



2020 ANNUAL REPORT

ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์ และสิทธิการเช่าดูสิตธานี

Dusit Thani Freehold and
Leasehold Real Estate Investment Trust





Message from REIT Manager

Dusit Thani Properties REIT Co., Ltd. as a REIT Manager of DREIT

Dear Trust Unitholders

Thailand Tourism in 2020 has been challenging with the spread of Coronavirus Disease (COVID-19) which globally impact in previous year. The Government of Thailand has released the Travel Restriction Guideline to control such pandemic by the announcing that business activities must be shut down nationwide from March 17, 2020 and the State of Emergency since March 26, 2020. While the Republic of Maldives announced that the country was temporarily locked down on March 23, 2020. Such situation was directly impacted to the tourism and service sector unavoidably.

The Office of the National Economic and Social Development Council (NESDC) previously announced the -6.1% growth of GDP in 2020 which was the lowest in 22 years and Maldives Monetary Authority (MMA) also announced the GDP in 2020 would be -27.5%.

Though the pandemic of COVID-19 would affect to the sharp decline in tourism revenue significantly, however, DREIT has the fixed revenue in a form of rental income which limitedly had an impact on Trust's revenue. In 2020, DREIT had the increase in net assets from operation of 320.55 Million Baht, 198.60 Million Baht or 162% growth from 2019, contributing from the operation of Dusit Thani Maldives run full year as being acquired by DREIT on September 25, 2019.

For the liquidity management and financial status, the REIT Manager has closely followed up and controlled all expenses carefully to ensure that the Trust maintain a concrete financial position for operating the Trust. Moreover, DREIT has also managed the debt structure at proper level. As of December 31, 2020, DREIT has cash and cash equivalent of 134 Million Baht, Loan from financial institution of 1,688 Million Baht, equivalent to Debt to Asset of 22.54% with BBB- credit rating.

Though the situation of pandemic of COVID-19 still exists and hardly predict the circumstance, the REIT Manager is preparing business plan carefully and believing that with such determination and intention will enable DREIT well performed in this coming 2021. Besides that, the advancement of COVID-19 vaccine

from various institution has gradually developed, the number of vaccinated individuals of each country also rapidly increased, and, the trend of the Baht depreciation, supported by Federal Reserve Board (FED) announced the adjustment of interest rate to be increased faster than expected, are the key factors to hotel's operation revival.

The Board of Directors and all staffs would like to thank all Trust unitholders, customer, financial institution, and business alliance who continually support us, and we do hope that we would receive a kind support in years ahead.

Graciously Yours

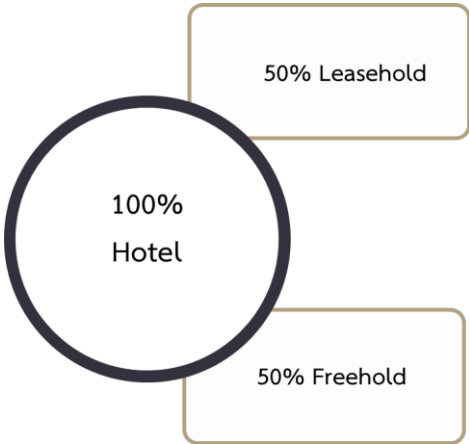
REIT Manager

Dusit Thani Properties REIT Co., Ltd.

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Summary of Key Information

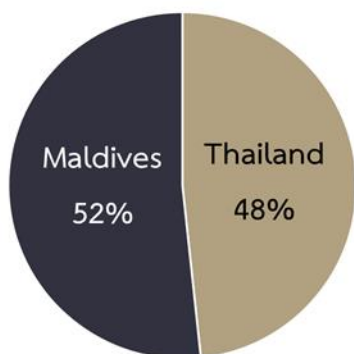
Name of the Trust (Thai)	ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์และสิทธิการเช่าดุสิตธานี		
Name of the Trust (English)	Dusit Thani Freehold and Leasehold Real Estate Investment Trust		
Initials	DREIT		
REIT Manager	Dusit Thani Properties REIT Company Limited		
Trustee	Krung Thai Asset Management Public Company Limited		
Auditor	KPMG Phoomchai Audit Limited		
Trust Establishment	29 November 2017		
Market Cap (Million Baht)	3,045.22	Closed Price as 30/12/2020 (Baht)	4.28
No. of units (unit)	711,500,000	NAV (Baht)	7.6978
Registered Capital (Baht)	6,243,981,700	Par (Baht)	8.7758
Weighted Average Lease Expiry (Year)¹	67	P/NAV (times)	0.5560
Trust Establishment	29 November 2017		
<u>Investment Proportion²</u>		<u>REIT's Capital Structure</u>	
		Total Asset (Bt.)	7,491,534,305
		Total Liabilities (Bt.)	2,014,557,547
		Total Equity (Bt.)	5,476,976,758
		Retained Earnings (Bt.)	196,043,713
		Debt to Asset (%)	22.54 ³
		Credit Rating	BBB-

¹ Calculated from total asset valuation of assets under DREIT of recent appraisal report and determined freehold assets with 100 years of life.

² Calculated from total asset valuation of assets under DREIT of recent appraisal report.

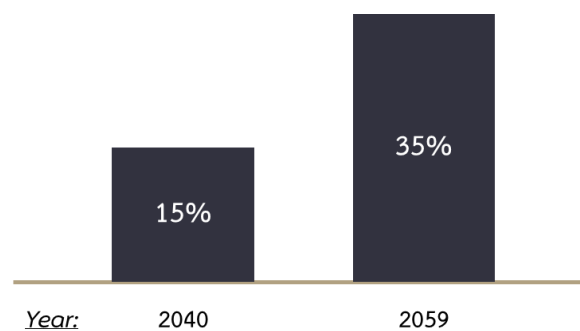
³ Calculated from actual loan drawdown for the accounting year of 2020.

Revenue Proportion by Asset



Note: Rental income in 2020. For assets in Maldives, calculated with exchange rate of 31.3382 Baht / USD.

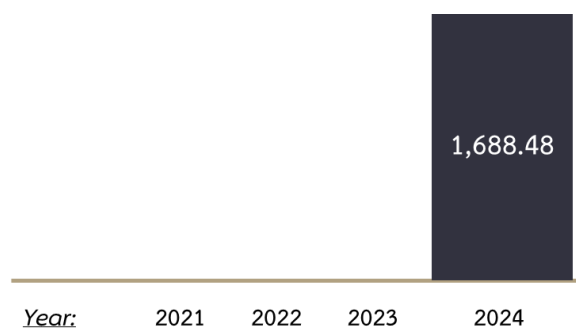
Weighted Average Lease Expiry



Note: Calculated from total asset valuation of assets under DREIT of recent appraisal report

Loan Due Summary

Unit: Million Baht



Investment Assets

Details	Hotel Properties			
	Dusit Thani Laguna Phuket Hotel	Dusit Thani Hua Hin Hotel	Dusit D2 Chiangmai Hotel	Dusit Thani Maldives Hotel
Location (Rai-ngan-square wah.)	33-2-61.4	63-1-60	2-2-65	116-2-60
Location	Talang, Phuket	Cha-am, Phetchaburi	Muang, Chiangmai	Mudhdhoo Island, Republic of Maldives
Investment Type	Freehold	Leasehold with lease period of 20 yrs. (ended in 2040)	Freehold	Leasehold with lease period of 40 yrs. (ended in 2059)
Fair Value	2,958.0 Million Bt.	1,252.3 Million Bt.	411.7 Million Bt.	2,636.8 ⁴ Million Bt.
Appraisal Value	2,947.7 Million Bt.	977.4 Million Bt.	411.7 Million Bt.	74.4 ⁵ Million USD 74.5 ⁶ Million USD

Note: Trust unitholder can view the full version of recent appraisal report at www.dtreit.com due to the COVID-19 situation, the asset appraisal of period 2020 was exempted by the Securities and Exchange Commission.

Hotel Performance

Dusit Thani Laguna Phuket Hotel	Unit: Baht		
	2018	2019	2020
Occupancy Rate	68.96%	79.43%	22.15%
Average Room Rate	4,873.86	4,255.01	6,254.70
Total Revenue	428,730,046.07	436,054,786.12	160,596,259.56
EBITDA	113,185,779.69	115,140,511.05	(5,325,767.77)

⁴ Calculated from exchange rate of 30.0371 Baht / USD which factored in the impact of TFRS 16: Lease Agreement

⁵ Appraised by Bangkok Hospitality Consulting Services Limited. ("HVS")

⁶ Appraised by Knight Frank Chartered (Thailand) Co., Ltd.

Unit: Baht

Dusit Thani Hua Hin Hotel	2018	2019	2020
Occupancy Rate	67.71%	49.32%	36.80%
Average Room Rate	3,015.26	3,270.63	2,820.90
Total Revenue	390,666,743.25	294,216,338.79	182,599,519.54
EBITDA	84,976,684.77	49,267,735.44	(2,356,699.06)

Unit: Baht

Dusit D2 Chiang Mai Hotel	2018	2019	2020
Occupancy Rate	80.77%	77.23%	26.89%
Average Room Rate	2,617.13	2,378.63	1,965.82
Total Revenue	129,341,063.96	113,141,173.67	33,742,294.45
EBITDA	31,985,117.88	27,454,697.20	(10,748,828.78)

Unit: USD

Dusit Thani Maldives Hotel	2018	2019	2020
Occupancy Rate	84.43%	80.83%	27.49%
Average Room Rate	444.40	433.68	177.85
Total Revenue	25,989,682.36	26,047,978.20	10,529,730.06
EBITDA	9,792,610.70	10,041,605.10	2,690,560.08

Financial Information

Operating Performance (Thousand Baht)	2018	2019	2020
Rental income	226,337	286,061	424,367
Interest and Other income	893	2,723	2,323
Net profit (loss) on investments	185,609	209,119	293,267
Increase in net assets resulting from operations	180,214	94,515	277,673
Net Profit per unit (Baht)	0.4401	0.2486 ⁷	0.4505
Distribution per unit (Baht)	0.3043	0.4230	0.2044
Capital Return (Baht)	-	0.075	0.0794
Interest bearing debt to Total Asset (%)	13.67	21.33	22.54% ⁸
Net cash from operating activities	6,563	(2,417,905)	125,392
Net cash from financing activities	(135,838)	2,435,313	(42,558)
Cash and cash equivalents at 31 December	35,486	52,064	134,059
Net Asset Value (NAV) per unit (Baht)	8.9706	7.5913	7.6978
Price per NAV (time)	0.55	0.83	0.55
Market Capital (Million Baht)	2,047.00	4,553.60	3,045.22
Close Price (Baht)	5.00	6.40	4.28

⁷ Average number of trust units in 2019

⁸ Calculated from actual loan drawdown for accounting period 2020

Distribution Payout History

The REIT manager shall distribute benefits or return not less than 90% of the adjusted net profit for the fiscal year, not less than one (1) times per year and shall distribute the benefit within 90 days from the end of the fiscal year or from the end of the accounting period of the latest quarter (if any).

Performance Period	Payment Date	DPU (Baht : Unit)	Type
29/11/2017 – 31/12/2017	31/06/2018	0.0403	Distribution
01/01/2018 – 30/06/2018	31/08/2018	0.2640	Distribution
01/07/2018 – 31/12/2018	12/03/2019	0.1714	Distribution
01/01/2019 – 30/09/2019	23/08/2019	0.2516	Distribution
01/01/2019 – 30/09/2019	23/08/2019	0.0750	Capital Return
01/10/2019 – 31/12/2019	25/03/2020	0.0294	Distribution
01/10/2019 – 31/12/2019	25/03/2020	0.0794	Capital Return
01/01/2020 - 30/06/2020	28/08/2020	0.1750	Distribution

Fee and Expenses Collected from the Trust

Expenses	Amount Unit: Million Baht	% of Net Assets*
Management fee	13.84	0.25
Trustee fee	8.84	0.16
Registrar fee	2.95	0.05
Professional fee	1.93	0.04
Other expenses	32.48	0.59
Finance costs	73.38	1.32
Total Expenses	133.42	2.41

Note: Net Assets as of December 31, 2020

List of the First 10 Trust Unitholders as at the latest book closing date

Trust Unitholders	Number of the Units	Proportion (%)
Dusit Thani Public Company Limited	213,622,668	30.02
Social Security Office	180,826,930	25.41
Muang Thai Life Assurance Public Company Limited	30,016,591	4.22
Krungthai-AXA Life Insurance Public Company Limited	23,035,488	3.24
TMB Eastspring Property and Infrastructure Income Plus Flexible Fund	14,932,600	2.10
Dhipaya Life Assurance Public Company Limited	12,000,000	1.69
BBHISL NOMINEES LIMITED	9,953,600	1.40
One Property Plus Fund	5,520,613	0.78
Mr. Surachai Jiraruxphong	3,050,000	0.43
MFC Property and Infrastructure Flexible Income Fund	3,011,800	0.42

Overview of the REIT Operating Results

The operating results for the performance period from 1 January 2020 to 31 December 2020, DREIT has increase in net assets from operations increased by 162.86% from the same period of previous year. The details as follows:

In 2020, DREIT has total revenue of Baht 426.69 Million increased from the previous year by Baht 137.91 Million or 47.75% due to the acquisition of Dusit Thani Maldives on 25 September 2019, DREIT recognized an increase in rental revenue because Dusit Thani Maldives has longer operation period than previous year. When deducting with the operating expense of Baht 133.42 Million resulting to the net investment income of Baht 293.27 Million, increased by Baht 84.15 Million or 40.24% from the previous year. When net with the net loss on investment of Baht 7.36 Million, the net gain on change in fair value of investments of Baht 1.43 Million as well as the increase in effect of changes in foreign exchange rates of Baht 33.21 Million, resulting to the increase in net assets from operations for the year 2020 of Baht 320.55 Million.

Although, the outbreak of COVID-19 situation adversely affects the operating results of the hotels, DREIT is still able to recognize the rental income in accordance with the lease agreement. The details of operating results of hotels are as follows:

Performance	Year	Dusit Thani Laguna Phuket Hotel	Dusit Thani Hua Hin Hotel	Dusit D2 Chiang Mai Hotel
Occupancy Rate	2020	22.15%	36.80%	26.89%
	2019	79.43%	49.32%	77.23%
Average Room Rate (Baht)	2020	6,254.70	2,820.90	1,965.82
	2019	4,255.01	3,270.63	2,378.63
RevPar (Baht)	2020	1,385.60	1,038.02	528.60
	2019	3,379.87	1,613.06	1,837.04
EBITDA (Million Baht)	2020	(5.33)	(2.36)	(10.75)
	2019	115.14	49.27	27.45

Dusit Thani Laguna Phuket Hotel has temporarily closed since April 2020 and re-open in September 2020 affecting the decrease in occupancy rate from the previous year by 57.28% to be 22.15%. Whereas, the average room rate in year 2020 is at approximately 6,255 Baht per room night which increased by 2,000 Baht from the previous year due to hotel closure period is low season which has low average room rate. Whereas, Revenue per Available Room (REVPAR) is at approximately 1,386 Baht decreased by 1,994 Baht from the previous year. For the year 2020, the hotel has negative EBITDA amount of Baht 5.33 Million.

Dusit Thani Hua Hin Hotel has temporarily closed since April 2020 and re-open in June 2020 affecting the occupancy rate to be 36.80% which decreased by 12.52% from the previous year. While, the average room rate is around 2,821 Baht per room night which decreased by 450 Baht from the previous year, affecting REVPAR of the hotel to be 1,038 Baht decreased by 575 Baht from the previous year. For the year 2020, the hotel has negative EBITDA amount of Baht 2.36 Million.

Dusit D2 Chiang Mai Hotel has temporarily closed since April 2020 and re-open in September 2020 affecting the occupancy rate to be 26.89% which decreased by 50.34% from the previous year. Whereas, the average room rate is about 1,966 Baht per room night which decreased 413 Baht from the previous year, affecting REVPAR of the hotel to be 529 Baht decreased by 1,308 Baht from the previous year. For the year 2020, the hotel has negative EBITDA amount of Baht 10.75 Million.

Performance	Year	Dusit Thani Maldives Hotel
Occupancy Rate	2020	27.49%
	2019	80.83%
Average Room Rate (USD)	2020	647.01
	2019	536.50
RevPar (USD)	2020	177.85
	2019	433.68
EBITDA (Million USD)	2020	2.69
	2019	9.33

Note: DREIT invested in Dusit Thani Maldives Hotel on September 25, 2019

Dusit Thani Maldives Hotel has temporarily closed since April 2020 and re-open in August 2020 affecting the occupancy rate to be 27.49%. Whereas, the average room rate of the hotel is approximately 647 USD per room night leading to Revenue per Available Room (REVPAR) to be 178 USD per room night. As a result of Dusit Thani Maldives Hotel's EBITDA in year 2020 recorded at USD 2.69 Million.

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Summary of the Loan Agreements

As of December 31, 2020, the Trust possess of net outstanding loan with CIMB Thai Bank Public Company Limited of total 1,688,480,008 Baht with term and conditions are as follows:

Borrower	DREIT
Lender	CIMB Thai Bank Public Company Limited
Credit Facility Amount	Credit facility of not exceeding Baht 1,944.21 million
Purpose of Loan	To invest in the first additional investment of DREIT and/or refinancing and/or maintenance and renovate the assets in DREIT and/or use as the working capital.
Interest Rate	Not exceeding the average MLR of Big 4 Commercial Banks (Bangkok Bank, Kasikorn Bank, Siam Commercial Bank and Krungthai Bank)
Period of Loan	5 years from the first drawdown
Loan Security	Required security

Summary of Risk Factors

1. Risk regarding on asset investment

- 1) Risk on investing on all hotel assets clusters, compared to other REITs or other funds.
- 2) Risk that investment value of leasehold assets may decline align with remaining lease period which will lead to the decrease in net asset value proportionately.
- 3) Risk on a high market competition for hotel industry and tourism.
- 4) Risk on natural disasters, other force majeure events such as terrorism, wars, or political uncertainty which may impact on Trust's revenue.

- 5) Risk on assets located in other countries.

- 6) Risk on the pandemic of infectious diseases which may have a negative impact to Trust's revenue.

2. Risk regarding operation and internal structure of Trust

- 1) Risk on the change of Accounting Standard or related legal regulations or guideline of regulators.
- 2) Risk arose from the decrease in hotel revenue upon the major renovation of the hotels and insufficient fund reserved for renovation projects.
- 3) Risk regarding breach of the lease agreement.
- 4) Risk from conflict of interests of Trust and Dusit Thani Group.
- 5) Risk from relying on hotel management team with their trademark or hotel brands used for all Trust's assets.
- 6) Risk from no direct authorization to hotel management team.
- 7) Risk from interest rate and exchange rate which limit the benefits which Trust would obtain from the additional assets invested. Such transaction is not able to secure completely for risk of interest rate and exchange rate.
- 8) Risk regarding termination of the lease and sublease agreements due to contract ended. Though the lease and sublease agreements has been extended under terms and conditions not beneficial to Trust's operation.

3. Risk regarding investing the Trust

- 1) Risk from political in Thailand.
- 2) Risk from impairment of asset valuation in accounting aspects.
- 3) Risk from sale liquidity in secondary market.
- 4) Risk from ability for distribution payment.
- 5) Risk from the NAV is not relevant to market price.
- 6) Risk from in the case that Trust is terminated, the amount of capital payback may be less than amount of unitholder invested.

REIT Manager

Name Dusit Thani Properties REIT Company Limited
Address 319 Chamchuri Square, 29th Floor,
Phayathai Road, Pathumwan Sub-district,
Pathumwan District, Bangkok 10330
Contact 02-200-9999 extension 3681-3685

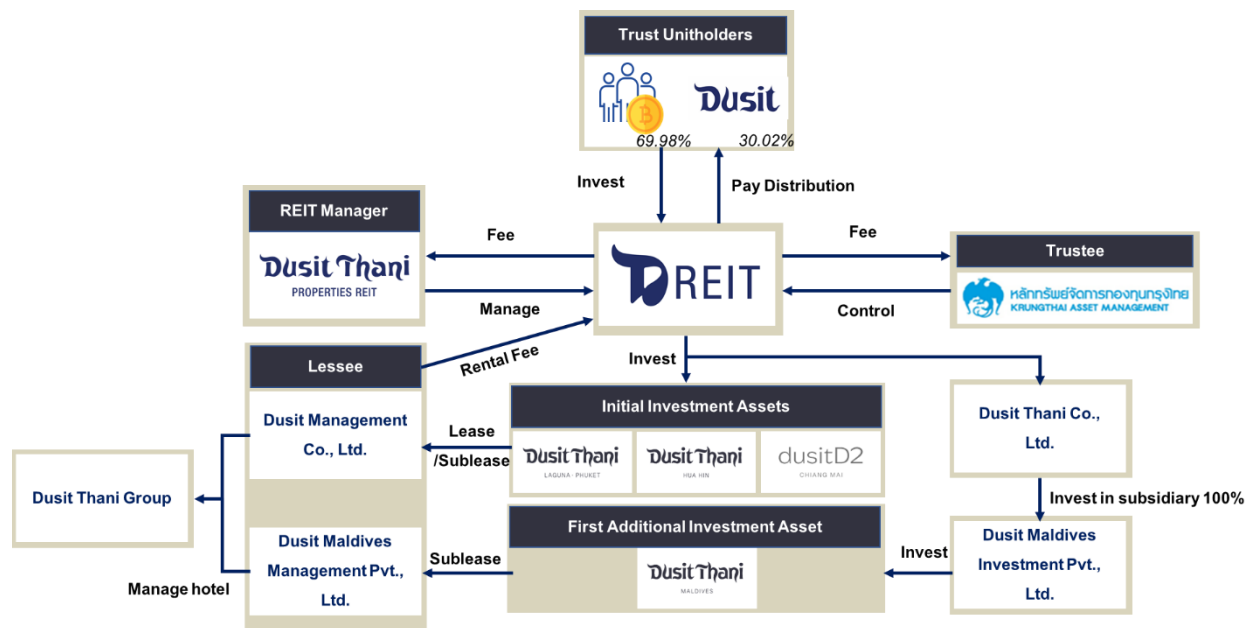
Trustee

Name Krungthai Asset Management Public Co., Ltd.
Address No. 1 Empire Tower, 32th Floor,
South Sathorn Road, Yannawa Sub-District,
Sathorn District, Bangkok 10120
Contact 02-686-6100

Information of the Trust

Name of the Trust (Thai)	ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์และสิทธิการเช่าดุสิตธานี
Name of the Trust (English)	Dusit Thani Freehold and Leasehold Real Estate Investment Trust
Initials	DREIT
Term of the Trust	Indefinite
Paid-up Capital	6,243,981,700 Baht
Type of the Trust	Non-redeemable unit trust from the trust unitholders
REIT Manager	Dusit Thani Properties REIT Company Limited
Trustee	Krungthai Asset Management Public Company Limited

Structure of DREIT



Trust's Objectives and Investment Policy

1. Objectives

The Trust was established for the purpose of investing in core assets by acquiring and/or leasing and/or sub-leasing and/or obtaining the Transfer of Leasehold and/or Sub-leasehold Rights in core assets or by indirect investment, as well as renovating, remodeling, and improving asset potentials and/or disposing current assets for delivering a long-term sustainable revenue and returns for the trust unitholders. Also, use of core assets to generate income by renting as specified by the SEC or authorized parties.

Moreover, the Trust aim to invest in other assets and/or securities and/or seek for benefits by other means as specified in Stocks and Exchange Act and other relevant laws.

2. Investment Policy

The Trust focus on investing in high potential freehold or leasehold properties especially in hotel properties as well as investing in other assets that favor hotel-related business, such as meeting and convention room, restaurants, fitness center, spa, swimming pool, tennis court etc. The Trust would acquire the core assets by either purchase and/or lease and/or sub-lease, either direct Investment or share acquisition of the companies, aiming to generate benefits in a form of rental income or any related income as well as initiating asset enhancement program to uplift asset potentiality in order to generate long-term sustainable income. Meanwhile the Trust will invest in other assets and/or other securities and/or any other returns pursuant to the Securities and Exchange Act and/or any other relevant laws in order to diversify investment to other different aspects.

