South Sathorn Road, Tungmahamek, Sathorn,
Bangkok 10120

Tel : +66 2674 6400

www.bblam.co.th

REIT MANAGER

Frasers Property Industrial REIT Management (Thailand) Co., Ltd.

944 Mitrtown Office Tower, 22nd - 23rd Floor,
Rama 4 Road, Wangmai, Pathumwan, Bangkok
10330

Tel : +66 2483 0000

PROPERTY MANAGER

(1) Frasers Property Industrial (Thailand) Co., Ltd.

944 Mitrtown Office Tower, 22nd - 23rd Floor,
Rama 4 Road, Wangmai, Pathumwan, Bangkok
10330

Tel : +66 2483 0000

www.frasersproperty.co.th

(2) Sahathai Property & Development Co., Ltd.

79 Moo 3 Phuchao Saming Phray Road,
Bang Ya Phraek, Phra Pradaeng District,
Samutprakan 10130

Tel : +66 2386 0000

AUDITOR

KPMG Phoomchai Audit Ltd.

1 Empire Tower, 48th - 51th Floor, South Sathorn Road,
Yannawa, Sathorn, Bangkok 10120

Tel : +66 2677 2000

home.kpmg

SECURITIES REGISTRAR

Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng,
Bangkok 10400

Tel : +66 2009 9999

www.set.or.th/tsd

DEBENTURE REGISTRAR

CIMB Thai Bank Plc.

44 Langsuan Road, Lumpini, Patumwan,
Bangkok 10330

Tel : +66 2626 7511

www.cimbthai.com

PROPERTY APPRAISER

(1) 15 Business Advisory Limited

121 RS Tower, 9th Floor, Ratchadapisek Road.,
Dindang, Bangkok 10400

Tel : +66 2641 3800

www.fifteenbiz.com

(2) Jones Langlasalle (Thailand) Limited

88 The PARQ, 10th Floor, Ratchadapisek Road.,
Khlong Toei, Bangkok 10110

Tel : +66 2624 6400

www.joneslanglasalle.co.th



Frasers Property Thailand Industrial Freehold & Leasehold REIT

175 Sathorn City Tower, 7th, 21st and 26th Floor,
South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120

Tel : +66 2483 0000

Email : FTREIT.IR@frasersproperty.com

www.ftreit.co.th