Key improvement and Milestones

Year 2020

- March 27, 2020: TRIS Rating Company Limited has adjusted DREIT's credit rating from previously at "BBB" with "Stable" outlook to "BBB" with "Negative" outlook.
- April 7, 2020: the situation of the outbreak of COVID-19 which affected the operation of the assets under DREIT. The lessee of the assets requested to exercise the right to postpone the rental payment until the COVID-19 pandemic is resolved or is over.
- DREIT is continuing the renovation projects of Dusit Thani Hua Hin in phase 2.
- August 10, 2020: the lessee of the assets confirmed to pay accrued rental payment as stated in lease agreement within 2020.
- August 28, 2020: TRIS Rating Company Limited has downgraded DREIT's credit rating from "BBB" with "Negative" outlook to "BBB-" with "Negative" outlook.
- November 5, 2020: the postponement of appraisal value of main assets has been approved by the Office of Securities and Exchange Commission (the "Office of the SEC").
- November 19, 2020: the lessee of the assets request to postpone the rental payment for the period of November 2020 – April 2021 at 50% of the monthly fixed rent to be paid in June 2021 onwards due to the prolonged impact of the outbreak of COVID-19.

Asset Details

1) Initial Investment Assets

Dusit Thani Laguna Phuket

General Information

Dusit Thani Laguna Phuket Hotel is a large 5 - star hotel, situated in the heart of Phuket Province. This hotel is a uniquely designed resort hotel. The hotel has a furnishing style and services which accentuate the distinguished Thai taste in every detail. The hotel is spacious and convenient, and the areas of which stretch extensively alongside the Bang Tao beach and are flanked by large lagoons while most guest rooms have the pleasure of the sea view.

Item	Details
Location	No. 390 Srisoontorn Road, Tambon Cherngtalay, Amphur Talang, Phuket Province
Investment Type	Freehold
Total Land Area	approximately 33 rai, 2 ngan, and 61.4 square wah.
Total usable area	16,605 square meters
Year of Operation	1987
Asset Life	Approximate 33 years
Date transferring hotel from DTCPPF	December 8, 2017
Initial Investment value	Approximate 2,869 Million Baht
Latest Appraisal Date ⁹	October 16, 2019

⁹ Due to the situation of COVID-19, Trust has postponed the asset appraisal to the Office of Securities and Exchange Commission (the “Office of the SEC”) for the asset appraisal of period 2020.



Dusit Thani Hua Hin

General Information

Dusit Thani Hua Hin Hotel is a large 5-star hotel in Amphur Cha-am of Phetchaburi Province. This resort hotel was uniquely designed with a blend of Thai and European styles. In addition, this resort hotel stands out among the rest in the vicinity and boasts its vast and convenient compound which stretches alongside a gorgeous beach.

Item	Details
Location	No. 1349 Petchkasem Road, Amphur Cha-am, Phetchaburi Province
Investment Type	30 years Leasehold, ending in 2040
Total Land Area	approximate land area of 63 rai, 1 ngan and 60 square wah.
Total usable area	29,601 square meters
Year of Operation	1990
Asset Life	Approximate 30 years
Date transferring hotel from DTCPP	December 8, 2017
Initial Investment value	Approximate 891 Million Baht
Latest Appraisal Date ¹⁰	October 16, 2019
Latest Appraisal Value	977.40 Million Baht
Appraiser	Siam City Appraisal Company Limited

¹⁰ Due to the situation of COVID-19, Trust has postponed the asset appraisal to the Office of Securities and Exchange Commission (the “Office of the SEC”) for the asset appraisal of period 2020.



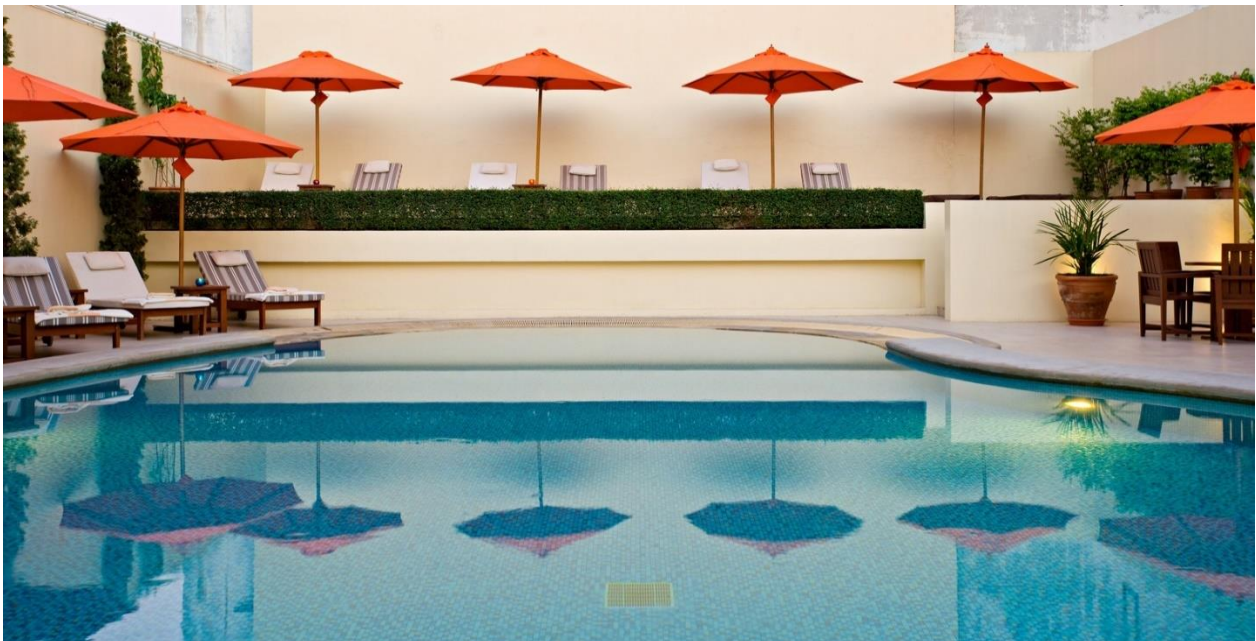
Dusit D2 Chiang Mai

General Information

Dusit D2 Chiang Mai Hotel is situated in the center of Chiang Mai city on Chang Klan Road in the Night Bazaar area, one of Chiang Mai's important commercial and shopping quarters. This hotel targets on younger customers who seek exotic and modern experience.

Item	Details
Location	No. 100 Chang Klan Road, Amphur Mueng, Chiang Mai Province
Investment Type	Freehold
Total Land Area	an approximate land area of 2 rai, 2 ngan and 65 square wah.
Total usable area	11,697 square meters
Year of Operation	2005
Asset Life	Approximate 47 years
Date transferring hotel from DTCPPF	December 8, 2017
Initial Investment value	Approximate 401 Million Baht
Latest Appraisal Date ¹¹	January 9, 2020
Latest Appraisal Value	411.70 Million Baht
Appraiser	True Valuation Company Limited

¹¹ Due to the situation of COVID-19, Trust has postponed the asset appraisal to the Office of Securities and Exchange Commission (the "Office of the SEC") for the asset appraisal of period 2020.



Generation of Benefits from the first asset investment

DREIT lease/sublease the first asset investment to hotel operator which is Dusit Management Company Limited (DMCO), a subsidiary of DTC, for exploitation and pay rental to DREIT. DMCO is hiring DTC to manage the hotels.

To lease/sublease out the assets to DMCO, DREIT has accepted the assignment of rights and duties under the current lease/sublease agreements from DTC PF. After the assignment, DREIT could extend the lease period for another 4 times, for a period of 3 years each (the last year would be 2031). The terms and conditions would be the same as former lease/sublease agreements, except for the provisions in relation to the rental fee which would be as follows:

1. Total Rental Fee

The Total Rental Fee is equivalent to the Final Fixed Rental plus the Variable Rental which is also equivalent to EBITDA deducted with the Share of the Lessee⁽ⁱ⁾ or plus Compensation from the Lessee⁽ⁱⁱ⁾

Whereas, EBITDA means operating earnings before interest, taxes, depreciation, and amortization of asset invested by DREIT as shown in the calculation method appears in item (5) below

- (i) In case that EBITDA is more than or equal to the Initial Fixed Rental;
- (ii) In case that EBITDA is less than the Initial Fixed Rental

2. Fixed Rental

The Fixed rental means the Initial Fixed Rental in each year or the Final Fixed Rental in each year (as the case may be) whereas:

2.1 Initial Fixed Rental

- (a) In case of the year of the Lease Agreement extension

Equals to 205 Million Baht or 2/3 of the average of the Total Rental Fee in the previous 3 years, depend upon whichever is higher.

- (b) In case during 3 years which is not the year of the Lease Agreement extension

Equals to 205 Million Baht or the Final Fixed Rental of the previous year, depend upon whichever is higher.

- 2.2 Final Fixed Rental equals to Initial Fixed Rental or 2/3 of Total Rental Fee in that year, whichever is higher.

Lessee/ Sublessee agrees to make rental payment proportionate to the Initial Rental Fee of each year to DREIT as follows:

Month	Proportion of the Initial Rental Fee of Each Year (Percent)
January	12.50
February	12.50
March	13.50
April	10.00
May	10.00
June	5.00
July	5.00
August	5.00
September	5.00
October	7.50
November	10.00
December	12.50

In this regard, in any accounting period, in the case where the accumulation of all Initial Fixed Rental that DMCO pays to DREIT is less than the Final Fixed Rental resulted from the abovementioned calculation method using the financial information of DMCO as appeared in the annual financial statement audited by the auditor of DMCO who is in the list as approved by the Office of SEC, DMCO agrees to pay to DREIT the discrepancy in the Final Fixed Rental in the next accounting period after such calculation was made.

3. Variable Rental

Variable Rental is equivalent to EBITDA deducted with the Final Fixed Rental deducted with Share of Lessee⁽ⁱ⁾ or plus Compensation from Lessee⁽ⁱⁱ⁾ which would be calculated quarterly or annually (as the case may be)

Whereas, EBITDA means earnings before interest, taxes, depreciation, and amortization of asset invested by DREIT as shown below

- (i) In case that EBITDA is more than or equal to the Initial Fixed Rental;
- (ii) In case that EBITDA is less than the Initial Fixed Rent

In this regard, for any accumulated quarterly accounting period, in the case where the Variable Rental that DMCO pays to DRET is different from the amount derived from the abovementioned calculation method by using the internal financial information of DMCO or the financial information that appeared in the annual financial statement which is audited by the auditor of DMCO who is in the list as approved by the Office of SEC (as the case maybe), DMM agrees to pay to DREIT discrepancy in the Variable Rental or DREIT agrees to set off the excess of the Variable Rental with the Rental that DREIT is entitled to receive in

the next accounting period after such calculation was made.

4. Share of Lessee or Compensation from Lessee

4.1 The Share of Lessee shall be applicable only when EBITDA is more than or equal to the Initial Fixed Rental.

Whereas, the Share of Lessee in such quarter or in such year (as the case maybe) is equal to the lower amount between the followings:

$$\begin{aligned} & \text{EBITDA} - \text{Initial Fixed Rental}; \text{ or} \\ & (\text{EBITDA} - 205,000,000 \text{ Baht}) \times (1 - A) \end{aligned}$$

A = at the rate of 85 percent from the date of 1 January 2017 to 31 December 2022, and at the rate of 80 percent from 1 January 2023 onwards.

4.2 The Compensation from Lessee shall applicable only when EBITDA is less than the Initial Fixed Rental.

Whereas, Compensation from Lessee = Initial Fixed Rental - EBITDA

At the end of the year, the Initial Fixed Rental in the formula above would be equal to the Final Fixed Rental.

Calculation for the Share of Lessee or the Compensation from Lessee would be on quarterly

basis and based on the Initial Fixed Rental or 205 million THB according to the proportion of the total “Proportion of the Initial Rental Fee of Each Year” as shown in the table above.

5. Earnings Before Interest, Taxes, Depreciation, and Amortization of the first additional assets investment invested by DREIT (EBITDA)

Earnings Before Interest, Taxes, Depreciation, and Amortization of the first additional assets investment assets Invested by DREIT (EBITDA)

$$\text{EBITDA} = (B - C - D - E)$$

B = Total revenues from the hotel business operation during the quarter or during the accounting period (as the case maybe) (revenues with respect to the guest rooms, food and beverages, and other operations)

C = Total costs from the hotel business operation during the quarter or during the accounting period (as the case maybe) (costs with respect to the guest rooms, food and beverages, and other operations)

D = Total expenses incurred due to the sales and services from the hotel business operation during the quarter or during the accounting period (as the case maybe)

E = Total expenses incurred due to the other operations from the hotel business operation during the quarter or during the accounting period (as the case maybe) (property tax, hotel management fee, business interruption insurance premiums, and public liabilities insurance premium, etc.)

Details of Lessee

Items	Details
Name of Lessee	Dusit Management Company Limited (DMCO)
Date of Establishment	15 December 2010
Head office	319 Chamchuri Square, 29 th Floor, Phayathai Road, Pathumwan Bangkok 10330
Board of Directors	1. Ms. Sinee Thienprasiddhi 2. Ms. Pattaneeporn Thienprasiddhi 3. Ms. Suphajee Suthumpun 4. Ms. Titiya Xuto Jiamsuk 5. Ms. Prachoom Tantipasertsuk 6. Mr. Montri Samanwongsathit
Operating Performance	Operating performance of 2020 as follows Revenue: 410,118,027 Baht Expenses: 640,553,701 Baht Net loss: -230,435,674 Baht

Opinion of REIT Manager on Lessee ability to pay lease

REIT Manager considered that the assets in the first investment having a potential location with the best touristic destination in Thailand, possessing the fine operating performance that adequately pay for the fixed rent, and assets have always generated the EBITDA higher than fixed rent, except in 2017 that Dusit Thani Laguna Phuket was renovated to improve the market competency, affected the lessee

was unable to utilize the asset to generate revenue sufficiently. In 2019, the performance impacted by fluctuation in global economic conditions, trade war between China and USA, and also closure of Dusit Thani Hua Hin for renovation. Moreover, the situation of COVID-19 in 2020, most countries restricted the travel both in the country and inter-country, closed business operations such as school, hotel, and public park, etc., and quarantine people for 14 days. These impacted on overall tourism and hotel under Trust.

Impacts on changing lessee

If there is no renewal of the lease and/or sublease agreements upon expiry of the lease term or a new lessee and/or sublessee (as the case may be) cannot be procured or there is an early termination of the lease/sublease agreements, REIT Manager may have to find a new lessee and/or sublessee who agrees to the terms and conditions of the lease as good as those of the current lease and/or sublease agreements. As a result, DREIT will receive lower rental income from the new lessee and/or lessees. However, to reduce such risk, it is stated in the 3-year lease/sublease agreement, DREIT can extend the agreement in 3 times, each time with 3-year maturity.

DREIT has internal procedure to select new lessee/sublessee, considering the Trust's benefit, in case that DMCO is no longer the lessee.

Details of Property Manager

Items	Details
Name of Property Manager	Dusit Thani Public Company Limited (DTC)
Date of Establishment	30 June 1993 (converted to listed company)
Type of Business	Operate hotel business, hotel management business with the brand of "Dusit Thani", education business and other related business
Relations with REIT Manager	Major Shareholder
Fees received from hotel management	1. Management fee 2. Marketing fee 3. Incentive fee

Conflicts of Interests between DREIT and Property Manager

Though DTC was cautiously specified its role and responsibility as a property manager, the conflict of interests between DREIT and DTC Group may arise as DTC and subsidiary has been managing other hotels in several areas with a direct authorization and controls besides managing the property.

However, the possibility of such conflicts is hardly happened as those hotels which not belonged into DREIT are not located near to those hotels belonged to DREIT (except Dusit Princess Chiangmai Hotel is located in Chiangmai Province, same as Dusit D2 Chiangmai Hotel). Moreover, the customer segments of each hotel are set differently from type of service, location, architecture, and decoration which are considered the key factors to customer decision and preference.

Moreover, the structure of attractive fee which DTC would receive in order to manage the property would be increase if the gross operating profit of each hotel increase. It is the key factors reducing the risk of such conflicts.

Besides that, the overall term and conditions detailed in the agreement would not enable DTC to compete with hotels under the Trust, in contrast, allowing the Trust to explore more opportunity for future investment.

2) First Additional investment Asset

Dusit Thani **Maldives**

General Information

Dusit Thani Maldives Hotel is a luxury 5-star hotel which comprise of the unique villa inspired by Maldivian and Thai architecture. The hotel is located on the Mudhdhoo island in Baa Atoll the Republic of Maldives which is the only UNESCO World Biosphere reserve of the Republic of Maldives.

Item	Details
Location	Mudhdhoo Island, Baa Atoll, The Republic of Maldives
Investment Type	Leasehold 40 years ending 2059
Total Land Area	approximately 116 rai 2 ngan 60 square wah.
Year of Operation	2002
Asset Life	Approximate 7 years
Date transferring hotel from DTCPPF	September 25, 2019
Initial Investment value	Approximate 2,315 Million Baht
Latest Appraisal Date ¹¹	5 July 2018 by Bangkok Hospitality Consulting and Services Co., Ltd. (HVS) 12 July 2018 by Knight Frank Charters (Thailand) Limited
Latest Appraisal Value	74.4 Million USD Bangkok Hospitality Consulting and Services Co., Ltd. (HVS) 74.5 Million USD by Knight Frank Charters (Thailand) Limited

¹¹ Due to the situation of COVID-19, Trust has postponed the asset appraisal to the Office of Securities and Exchange Commission (the “Office of the SEC”) for the asset appraisal of period 2020.



Generation of benefits from the first additional investment asset

Dusit Maldives Investment Private Limited (DMI) as a subsidiary of DREIT lease/sublease to hotel operator which is Dusit Maldives Management Company Limited (DMM), a subsidiary of DMCO, for exploitation and pay rental to DMI. DMM is hiring a subsidiary in Dusit Thani Group of which DTC holds either direct/or indirect shares not less than 90% of total paid-up shares to manage the hotels.

DMI lease/or sub lease out the assets to DMM with the term of 21 years with details as following:

1. Total Rental Fee

The Total Rental Fee is equivalent to the Final Fixed Rental plus the Variable Rental which is also equivalent to EBITDA deducted with the Share of the Lessee⁽ⁱ⁾ or plus Compensation from the Lessee⁽ⁱⁱ⁾

Whereas EBITDA means operating earnings before interest, taxes, depreciation, and amortization of asset invested by DREIT as shown in the calculation method appears in item 5. below:

- (i) In case that EBITDA is more than or equal to the Initial Fixed Rental;

- (ii) In case that EBITDA is less than the Initial Fixed Rental.

2. Fixed Rental

The Fixed Rental means the Initial Fixed Rental in each year or the Final Fixed Rental in each year (as the case may be) whereas:

2.1 Initial Fixed Rental

- (a) In case of the year of the Lease Agreement extension

Equals to 7 Million Baht or 2/3 of the average of the Total Rental Fee in the previous 3 years, depend upon whichever is higher.

- (b) In case during 3 years which is not the year of the Lease Agreement extension

Equals to 7 Million Baht or the Final Fixed Rental of the previous year, depend upon whichever is higher.

2.2 Final Fixed Rental equals to Initial Fixed Rental or 2/3 of Total Rental Fee in that year, whichever is higher.

Lessee/ Sublessee agrees to make rental payment proportionate to the Initial Rental Fee of each year to DMI as follows:

Month	Proportion of the Initial Rental Fee of Each Year (Percent)
January	10.50
February	14.00
March	13.50
April	10.50
May	7.00
June	4.00
July	4.00
August	8.00
September	9.00
October	6.50
November	7.00
December	6.00

In this regard, in any accounting period, in the case where the accumulation of all Initial Fixed Rental that DMM pays to DMI is less than the Final Fixed Rental resulted from the abovementioned calculation method using the financial information of DMM as appeared in the annual financial statement audited by the auditor of DMM who is in the list as approved by the Office of SEC, DMM agrees to pay to DMI the discrepancy in the Final Fixed Rental in the next accounting period after such calculation was made.

3. Variable Rental

Variable Rental is equivalent to EBITDA deducted with the Final Fixed Rental deducted with Share of Lessee⁽ⁱ⁾ or plus Compensation from Lessee⁽ⁱⁱ⁾ which would be calculated quarterly or annually (as the case may be)

Whereas, EBITDA means earnings before interest, taxes, depreciation, and amortization of asset invested by DREIT as shown in the calculation method appears in item 5. below

- (i) In case that EBITDA is more than or equal to the Initial Fixed Rental;
- (ii) In case that EBITDA is less than the Initial Fixed Rental

In this regard, for any accumulated quarterly accounting period, in the case where the Variable Rental that DMM pays to DMI is different from the amount derived from the abovementioned calculation method by using the internal financial information of DMM or the financial information that appeared in the annual financial statement which is audited by the auditor of DMM who is in the list as approved by the Office of SEC (as the case maybe), DMM agrees to pay to DMI discrepancy in the Variable Rental or DMI agrees to set off the excess of the Variable Rental with the

Rental that DMI is entitled to receive in the next accounting period after such calculation was made.

4. Share of Lessee or Compensation from Lessee

4.1 The Share of Lessee shall be applicable only when EBITDA is more than or equal to the Initial Fixed Rental.

Whereas, the Share of Lessee in such quarter or in such year (as the case maybe) is equal to the lower amount between the followings:

EBITDA – Initial Fixed Rental; or

$(EBITDA - 7,000,000 \text{ USD}) \times (1 - A)$

A = at rate of 90 percent

4.2 The Compensation from Lessee shall be applicable only when EBITDA is less than the Initial Fixed Rental.

Whereas, Compensation from Lessee = Initial Fixed Rental - EBITDA

At the end of the year, the Initial Fixed Rental in the formula above would be equal to the Final Fixed Rental.

Calculation for the Share of Lessee or the Compensation from Lessee would be on quarterly basis and based on the Initial Fixed Rental or 7 million USD according to the proportion of the total

“Proportion of the Initial Rental Fee of Each Year” as shown in the table above.

5. Earnings Before Interest, Taxes, Depreciation, and Amortization of the first additional assets investment invested by DREIT (EBITDA)

Earnings Before Interest, Taxes, Depreciation, and Amortization of the first additional assets investment assets Invested by DREIT (EBITDA)

$$EBITDA = (B - C - D - E)$$

B = Total revenues from the hotel business operation during the quarter or during the accounting period (as the case maybe) (revenues with respect to the guest rooms, food and beverages, and other operations)

C = Total costs from the hotel business operation during the quarter or during the accounting period (as the case maybe) (costs with respect to the guest rooms, food and beverages, and other operations)

D = Total expenses incurred due to the sales and services from the hotel business operation during the quarter or during the accounting period (as the case maybe)

E = Total expenses incurred due to the other operations from the hotel business operation during the quarter or during the accounting period (as the case maybe) (property tax, hotel management fee, business interruption insurance premiums, and public liabilities insurance premium, etc.)

Details of Lessee

	Details
Name of Lessee	Dusit Maldives Management Private Limited
Date of Establishment	July 31, 2019
Board of Directors	1. Mr. Lim Boon Kwee 2. Miss Pattaneeporn Thienprasiddhi 3. Mr. Montri Samanwongsathit 4. Mr. Mohamed Shahdy Anwar
Operating Performance	Operating performance of 2020 as follows Revenue: 10,529,733 USD Expenses: 16,555,588 USD Net Profit: -6,025,855 USD

Opinion of REIT Manager on Lessee ability to pay lease

REIT Manager considered that the additional asset in the first investment having a potentiality with all-time high operating performance than fixed rental. Though affecting with the situation of COVID-19 tremendously, lessee/sublessee is one of subsidiary of DTC, well supported by DTC as agreed in the Undertaking Agreement covering a full support on financial assistance and financial reserve for all expenses that being arose from DMCO and/or subsidiary of DMCO in case that DMCO and/or subsidiary of DMCO may have no liquidity enough to operate the hotels in order to enable such

operations run smoothly with utmost benefits as agreed with DREIT

Impacts on changing lessee

If there is no renewal of the lease and/or sublease agreements upon expiry of the lease term or a new lessee and/or sublessee (as the case may be) can not be procured or there is an early termination of the lease/sublease agreements, REIT Manager may have to find a new lessee and/or sublessee who agrees to the terms and conditions of the lease as good as those of the current lease and/or sublease agreements. As a result, DREIT will receive lower rental income from the new lessee and/or lessees and thus, the unitholders may be affected by the decreased in returns of DREIT.

Details of Property Manager

	Details
Name of Property Manager	Dusit Worldwide Maldives Private Limited
Date of Establishment	September 15, 2020
Type of Business	Manage Dusit Thani Maldives Hotel
Relations with REIT Manager	a subsidiary of DTC Group, which DTC holds either direct/or indirect share not less than 90% of total paid-up shares. DTC is the major shareholders of REIT Manager by holding 99.99% shares to total paid-up shares.
Fees received from hotel management	1. Management Fee 2. Marketing Fee 3. Incentive Fee

Conflicts of Interests between DREIT and Property Manager

Though DMM was cautiously specified its role and responsibility as a property manager, the conflict of interests between DREIT and company under DTC Group may arise as DTC and subsidiary has been managing other hotels in several areas with a direct authorization and controls besides managing the property.

However, the possibility of such conflicts is hardly happened as those hotels which not belonged into DREIT are not located near to those hotels belonged to DREIT. Moreover, the customer segments of each hotel are set differently from type of service, location, architecture, and decoration which are considered the key factors to customer decision and preference.

Beside that DMM will hire a subsidiary under DTC Group in which DTC holds either direct or indirect share not less than 90% of total paid-up share to act as property manager. With attractive management scheme, such company will constantly enjoy the profitability earning from DREIT.

Loan Details

Trust's Borrowing

As of December 31, 2020, the Trust possess of net outstanding loan with CIMB Thai Bank Public Company Limited with term and conditions are as follows:

Summary of the Loan Agreements

Item	Details
Borrower	DREIT
Lender	CIMB Thai Bank Public Company Limited
Credit Facility Amount	Credit facility of not exceeding 1,944.21 Million Baht
Purpose of Loan	To invest in the first additional investment of DREIT and/or refinancing and/or maintenance and renovate the assets in DREIT and/or use as the working capital.
Interest Rate	Not exceeding the average MLR of Big 4 Commercial Banks (Bangkok Bank, Kasikorn Bank, Siam Commercial Bank and Krungthai Bank)
Period of Loan	5 years from the first drawdown
Loan Security	Land and constructions of Dusit Thani Laguna Phuket

Loan Status as of December 31, 2020

Item	Details
Total Loan (Baht)	1,688,480,008
Total Asset (Baht)	7,491,534,305
Interest Bearing Debt to Total Asset (%)	22.54

Loan to Subsidiary

For the first additional asset investment, DREIT invested indirectly in DMI through a subsidiary in which DREIT holds not less than 100% shareholding and through designated persons by DREIT who holds not less than 100% shareholding and has 100% rights to vote of total outstanding voting rights of DMI. The objective is mainly for managing financial structure and operating expenses of DMI efficiently.

Summary of the Loan Agreements between DREIT and DMI

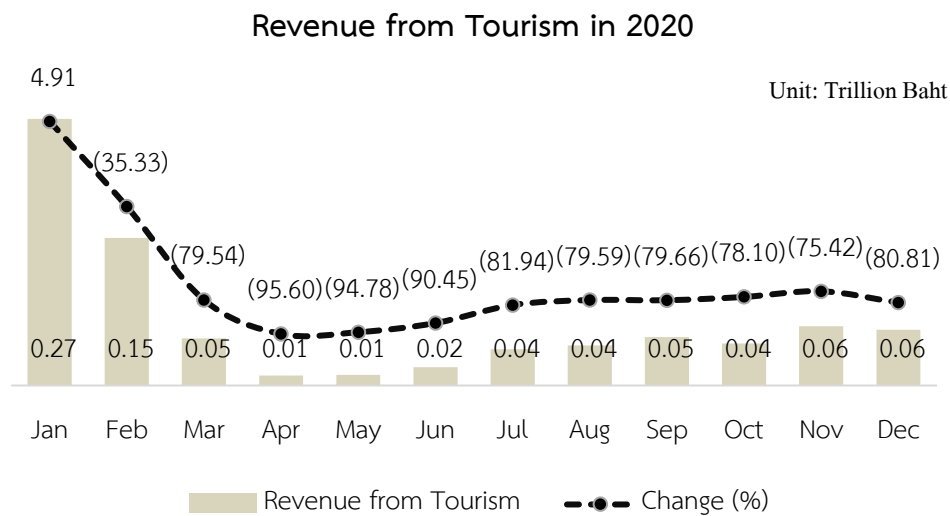
Item	Details
Borrower	Dusit Maldives Investment Private Limited (“DMI”)
Lender	DREIT
Credit Facility Amount	77,732,160.31 USD. Present, outstanding balance is 51 Million USD.
Purpose of Loan	To invest in the first additional investment of DREIT and/or refinancing and/or maintenance and renovate the assets in DREIT and/or use as the working capital.
Interest Rate	Not exceeding 6.0 % per annum.
Period of Loan	Repayment on demand
Loan Security	Repayment monthly
Condition	Lender requires the shareholder of the borrower maintaining Debt to Shareholding Ratio

Market Overview

Tourism Overview in Thailand

In 2020, the outbreak of COVID-19 had significantly impacted to the Thai tourism. To prevent the spread of COVID-19, the government sector has issued the measurement by reduce the travel of Thais and foreigners, cancel the Visa Free for the high-risk countries, close the country border and prohibit the arrival flight to Thailand, quarantine the people for 14 days, and declare the state of emergency in all areas over the country. As a result, the Thai tourism generated income of 0.81 Trillion Baht decreased by 1.93 Trillion Baht or 70.95% from the previous year. The decrease in income come from foreign tourists amount of 1.58 Trillion Baht and domestic tourists amount of 0.60 Trillion Baht.

For the tourism in Thailand, there are positive sign of recovery since June 2020 as the occupancy rate of accommodation increased from 3.79% in May to 32.16% in December. Due to consecutive holidays from the substitution of Songkran holiday, special holiday for government officers, domestic travel stimulus measures from the government sector such as Rao Tiew Duay Gun (We Travel Together), Kum Lung Jai (Encouragement), and Khon La Khrueng (Let's Go Halves) that stimulus domestic consumption.

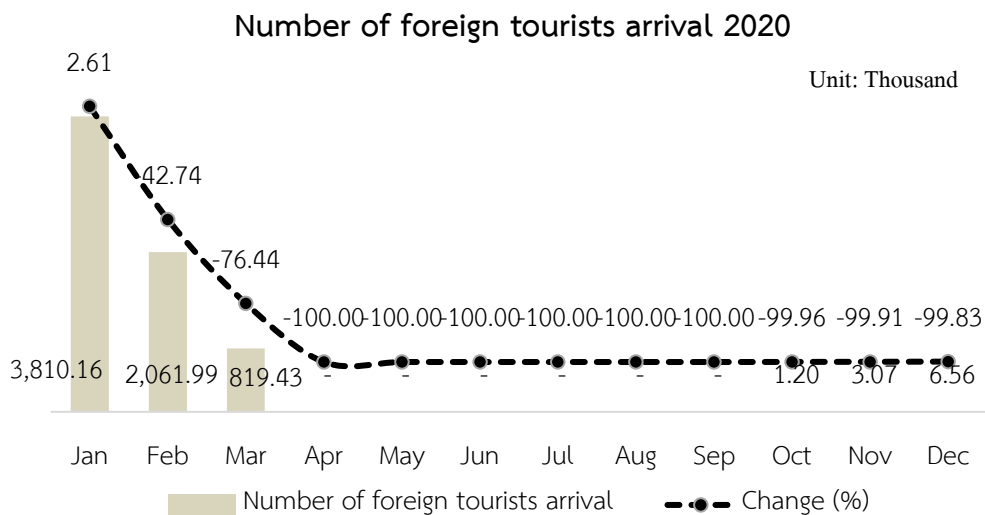


Source: Ministry of Tourism & Sports

In 2020, the number of foreign tourists' arrival in Thailand has significantly dropped due to the close border of the country. As a result, foreign tourists' arrival decreased by 83.21% from the previous year. The top 3 foreign tourists' arrival were 1.25 Million Chinese tourists, decreased by 88.63% from the previous year. Followed by the tourists from Malaysia of 0.62 Million, decreased by 85.50% from the previous year. And tourists from Russia of 0.59 Million, decreased by 60.42% from the previous year.

Due to the outbreak of COVID-19, the number of foreign tourists in 2020 was 6.70 Million, decreased by 33.21 Million or 83.21% from the previous year.

For the foreign tourists' arrivals in Thailand from November to December, are tourists who have Special Tourist VISA (STV) for long-term stay, tourists who have Thailand Privilege Card, and other groups such as business group and athletes' group.



Source: Ministry of Tourism & Sports

Tourism Overview in Phuket

According to the statistic report of Ministry of Tourism & Sports, showed that Phuket has the total number of visitors of 4 million people in 2020 which decreased by 10.57 million people or 72.54% from the previous year. Regarding the number of visitors that have decreased, Thai visitors decreased by 2.09 million people and foreign visitors decreased by 8.49 million people.

In term of revenue, Phuket earned 0.11 Trillion Baht from the visitors which decreased by 0.33 Trillion Baht or 75.51% from the previous year, contributing by Thai visitors amount of 0.02

Trillion Baht and foreign visitors amount of 0.09 Trillion Baht.

Whereas the occupancy rate for the hotels in Phuket in 2020, decreased by 55.78% from the previous year to 19.47%

For the supply in Phuket, the number of accommodations and rooms increased from the previous year 4.71% and 7.73% respectively. At the end of 2020, there were 2,023 accommodations and 105,365 rooms which hotel account for 40.83% of the total number of accommodations and 48.85% of the total number of rooms in Phuket.

Hotel Supply in Phuket during 2018-2020

Phuket	2018		2019		2020	
	No. of Accommodations	No. of Rooms	No. of Accommodations	No. of Rooms	No. of Accommodations	No. of Rooms
Hotel	742	45,234	782	49,182	826	51,469
Resort	510	34,980	523	36,318	556	41,301
Guest house	403	7,231	404	7,242	414	7,378
Bungalow	102	2,073	102	2,073	102	2,073
Service Apartment	13	400	13	400	13	400
Apartment/Mansion	91	2,361	91	2,361	92	2,411
Homestay	5	26	5	26	5	26
Others	12	202	12	202	15	307
Total	1,878	92,507	1,932	97,804	2,023	105,365

Source: TAT Intelligence Center, Tourism Authority of Thailand

Occupancy Rate, Number of Visitors, and Revenue from Visitors in Phuket

Phuket		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Occupancy Rate (%)	2020	87.71	56.13	26.53	0.35	0.28	5.59	5.13	7.30	10.86	11.03	11.84	10.83
	2019	86.05	86.38	85.51	86.20	68.25	74.97	66.17	62.11	61.45	67.09	76.12	82.68
Total Visitors	2020	1,722,034.00	889,508.00	390,057.00	4,281.00	3,941.00	79,787.00	76,186.00	104,820.00	162,323.00	192,248.00	194,994.00	183,111.00
	2019	1,690,776.00	1,522,828.00	1,645,784.00	1,283,781.00	930,340.00	1,181,192.00	811,130.00	794,213.00	834,314.00	1,156,536.00	1,106,035.00	1,619,537.00
Thai Visitors	2020	316,150.00	294,633.00	294,931.00	-	-	79,309.00	75,845.00	104,275.00	161,848.00	191,358.00	192,622.00	181,465.00
	2019	357,769.00	501,114.00	477,869.00	341,826.00	92,991.00	296,803.00	225,708.00	297,163.00	254,797.00	316,689.00	302,965.00	511,851.00
Foreign Visitors	2020	1,405,884.00	594,875.00	95,126.00	4,281.00	3,941.00	478.00	341.00	545.00	475.00	890.00	2,372.00	1,646.00
	2019	1,333,007.00	1,021,714.00	1,167,915.00	941,955.00	837,349.00	884,389.00	585,422.00	497,050.00	579,517.00	839,847.00	803,070.00	1,107,686.00
Revenue from Total Visitors (Million Baht)	2020	62,468.60	29,126.70	7,239.31	277.92	255.85	836.91	790.12	979.57	1,551.70	1,644.83	1,706.18	1,585.84
	2019	55,328.20	45,433.04	50,668.13	34,194.85	28,004.85	31,831.30	20,503.17	18,798.60	20,709.63	41,618.55	39,797.79	56,002.56
Revenue from Thai Visitors (Million Baht)	2020	4,450.20	4,211.59	3,374.03	-	-	829.55	784.03	970.13	1,541.20	1,615.69	1,628.52	1,531.59
	2019	4,770.59	6,681.99	6,372.03	3,878.37	1,055.08	3,367.54	2,974.04	3,915.57	3,357.33	3,737.34	3,575.38	6,040.51
Revenue from Foreign Visitors (Million Baht)	2020	58,018.40	24,915.11	3,865.28	277.92	255.85	7.36	6.09	9.44	10.50	29.14	77.66	54.25
	2019	50,557.61	38,751.05	44,296.10	30,316.48	26,949.77	28,463.76	17,529.13	14,883.03	17,352.30	37,881.21	36,222.41	49,962.05

Source: Ministry of Tourism & Sports

Tourism Overview in Prachuap Khiri Khan

According to the statistic report of Ministry of Tourism & Sports, showed the number of visitors in Prachuap Khiri Khan in 2020 amount of 4.11 million people which decreased by 3.15 million people or 43.40% from the previous year. Regarding the number of visitors that have decreased, Thai visitors decreased by 2.10 million people and foreign visitors decreased by 1.05 million people.

In term of revenue, Prachuap Khiri Khan had total income from the visitors amount of 0.18 Billion Baht decreased by 0.24 Billion Baht or 57.49% from the previous year. Contributed revenue from

Thai visitors amount of 0.16 Billion Baht and foreign visitors amount of 0.02 Billion Baht.

Whereas the occupancy rate of the hotels in Prachuap Khiri Khan decreased 28.68% from the previous year to 35.67% in 2020.

For the supply in Prachuap Khiri Khan, the number of accommodations and rooms increased from the previous year 1.75% and 2.20% respectively. At the end of 2020, Prachuap Khiri Khan had total number of accommodations of 580 units and total number of rooms of 17,339 units which the hotel account for 34.83% of the total number of accommodations and 56.53% of the total number of rooms.

Hotel Supply in Prachuap Khiri Khan during 2018-2020

Prachuap Khiri Khan	2018		2019		2020	
	No. of Accommodations	No. of Rooms	No. of Accommodations	No. of Rooms	No. of Rooms	No. of Rooms
Hotel	170	7,968	199	9,541	202	9,801
Resort	156	3,628	200	4,909	204	4,961
Guest house	76	882	88	1,018	88	1,018
Bungalow	53	819	58	855	58	855
Service Apartment	3	110	3	110	3	110
Apartment/Mansion	5	234	5	234	5	234
Homestay	4	18	4	18	4	18
Others	13	280	13	280	16	342
Total	480	13,939	570	16,965	580	17,339

Source: TAT Intelligence Center, Tourism Authority of Thailand

Occupancy Rate, Number of Visitors, and Revenue from Visitors in Prachuap Khiri Khan

Prachuap Khiri Khan		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Occupancy Rate (%)	2020	70.35	53.11	22.50	-	0.70	23.60	40.99	37.69	37.99	46.67	50.35	44.10
	2019	64.55	52.86	61.58	47.04	46.54	41.29	42.41	39.68	35.44	62.00	64.78	48.36
Total Visitors	2020	576,227.00	389,358.00	206,331.00	419.00	3,785.00	220,118.00	393,239.00	430,193.00	369,834.00	504,715.00	546,882.00	467,840.00
	2019	639,052.00	563,718.00	603,965.00	560,304.00	514,547.00	470,316.00	559,896.00	572,472.00	485,736.00	705,632.00	735,777.00	848,254.00
Thai Visitors	2020	460,687.00	329,446.00	194,789.00	-	3,572.00	219,957.00	393,124.00	429,965.00	369,585.00	504,646.00	546,754.00	467,767.00
	2019	511,080.00	448,291.00	509,005.00	476,932.00	446,022.00	397,690.00	461,809.00	482,492.00	404,783.00	567,402.00	602,382.00	715,505.00
Foreign Visitors	2020	115,540.00	59,912.00	11,542.00	419.00	213.00	161.00	115.00	228.00	249.00	69.00	128.00	73.00
	2019	127,972.00	115,427.00	94,960.00	83,372.00	68,525.00	72,626.00	98,087.00	89,980.00	80,953.00	138,230.00	133,395.00	132,749.00
Revenue from Total Visitors (Million Baht)	2020	3,509.89	2,338.97	950.19	11.87	17.86	800.36	1,396.62	1,376.63	1,169.10	2,156.42	2,317.85	1,975.05
	2019	3,755.10	3,324.50	3,425.44	3,121.06	2,803.37	2,640.44	3,179.30	3,148.41	2,717.06	4,462.43	4,603.97	5,211.55
Revenue from Thai Visitors (Million Baht)	2020	2,376.06	1,745.55	824.34	-	11.83	798.31	1,394.83	1,372.99	1,165.13	2,155.62	2,316.35	1,974.20
	2019	2,516.84	2,207.63	2,506.60	2,102.20	1,965.95	1,752.92	1,819.61	1,901.10	1,594.90	3,080.08	3,269.97	3,884.03
Revenue from Foreign Visitors (Million Baht)	2020	1,133.83	593.42	125.85	11.87	6.03	2.05	1.79	3.64	3.97	0.80	1.50	0.85
	2019	1,238.26	1,116.87	918.84	1,018.86	837.42	887.52	1,359.69	1,247.31	1,122.16	1,382.35	1,334.00	1,327.52

Source: Ministry of Tourism & Sports

Tourism Overview in Chiang Mai

According to the statistic report of Ministry of Tourism & Sports, showed the number of visitors in Chiang Mai amount of 4.45 million people in 2020 which decreased by 4.16 million people or 48.32% from the previous year. The decrease in the number of visitors were Thai visitors of 5.16 million people and foreign visitors of 2.25 million people.

In term of revenue, Chiang Mai earned revenue from visitors amount of 0.49 Billion Baht decreased by 0.61 Billion Baht or 54.96% from the previous year. The revenue contributed from Thai visitors amount of 0.42 Billion Baht and foreign visitors

amount of 0.07 Billion Baht. Whereas, the occupancy rate of the hotels in Chiang Mai decreased by 32.48% from the previous year to 41.80% in 2020.

For the supply in Chiang Mai, the number of accommodations and rooms increased from the previous year by 2.02% and 1.47% respectively. At the end of 2020, Chiang Mai had 908 accommodations and 37,598 rooms which the hotel accounted for 49.12% of the total number of accommodations and 67.79% of the total number of rooms in Chiang Mai.

Hotel Supply in Chiang Mai during 2018-2020

Chiang Mai	2018		2019		2020	
	No. of Accommodations	No. of Rooms	No. of Accommodations	No. of Rooms	No. of Accommodations	No. of Rooms
Hotel	390	23,663	432	24,990	446	25,453
Resort	155	4,677	184	5,057	185	5,114
Guest house	177	3,987	180	3,997	180	3,997
Bungalow	3	36	3	36	4	45
Service Apartment	21	1,249	21	1,249	21	1,249
Apartment/Mansion	19	968	19	968	19	968
Homestay	15	172	20	209	21	213
Others	27	512	31	548	32	559
Total	807	35,264	890	37,054	908	37,598

Source: TAT Intelligence Center, Tourism Authority of Thailand

Occupancy Rate, Number of Visitors, and Revenue from Visitors in Chiang Mai

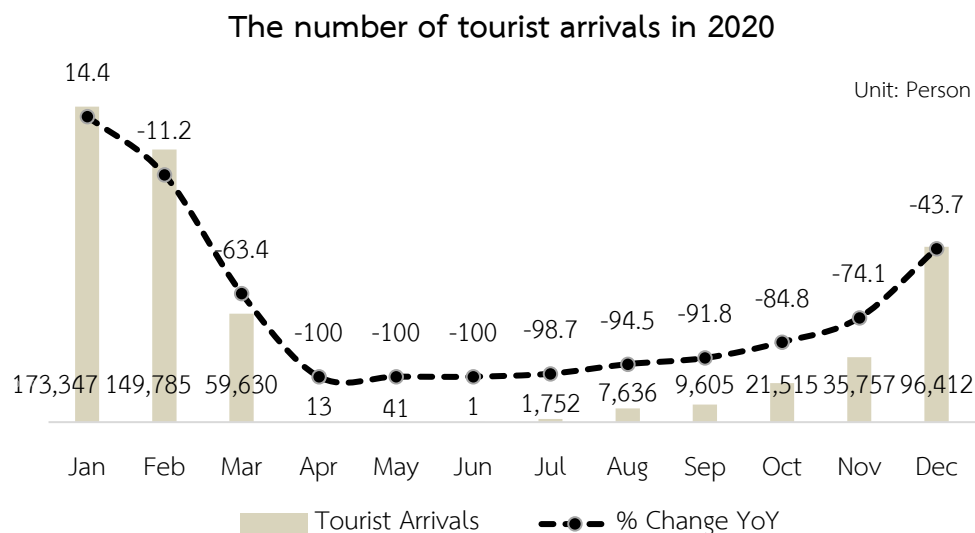
Chiang Mai		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Occupancy Rate (%)	2020	85.32	58.47	24.32	0.78	1.73	15.12	44.36	41.58	40.03	53.96	70.28	65.65
	2019	91.04	85.49	65.76	69.82	68.37	69.15	69.03	65.75	61.60	70.65	82.81	91.86
Total Visitors	2020	1,047,546.00	696,035.00	411,040.00	3,523.00	12,212.00	153,646.00	403,825.00	375,966.00	331,013.00	686,287.00	926,358.00	960,312.00
	2019	1,173,786.00	1,013,231.00	847,850.00	763,214.00	759,952.00	753,272.00	714,171.00	653,758.00	612,667.00	1,099,218.00	1,249,167.00	1,525,574.00
Thai Visitors	2020	737,588.00	530,347.00	351,724.00	2,707.00	11,629.00	151,620.00	401,316.00	373,329.00	326,939.00	681,314.00	917,933.00	956,581.00
	2019	841,830.00	710,384.00	539,723.00	502,969.00	512,041.00	498,717.00	432,346.00	401,536.00	348,870.00	829,611.00	906,939.00	1,166,487.00
Foreign Visitors	2020	309,958.00	165,688.00	59,316.00	816.00	583.00	2,026.00	2,509.00	2,637.00	4,074.00	4,973.00	8,425.00	3,731.00
	2019	331,956.00	302,847.00	308,127.00	260,245.00	247,911.00	254,555.00	281,825.00	252,222.00	263,797.00	269,607.00	342,228.00	359,087.00
Revenue from Total Visitors (Million Baht)	2020	11,087.86	7,370.17	3,505.46	41.14	98.88	1,136.41	2,974.90	2,495.44	2,456.25	4,898.80	6,831.53	6,944.19
	2019	12,004.62	10,426.86	8,940.77	7,350.01	7,282.57	7,246.88	7,839.64	7,150.00	6,826.61	10,083.65	11,570.98	13,947.74
Revenue from Thai Visitors (Million Baht)	2020	6,950.68	5,130.88	2,741.71	19.46	83.39	1,126.37	2,958.86	2,477.26	2,427.37	4,866.56	6,773.39	6,918.39
	2019	7,670.67	6,472.95	4,917.91	4,293.02	4,370.46	4,256.74	3,962.24	3,679.88	3,197.23	6,975.84	7,626.06	9,808.49
Revenue from Foreign Visitors (Million Baht)	2020	4,137.18	2,239.29	763.75	21.68	15.49	10.04	16.04	18.18	28.88	32.24	58.14	25.80
	2019	4,333.95	3,953.91	4,022.86	3,056.99	2,912.11	2,990.14	3,877.40	3,470.12	3,629.38	3,107.81	3,944.92	4,139.25

Source: Ministry of Tourism & Sports

Tourism Overview in Republic of Maldives

In 2020, the tourism in Republic of Maldives was significantly impacted by the outbreak of COVID-19 which the government sector imposed the measures to restrict entry into the country, quarantine people for 14 days, 24-hour lockdown with restricted movement, and nationwide ban on public gatherings. As a result, the number of tourists arrival in Maldives in 2020 were 0.56 million people decreased 67.40% from the previous year.

The government sector of Maldives has closed the border of the country since March 27, 2020 and reopen again on July 15, 2020. The tourism industry has recovered due to the measures taken by the agencies of Ministry of Health and Ministry of Tourism which affect the increase in number of tourists from 1,752 people in May to 96,412 people in December.



Source: Ministry of Tourism, Republic of Maldives

For the tourist arrivals in Republic of Maldives, most of them were the tourists from Europe which accounted for 0.35 million people or 62.70% of the total number of tourists decreased by 58.20% from the previous year. Followed by the tourists from Asia and Pacific which accounted for 0.14 million people or 25.60% of the total number of tourists decreased by 79.80% from the previous year.

For the tourists from America, there were 0.03 million tourists accounted for 5.80% of the total number of tourists. While, Middle Eastern and African tourists accounted for 4.70% and 1.20% of the total number of tourists respectively.

In term of ethnicities, Indian tourists are the top markets among the other tourists that travelling to Maldives which accounted for 11.30% of the total number of tourists. While, the Russian tourists ranked secondly which accounted for 11.10% of the total number of tourists. Followed by the tourists from England that ranked thirdly which accounted for 9.50% of the total number of tourists.

For the supply in Maldives, the number of operated accommodations decreased from 42,274 units to remain operated in 2020 of 27,745 units. Whereas, the occupancy rate dropped by 36.60% from the previous year to 25.70%.

In 2021, the Ministry of Tourism forecasts the number of tourist arrivals to Maldives at 1 million people based on the trend of opening the border of many countries, vaccine production, and relaxation of the travel restrictions.

Risk Factors

Risk regarding on asset investment

1. Risk from invested in properties

The value of the main assets may decrease significantly if there is sudden negative crisis on real estate prices or to the economy where current asset or future asset is situated.

2. Risk of the Real Estate Investment Trust concentrated on specific investment compared to other types of Trusts and mutual funds

The Real Estate Investment Trust must invest in real estate at least 75% of trust unit value offered for sale including the amount of loan (if any) causing the investment to be concentrated on real estate. Whereas, other types of Trusts and/or mutual funds may have policy to diversify the investment in different types of financial instruments or various types of assets. Hence, if real estate market is declined, it may cause negative impact to the operating performance and financial status of the Real Estate Investment Trust more than other types of Trusts and/or mutual funds that diversify the investment in various types of assets.

3. Risk on invested in leasehold assets

The Trust has invested in leasehold assets such as Dusit Thani Hua Hin and Dusit Thani Maldives which the value of the leasehold properties may decline according to the remaining lease term and the residual value will be zero at the end of the rental period due to the appraisal of such asset or any other factors beyond control of the Trust. However, the change in the value of such leasehold assets may significantly affect the Net Asset Value (NAV), Trust unit value, and/or the distribution of the Trust.

4. Risk on high market competition in tourism industry

The increase in the number of hotel operators in the market and hotel supply in the same location and/or in other tourist areas which could create more competition in price, quality, appearance, and facilities. Moreover, the purchasing power, average spending for stay, and fluctuation in the number of target tourists may affect the revenue and operating expense of the tenants which may affect the ability to pay both fixed rental and variable rental.

However, the main asset of DREIT are potential assets located in the prime area which

is a popular destination. The hotels have beautiful rooms design and facilities that can meet the needs of all types of customers. Also, Dusit Thani group which is the hotel manager of the hotels under DREIT have high expertise in hotel businesses and services for a long period. Therefore, it is expected to continuously attract tourists.

5. Risk on natural disasters and other force majeure events such as terrorism, war, and political uncertainty

One or more of these events may affect the consumption, tourism, and demand for accommodation or services in the main assets of DREIT resulting to the impact to the income of the main tenants. Also, such events may cause damage to the main assets which may not be covered by insurance policy.

However, the main assets that DREIT invested in are diversified in many dimensions such as the location of the main assets, revenue from customers who stay in each season, and variety of customer groups in each property causing the effects of a particular event or many events are limited.

6. Risk on DREIT's main assets may be subjected to environmental legislation

The main assets under DREIT may be subjected to the environmental legislation such as hygiene law, law related to air pollution control, water pollution, waste disposal, and noise pollution control. Under these laws, real estate owners or those who controlling the operation and use of properties may have liability if violating or failing to comply with the guidelines.

7. Risk from expropriation of the main assets of DREIT

The REIT Manager is unable to evaluate the likelihood of being expropriated as the expropriation of the land is a policy and a necessity for the use of government. Such expropriation may have negative effect to the operating performance and financial status of the Trust.

However, the Trust may receive the compensation from the government or relevant governmental agencies, but such compensation may not equal to the amount paid by the Trust for purchase of asset. These may affect the return that Trust unitholders will receive from the investment which will not meet estimation both in terms of distribution and capital return.

8. Risk from the value of assets appraised by the independent appraiser is not indicated the intrinsic value of the properties

Property appraisal will consider many factors including some abstract factors that related to the property such as market status, financial strength, competitiveness, and property condition. These factors may change in the future as some events, or all events may not occur as expected. Therefore, the REIT Manager cannot guarantee that assumptions will be occurred as expected. Moreover, the price that the Trust will sell the assets in the future may be lower than the value of assets appraised by the appraiser or lower than the price that the Trust has invested in which will cause the loss from investment in such properties.

9. Risk on assets located in overseas

Investing in assets located overseas will increase the risk to the Trust including (1) the international financial management of the Trust, and (2) the risks that are specific legal issues of the Republic of Maldives.

Because of the revenue and expense of the investment company are in US Dollars, it creates the risk to the Trust from the fluctuation in exchange rate. Moreover, the payment

distribution from the operating performance of the first additional investment asset to the Trust depends on the forms of remittance which have different in benefits, taxes, and fees. Furthermore, the Trust must also comply with the standards for the capital movement control, remittance guidelines, and currency exchange control in the Republic of Maldives resulting to the Trust has risks related to international financial management.

For the risks that are specific legal issues of the Republic of Maldives, this is because of the legal system in Maldives as it uses Islamic law mixed with the British common law which different from Thai legal system. This may create additional obligations to the investment company and/or the Trust.

10. Risk on the pandemic of the infectious diseases which may have negative impact to the Trust's revenue

Risk from the pandemic of the infectious diseases may create negative impact to the tourism industry from travel restriction, risk of infection, closure country border or closure tourists' attractions in order to control the spread of the infectious diseases. All of these effects may reduce the demand for accommodations and services on the properties

or unable to stay which will affect the income of the main tenants and also affect the rental that the Trust will receive. And, such events may not be covered by the insurance policy.

Risk regarding operation and structure of the Trust

1. Risk from change in accounting standard or related laws or guidelines of regulators

The effective of the new accounting standard or the amendment of laws and regulations or financial reporting standards of Thailand and Republic of Maldives may change as well as the accounting standard that revised to be accordance with the International Financial Reporting Standards (IFRS). As a result, the Trust's financial statements may be affected by the application of the revised accounting standard. The conditions and timing for revise the accounting standard are determined by the relevant authorities. Hence, the REIT Manager cannot guarantee that these changes will not have material effect on the preparation of the Trust's financial statement or the performance and financial standards of the Trust. Such changes may affect the Trust's ability to pay distribution to Trust's unitholders.

2. Risk on future tax and fees

To sell the properties or transfer the leasehold right of the assets or sell the shares of the subsidiary company of DREIT and arrange to generate benefits from the assets in the future, may have tax liability and fees incurred. The Trust and/or the subsidiary company of DREIT may have to bear all or part of the burden. The tax liability and fees that the Trust and/or the subsidiary company of DREIT have to pay, may differ from the current rates.

In addition, the Trust's tax burden and/or the unitholders' tax burden and/or trading of Trust units and/or the operation to generate benefits from the assets under the Trust, and the return from investment in the Trust in the future, may change from current being. If there is a change in tax laws and regulations, it may affect the operating performance of the Trust as it affected by the tax liability incurred.

3. Risk from decrease in fair value of the main assets and leasehold properties will have negative impact to the Profit and Loss statement, Net Asset Value, and the ability to pay distribution of the Trust

In case, the fair value of the assets and leasehold properties was decreased from the loss from asset appraisal and investment which

affect the decrease in Net Asset Value and also create the excess liquidity to the Trust, such cases may affect the ability to pay distribution of the Trust. However, the Trust may reduce registered capital and return the excess liquidity in order to be able to pay distribution to unitholders.

4. Risk from the ability to pay rental of the tenants and compliance with the conditions according to the lease agreements

Financial status and ability to pay fixed rent of the tenants may affect the revenue of the Trust. However, the REIT Manager will strictly monitor and verify the financial status of the tenants. If it found to be at risk, the REIT Manager will consult with the main tenants to find the solution or if necessary, the REIT Manager may prepare to find a new tenant in advance. Moreover, the Trust may be exposed to risk if the main tenants may not comply with terms and conditions of the lease agreement. If it is a condition for the Trust to be able to terminate the agreement, the Trust will be entitled to receive compensation by prosecuting the tenants and/or claiming damages from the main tenants. Unless, such event is caused the force majeure which is specified in the agreement.

5. Risk from not being able to find the new tenants in the future

If there is no renewal of the lease agreement after the expiration or unable to find a new tenant and/or cancellation of the lease of the main assets before the expiration of agreement period. The Trust may have risk of not being able to find new tenants that have good lease terms comparable to the current lease agreement resulting to the Trust may receive less rental income from the new tenants. Thus, it may affect the payment distribution of the Trust.

However, if the agreement is canceled before the expiration date caused by the fault of the tenants, the Trust will be entitled to receive compensation by prosecuting the tenants and/or claiming damages from the main tenants. Unless, such event is caused the force majeure which is specified in the agreement.

Moreover, the main assets of the Trust are assets that have been maintained in good condition and have customers come to use the service continuously. Furthermore, the assets located in the prime areas that have an ability to attract customers. Also, the hotel manager of the main assets has expertise in the business management. For these reasons, it is possible

that the Trust will find new tenants without difficulty.

In addition, the REIT Manager will negotiate with the current tenant before the expiration of the lease agreement in order to have period of time to find new tenants which will help to reduce the impact.

6. Risk from renovation of the main assets of the Trust and adequacy of reserve for improvement

Renovation to improve image of the properties both interior and exterior or change major system such as electrical systems, plumbing systems, etc. The expenses for maintaining and risks from unforeseen maintenance are likely to increase as the asset life depreciate over time. Moreover, the properties may need to be renovated other than as planned and may cause additional expenses if there are problems that may arise due to the enforcement of new laws. In addition, the operation of the assets under the Trust may be affected by the renovation. It may also affect the performance and ability to pay rental fee within the specified period of the main tenants.

Moreover, the lease agreement has specified the condition that the Trust and Sublease company to reserve the Capital Expenditure

Budget for maintenance and replace the old fixed assets, and Renovation Budget for major renovation of the leased properties. However, such reserve may not be sufficient for future repair, maintenance, or additional improvement of the main assets in order to increase its competitiveness. In case of insufficient funds, the Trust has to consider other source of funds to be used for maintenance and improvement of the main assets in order to reduce the impact on the return to the unitholders.

Process of renovation and maintenance will be made according to the timeframe that the hotel manager of DREIT and/or the main tenants deem appropriate and has been approved by the REIT Manager and/or Trustee. Normally, the maintenance will not interrupt the operation of the assets under DREIT, and it will close only the specific areas which other areas still open for operation. Unless, there is a need for major renovation which the guest may not be comfortable and it may cause complaints or it is ineffective to run operation at that time. The main tenants or the hotel manager may consider temporarily close the hotel operation for major renovations.

7. Risk on insurance

Although, DREIT and/or the investment company have provided adequate and appropriate insurance in accordance with the relevant laws and regulations, but the indemnity in the event of damage to the main assets may not be worth for the loss that occurred from various events such as loss from terrorism, sabotage, and riot. Moreover, the term of insurance for the business interruption may not cover the time period that the Trust is unable to utilize the main assets. Also, the Trust may not be able to exercise the claim or may be delay in claiming indemnity for such insurance policy which is not the fault of the Trust. Hence, the Trust may be at risk of financial loss when there is a serious event in which the Trust may not receive sufficient indemnity. This may have a direct impact to the return to unitholders.

8. Risk regarding breach of the lease agreement

Although, there is specified the terms and conditions in the lease agreement, the counterparty may breach the agreement or cause of any events resulting in termination or breach of the agreement. In such case, the Trust may has the right to terminate the agreement, claim damage, call for compensation for the lack of benefit, and/or the rent that has been

paid (if any). Whereas, the event that counterparty breach the agreement and the Trust and/or the investment company may not receive the compensation or unable to enforce to comply with the agreement. Therefore, the Trust and/or the investment company may have to bring the matter to justice by the court which the Trust and/or the investment company cannot predict the timing to doing so and the compensation amount that the Trust and/or the investment company will be received. In addition, the outcome of the case depends on the judgment of the court and even if the Trust and/or the investment company won the case, the Trust may face difficulties in enforcing the court's judgment. The Trust unitholders may be at risk of not receiving the returns in the amount or within the expected timeframe.

9. Risk from the land lease agreement from the Maldives' government

9.1 Risk from main lease agreement

Although, the lease of the assets that invested by DREIT is valid with the acknowledgement and approval from the Maldives' government, the Trust may be exposed to risk if the sublease company (DMI) breached the terms and conditions of the main lease agreement between the sublease company and the government such as the sublease company fails

to pay the rent that specified in the main lease agreement when the payment due, the sublease company fails to comply any undertaking conditions such as modify the land without the consent from the government or sublease company is being bankrupt, or shut down.

However, the government must have a notice of termination stated the reason for termination of the agreement which such event may impact the sublease company to not be able to sublease the land. As a result, the sublease company will lose the sublease revenue which will impact on the revenue of the Trust as well as this will affect the return to the Trust unitholders. To prevent such risk that may occur, the REIT Manager will provide measures to monitor the sublease company to strictly comply with the main lease agreement.

9.2 Risk from government is able to terminate the main lease agreement before the expiration of the lease period

The main lease agreement has specified the conditions that will cause the government as a lessor to have the right to terminate the agreement with the lessee or DMI before the expiration of the lease period. Event that DMI breaches the agreement such as fail to pay the rent as specified in the lease agreement, fail to

comply the conditions to doing the Development Concept, Environmental Impact Assessment, Work Plan, and Detailed Drawings. Or, in the case DMI is being bankrupt or shut down the company. However, the REIT Manager will strictly monitor and control the sublease company to not breach the agreement as mentioned above.

Moreover, the main lease agreement has also specified the conditions that the government has right to terminate the agreement or request the return of the leased areas. The events that the land which is the location of the first additional investment asset of DREIT and also the project of Dusit Thani Maldives hotel are necessary for in the following cases (1) Protecting the country (2) Public purposes. Hence, DMI may be exposed to risks if the main lease agreement is terminated before the expiration of the lease period which will terminate the sublease agreement between DMI and the tenants resulting to the impact to the utilization of the assets and revenue of the Trust. However, if there is event of the termination of the main lease agreement, the main lease agreement is stipulated that DMI is entitled to receive the compensation from the government.

10. Risk from borrowing the loan

In the case the Trust has obtained loan in accordance with the specified regulations, the Trust may have risks arising from such borrowing due to the change in economic situation and the increase in interest rate which will affect the operation of the Trust. As a result, the Trust may have insufficient liquidity and it may decrease the ability to repay the principal and interest and also affect the ability to pay distribution to Trust unitholders.

Moreover, if the lender has specified the repayment terms which is high amount for the final loan repayment, the Trust may have to find new loan to pay off such final loan repayment. Hence, the Trust may be at risk of not being able to obtain new loan. However, the REIT Manager will manage such risks by strictly monitor the Trust's performance and external factors including the trend of the interest rate. Also, the REIT Manager may consider using financial instruments to reduce such risks such as hedging the fluctuation in interest rate or any action taken with the lender such as requesting to postpone the repayment period or waiver of conditions that impede the management of the Trust. The REIT Manager will take action that considering the relevant laws and the best interests of the Trust unitholders.

However, after the principal payment has been made, the REIT Manager may consider seeking other source of funds including offering for sale additional trust units, issuing for debentures, or borrowing from commercial banks and/or financial institutions and/or other types of juristic persons that are permitted to grant loan to the Trust. The REIT Manager will consider the collateral and ability to pay debt of the Trust to provide the best source of funds for the Trust.

Nevertheless, the REIT Manager has opinion regarding the risk that the Trust will not be able to pay the interest and/or repayment the principal is low as the debt-to-equity ratio of the Trust is remained in manageable level. Furthermore, the debt to total assets ratio of the Trust is in accordance with the regulations prescribed by the Securities and Exchange Commission (SEC), and also the main assets of the Trust that have potential and can continuously generate income to the Trust. In addition, the financial advisor and the REIT Manager have made estimation of the Trust's performance under relevant assumptions which shows that the Trust has ability to pay interest and principal according to the loan agreement.

11. Risk from relying on the REIT Manager, Lessee, and Hotel Management Team

The REIT Manager is responsible for defining the policies and strategies for managing the Trust's operation, setting up the capital structure, managing the cash flow of the Trust, generating benefits from the assets of the Trust by subleasing the assets to the main tenants. The main tenant is not directly the hotel operator as it entered into a hotel management agreement with the hotel manager who is responsible for managing the assets of the Trust under supervision of the main tenants. The hotel manager is also responsible for providing services to customer, booking management, marketing, and maintaining the security and safety of the buildings.

In addition, if the REIT Manager is unable to execute the strategy successfully or, the main tenants or hotel manager are unable to manage the assets properly, it may significantly affect the value of the main assets and/or the rental income that the Trust will receive which will affect the performance, financial status, and ability to pay distribution to the unitholders as well as repayment of debts.

However, the REIT Manager will set the policies and strategies for managing the Trust

and generating the benefits from the main assets of the Trust to be accordance to the Trust Deed. Moreover, the main tenant has appointed Dusit Thani group to be a hotel manager of the Trust. As DTC is a hotel operator with a long experience and expertise in hotel management and also being familiar with the properties. Hence, it is difficult to has ineffective hotel management.

12. Risk from conflict of interests of the Trust and Dusit Thani group

Although, the REIT Manager has carefully determined the roles and scopes of Dusit Thani group as the hotel manager, conflict of interests between the Trust and Dusit Thani group could happen from the hotels in many areas which operated by Dusit Thani group. Whereas, Dusit Thani group is also responsible for managing the assets of the Trust, this may cause the performance of the assets of the Trust is not good as other hotels which managed and/or directly owned by Dusit Thani group. As a result, it will affect the performance and financial status of the Trust.

Moreover, the probability of the conflict of interests is not high due to the hotels of Dusit Thani group that the Trust has not invested in including other hotels managed by Dusit Thani

group, are not located near to the main assets of the Trust. Except for Dusit Princess Chiang Mai hotel which is owned by Dusit Thani group and is located near to Dusit D2 Chiang Mai hotel, and the Villa's project of Laguna group that Dusit Thani group is the hotel manager and located near to Dusit Thani Laguna Phuket hotel. However, such hotels have different target customers according to types of service, locations, architecture, decorations, and also room price, these are all important factors for the customer's stay decision which would choose to stay in a hotel that meets their needs. Furthermore, the terms of contract that the main tenants have appointed Dusit Thani group to be the hotel manager, will encourage the hotel manager to generate revenue and profits for the Trust continuously by specifying the fee based on the operating performance of the hotels to create incentives for well management. This will help to reduce the risk of such conflict of interests.

In addition, the REIT Manager has defined the guidelines for monitoring the asset management of Dusit Thani group to prevent the conflict of interests between the Trust and hotel manager. There is specified the period of 15 years from the initial investment of the Trust or throughout the period that DMCO and/or

subsidiary of DMCO are lessees and from the period of the first additional investment of the Trust, DTC and any person whom DTC has directly or indirectly control will not operate hotel business located within radius of 10 kilometers from the location of the initial investment asset or the first additional investment asset (as the case may be) in term of direct competition with the brand applied to such hotel is the same as the main assets, unless getting the written consent of the Trust.

13. Risk from relying on hotel management team with their trademark or hotel brands used for all Trust's assets

Under the hotel management agreement between the tenants and the hotel manager, the hotel manager will grant the right to use trademark or hotel brands to the main tenants for operating the main assets of the Trust. In the event that the agreement between the main tenants and the hotel manager is terminated by any reasons, use of trademark or hotel brands related to the main assets of the Trust will be terminated. Any sign or stuffs with the trademark which indicated the relationship between the assets of the Trust and the hotel manager must be removed from the hotel. And, the hotel management team will no longer provide services.

Moreover, when the hotel management agreement is terminated, it may cause the loss of room booking channel, access to central reservation system, and also loss of the loyal customers of the hotel manager. Furthermore, if there is any damage to the name or brand of the hotel manager, it may affect the reputation of the assets of the Trust, ability to attract customers to stay which may have negative impact of the business, financial status, performance both in current and future of the Trust.

However, the main assets of the Trust situated in a good location and has been maintained in a good condition. Thus, if the hotel management agreement between the main tenants and the hotel manager is terminated for any reason, the new hotel manager will be able to continue manage the main assets of the Trust.

Nevertheless, the current hotel management team is the hotel manager who has been operating under their own brand for a long time in hotel management industry and has been recognized internationally for their brand standards. This shows the hotel manager has ability and measures to maintain their brand reputation and standards very well. Hence, the

risk of damaging the brand reputation of the hotel manager is relatively low.

14. Risk from no direct authorization to hotel management team

Due to the variable rental of the Trust depends on the performance of the hotels that the Trust invested in, the Trust and/or the sublease company entered to lease agreement with the main tenants. The main tenants have authority to manage the assets of the Trust, they will enter into the hotel management agreement with the hotel manager which the Trust is not the direct counterparty of the hotel management agreement. Hence, the REIT Manager is unable to guarantee the main assets of the Trust will continue to operate and be maintained as planned in the future. This may cause the impact to the business operation, financial status, and the performance of the Trust.

However, the hotel management team of the assets of the Trust which has been hired by the main tenants as a hotel manager have expertise, reputable, and experienced in hotel management. Moreover, the hotel manager is also responsible for complying the terms and conditions of the hotel management agreement which the REIT Manager will monitor the

operations of the hotel manager through the main tenants.

15. Risk from interest rate and exchange rate which limit the benefits which Trust would obtain from the additional assets invested. Such transaction is not able to secure completely for risk of interest rate and exchange rate.

The investment of the Trust consists of indirect investment in foreign countries which the revenue and expenses of the sublease company are currency in US Dollars. This will affect the Trust to bear risk from the fluctuation in exchange rate. The main tenants will make payment to the sublease company and the sublease company will pay returns to the Trust in US Dollars. The REIT Manager may consider taking hedging transaction for the Trust or enter into a future contract for the exchange rate between US Dollars and Thai Baht. Moreover, the REIT Manager will consider the appropriateness of mechanisms and tools to reduce risks including considering other factors such as relevant laws, interest rate, and transaction fees. Furthermore, the REIT Manager will monitor the exchange rate (Swap Point Rate) to determine the suitability of entering into hedging transactions.

However, the Trust may not always be able to enter into hedging transactions and such hedging may not cover return as expected. Also, there is no hedging which can completely secure the Trust from the risks related with the change in interest rate and exchange rate. As a result, this may have impact to the asset value of the Trust.

16. Risk regarding the payment distribution from the performance of the first additional investment asset to the Trust depending on the form of remittance which may change and be impacted by change in standards of capital control, remittance guidelines, and control of foreign exchange in the country which the Trust invested in

Investment structure for acquiring the assets of the Trust consists of indirect investment of the first additional investment asset through share acquisition of investment company and provision of shareholder loan. Hence, regarding the investment company located in overseas will have form of remittance between companies as follows (1) principal repayment of shareholder loan (2) interest payment of shareholder loan (3) administrative and service fees (4) dividend which each form of remittance has different benefits, tax, and fees. In addition, the investment in overseas must

comply with the standards of capital control, remittance guidelines, and control of currency exchange in Republic of Maldives which the Trust may be affected by foreign exchange risks and rules related to remittance to the Trust.

17. Risk from the assets of the Trust may incur additional expenses related to the properties

The ability of the Trust to pay distribution to unitholders may be adversely affected by the increase in expenses related to the properties. Without increasing income or increasing at a lower rate, this will affect the total rental income that the Trust will receive.

18. Risk from relying on personnel with expertise and experience in managing the utilization of the properties

Dusit Thani group as a hotel manager is the key factor in managing and utilizing the assets of the Trust while losing the personnel will result in a loss of people who have experience, knowledge, business connection, and expertise in hotel management. In the event that DTC loses such personnel and unable to persuade, hire, and develop new personnel who is knowledgeable, expertise, competence, and has qualifications related to hotel management, it may cause the Trust having a lower

profitability which will affect the Trust's ability to pay distribution to unitholders.

However, such risk can be managed as Dusit Thani group has policies and measures in human resource management such as setting appropriate salaries and welfare, training and developing personal to improve work efficiency of the employees and organizing activities to strengthen the relationship between DTC and employees. In order to have a sufficient number of competent personnel which is suitable for roles of their job and delight to work to create good results on a regular basis.

19. The risk from hotel management agreement may not be extended at maturity or the terms and conditions of the extended agreement may not be good and beneficial as current agreement

Hotel performance may be impacted if the hotel management agreement between the main tenants and the current hotel manager is not renewed at maturity or the agreement is terminated before the expiration period. The main tenants have to seek for the new hotel manager to be appointed causing the lack of continuity in hotel management. Although, the hotel management agreement between the

main tenants and the hotel manager will be extended, there is still a risk that the terms and conditions under the extended agreement will benefit the operation of the assets equivalent to the terms and conditions under current agreement. These factors will be affecting the performance and ability to pay distribution of the Trust.

However, the remaining period of the hotel management agreement of the initial investment asset is approximately 11 years (end of 2031) and the remaining period of the hotel manager agreement of the first additional investment asset is approximately 20 years. If the main tenants are able to comply with the conditions of lease agreement for paying rental to the Trust and also the hotel management agreement continuously until the expiration of the agreement. The REIT Manager expects that the renewal hotel management agreement upon the expiration of the agreement and the extension of the agreement period will be able to process smoothly under the terms and conditions that are beneficial to all parties. In case the hotel management agreement has not been extended or canceled before the maturity, the main tenants will be responsible for seeking and appointing the new hotel manager to be

able to comply with the lease agreement continuously.

Risk regarding investing the Trust

1. Risk associated with investing in Trust units

The economic condition both global and country level including inflation, interest rate, currency exchange rate, price of consumer goods, real estate price, and the monetary and fiscal policy which affect the operating performance, financial status, and investment of the Trust. Also, the economic downturn as well as the decline in consumer demand may have a material adverse effect on the operating performance of the Trust, market price of the Trust in Stock Exchange of Thailand which may higher or lower than the offering price.

Moreover, market price of the Trust that traded on Stock Exchange may be affected by many uncontrollable external factors such as the effect from foreign stock exchange, domestic and foreign interest rates, currency exchange rate, policies or measures either indirectly or directly that imports and exports, tourism situation, domestic and international economic conditions, operational and business risks, price volatility of consumer goods, tax, and governmental policies. There is no guarantee that change in external factors will not have

material effect on the market price of the Trust, return on investment, and management of the Trust. However, the REIT Manager will strictly monitor the external factors to be able to manage the Trust effectively.

2. Risk from political in Thailand

Although, the current political situation has improved but if there is an event of political uncertainty, it may affect the economy and the stock exchange of Thailand, and also have serious impact to the financial status of the Trust. Therefore, it cannot be guaranteed that current or future or change in governmental policies will not have any serious impact to the operation, financial status, performance, and growth of the Trust.

3. Risk that price of Trust units may change after the offering for sale

After the registration of Trust units in the stock exchange, there is no guarantee that the trading conditions of the Trust units in the stock exchange will be stable. The market price of the Trust units may decline after listed in stock exchange and may not be in accordance with the value of the Trust units. The market price of the Trust units depends on many factors such as the performance of the Trust, volatility of the stock exchange, and trading volume of the

Trust units, etc. Hence, the investors may not be able to sell Trust units at the price offered for sale or at the price according to the value of Trust units of the Trust.

4. Risk from impairment of asset valuation in accounting aspects

Due to the accounting standards, there is requirement to review the value of the main assets based on appraisal value of an independent appraiser. If the appraisal value is lower than the book value, there may be a loss for impairment of investment assets in accounting aspects resulting in decrease in Net Asset Value (NAV). Such loss from impairment is disclosed according to the accounting standards which the Trust will record such transaction as net unrealized loss from investments in freehold and leasehold properties. This does not affect the cash flow of the Trust and the payment distribution to unitholders. In such case, the Trust may pay some part of distribution in the form of dividends and some part in the form of capital return arising from the excess liquidity by considering the appropriateness for the best benefit for the Trust unitholders.

5. Risk from sale liquidity in secondary market

Since the Trust is a type of Trust that does not accept redemption of Trust units, the trading liquidity of the Trust units is based on demand volume of buyer and seller (bid-offer) in stock exchange. There is a risk that the Trust units may lack liquidity resulting to investors may not be able to buy or sell the Trust units at desired price.

6. Risk from ability for distribution payment

The payment distribution of the Trust will be determined by the performance of the Trust which depends on many factors such as the economic condition in country and abroad, competence of the hotel manager, related costs for operating assets, operating expenses, industry competition, change in related laws and regulations. Such factors may have an impact to financial status, liquidity, and income of the Trust. Therefore, there is a risk that investors will not receive the payment distribution as estimated return in the year of the event, or the Trust may not be able to maintain the level of payment distribution or increase the payment distribution in the future. In addition, the rate of return that the Trust pay distribution to unitholders may be in the form of capital return from recognizing the

unrealized loss from impairment of the appraisal value of the main assets prepared by independent appraiser.

7. Risk from NAV is not relevant to market price

The calculation of Net Asset Value (NAV) of the Trust disclosed by the REIT Manager is calculated using the latest appraisal report or latest reviewed appraisal report as the basis for determining the property value. This value may not be the value that can be traded in the stock exchange as the market price will be determined by other factors such as supply and demand of the securities and investment inflows and outflows of the foreign investors.

8. Risk from in the case that Trust is terminated, the amount of capital payback may be less than amount of unitholder invested

In the event the Trust is terminated, the REIT Manager cannot guarantee that the Trust unitholders will receive partial or all investment amount back. It depends on termination method of the Trust, criteria for disposing assets of the Trust, and the remaining period of leasehold right.

Legal Issues and Restrictions

Dusit Thani Laguna Phuket's project

DREIT has registered servitude on part of title deeds no. 5917, 11956, 5971, 45114, and 42109 to Laguna Resorts and Hotel Public Co., Ltd., and Phuket Resort Development Ltd., to be used as walkway, entryway, and place for installing utility. The REIT Manager and Trustee of DREIT have considered that such servitude will not have any significant impact on utilize assets to generate benefits to the Trust.

In addition, the property of Dusit Thani Laguna Phuket's project is pledged as collateral of the loan from a financial institution.

Dusit Thani Hua Hin's project

Some of building of Dusit Thani Hua Hin's project including Thai Kitchen building (some part), fountain circle (some part), and the outside walkway which located near the public rail, but the current condition does not have physical characteristic of the public rail. Therefore, it cannot be determined whether the building is located on public rail or not. However, the REIT Manager and Trustee of DREIT have considered that such public rail is not a significant part of DREIT's assets to be used for utilizing and generating the benefits to the Trust. Moreover, in order to reduce the risk that some of the above building may be located on the public rail, DREIT has specified in the sublease agreement of Dusit Thani Hua Hin's project that if the leased properties is demolished or modified by the order of governmental agencies or local authorities in full or partial part which the leased properties may not be used for generating the benefits for the business operation. DTPP as the lessor will be responsible for demolishing or modifying the leased properties as an expense of DTPP. Furthermore, DTPP is responsible for procuring new assets to replace the leased properties in order for DREIT to use the leased assets to operate as soon as possible.

Key Milestone

Year 2017

- November 29, 2017 Dusit Thani Freehold and Leasehold Real Estate Investment Trust was established and December 8, 2017 the Trust received the transfer of assets and liabilities from Dusit Thani Freehold and Leasehold Property Fund (DTCPPF)
 - December 15, 2017 DREIT's Trust units started trading in the Stock Exchange of Thailand
 - DREIT continued the renovation of Dusit Thani Laguna Phuket for the Phase 1 from DTCPPF
-

Year 2018

- DREIT continued the renovation of Dusit Thani Laguna Phuket for the Phase 2 from year 2017 which completed in November 2018
-

Year 2019

- February 6, 2019 the annual general meeting of the REIT Manager had passed the resolution approving K. Virapan Pulges, K. Suphajee Suthumpun, and K. Pattaneeporn Thienprasiddhi to be director.
 - May, 2019 DREIT started the renovation of Dusit Thani Hua Hin's project in guestrooms, dining rooms, landscape, and office areas in Phase 1.
 - September 25, 2019 DREIT invested Dusit Thani Maldives' project including the leasehold right for the period of approximately 40 years, buildings, and constructions.
 - December 19, 2019 TRIS Rating Co., Ltd. rated credit rating of DREIT at "BBB" and "Stable" outlook.
-

Year 2020

- March 27, 2020 Tris Rating Co., Ltd. revised company outlook of DREIT from credit rating “BBB” with “Stable” outlook to rating “BBB” with “Negative” outlook
 - April 7, 2020 From the situation of the outbreak of COVID-19, the main tenants requested to postpone the rental payment until the pandemic is resolved or is over.
 - DREIT continued the renovation of Dusit Thani Hua Hin’s project in Phase 2 from 2019.
 - August 10, 2020 The main tenants informed the schedule of rental payment and proposed to pay the unpaid rental fees within 2020.
 - August 28, 2020 Tris Rating Co., Ltd. downgraded the credit rating of DREIT from “BBB” with “Negative” outlook to “BBB-” with “Negative” outlook.
 - November 5, 2020 The request of postponement of appraisal value had been approved by the Securities and Exchange Commission, Thailand (the “Office of the SEC”)
 - November 19, 2020 The main tenants requested to postpone the rental payment for the period of November 2020 – April 2021 at 50% of monthly fixed rent due to the impact of the outbreak of COVID-19.
-

Trust Unit Information

1. Trust Unit Information

Registered Capital	6,243,981,700 Baht
Par Value	8.7758 Baht
Number of Trust Units	711,500,000 units
Total Net Asset Value as December 31, 2019	5,401,225,720 Baht
Total Net Asset Value as December 31, 2020	5,476,976,758 Baht

2. Stock Information

Close Price	4.28 Baht
Market Capitalization	3,045,220,000 Baht
Trade Volume per year	227,356,103 Baht

Unitholding Structure

As of August 14, 2020, list of the first 10 Trust Unitholders as at the latest book closing date

Trust Unitholders	Number of the Units	Proportion
Dusit Thani Public Company Limited	213,622,668	30.02
Social Security Office	180,826,930	25.41
Muang Thai Life Assurance Public Company Limited	30,016,591	4.22
Krungthai-AXA Life Insurance Public Company Limited	23,035,488	3.24
TMB Eastspring Property and Infrastructure Income Plus Flexible Fund	14,932,600	2.10
Dhipaya Life Assurance Public Company Limited	12,000,000	1.69
BBHISL NOMINEES LIMITED	9,953,600	1.40
One Property Plus Fund	5,520,613	0.78
Mr. Surachai Jiraruxphong	3,050,000	0.43
MFC Property and Infrastructure Flexible Income Fund	3,011,800	0.42

Distribution

Policy and Limitation of Benefit Distribution

1. REIT manager shall distribute benefits or return of not less than 90% of the adjusted net profit for the fiscal year. REIT manager shall make distribution to the trust unitholders of not less than one (1) times per year and shall distribute the benefit within 90 days from the end of the fiscal year or from the end of the accounting period of the latest quarter (if any).

Adjusted net profit means net profit adjusted with following transaction.

- (a) Unrealized Gain from appraisal of the Trust's asset, including other adjusted transactions as indicated in guidelines of the Office of the SEC to be in accordance with cash position of the Trust.
 - (b) Cash position of the Trust which is deducted loan principal repayment and other obligations which is specified in Annual Statement (56-REIT), Prospectus or annual report (if any).
2. In the case where the Trust has an accumulated net profit from each accounting period, the REIT manager shall also make distribution to the trust unitholders from aforesaid accumulated net profit.
 3. In case that REIT manager is unable to pay distribution within the period, the REIT manager would send written notice to inform the SEC and the trust unitholders.
 4. In the case where the Trust still has an accumulated loss, the REIT manager shall make no distribution to the trust unitholders.
 5. For consideration of distribution benefits, if the benefit per trust unit of annual period or interim period is less than or equal to Baht 0.10, the REIT manager shall reserve the right not to make any distribution and carry forward such distribution for next period as indicated in benefit distribution policy.
 6. For the principle and criteria of benefit distribution, the REIT manager shall proceed accordingly, unless the changes, revision, or addition from Office of the SEC, and/or other legitimated divisions such notifications and regulations.

7. The benefit to be received must be proportionated to the trust unitholding of each trust unitholder. In the case where it appears that any person(s) holds trust units in excess of the ratio or with disqualified conditions specified in the relevant SEC notifications Tor Jor, 49/2555 such person(s) shall not be allowed to receive the benefit of the trust units which represent the portion in excess of the ratio or with disqualified conditions as specified under the SEC notifications.
8. REIT Manager shall announce the benefit distribution, closing date of the register of the trust unitholders and ratio of benefit to the trust unitholders whose names appear in the register of trust unitholders as of the closing date of the register of trust unitholders through information system of the SEC, together with notify to Trustee in written notice.
9. In the case the trust unitholders have not obtained any benefit distributions in the period of prescription with the right of claims according to the Thailand Civil and Commercial Code, the REIT manager shall not utilize such benefits for other purposes, unless for the benefit of the Trust.

Distribution Payment History and Capital Decrease Payment from November 29, 2017 to December 31, 2020

Performance Period	Payment Date	DPU (Baht : Unit)	Type
29/11/2017 – 31/12/2017	31/06/2017	0.0403	Distribution
01/01/2018 – 30/06/2018	31/08/2017	0.2640	Distribution
01/07/2018 – 31/12/2018	12/03/2019	0.1714	Distribution
01/01/2019 – 30/09/2019	23/08/2019	0.2516	Distribution
01/01/2019 – 30/09/2019	23/08/2019	0.0750	Capital Decrease
01/10/2019 – 31/12/2019	25/03/2020	0.0294	Distribution
01/10/2019 – 31/12/2019	25/03/2020	0.0794	Capital Decrease
01/01/2020 - 30/06/2020	28/08/2020	0.1750	Distribution

Structure of Management

REIT Manager

General Information

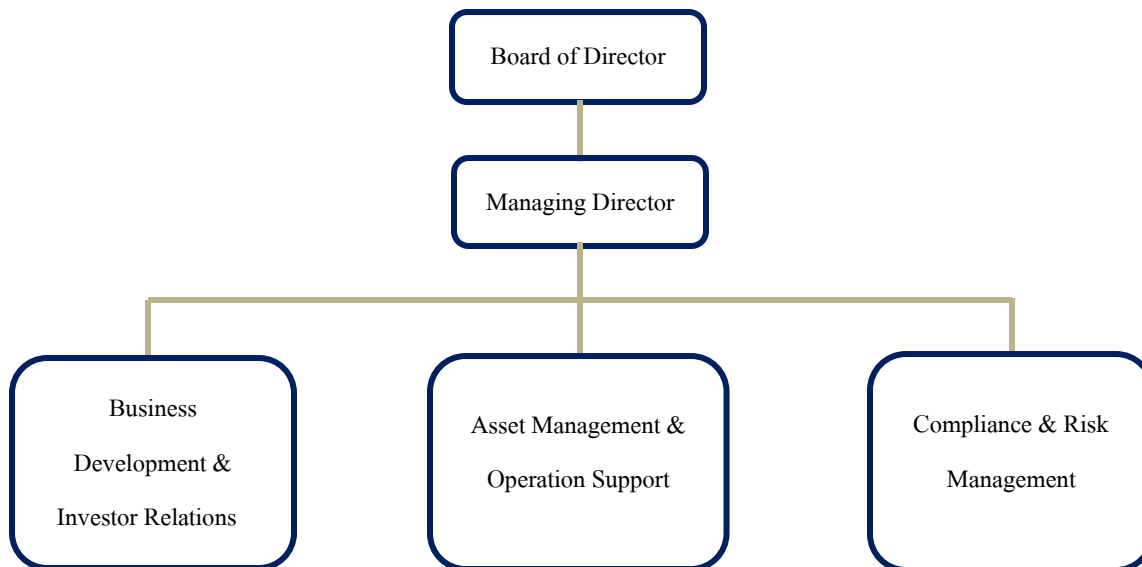
Name of REIT Manager	Dusit Thani Properties REIT Company Limited (“REIT Manager”)
Head Office	319 Chamchuri Square, 29th Floor, Phayathai Road, Pathumwan Sub-district, Pathumwan District, Bangkok 10330
Company registration ID	0105560138818
Contact Information	02-200-9999 extension 3681 - 3684
Registered Capital	10,000,000 Baht
Paid-up Capital	10,000,000 Baht
Paid-up Share	100,000 shares
Par Value	100 Baht
Type of Business	REIT Manager of the Trust
List of Directors	<ol style="list-style-type: none"> 1. Mr. Chanin Donavanik 2. Mrs. Suphajee Suthumpun 3. Ms. Pattaneeporn Thienprasiddhi 4. Ms. Nattharin Talthong 5. Mr. Virapan Pulges 6. Mr. Sarnthor Mudhasakul
Authorized Directors	Mr. Chanin Donavanik Mrs. Suphajee Suthumpun Ms. Pattaneeporn Thienprasiddhi Mr. Sarnthor Mudhasakul two of these directors co-sign and affix the Company’s seal.
Accounting Period	1 January – 31 December

Shareholding Structure

Name of Shareholder		No. of Shares	Percent (%)
1.	Dusit Thani PCL.	99,997	99.997
2.	Mr. Chanin Donavanik	1	0.001
3.	Mrs. Suphajee Suthumpun	1	0.001
4.	Mr. Sukrit Ngamsangapong	1	0.001
Total		100,000	100.00

Structure of REIT Manager

REIT Manger Structure comprises of Board of Directors, Managing Director and other 3 working divisions as below structure.



List of Board of Directors

The Board of Director consists of 6 persons as following:

- | | |
|------------------------------------|----------------------------|
| 1. Mr. Chanin Donavanik | 4. Ms. Nattharin Talthong |
| 2. Mrs. Suphajee Suthumpun | 5. Mr. Virapan Pulges |
| 3. Ms. Pattaneeporn Thienprasiddhi | 6. Mr. Sarnthor Mudhasakul |



Chanin Donavanik

Chairman

Educations

Master of Business Administration, Boston University, USA

Director Certification Program (72/2006), Thai Institute of Directors Association

Director Certification Program (10/2004), Thai Institute of Directors Association

Current Positions

2016 – Present Deputy Chairman of Board of Directors / Chairman of Executive Committee, Dusit Thani Plc.

2017– Present Board of Corporate Governance, Kasikorn Bank Plc.

2018– Present Chairman of Board of Tourism Business Strategy, Thai Chamber of Commerce

2020– Present Chairman of Thai Digital Platform Social Enterprise Co., Ltd

2017– Present Head of Private Sector, Tourism Promotion Working Team and MICE (D3)

2018– Present Director, Dusit Foods Co., Ltd.

2017– Present Chairman, Dusit Thani Properties REIT Co., Ltd.

2016– Present Director, Viman Suriya Co., Ltd.

2015– Present Chairman, Dusit Hospitality Education Philippines Inc.

2015– Present Director, Piyasiri Co., Ltd.

2014– Present Director, Dusit Excellence Co., Ltd.

2014– Present Director, Dusit Fudu Hotel Management (Shanghai) Co., Ltd.

2013– Present Director, JTB (Thailand) Co., Ltd.

2013– Present Director, Dusit China Capital Co., Ltd.

2012– Present Director, Dusit USA Management Inc.

2011– Present Director, DMS Property Investment Private Limited

2010– Present Director, Dusit Management Co., Ltd.

2010– Present Director, Chanut and sons Co., Ltd.

2009– Present Director, Dusit Thai Properties Public Company Limited

2008– Present Director, Dusit Worldwide Co., Ltd.

2008– Present Director, Dusit Overseas Company Limited



Suphajee Suthumpun

Director

Educations

MBA, International Finance and International Accounting, Northrop University, California, USA

Advanced Audit Committee Program (23/2559), Thai Institute of Directors Association

Director Certificate Program (89/2550), Thai Institute of Directors Association

Current Positions

2020 – Present Chairman, Board of Human Resource and Remuneration, Kasikorn Bank Plc.

2018 – Present Member of Board of Risk Management, Kasikorn Bank Plc.

2015 – Present Director, Board of Audit Committee, Kasikorn Bank Plc.

2015 – Present Director, Dusit Thani Plc.

2019 – Present Director, Dusit Real Foods Co., Ltd.

2018 – Present Director, Dusit Thani Properties REIT Co., Ltd.

2018 – Present Director, Dusit Fudu Hotel Management (Shanghai) Co., Ltd.

2018 – Present Director, Epicure Catering Co., Ltd.

2018 – Present Director, Dusit Hospitality Services Co., Ltd.

2018 – Present Director, LVM Holdings Pte. Ltd.

2018 – Present Director, Dusit Foods Co., Ltd.

2017 – Present Director, ASAI Holdings Co., Ltd.

2016 – Present Director, Vimarn Suriya Co., Ltd.

2016 – Present Director, Dusit Thani Properties Co., Ltd./ Le Cordon Bleu Dusit Co., Ltd./ Dusit Management Co., Ltd. / Dusit China Capital Co., Ltd.

2016 – Present Director, Dusit Overseas Co., Ltd./ Dusit Thani Philippines, Inc./ Dusit Hospitality Education Philippines, Inc. / DMS Property Investment Pvt. Ltd

2016 – Present Group Chief Executive Officer and Executive Director Dusit Thani Plc.



Pattaneeporn Thienprasiddhi
Director

Educations

Master of Business Administration (MBA), BOSTON UNIVERSITY, USA
MS in Information Systems, BOSTON UNIVERSITY, USA
MA in Economics, BOSTON UNIVERSITY, USA
Bachelor of Business Administration, Chulalongkorn University
Director Certification Program (297/2020), Thai Institute of Directors Association

Current Positions

2019 – Present Director, Dusit Thani Properties REIT Co., Ltd.
2019 – Present Director, Dusit Thani REIT Co., Ltd.
2019 – Present Director, Dusit Maldives Investment Pvt. Ltd.
2019 – Present Director, Dusit Maldives Management Pvt. Ltd.
2019 – Present Director, Dusit Worldwide Maldives Pvt. Ltd.
2017 – Present Director, ASAI Holdings Co., Ltd.
2016 – Present Director, Dusit Thai Properties Plc.
2016 – Present Director, Suan Lum Property Co., Ltd.
2016 – Present Director, Pharam 4 Development Co., Ltd.
2014 – Present Director, Dusit Excellence Co., Ltd.
2013 – Present Director, China Capital Co., Ltd.
2011 – Present Director, DMS PROPERTY INVESTMENT PRIVATE LIMITED
2010 – Present Director, Dusit Management Co., Ltd.
2009 – Present Director, Dusit Thani Properties Co., Ltd.
2008 – Present Director, Dusit Worldwide Co., Ltd.
2008 – Present Director, Dusit Overseas Co., Ltd.
2005 – Present Vice President of Finance, Dusit Thani Plc.
2002 – Present Director, ACME Printing Co., Ltd.



Nattharin Talthong

Independent Director

Educations

Master of Science in Finance, University of Colorado, USA

Bachelor of Science in Economics, Kasetsart University

Current Positions

2017 – Present Independent Director, Dusit Thani Properties REIT Co., Ltd.

2013 – Present Independent Director / Chairman of Audit Committee / Member of Risk Management Committee / Member of Nominating and Remuneration Committee Malee Group Plc.



Virapan Pulges

Independent Director

Educations

Master of Science in Electrical Engineering, University of Colorado

Bachelor of Science in Electrical Engineering and Computer Science, University of Colorado (1st degree honor)

Director Certification Program, Thai Institute of Directors Association

Audit Committee Program, Thai Institute of Directors Association

Current Positions

2019 – Present Independent Director, Dusit Thani Properties REIT Co., Ltd.

2018 – Present Independent Director, Altitude Development Co., Ltd.

2018 – Present Chairman of the Board / Independent Director / Chairman of Compensation and Nomination Committee, Neo Corporate Co., Ltd.



Sarnthor Mudhasakul

Managing Director

Educations

Master of Arts in Economics Chulalongkorn University

Current Positions

2017 – Present Managing Director, Dusit Thani Properties REIT Co., Ltd.

2019 – Present Director, Dusit Thani REIT Co., Ltd.

2019 – Present Director, Dusit Maldives Investment Pvt. Ltd.

Roles and Responsibilities of REIT Manager

REIT Manager has one committee which include at least three professional persons. One-third of total directors must be independent directors. The board of directors and executives who are authorized to manage the Company must possess characteristics under the Notifications of Capital Market Supervisory Board and the Notifications of the Office of SEC Sor.Chor. 29/2555. Scope of roles and responsibilities of the board of directors, independent directors, executive officers including other divisions shall be in accordance with the Company's manual of operating system and internal control which is approved by the Office of SEC.

Authorized directors of the REIT manager must have 2 directors (not including Independent Director) co-signing and affixing the Company's seal. The board of directors may assign any directors or other persons to perform duties on behalf of the board of directors. This shall not include an authorization which would enable such directors or attorney-in-fact to act in conflict of interest with the Trust.

Roles and Responsibilities of the Board of Directors to REIT Manager

- (1) Perform its duties with integrity (duty of Loyalty), prudence (duty of Care), and responsibility (accountability) and morality (ethic) and in accordance with laws, objective, and articles of association of the Company as well as resolution of a meeting of the trust unitholders by taking the best benefits of the Trust and trust unitholders into account.
- (2) Formulate operation policy, manage and monitor the compliance of the operation and disclosure of conflict of interest according to the guidelines of the Office of the SEC and other relevant regulatory authorities.
- (3) Report the operation of the Company to the trust unitholders.
- (4) Monitor and follow up on the operation of the Company as the REIT manager as well as giving advices as necessary in order to ensure that the operation of the Company is fairly and equally treated to persons with conflict of interest.

- (5) Propose and approve meeting agenda regarding significant matters that should be considered.
- (6) Propose and appoint the Company's new directors in replacement of resigned directors as well as new additional directors to the Company's shareholders.
- (7) Approve significant operation decision of the Trust in relation to Dividend payment to the trust unitholders, Schedule of annual general meeting of the trust unitholders as specified by laws, the company's annual internal audit plan as well as selecting, proposing external auditors and fees.
- (8) Inform and advise new directors about the Company's business, including related laws, notifications, rules and regulations.
- (9) Schedule the meeting of the Company board of directors at least 4 times per year, in which the number of directors attending may exceed one-fourth of the total. In the vote on the board of directors resolved to hold the majority. The director who has an interest and will not attend or no vote on such matter.
- (10) Appoint company secretary of the board of directors to prepare meeting agendas proposing by each division, record and

prepare meeting minutes together with keep supporting documents.

- (11) Evaluate executives' performance as well as provide advices in order to ensure that the executives fully perform their duties as assigned and in accordance with the rules and conditions as specified in the relevant regulations, and for the benefits of the Trust.

Roles and Responsibilities of the Board of Directors to the Trust

- (1) Approve decisions in relation to investment and management of the Trust such as management policy, capital structure, property investment and procurement for commercial benefit.
- (2) Approve initial acquisition of assets or leasehold assets and/or additional property investments for the commercial benefits from such assets along with manage the Trust to be in compliance with company policy, the Trust Deed, REIT Manager Agreement, Annual Statement, Prospectus, related laws and regulations.
- (3) Consider and approve the disposal of the main assets and equipment of the Trust whether it is complied with laws, the Trust Deed, notifications, and other relevant regulations.

- (4) Formulate strategies and policies in relation to risk management and investment.
- (5) Approve policy, regulations and other conflict of interest management procedures, especially between the Trust and the REIT Manager and other related persons connecting with the REIT Manager. Together with seeking resolving measurement for any conflicts that may arise with the benefit of the Trust and its unitholders as a whole.
- (6) Review and approve all transactions between the Trust and the REIT Manager and/or the Trust and other related persons as well as matters with the Trust and trustee and related persons with trustee in accordance with relevant rules and regulations in which directors with conflict of interest shall not vote.
- (7) Review and approve all transactions between the Trust and related persons in accordance with regulations and related restrictions. Directors who may have conflict of interests in such transactions shall not have right of vote.
- (8) Appoint managing director of the Trust
- (9) Approve and evaluate performance of lessors as specified in rental agreement.
- (10) Select and assign a selective outsourced service provider to proceed any tasks under condition specified in the agreement.
- (11) Appoint outsourced professional advisors to perform tasks related with the Trust.
- (12) Monitor and follow up on the operation of the Company as the REIT manager as well as giving advices as necessary in order to ensure that the operation of the Company is according to company policy, the Trust Deed, REIT Manager Agreement, annual statement, Prospectus, related laws and regulations. Also report any important and crucial matters to the board of directors in every quarter and evaluate performance of managing director.
- (13) Approve annual budget of the Trust
- (14) Approve annual capital expenditure spending budget and/or out-of-budget spending.
- (15) Ensure that the Trust has prepared internal audit control measurement as specified in the yearly plan.
- (16) Approve the annual performance of the Trust and benefit distribution to the trust unitholders.
- (17) Approve the schedule of annual general meeting of the trust unitholders or any meeting with proper consideration for benefits of the REIT manager or of the trust

unitholders of at least 10 percent of total number of sellable units.

- (18) Review and approve the guidelines to solve with any important disputes and complaints relating to operation of the Trust as necessity and suitability.
- (19) The board of directors may assign any of the directors or other persons to perform duties on behalf of the board of directors. This shall not include an authorization which would enable such director or attorney-in-fact to act in conflict of interest with the Trust.
- (20) Approve resolution of all legal disputes that may arise.

Roles and Responsibilities of Independent Directors

The Company has assigned the independent director to be one member of the board of directors, who is academically qualified and equipping with proper experiences; or are recognized for their high potentialities to review and scrutinize operation of executives, and operation team in accordance with good corporate governance as well as to make supportive decisions on operating the Trust for benefits of trust unitholders; at the same time, make an objection if the company may make any decisions which negatively affect to the Trust and the trust unitholders. The Independent directors

must be independent from controlling persons of the company, major shareholders and has no direct or indirect benefit from, or interest in, the finance and management of the company. The roles and responsibilities of the independent directors are as following:

- (1) Review and give opinion in relation to connected transactions or transactions which may cause conflict of interest with the Trust, including all significant acquisition or disposal of main assets for the best benefit of the Trust.
- (2) Review and give opinion in all important matters regarding fund structure, company policy and establish suitable internal control and operating system to perform duties as the REIT manager.
- (3) Give opinion on operation procedure and risk management policy, and measurement to control and reduce risks.
- (4) Review, monitor and advise as necessary in order to accurately and timely prepare financial report of the company and the Trust.
- (5) Propose all important matters to be considered in the Company board meeting.

- (6) Assign, review and follow up with the operation of the Company, while supervising key business plan, evaluation plan of internal control system (if any) and reporting the progress on internal control to the board of directors.
- (7) Propose internal audit measurement as appropriated

Qualification of Independent Directors

The independent directors shall at least meet the following qualifications:

- (1) Holding shares of not exceeding 1 per cent of total number of shares with voting rights in the Company, parent company, subsidiary company, associate company, major shareholders or persons who may have conflict of interest
- (2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary from the company, parent company, subsidiary company, associate company, same-level subsidiary company, major shareholders or persons who may have conflict of interest, unless the foregoing status has already ended for not less than 2 years.
- (3) Not being a person related by blood or legal registration as a father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Trust or its subsidiary company.
- (4) Not having business relationship with the company, parent company, subsidiaries, affiliates, major shareholders or controlling persons of the company with conflict of interest in a way which may obstruct her independent judgment, or not being significant shareholders or controlling persons having business relationship with the company, parent company, subsidiaries, affiliates, major shareholders or controlling persons of the company both at present and at least 2 years prior to taking the independent directorship.
- (5) Not being the auditor of the company, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the company and significant shareholders controlling persons or partner of the audit firm which employs the auditor of the company, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the

- company both at present and at least 2 years prior to taking the independent directorship.
- (6) Not being any professional service providers including legal or financial consultants who receive annual service fee in the amount of more than Baht 2 million from the company, parent company, subsidiaries, affiliates, major shareholders, or controlling persons of the company, and not being significant shareholders, controlling persons, or partners of such professional service providers both at present and at least 2 years prior to taking the independent directorship.
 - (7) Not representing the company's directors, major shareholders, or shareholders connecting to major shareholders.
 - (8) Not operating business with a conflict of interest with the company, subsidiaries, or not being significant shareholders of the partnership, or not being director participating in management, an employee, a staff, a consultant who receive regular salary or holding shares more than 1 % of the total outstanding voting shares of other companies having conflict of interest with the company or subsidiaries.
 - (9) Not being a person in the list made by the Stock Exchange of Thailand stating that such persons are inappropriate to serve as an executive according to SET regulations.
 - (10) Has never been convicted of violating securities and exchange laws, laws governing the investment business, securities brokering, or credit fanciers, or commercial banking laws, or life or non-life insurance laws, or money laundering laws or any other financial laws of a similar nature, whether Thai or foreign, in accused of committing wrongful acts relating to trading in shares or the perpetration of deceptions, embezzlement, or corruption.
 - (11) Not having any other characteristics which cause the inability to express independent opinions with regard to the company's business operations.

Roles and Responsibilities of Managing Directors

Managing Director has authority, duties and responsibilities to follow up with the Trust's operation with role and responsibilities as follows:

- (1) decide working framework of management policy, capital structure, property investment, strategy and policy of procurement for commercial benefit of Trust's assets.

- (2) Consider the approval of yearly audit program and operation review.
- (3) Select and approve the employment or terminate the employment including other employee relations matter.
- (4) Monitor and control operations of company as REIT manager, including supervise practice of administration, Personnel evaluation as complying with company's operation practice, Board's resolution, Trust Deed, REIT Manager Assignment, Prospectus, Annual Reports, Resolutions of Unitholders' General Meeting and other relevant laws.
- (5) Consider and approve the disclosure of company's information and Trust's operating performance.
- (6) Consider and approve the guidelines to solve with any important disputes relating to operation of the Trust as necessity and suitability.
- (7) Acts as a company representative, has authority to give sub-authority and/or delegate other person to contact government units and other related regulators.
- (8) has authority to propose, revise, add or rectify regulations and orders relating with working procedure within the scope of policy instructed by the board of directors
- (9) has authority, duty, and any responsibility as assigned or to follow policy provided by the board of directors.
- (10) has authority to give sub-authority and/or delegate other person to do any specific work by giving sub- authority and/or delegate the work under framework of delegation as specified in the letter of attorney and/or follow rules, regulations, or instructions from the board of directors. In this regard, delegation authority and responsibility from the managing director must not contain the characteristics of giving authority or sub-authority that enables managing director or the person who received authority from managing director to approve transactions that he/she or any person who may have conflicts with the trust.

Roles and Responsibilities of REIT Manager

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

(1) General Responsibilities

- (1) REIT Manager will work by profession, who receives trust, has carefulness and honesty, in order to seek the best benefit for the whole unit trust holders and comply with Trust Deed, REIT Manager Assignment Agreement, additional commitments specified in prospectus, resolutions of unitholders' General Meeting and related laws.
- (2) Follow the Securities Act, Trust Act, and other laws relating to trust management, as well as ethic and standard for profession specified by associations or organizations relating to property business accepted by SEC mutatis mutandis, and never support, order, or collaborate with any person to violate the law or such regulation.
- (3) Hold adequate fund for doing business and responsibility that may occur continually while working as REIT Manager.

- (4) REIT Manager must provide insurance covering business operations and work performing by REIT Manager, including directors, executives, and staff.
- (5) Manage the Trust's assets as complying with Trust Deed, REIT Manager Assignment Agreement, additional commitments specified in prospectus, resolutions of unitholders' General Meeting and related laws.
- (6) There must not utilize internal information while performing as a REIT Manager for own benefits or cause any harm to the Trust.
- (7) There must not be conflict of interest for the benefit of trust; however, if there is a case that may cause conflict of interest, it must be able to handle the process for assuring that trust unitholders are fairly and equally treated.
- (8) REIT Manager must organize a meeting for Trust's unitholders as specified in Trust Deed.
- (9) Performing the process of capital increase and capital decrease as specified in Trust Deed.

(2) Reporting and Information Disclosure Responsibilities

- (1) REIT Manager must provide the company's financial statement to be aligned with standard accounting as specified in the law of accounting profession and submit such

financial statement to SEC within required period.

- (2) Provide and disclose information of trust sufficiently for investment decision of investor.
- (3) Provide and disclose information of trust as specified in the Securities Act, Trust Deed, Prospectus and other related laws such as calculation and disclosure of total asset value of the trust and NAV
- (4) Cooperate with Trustee and Office of SEC to provide and disclose information as requested by Trustee or Office of SEC
- (5) Provide sufficient, precise and complete information to Trust's unitholders before decision making and provide such information prior as specified in Trust Deed, Prospectus and other related laws.
- (6) Provide and submit reports and/or other documents to Trustee and/or Office of SEC within the required period.

(3) Acquiring and Disposing Trust's assets Responsibilities

- (1) Ensure that the additional investment in core assets and other assets are well managed by providing the evaluation of investment

readiness, investment policy aligning with Trust Deed and company's policy.

- (2) Ensure that the transfer or dispose of assets or agreement commitment relating with Trust's asset are correctly proceeded and in an effect for legal enforcement.
- (3) Review on due diligence related to real properties and evaluate on other risks factors which may arise from investment and risk management measurement.
- (4) Provide appraisal of core assets as regulated
- (5) Storage, control and supervision of important operational assets as well as put a proper maintenance to be in a good use.
- (6) Provides adequate insurance appropriate to any loss incurred for the duration that the REIT owns or has rights those properties. The insurance may cover casualty insurance caused to any loss to assets and third-party Insurance which covers responsibilities towards external persons which may get damaged from any defects or deterioration of buildings or construction material.
- (7) REIT manager shall consider or review the investment plan and risk management plan, loan forecast and annual cash management plan.

(4) Management of REIT's Benefits Responsibilities

- (1) liaise with Trustee or assigned person by Trustee to accommodate for assets' inspection.
- (2) manage Trust's budget and cash flow
- (3) create the company's financial statement to be aligned with standard accounting as specified in the law of accounting profession and financial disclosure regulations.
- (4) approve the payment of Trust's general day-to-day expenses or other expenses agreeable with Trustee within the limit of budget.
- 5) Provide distribution to unit trust holders as specified in Trust Deed, Resolution of Trust unitholder and other related laws.
- (6) In case that there is any agenda requesting for the approval from Trust unitholder, REIT Manager must give opinion and do analysis on cause and impacts to support decision making.
- 7) Storage and organize the important documents relating with Trust's operation.

(5) Responsibilities to prevent conflict of interest

In order to prevent conflict of interest between trust and REIT Manager that may occur while working, REIT Manager will consider the rational and

necessity of each transaction by requesting the approval of Trustee. In the case that Trustee does not approve to proceed the requested transaction, REIT Manager cannot proceed the process. In the case that the transaction size is within the scope of the Board's approval and/or unitholders' approval, REIT Manager will proceed to get the approval as related regulations.

However, in the case that such transaction has the conflict of interests with Trust and Trustee, such transaction cannot be proceeded, unless the remuneration paid to Trustee for acting as Trustee or other transactions proven that Trustee would manage the Trust as normal course which is disclosed such information to unitholders prior and no objections from unitholders.

(6) Other responsibilities

In case of appointing a consultant for giving counsel or suggestion regarding investment in real estate and real estate management, REIT Manager needs to follow regulations as follows:

- 1) Notify consultant to explain how he/she has interest in the issue being considered.
- 2) Never allow consultant who has interest in the issue being considered participate in the consideration directly or indirectly.

(7) Liaison with Trustee

- 1) Provide documents and keep records and other important documentary relating to Trust's management, internal controlling and information disclosure. REIT Manager will cooperative with Trustee in submitting details and vital evidence and investigating and inspecting at the asset's location as Trustee's request.
- 2) Prior to establishing trust, REIT Manager is responsible to submit information and documents relating to trust structure, how to use/lease the area, how to obtain and collect income, expenses that can be charged from trust, contract of service between trust and company or any person, etc., in order to be used for planning efficient operation for monitoring and reviewing management, internal control, and trust information disclosure. In addition, REIT Manager and Trustee must coordinate in working on agreements in term of supporting details and proofs for each transaction such as additional asset investment, asset disposal, loan agreement and other reports (overdue account receivable, appraisal report) including submission frequency to Trustee for the benefits of Trust governance and examination.

Property Manager

Items	Details
Name	Dusit Thani Public Company Limited
Location of Head Office	319 Chamchuri Square, 29 th Floor, Phayathai Road, Pathumwan Sub-district, Pathumwan District Bangkok 10330
Company registration ID	0107536000617
Tel.	02-200-9999
Fax	02-200-9980
Website	www.dusit.com

Roles and responsibilities of Property Manager

Dusit Thani Plc. (DTC) operated hotels business and other related with tourism services, food business, education service, property development with hotel management experience over 50 years. With the standard of service uniquely Thai in favor of Thais and foreigners under the brand of “Dusit Thai”, “Dusit Princess”, “Dusit D2”, “Dusit Devarana”, “Dusit Residence” and “Asai”. DTC has extended experience and well-round expertise in property management including Sale and Marketing, Construction Management, Maintenance and procurement, Engineering Building Systems, Security system as well as Public Utility Maintenance with a safe in environment and sanitary.

Role and Responsibilities of Property Manager

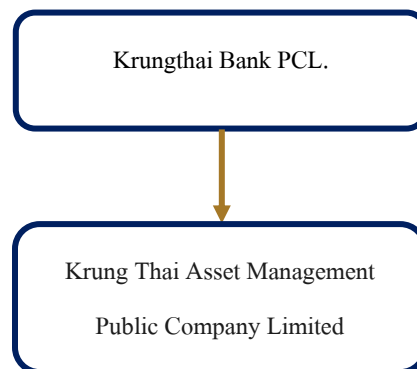
- (1) The Property Manager has to prepare and submit annual business plan and budget of REIT's Assets which will demonstrate the precise details of revenue and expenses of each year to avoid unexpected and unnecessary expenses and control to be align with requested budget, as well as determine the revenue target.
- (2) Property Manager agrees to manage and operate REIT's assets and other duties which has to comply with annual business plan and group strategies.
- (3) Property Manager is able to manage the space of REIT's assets for rent for optimize customers' needs and preference.

- (4) Property Manager is responsible for a regularly check-up system, building and equipment maintenance and determine the suitability of replacement or maintenance in order to ensuring the optimal benefit to Trust.
 - (5) Property Manager has the purchasing and procurement systems, ensuring that all expenses collected from Trust are worth of money and within the scope of expenses detailed in Trust Deed, Prospectus, Annual report.
 - (6) Property Manager has to control and follow up with property tax and other tax of Trust's asset and pay fully as instructed by relevant laws.
 - (7) Analyzes the change in unexpected-from-budget revenue and expense as well as propose direction to solve the problems in asset management.
 - (8) The Property Manager has to retain and maintain the Trust's assets which used for day-to-day operation. Properly do a regular maintenance for best use in long-term period.
 - (9) Prepares a contingency plan to handle with other emergency and unexpected events which may severely cause to the operation of Trust's assets.
 - (10) Proceeds the preventative measurement of conflict of interest between the Trust and third parties.
 - (11) Regularly meets and consults with REIT Manager to evaluate hotels' operations and seeks for suitable solutions to solve the problem relating with hotel operation.
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Trustee

Items	Details
Name	Krung Thai Asset Management Public Company Limited (“Trustee”)
Location of Head Office	No. 1 Empire Tower, 32th Floor, South Sathorn Road, Yannawa Sub-District, Sathorn District, Bangkok 10120
Company registration ID	0107545000373
Tel.	02-686-6100
Fax	02-670-0417
Website	www.ktam.co.th

Shareholding Structure



Roles and responsibilities of the Trustee

- (1) The Trustee has duty to manage the Trust with integrity and prudence as a professional, with expertise by providing fair treatment to the trust unitholders and for the best interests of the trust unitholders, in accordance with the relevant laws, the Trust Deed, the objectives of establishment of the Trust, and the resolution of trust unitholders meeting as well as additional obligations specified in the disclosure information to investors (if any).
 - (2) Monitor, supervise and manage the REIT manager or other assigned persons in managing the Trust and assets to be comply with the Trust Deed and relevant agreements.
 - (3) Attend every meeting of trust unitholders. In the case where a resolution of a meeting of the trust unitholders is needed, the Trustee must response to questions and give an opinion in relation to the operation whether it complies with the Trust Deed and related laws or not.
 - (4) enforce a judgement on debt repayment or supervise the enforcement as in agreement between DREIT and other parties
 - (5) Manage and operate the Trust as necessary, in the event that the REIT manager cannot perform his duties within the scope indicated in Notifications of SEC KorRor 14/2555 and other relevant laws.
 - (6) Other roles and responsibilities of Trustee indicated in Notifications of SEC KorRor 14/2555 and other relevant laws.
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Name, Office Location and contact number of other persons related with DREIT

Auditor

Items	Details
Name	KPMG Phoomchai Audit Limited
Location of Head Office	No. 1 Empire Tower, 50-51th Floor, South Sathorn Road, Yannawa Sub-District, Sathorn District, Bangkok 10120
Contact Number	02-677-2000

Registrar

Items	Details
Name	Thailand Securities Depository Company Limited
Location of Head Office	No. 93 14 th Floor Ratchadapisek Road, Dindang Sub-District, Dindang District, Bangkok 10400
Contact Number	02-009-9000

Appraiser

Items	Details
Name	True Valuation Company Limited
Location of Head Office	390 ABC World Building, 2 nd Floor Ramkhamhaeng Road, Huamak, Bangkok, Bangkok 10240
Contact Number	02-374-3122-3

Items	Details
Name	Siam City Appraisal Company Limited
Location of Head Office	No. 731 P.M. Tower, 4 th Floor, Asoke-Dindaeng Road, Dindaeng Sub-District, Dindaeng District Bangkok 10400
Contact Number	02-247-4715-6

Items	Details
Name	Knight Frank Chartered (Thailand) Company Limited
Location of Head Office	No. 65/192, 23 rd Floor, Chamnan Phenjati Business Center, Rama 9 Road, Huaykwang, Bangkok, 10310 Thailand
Contact Number	02-643-8223

Items	Details
Name	Bangkok Hospitality Consulting Services Limited
Location of Head Office	No. 25 Alma Link Building, 17 th Floor, Soi Chidlom, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Contact Number	02-681-9761

REIT Governance

Policy of REIT Governance

Perform its duties with integrity (duty of Loyalty), prudence (duty of Care), and responsibility (accountability) and morality (ethic) and in accordance with Trust Deed, REIT Management Agreement, Prospectus, regulation, and related laws by taking the best benefits of the Trust and trust unitholders into account.

Board of Directors' Meeting of REIT Manager

The board of directors' meeting of REIT manager, Dusit Thani Properties REIT Co., Ltd., is scheduled quarterly. At least half of all directors are required to attend the meeting, and all resolutions under consideration by the Board will be decided by a majority vote. Director who has conflicts of interest with each agenda shall not vote.

For the year 2020, the REIT had proposed the following noteworthy transactions for the board of directors to consider:

No.	Significant Agenda	Resolution	Rationale
1/2020	Distribution Payments	Approved	To pay distribution payments to trust unitholders for performance of Oct 31 – Dec 31, 2019
2/2020	To approve for the 2020 Annual General Meeting of trust unitholders and appointment of auditors	Approved	To comply with REIT policy and relevant regulations
	To consider and approve for foreign exchange hedging	Approved	To enable the Trust prevent the risks from currency exchange
3/2020	To consider and approve for the postponement of rental payment of DMCO and DMM for the period May 2020 – Jul 2020	Approved	Due to the non-recovery of COVID-19 situation

No.	Significant Agenda	Resolution	Rationale
4/2020	To consider and approve on performance and financial statement of Quarter 1/2020	Approved	To comply with REIT policy and relevant regulations
	To consider the rental payment and accrued rental payment plan	Acknowledged	Due to the improvement of COVID-19 situation
5/2020	Distribution Payments for the first half of 2020	Approved	To pay distribution payments to trust unitholders for performance of Jan 1 – Jun 30, 2020
	To consider and approve on performance and financial statement of Quarter 2/2020	Approved	To comply with REIT policy and relevant regulations
6/2020	To consider and approve on financial structure of DMI	Approved	To avoid the impact of currency exchange to financial statement
7/2020	To consider and approve the adjustment of renovation budget of Dusit Thani Hua Hin	Approved	the renovation plan has changed
8/2020	To consider and approve on performance and financial statement of Quarter 3/2020	Approved	To comply with REIT policy and relevant regulations
9/2020	To consider and approve for the postponement of rental payment of DMCO and DMM for the period Nov 2020 – Apr 2021	Approved	To maintain the liquidity of lessee due to the second round COVID-19 effects

Investment Policy and Governance of subsidiary company

The investment in additional asset no.1 DREIT has indirectly invested by process of share acquisition in DMI. (DREIT hold the shares in DMI via the subsidiary company registered in Thailand which DREIT and other assigned-by-Trust persons hold not less than 100 shares). DREIT gave a loan to shareholders of DMI. As a REIT manager, we have a policy to manage and preserve the benefits of Trust unitholders as follows.

- 1) REIT Manager will assign director to involve in investment of the company and other subsidiary company. Number of assigned directors will not less than proportion of shareholding that Trust invested in.
- 2) The assigned directors must have a fine qualification with unprohibited characteristic as laws required.
- 3) REIT Manager has the authority via the investment company and other subsidiary companies to assign and/or dismiss executives in such investment company and other subsidiary companies.
- 4) To proceed in any transaction in the investment company and other subsidiary companies, the assigned directors and/or management

executive must follow and comply with guideline and regulations specified by Trust in order to control and supervise each transaction of investment company and other subsidiary companies as if such transaction is decided and committed by the Trust. Guideline and regulations are detailed below.

- The scope of authorities of directors of investment company and other subsidiary companies are clearly defined. For other significant agenda must be reviewed and approved by the Board of REIT Manager, Trustee and/or unitholders as specified in Trust Deed, notifications from Office of SEC and/or SEC committee before starting the process.
- To acquire or dispose the assets or other significant transaction of investment company and other subsidiary companies must be obtained the resolutions from the board of directors or from unitholders' meeting before doing the transaction
- To revise or change any matters that may lead to the conflict of interests of the Trust or unitholders such as revision of key documents, business shutdown and change in business model, capital restructuring, securities issuances, loan commitment, security

guarantee, asset acquisition and disposal must be required to get the approval from Trust.

- To record and store the accounting information and records of investment company and other subsidiary companies, REIT Manager must review and completely disclose financial information and operating performance, inter-related transaction, the purchase and sale of assets by using the same regulations as done with DREIT.
 - To provide the appropriate internal control to follow up and examine the directors and executive to proceed the responsibilities and duties as specified by laws.
- 5) REIT Manager will supervise and ensure that the level of investment and business to be invested are limit within the Trust's limit as required by regulations of SEC and/or notifications of office of SEC.
- 6) For the time being that DREIT invest in investment company and other subsidiary companies, REIT manger will ensure that the voting rights of unitholders must be less than required by office of SEC. Also REIT Manger will make a best effort to revise the articles of association and/or other documentary of DMI to comply with the governance of the above

investment company and other subsidiary companies and will protect the rights of DREIT as a major shareholders in DMI and other subsidiary companies.

Internal Control System for Information Disclosure

Department of auditing and risk management has defined the measurement of internal information disclosure prevention in order to retain the Trust's optimal benefit and unitholders. Guidelines are detailed below.

- (1) Department of auditing and risk management will review and balance check the accounting procedure and record keeping process at least 1 time per year.
- (2) Separate the department and staff whom may have conflict of interest with or separate the working zone in order to prevent information leakage.
- (3) The board of directors, executives, staff and other relater persons (a group of related persons) have to report the unitholding which one or related persons may possess by updating the details every quarter. The group of related persons shall not utilize internal information revealing to public, persuade other persons to buy or sell the units either by

themselves or brokers. Department of auditing and risk management may randomly check the buying-selling records of the securities of such persons and disciplinary action will be taken against those violators.

(4) To set the preventing measurement of internal information usage, Department of auditing and risk management has the following guidelines

- 1) collect and announce the name list of securities of directors, executives and staff. Currently there are securities hold by Dusit Thani Plc. (DTC), securities hold by REIT Manager.
- 2) notify to directors, executives and staff about the period of not buying and selling securities, which is 30 days before financial statement submission or 7 days before the Board's meeting for approval of distribution payment agenda
- 3) Directors, executives and staff must report the securities ownership of oneself, spouses and under-age children to Department of auditing and risk management in the form of securities ownership every quarter.
- 4) Department of auditing and risk management may announce the additional name list of securities which may obtain the internal information of issuers.

- 5) Department of auditing and risk management has set the checking measurement to ensure that directors, executives and staff follow with the policy, guidelines and regulations of the company

Investment Decision and Operation Management of the REIT

REIT manager will perform these Due Diligence procedures before acquiring new asset with care and cautions to be aligned with investment policy in Trust Deed, Prospectus, Objectives and related laws. The assets record and other evidence of asset selection and investment decision will be kept for reference no matter investment decision is made or not.

(1) Investment Procedure

- 1) REIT Manager will select the prospective assets, considering potentiality and risk of such investment, including general details of location, type of asset and capital structure. Guideline of considering new assets investment are :
 - 1.1) Investment in freehold or leasehold assets
 - 1.2) Assets in which the REIT invests and acquires must not be under any attachment on property rights or any dispute, unless REIT manager and trustee consider that such attachment on

property rights or such disputes shall not significantly impact any benefits that can be derived from such assets and that the acquiring conditions of such real estate still benefit the trust unitholders.

1.3) Contracts made in relation to an acquisition of assets in which the REIT invests must not carry any clause or obligation that prohibits the REIT from dispose the said property at a fair price.

1.4) The aggregate value of the completed and income-generating real estate acquired by the REIT must account for no less than 75% of the sum of the total value of the units offered for sale plus the total amount of loans and borrowed funds (if any). The REIT may invest in projects which are under construction, provided that the value of the real estate acquired shall not exceed ten percent (10%) of the REIT's total asset value (after the offer for sale of units), and the REIT shall demonstrate that sufficient working capital can be afforded for the rest of the development without materially affecting the existing concerns of the REIT.

2) REIT Manager may select the professional expertise such as financial advisors, auditors, legal advisors or engineering advisors for

review and examine in other areas relating with Due Diligence process to ensure the complete and correct information adequately for investment decision.

3) For in-dept analysis, REIT manager will start the process of asset acquisition and disposal, including obtaining the approval from Trustee.

(2) Acquiring of additional core assets shall comply with the following procedures:

2.1) Appraise the value of the main assets by accredited appraisers. The appraiser must be the person approved by the SEC in accordance with the announcement of the SEC regarding the approval of property valuation companies and key appraisers. The REIT Manager will submit the report of selected assets to appraisal.

2.2) Consider the capital structure of investment in freehold and leasehold assets.

2.3) Consider following significant areas:

1. Being comply with Trust Deed and related laws
2. Being the best beneficial to Trust
3. Being rational and using fair price
4. Persons with conflict of interest shall not participate in deciding for transaction.

2.4) Consider other actions to be in accordance with notification of investment guideline of Office of SEC.

2.5) Consider matters of approval process:

- Approval from trustee for complying to trust deed and related laws.
- Transaction which exceed ten percent (10%) of the REIT's total asset value, shall be approved by the board of directors of REIT manager.
- Transaction which exceeds ten percent (10%) but not over thirty percent (30%) of the REIT's total asset value, shall be approved in the meeting of Board of Directors.
- Transaction which exceeds thirty percent (30%) of the REIT's total asset value, shall be approved in the meeting of unit trust holders, with not less than $\frac{3}{4}$ of all meeting attendees with right of vote.

2.6) In the case that requiring the approval from the meeting of unit holders, REIT manager shall prepare invitation and related documents for the meeting, which consist of financial advisor's opinions for the transaction.

(3) Disposing of additional core assets shall comply with the following procedures

1) Appraise the value of the main property according to related regulations.

2) REIT Manager will proceed the disposing procedure with approval procedure from trustee and trust unitholders.

3) The rational of disposal assets must be appropriate and logical with the approval from Board of Directors) such as

- Disposing asset before 1 year due since acquiring the asset.
- Disposal asset which Trust owned to original owner.

Selection of Property Manager

REIT manager shall appoint and assign a property manager which has expertise and experience in property management to operate the property management of the REIT with the qualifications as specified by Office of SEC and well-known experience in hotel management, possess the concrete financial stability and efficient working system, appropriate internal control.

Supervision of Property Manager's Performance

The monitoring and controlling the operation of the property manager, REIT manager shall participate any activities together with the property manager to

ensure that the REIT's financial and economic value is professionally operated for the benefit of the unit trust holders. REIT manager will proceed as follows:

- 1) REIT manager shall have the property manager conduct the annual budget plan of the Trust's assets which shows the details of revenue and expense regularly incurred on each year together with capital expenditure and renovation plan.
- 2) Review strategy and asset management policy to be comply with conditions as agreed in lease agreement.
- 3) Control, follow up and monitor the property manager to evaluate the economic situation and hotel business overview to determine and implement important policies to collect Trust's benefits
- 4) Control, follow up and monitor the property manager to determine and implement policies and operational plans for repair and maintenance including renovation of buildings as invested by the REIT.
- 5) REIT manager shall follow up and monitor the property manager implementing according to working plan, strategy of benefit procurement as well as lease agreement. Property Manager shall submit the reports to REIT Manager as required.

- 6) Moreover, REIT Manager will randomly check and inspect the operation of property manager. If found any matters needed to rectify, REIT Manager will inform and have the property manager make the solving plan.

During the year 2020, it has been highly affected by the spread of COVID-19 to hotel's revenue. REIT Manager closely monitored revenue and expenses and found the high effort and intention of property manager in cutting cost after hotels started operating. Several capital expenditures have been postponed to reduce the expenses.

Remuneration of REIT Manager

REIT manager will obtain a fee as specified in REIT Manager Agreement which details as follows:

1) Basic Management Fee

REIT Manager will obtain a fee at a rate not exceeding 2% per annum of the Net Asset Value of the Trust; however, such fee may not less than Baht 2,000,000 per annum.

2) Acquisition / Disposal Fee

REIT manager will obtain a fee not exceeding 1% of the value of any assets acquired or disposed by the Trust

Information Disclosure to Trust Unitholders

The REIT Manager recognizes the importance of the adequate, accurate, complete, precise, timely, and transparent disclosure of information to the trust unitholders. Every trust unitholder has the

equitable rights to receive the information. The disclosure of information by DREIT must be in conformity with the criteria and requirements on disclosure of information prescribed by the Office of the SEC and the SET.

Type of Report	Name of Report	Period to disclose
Report by accounting period	<ul style="list-style-type: none"> Financial Statement <ul style="list-style-type: none"> Quarterly Yearly Management Discussion & Analysis 	<ul style="list-style-type: none"> within 45 days after the end of accounting period for quarterly closing. within 60 days after the end of accounting period for year-end closing
	<ul style="list-style-type: none"> Net Asset Value (NAV) 	<ul style="list-style-type: none"> within 45 days after the end of the accounting period.
	<ul style="list-style-type: none"> Progression Report for assets which are under construction 	<ul style="list-style-type: none"> within 30 days after the last day of 6 months period.
	<ul style="list-style-type: none"> 56-REIT1 	<ul style="list-style-type: none"> within 3 months after the end of the accounting period.
	<ul style="list-style-type: none"> Annual report (56-REIT2) 	<ul style="list-style-type: none"> within 4 months after the end of the accounting period.
	<ul style="list-style-type: none"> Report of Capital Retention (CAR) 	<ul style="list-style-type: none"> within 5 days after month ending
	<ul style="list-style-type: none"> FSCOMP Report 	<ul style="list-style-type: none"> within 15 days after financial report disclosure
Incident Report	<ul style="list-style-type: none"> Information that has an impact on price, investment decision, or benefits to unitholders 	<ul style="list-style-type: none"> Instant Disclosure
	<ul style="list-style-type: none"> Information that must inform to unitholders such as changing office location, changing auditors. 	<ul style="list-style-type: none"> within 3 working days

Type of Report	Name of Report	Period to disclose
	<ul style="list-style-type: none"> Information that the stock exchange requires as reference 	- within 14 days

Source of Information Disclosure

- 1) Stock Exchange of Thailand : www.set.or.th
- 2) REIT Manager's website: www.dtreit.com

Shareholders' Meeting

- 1) REIT Manager will obtain the resolutions from unitholders by arranging the General Shareholder's Meeting only.
- 2) General Unitholder's Meeting will be held within 4 months after year-end accounting period.
 - To arrange Extraordinary General Meeting, there must be at least 10 unitholders of total number of trust units sold submitting the letter to REIT Manager by indicating reasons to call a meeting. REIT Manager shall hold the meeting within 1 month after receiving the letter.

If REIT Manager cannot proceed the meeting arrangement within the given period, Trustee can proceed the meeting arrangement instead.

3) Assemble the Trust Unitholders Meeting

To convene the unit trust holders meeting, REIT manager shall prepare an invitation specifying location, date, time and matters to be submitted to the meeting. In which, at least, information must be provided regarding the method of the meeting and voting as well as the agenda and the matters to be proposed to the meeting together with appropriate details by clearly specifying whether there will be proposed for acknowledgment, for approval, or for consideration, including the opinion of REIT manager on the aforesaid matters regarding the consequential effect to unit trust holders on the voting's result. Moreover, REIT manager shall submit the invitation to all unit trust holders prior to the meeting date as follows:

- (1) Seven (7) days before meeting date
- (2) For other cases requiring specific date of invitation package delivery, REIT Manager shall comply with such regulations.

4) Grant of Proxy

(1) In the trust unitholders' meeting, the trust unitholder could appoint other person to attend the trust unitholders' meeting and vote on behalf of such unitholder by specifying date and signature of unitholders.

(2) The Proxy form shall be submitted to REIT Manager or a person designated before commencement of the meeting.

5) Quorum

(1) To constitute a quorum in the trust unitholders' meeting, there shall not be less than 25 unitholders or half of total unitholders, and holding in aggregate not less than one-third of total number of unit sold.

(2) In the case that any unitholders' meeting after one (1) hour of the appointed time, the number of unitholders attending the meeting is not constituted as a quorum as specified in paragraph one. If the unitholders' meeting has called for an appointment because the unitholders request the meeting has been suspended. If the unitholders' meeting has called for an appointment not because of the unitholders, the new meeting has to be set and the meeting invitation shall be sent to unitholders not less than seven (7) days prior

the meeting date. In this latter meeting, a quorum is not required.

6) Chairman in the Meeting

Furthermore, under the Trust Act and related laws, the trustee shall appoint a person to act as the chairman of the trust unitholders' meeting. However, if, in any agenda, the chairman of the meeting has a conflict of interest, the chairman shall leave the meeting room in such agenda and the REIT manager shall propose the trust unitholders' meeting to consider and appoint another person to act as the chairman of the trust unitholder meeting in such agenda.

7) Counting Vote

The trust unitholder has one voting right per 1 unit of trust holding. The Trust unitholder who is entitled to vote must not have a special conflict of interest in such agenda.

8) Resolution

1) In normal case, a resolution shall be passed by a majority of the votes of the trust unitholders who attend the meeting and have the right to vote.

In the following cases, a resolution shall be passed by affirmative votes of not less than three-fourths of the total number of votes of the

unitholders who attend the meeting and have the right to vote:

- To acquire or dispose the main assets with value from 30% of total asset of the Trust;
- To increase or reduce of the paid-up capital of the Trust that is not specified in advance on the Trust Deed;
- To increase the trust's capital by general mandate;
- To transact business with the REIT Manager or related parties with the REIT Manager with the transaction value from Twenty Million Baht (20,000,000) or more than 3% of net tangible asset of the trust, whichever is higher;
- To amend the distribution policy and return capital to the trust's unitholders;
- To change the trustee or the REIT Manager, however, the change of the REIT Manager shall be comply with the Trust Deed;
- To amend the Trust Deed which have material effect to the right of the trust unitholders;
- Dissolution of the trust.

Selection and Nomination of Directors and top executives.

REIT Manager will select the targeted candidate of Directors by considering knowledge level, experiences, and beneficial talents to the Trust. REIT Manager will verify the name list whether individuals possess suitable characteristics according to law and regulations requirements as following:

- 1) Having experience in business or related to the company in which the company operates so that the board of directors has the required components.
- 2) For any executives who is responsible for asset management, such person must have knowledge and experience on investment management or benefit procurement at least three (3) years within the past 5 years.
- 3) Not having unprohibited characteristic as specified by Capital Market Supervisory Board.

Audit Fee

DREIT has appointed KPMG Phoomchai Audit Limited as the auditor for accounting period ending December 31, 2020 with details as follows:

Auditors	CPA license No.
Ms. Chanarat Chanwa	9053
Ms. Vipavan Pattavanvivek	4795
Ms. Vannaporn Jongperadechanon	4098
Ms. Vilaivan Pholprasert	8420

Audit fee of 2020 was 850,000 Baht, including auditing financial reports quarterly and yearly.

Other non-audit fee of 2020 amount of 10,500 Baht includes financial report printing, delivery fees, transportation charges, and other advance expenses.

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Corporate Social Responsibilities

Corporate Social Responsibilities Policy

Dusit Thani Properties REIT Co., Ltd. as the REIT Manager consider the social responsibilities guideline, aiming to operate the business based on fair practice, anti-corruption and frauds, humanity respect, environmental care together with community improvement purpose. We will also introduce our working innovation which related to social responsibilities to society and stakeholders.

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Internal Control and Risk Management

Internal Control System

In order for an efficient operation with objective accomplishment of REIT manager, the company has set the internal control system for preventing or dealing with conflict of interest, scope of department and responsibilities of each department in accordance with company's policy, Trust Deed, Prospectus and related laws as following:

1) Purchasing and Procurement System at REIT Level

The company has prepared the controlling of purchasing and procurement system at REIT Level to ensure that the REIT's payment is worth for products or services received by considering the qualification of suppliers at least 3 persons together with specifying check and balance functions preventing the internal frauds and a duplicate payment of expenses. Moreover, lists of

purchasing orders of each orders and documents supporting the goods delivery, receiving, and checking confirmation must also prepared.

2) Rental Collection System

The Company also examine the revenue collection in order to ensure that the REIT will fully receive the rental and service fees, together with supervising and following up with rental payment of the lessee as agreed in the lease agreement by following up 15 days before the due date of payment to avoid late payment or a breach of contract. However, in the emergency event, the company will call the meeting and consult prior the payment deadlines.

3) Annual Budgeting of the Trust

The company will determine Trust's annual budgeting to be suitable and aligned with the strategy of Trust's generation as specified.

4) System of Screening and Approving for Major Renovation

The company will follow with the lessee of the Trust for any approved renovation as requested plan within the budget of investment.

5) Information Storage System

The company has provided the system allowing only accessible persons to enter into Trust's internal information in order to preventing information leakage.

6) Internal Audit System

The company will perform a yearly internal audit both in asset level and REIT level or when independent directors deem appropriate. The independent directors will consider and nominate the third parties to perform an internal auditing. The internal auditing will include reviewing, auditing as well as evaluating the risks which may affect to the Trust. The REIT manager will keep the internal audit reports and assessment reports for the use of examination when regulators request.

Risk Management System

The company emphasizes on the risk management relating with the Trust's operation by providing the policy of risk management and risk assessment with guidelines as follows:

1) Determine the Risks

Investing in real estate have several risk factors, comprising of external and internal factors.

External Factors include (1) the negative impact of political movement and economic change (2) the downtrend of real estate market in the areas that Trust's assets located (3) the change in interest rate, inflation rate and exchange rate (4) the changes in monetary policy or other economic policies of the country or other foreign countries (5) the changes in petroleum prices and other fuels (6) the changes in legal or environment regulations, urban planning laws and other related laws as well as treasury policy.

Internal Factors include (1) the increase of unexpected operating expenses of Trust's asset (2) the changes in fix rental income and variable rental income from Trust's assets (3) the changes in travelers' preference of each market groups (4) the creditability of property manager or lessee which may affect to business and hotel reputation. (5) the ability of extension on lease agreement (6) the ability of rental collection within the specific period (7) the increase of insurance premium or any force major which cannot be claimable (8) the unpredicted renovations expenses caused from

malfunction of assets which in the need of renovation. (9) the lack of liquidity to invest in assets (10) Conflicts of interest or other obligations which is not discovered nor revealed by land department when examining and (11) other factors besides the abovementioned factors which may cause the volatility of room rate, occupancy and operation expenses of Trust's assets and negatively lead to total asset values and fix rental and variable rental income.

2) Evaluate Risks and Risk Levels

The company will report the risk profiles of each asset and identify the pose risk or treats to the managing directors, the Board of Directors and Trustee to acknowledge with the risk and potential impacts to the Trust, unitholders and/or future events of the company.

3) Review Risk Mitigation Plan and Report

After conducting the risk review for 3 months, the company will follow up with the risk mitigation

plan and progress report (in the case that such risk is not be able to fix immediately) to ensure that each department starting to rectify or proceed on each identified risks or propose any recommendations. Then the company will report the following-up report to independent directors, the Board of Directors and Trustee.

4) Evaluate Risks

To evaluate risk and review risk management are categorized in 2 cases.

- General Case: The Board of Directors may evaluate and review the yearly risk mitigation plan and the controlling measurement to prevent or reduce the risk. (Director can give opinion in such risk in the Board meeting prior)
- Urgent Case which may affect significantly to the Trust, unitholders and/or operation of the Trust: The Board of Directors may evaluate and review the risk mitigation plan and the controlling measurement immediately

Prevention of Conflicts of Interest

Transaction Information between the Trust and the REIT Manager or Related Persons of the REIT Manager and Opinion of the REIT Manager

Company that may have conflicts	Type of Related Transactions	Rational of the Related Transaction	Opinion of the REIT Manager on Price and Condition
Dusit Management Co., Ltd. (DMCO)	DMCO is the Lessee or Sublessee of the assets of DREIT and also the major shareholder of Dusit Maldives Management Pvt., Ltd., the sublessee of Dusit Thani Maldives Hotels	<ul style="list-style-type: none"> - Leasing out or subleasing out the main assets of DREIT to Dusit Management Co., Ltd. and Dusit Maldives Management Pvt., Ltd. is reasonable as both companies are the subsidiaries of Dusit Thani Plc., which has well-rounded experience and expertise in hotel management The Trust will obtain benefit in a form of rental from leasing out or subleasing out the main assets. - In accordance with the Notifications of offering the Trust units to investors for real estate investment for the benefits of core assets by leasing and/or subleasing wholly to lessee and the Trust shall obtain such benefits in a form of rental income 	- Rental fee from leased assets is derived from fixed rental fee and variable rental fee. However, the structure of total rental fee and fixed rental fee shall be in accordance with the benefit generation of Trust for property investment, specifying that variable rent fee shall not over than 50% of fixed rent fee as criteria notified by Capital Market Supervisory Board Tor. Jor. 49/2555

Company that may have conflicts	Type of Related Transactions	Rational of the Related Transaction	Opinion of the REIT Manager on Price and Condition
Dusit Thani Properties REIT Co., Ltd. (DTPR)	the REIT Manager	<ul style="list-style-type: none"> - Directors and Executives of the REIT manager are the experienced experts in investment and asset management and being knowledgeable in core assets of Trust. - The REIT manager is a subsidiary of DTC holding 99.99% of total registered shares. DTC is the well-rounded experienced and expert in hotel development and management for over 70 years as well as familiar with core assets which highly supportive to operation of the REIT manager. 	<ul style="list-style-type: none"> - The REIT management fee are at rate not exceeding 2.00% per year of Net Asset Value (NAV), but not less than Baht 2,000,000 per year. In 2018 and 2019, the REIT management fee is not exceeding 0.15% per year of NAV. - REIT management fee comply with normal Trust business, which compare favorably with other REIT managers and fund manager of DTCPF (before conversion) - The REIT manager request acquisition and disposal fee of assets as follows: <ul style="list-style-type: none"> - The acquisition fee of asset: <ul style="list-style-type: none"> ● The asset of persons related with the Trust: not exceeding 0.75% of DREIT's acquired asset value. ● Other assets: not exceeding 1.00% of DREIT's acquired asset value. - The disposal fee of asset: not exceeding 0.50% of DREIT's disposed asset value.

Company that may have conflicts	Type of Related Transactions	Rational of the Related Transaction	Opinion of the REIT Manager on Price and Condition
			<ul style="list-style-type: none"> - The structure of the management fee of the REIT Manager is standard practice in business operations, comparable to management fee of property managers in other property REITs. Such fees would drive incentives to the REIT manager for seeking new assets to generate more revenue and returns to the trust. - Acquisition fee of assets from related persons is lower than of non-related persons with the Trust which deem appropriate. - Disposal fee of assets are in line with normal business practice comparable with management fee of other property managers in other property REITs.
Dusit Maldives Management Pvt., Ltd. (DMM)	Dusit Maldives Investment Pvt., Ltd., subsidiary of DREIT has entered into Lease Agreement of land and building of Dusit Thani Maldives Hotel with Dusit Maldives Management Pvt., Ltd.	<ul style="list-style-type: none"> - Dusit Maldives Management Pvt., Ltd. is a subsidiary of Dusit Thani Group which has well-rounded experienced and expert in hotel business as well as familiar with core assets. - Dusit Maldives Investment Pvt., Ltd. and DREIT will receive rental and benefit from the sublease of 	<ul style="list-style-type: none"> - To lease out the asset under the Trust to Dusit Maldives Management Pvt., Ltd. is reasonable as DMM is one of the Dusit Thani Group which has expertise in hotel management over 70 years. - Rental fee earning from leased assets is derived from fixed rental fee and variable rental fee. However, the structure of

Company that may have conflicts	Type of Related Transactions	Rational of the Related Transaction	Opinion of the REIT Manager on Price and Condition
	<p>on 25 September 2019 for rental period of approximately 21 years.</p>	<p>Dusit Thani Maldives Hotel. In accordance with the announcement of issuance and offering for sale of Real Estate Investment Trust that requires the procurement of benefits from hotel property by lease out to the lessee. The Trust and/or the subsidiary company of the Trust will receive benefit in the form of rental.</p> <ul style="list-style-type: none"> - To lease out the asset under the Trust to Dusit Maldives Management Pvt., Ltd. is reasonable as DMM is one of the Dusit Thani Group which has expertise in hotel management over 70 years. - Rental fee earning from leased assets is derived from fixed rental fee and variable rental fee. However, the structure of total rental fee and fixed rental fee shall be in accordance with the benefit generation of Trust for property investment, specifying that variable rent fee shall not over than 50% of fixed rent fee as criteria notified by Capital Market Supervisory Board Tor. Jor. 49/2555 	<p>total rental fee and fixed rental fee shall be in accordance with the benefit generation of Trust for property investment, specifying that variable rent fee shall not over than 50% of fixed rent fee as criteria notified by Capital Market Supervisory Board Tor. Jor. 49/2555</p>

Company that may have conflicts	Type of Related Transactions	Rational of the Related Transaction	Opinion of the REIT Manager on Price and Condition
Dusit Thani Public Co., Ltd. (DTC)	<p>DREIT obtained the Transfer of Rights and Duties under Agreements between DTCPF and DTC with material agreements as follows:</p> <ul style="list-style-type: none"> - Performing in accordance with properties lease and/or sublease agreement. - Shareholding and maintaining of shareholding proportion in DMCO. - Maintaining of unit holding in DTCPF. - Operating business with competitiveness - Rights of first refusal for investment <p>DREIT and DTC have agreed to make the additional clause under the Undertaking Agreement dated 25</p>	<p>- Such agreements with related conditions well serve Trust's benefit generation and reducing chances of conflicts of interests between DTC and DREIT, while granting DREIT the rights of investment expansion amongst assets in DTC Groups as specified in mutual agreements.</p>	<p>- Such mutual agreements aim to reduce chances of conflicts of interests and to build confidences for investors from properties initially invested by Trust with normal business practices.</p>

Company that may have conflicts	Type of Related Transactions	Rational of the Related Transaction	Opinion of the REIT Manager on Price and Condition
	<p>September 2019 with significant points covered as following:</p> <ul style="list-style-type: none"> - Shareholding, Maintaining of Shareholding Proportion and Debt to Equity Ratio in DMCO and/or subsidiaries of DMCO. - Undertakings relating to Licenses and Performance in the Hotel Operation of Dusit Thani Maldives Hotel - Assignment of Contractual Obligations of DMCO and/or subsidiaries of DMCO - Financial Supports to DMCO and/or subsidiaries of DMCO - Future investment and the First Rights of Refusal in investing in other assets. 		

Policy Related to Connected Transactions between the REIT and the Related Parties of the REIT Manager and Conflict of Interest Prevention Guidelines.

The Company has set the measurement and guidelines to prevent the Conflict of Interest between the REIT and other related parties in order to retain the optimum benefits of the REIT and unitholders overall.

1) Policy Related to Connected Transactions between the REIT and the Related Parties of the REIT

In case there are other transactions (other than those specified above) between the REIT and the REIT Manager or any related party of the REIT Manager, the REIT shall proceed in accordance with the Securities and Exchange Act as follows:

- Any transactions between the REIT and the REIT Manager or related party of the REIT Manager shall be in compliance with the trust Deed and relevant laws, and shall be in the best interests of the REIT.
- Any transactions between the REIT and the REIT Manager or related party of the REIT Manager shall be carried out at reasonable and fair prices.
- Direct or indirect stakeholders of the transactions shall not be involved in the consideration and the decision-making processes of such transactions.
- To approve of transactions between the REIT and the REIT Manager or a related party of the REIT Manager shall obtain the approval from the Trustee as well as the Board of Directors or unitholders (if any).
- In the case that the transaction needed to obtain the approval from unitholders, REIT Manager must disclose the related transactions between the REIT Manager and other related person about details of transaction, reasons in entering into transaction, rational of benefit calculation or related conditions of transaction and publicize through electronic media channel of Stock Exchange of Thailand. While opinion of financial advisor must be provided in the invitation letter of each general meeting.

2) Policy Related to Connected Transactions between the REIT and Trustee or other related parties of Trustee.

In case there are other transactions between the REIT and Trustee or any related party of Trustee, the REIT shall proceed as follows:

- Disclose the information adequately to unitholders not less than 14 days through electronic media channel of Stock Exchange of Thailand.
- Inform the channel, procedure, and time period for any objections not less than 14 days.
- In the case that unitholders having an objection vote more than $\frac{1}{4}$ of total paid-up trust units, Trustee shall not proceed or approve such transaction related with the Trust.
- For the transactions between the REIT and Trustee or any related party of Trustee, there must be a checking mechanism to balance or measure the fairness of such transactions. REIT Manager must also disclose the related information to unitholders prior and have no vote of objections or have number of objections less than requiring by laws.

Financial Information

Auditor of Consolidated Financial Statement of DREIT

For the consolidated financial statement ended December 31, 2020.

Items	Details
Certified Public Accountant	Vipavan Pattavanvivek
CPA Registration No.	4795
Company	KPMG Phoomchai Audit Limited

Summary of Auditor's Report of 2020

Independent Auditor's Report for the consolidated financial statement ended December 31, 2020.

Auditor's Report indicates the clean opinion on the consolidated statement of financial position as of December 31, 2020. The financial performance, changes in net assets, cash flows and significant financial information of the period Jan 1, 2020 to December 31, 2020 was present fairly in all materials respects in accordance with Thai Standard on Auditing.

Financial Position of DREIT

Items	As of December 31, 2020		As of December 31, 2019	
	Baht	%	Baht	%
Assets				
Investments measured at fair value through profit or loss	7,258,856,097	96.89%	6,780,672,787	97.19%
Investments in properties at fair value	14,035,895	0.19%	21,662,664	0.31%
Cash and cash equivalents	134,059,612	1.79%	52,064,097	0.75%
Rent and other receivables	38,058,083	0.51%	48,460,058	0.69%
Deferred expenses	44,814,965	0.60%	63,334,802	0.91%
Prepaid expenses	1,528,888	0.02%	10,437,178	0.15%
Other assets	180,765	0.00%	324,735	0.00%
Total assets	7,491,534,305	100.00%	6,976,956,321	100.00%
Liabilities				
Other payables	25,883,051	1.28%	73,273,446	4.65%
Accrued expenses	4,727,210	0.23%	5,922,924	0.38%
Income tax payable	1,689,456	0.08%	7,489,785	0.48%
Withholding tax payable	1,200,702	0.06%	834,446	0.05%
Lease liabilities	297,491,193	14.77%	-	-
Long-term loans	1,683,507,032	83.57%	1,488,210,000	94.45%
Deferred tax liability	58,903	0.00%	-	-
Total liabilities	2,014,557,547	100.00%	1,575,730,601	100.00%
Net assets	5,476,976,758		5,401,225,720	
Capital received from unitholders	5,351,242,520		5,407,735,620	
Retained earnings	196,043,713		20,921,460	
Other components of unitholders' equity	(70,309,475)		(27,431,360)	

Note: reference from Consolidated Financial Statement of DREIT ended December 31, 2020 and auditor's report

Income Statement of DREIT

Items	As of December 31, 2020		As of December 31, 2019	
	Baht	% ¹²	Baht	% ¹²
Rental income	424,367,400	99.46%	286,061,321	99.06%
Interest income	329,930	0.07%	392,633	0.14%
Other income	1,993,353	0.47%	2,330,662	0.80%
Total income	426,690,683	100.00%	288,784,616	100.00%
Expenses				
Management fee	13,844,080	3.24%	8,198,989	2.84%
Trustee fee	8,845,761	2.07%	6,285,891	2.18%
Registrar fee	2,948,252	0.69%	2,678,978	0.93%
Professional fee	1,928,453	0.45%	3,019,309	1.05%
Amortisation of deferred expenses	13,546,861	2.86%	7,469,987	2.59%
Lease payment under operating lease	-	0.00%	8,066,665	2.79%
Other expenses	16,902,052	3.96%	4,110,550	1.42%
Finance costs	72,047,820	17.20%	32,310,993	11.19%
Income tax expense	3,359,408	0.79%	7,523,861	2.61%
Total expenses	133,422,687	31.27%	79,665,223	27.59%
Net profit on investments	293,267,996	68.73%	209,119,393	72.41%
Net loss on investment	(7,357,779)	-1.72%	-	0.00%
Net gain on changes in fair value of investments	1,432,357	0.34%	-	0.00%
Net realised loss from investments in freehold and leasehold properties	-	0.00%	(3,415,501)	-1.18%
Net realised gain from sales of investments in securities	-	0.00%	2,335,294	0.81%
Net unrealised loss from investments in freehold and leasehold properties	-	0.00%	(71,793,825)	-24.86%
Net unrealised gain from investments in securities	-	0.00%	327,360	0.11%
The effect of changes in foreign exchange rates	33,209,069	7.78%	(14,625,794)	-5.06%
Total net gain (loss) on investments	27,283,647	6.39%	(87,172,466)	-30.19%

¹² Percentage (%) of total revenue

Items	As of December 31, 2020		As of December 31, 2019	
	Baht	% ¹²	Baht	% ¹²
Increase in net assets resulting from operations	320,551,643	75.13%	121,946,927	42.23%
Exchange differences	(42,878,115)	-10.05%	(27,431,360)	-9.50%
Increase in unitholders in net assets from operations and other components of unitholders' equity	277,673,528	65.08%	94,515,567	32.73%

Note: reference from Consolidated Financial Statement of DREIT ended December 31, 2020 and auditor's report

Cash Flow of DREIT

Items	As of December 31, 2020	As of December 31, 2019
	Baht	Baht
Net cash from (used in) operating activities	125,392,022	(2,417,905,835)
Net cash from (used in) financing activities	(42,558,540)	2,435,313,592
Net increase in cash and cash equivalents before effect of exchange rates	82,833,482	17,407,757
Effect of exchange rate	(837,967)	(830,183)
Net increase in cash and cash equivalents	81,995,515	16,577,574
Cash and cash equivalents at beginning period	52,064,097	35,486,523
Cash and cash equivalents at ending period	134,059,612	52,054,097

Note: reference from Consolidated Financial Statement of DREIT ended December 31, 2020 and auditor's report

Financial Ratio

Items	As of December 31, 2020
Number of trust units issued at the end of the year (units)	711,500,000
Net asset value per unit	7.6978
Increase in net assets resulting from operations (Baht/Units)	0.4505
Interest bearing debt to Total Asset Ratio (%)	22.47
Total Liabilities to Total Asset Ratio (%)	26.89
Total Liabilities to NAV (%)	36.78

Items	As of December 31, 2020
Interest Coverage Ratio (times)	4.90

Details of Investment

Investment Type	As of December 31, 2020			As of December 31, 2019		
	Cost	Fair Value	%	Cost	Fair Value	%
Investments in properties						
1.) Dusit Thani Laguna Phuket Hotel Project. Ownership of land, buildings and equipment	3,061,795,368	2,958,020,057	40.67%	3,058,196,939	2,954,421,628	43.43%
2.) DusitD2 Chiangmai Hotel Project. Ownership of land, buildings and equipment	409,742,154	411,700,000	5.66%	409,742,154	409,957,597	6.03%
3.) Dusit Thani Hua Hin Hotel Project. Right-of-use assets of land, and buildings and structures, Ownership of furniture, fixtures, equipment and improvement	1,224,515,275	1,252,306,239	17.22%	1,061,148,451	1,088,939,415	16.01%
4) Dusit Thani Maldives Hotel Project. Right-of-use assets of land, ownership of buildings, structures and equipment	2,687,895,850	2,636,829,801	36.26%	2,368,587,506	2,327,354,147	34.21%
Total investments in properties	7,383,948,647	7,258,856,097	99.81%	6,897,675,050	6,780,672,787	99.68%
Investments in securities	14,018,571	14,035,885	0.19%	21,335,304	21,662,664	0.32%
Investment in common shares						
Dusit Management Co., Ltd.	10	10	-	10	10	-
Total investments in common shares	10	10	-	10	10	-
Total investments	7,397,967,228	7,272,891,992	100%	6,919,010,354	6,802,335,451	100%

***Note:** reference from Consolidated Financial Statement of DREIT ended December 31, 2020 and auditor's report*

Management Analysis of REIT Manager

Operating Analysis of 2020

Although, the outbreak of COVID-19 situation adversely affects the operating results of the hotels, DREIT is still able to recognize the rental income in accordance with the lease agreement.

In 2020, DREIT has total revenue of Baht 426.69 Million increased from the previous year by Baht 137.91 Million or 47.75% due to the acquisition of Dusit Thani Maldives on 25 September 2019, DREIT recognized an increase in rental revenue because Dusit Thani Maldives has longer operation period than previous year. When deducting with the operating expense of Baht 133.42 Million resulting to the net investment income of Baht 293.27 Million, increased by Baht 84.15 Million or 40.24% from the previous year. When net with the net loss on investment of Baht 7.36 Million, the net gain on change in fair value of investments of Baht 1.43 Million as well as the increase in effect of changes in foreign exchange rates of Baht 33.21 Million, resulting to the increase in net assets from operations for the year 2020 of Baht 320.55 Million.

The details of operating results of hotels

Dusit Thani Laguna Phuket Hotel has temporarily closed since April 2020 and re-open in September 2020 affecting the decrease in occupancy rate from the previous year by 57.28% to be 22.15%. Whereas, the average room rate in year 2020 is at approximately 6,255 Baht per room night which increased by 2,000 Baht from the previous year due to hotel closure period is low season which has low average room rate. Whereas, Revenue per Available Room (REVPAR) is at approximately 1,386 Baht decreased by 1,994 Baht from the previous year. For the year 2020, the hotel has negative EBITDA amount of Baht 5.33 Million.

Dusit Thani Hua Hin Hotel has temporarily closed since April 2020 and re-open in June 2020 affecting the occupancy rate to be 36.80% which decreased by 12.52% from the previous year. While, the average room rate is around 2,821 Baht per room night which decreased by 450 Baht from the previous year, affecting REVPAR of the hotel to be 1,038 Baht decreased by 575 Baht from the previous year. For the year 2020, the hotel has negative EBITDA amount of Baht 2.36 Million.

Dusit D2 Chiang Mai Hotel has temporarily closed since April 2020 and re-open in September 2020 affecting the occupancy rate to be 26.89% which decreased by 50.34% from the previous year. Whereas, the average room rate is about 1,966 Baht per room night which decreased 413 Baht from the previous year, affecting

REVPAR of the hotel to be 529 Baht decreased by 1,308 Baht from the previous year. For the year 2020, the hotel has negative EBITDA amount of Baht 10.75 Million.

Dusit Thani Maldives Hotel has temporarily closed since April 2020 and re-open in August 2020 affecting the occupancy rate to be 27.49%. Whereas, the average room rate of the hotel is approximately 647 USD per room night leading to Revenue per Available Room (REVPAR) to be 178 USD per room night. As a result of Dusit Thani Maldives Hotel's EBITDA in year 2020 recorded at USD 2.69 Million.

Financial Position of DREIT

Assets

As of December 31, 2020, DREIT has total assets value of 7,491.53 Million Baht which increased 7.37 % from the year 2019. The investment in properties accounted for Baht 7,258.86 Million, increased by 7.05% from the previous year as a result of realization of right-of-use assets and lease liability per new accounting standard and the renovation of Dusit Thani Hua Hin. Cash and cash equivalents have total amount of Baht 134.06 Million, increased 157.51 from the previous year.

Liabilities

As of December 31, 2020, DREIT has total liabilities of 2,014.56 Million Baht or 26.89% of total assets value, increased Baht 438.83 Million. The major parts are long-term loan for hotel renovation with the amount of 195.30 Million Baht and realization of lease liability per new accounting standard 297.49 Million Baht, while other payables decreased at 53.96 Million Baht.

Net Total Assets

As of December 31, 2020, DREIT has net assets 5,476.98 Million Baht which comprise of Capital received from trust unitholders with the amount of 5,351.24 Million Baht, retained earnings 196.04 Million Baht and other components of unitholders' equity -70.31 Million Baht. Net Asset Value as of December 31, 2020 is 7.6978 Baht per unit, increased from 7.5913 as of December 31, 2019.

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***Note:** Additional Trust Information can be further viewed at www.sec.or.th or www.dtreit.com*

**Dusit Thani Freehold and Leasehold
Real Estate Investment Trust
and its Subsidiaries**

Financial statements for the year ended
31 December 2020
and
Independent Auditor's Report



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Independent Auditor's Report

To the Unitholders of Dusit Thani Freehold and Leasehold Real Estate Investment Trust

Opinion

I have audited the consolidated financial statements of Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries (the "Group"), which comprise the consolidated statement of financial position and details of investments as at 31 December 2020, the consolidated 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 consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2020, and their financial performance changes in net assets and cash flows for the year then ended in accordance with the accounting guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies as approved by The Securities and Exchange Commission.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated financial statements* section of my report. I am independent of the Group 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 consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of my audit of the consolidated 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 properties	
Refer to notes 5 and 8 to the consolidated financial statements	
The key audit matter	How the matter was addressed in the audit
<p>Investments in properties are measured at fair value and are material to the Group's consolidated financial statements. The fair value of investments in properties is determined by income approach using discounted future cash flows based on future operating results of each hotel property. In 2020, the Group engaged independent external valuer to assist in valuing the fair value of a hotel in Chiang Mai.</p> <p>In addition, the Group has adopted the guidance on temporary accounting relief measures for additional accounting options in dealing with the impact of COVID-19 pandemic issued by the Federation of Accounting Professions, not to take into account the information related to COVID-19, which may affect future financial forecast, in fair value measurement of investment properties of the Group.</p> <p>Identification and assessment of the fair value require significant judgement in determining the key assumptions. This is an area that my audit is particularly concentrated on.</p>	<p>My audit procedures included</p> <ul style="list-style-type: none"> • Understanding and evaluating the basis upon which the Group identified and assessed the fair value of each asset. • Evaluating the independence, qualifications and competence of valuers of the Group. • 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. • Evaluating the appropriateness of the key assumptions used in the valuation by comparing them against historical data, testing calculation and sampling check the relevant documents. • Considering the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

I draw attention to note 3 to the financial statements which describe the impact of the adoption of new accounting policies from 1 January 2020 on the Group. My opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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





Responsibilities of Management for the Consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the accounting guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies as approved by The Securities and Exchange Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial statements.

My objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.



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

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

From the matters communicated with management, I determine those matters that were of most significance in the audit of the consolidated 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.

(Vipavan Pattavanvivek)
Certified Public Accountant
Registration No. 4795

KPMG Phoomchai Audit Ltd.
Bangkok
18 February 2021

Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries

Consolidated statement of financial position

		31 December	
	<i>Note</i>	2020	2019
		<i>(in Baht)</i>	
<i>Assets</i>			
Investments measured at fair value through profit or loss	7	14,035,895	21,662,664
Investments in properties at fair value	8	7,258,856,097	6,780,672,787
Cash and cash equivalents	9, 14	134,059,612	52,064,097
Rent and other receivables	14	38,058,083	48,460,058
Deferred expenses	14	44,814,965	63,334,802
Prepaid expenses		1,528,888	10,437,178
Other assets		180,765	324,735
Total assets		7,491,534,305	6,976,956,321
<i>Liabilities</i>			
Other payables	14	25,883,051	73,273,446
Accrued expenses	14	4,727,210	5,922,924
Income tax payable		1,689,456	7,489,785
Withholding tax payable		1,200,702	834,446
Lease liabilities		297,491,193	-
Long-term loans	11	1,683,507,032	1,488,210,000
Deferred tax liability		58,903	-
Total liabilities		2,014,557,547	1,575,730,601
Net assets		5,476,976,758	5,401,225,720
<i>Net assets</i>			
Authorised capital			
711,500,000 trust units, value per unit at Baht 8.7758			
as at 31 December 2020 and Baht 8.8552 as at 31 December 2019		6,243,981,700	6,300,474,800
Capital received from unitholders			
711,500,000 trust units, value per unit at Baht 7.5211			
as at 31 December 2020 and Baht 7.6005 as at 31 December 2019	15	5,351,242,520	5,407,735,620
Retained earnings	12	196,043,713	20,921,460
Other components of unitholders' equity		(70,309,475)	(27,431,360)
Net assets		5,476,976,758	5,401,225,720
Net asset value per unit		7.6978	7.5913
Number of trust units issued at the end of the year (units)		711,500,000	711,500,000

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

Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries

Consolidated details of investments

At 31 December 2020

Details of investments are presented by investment category.

Type of investments	Note	Areas held	31 December 2020			31 December 2019		
			Cost	Fair value	Percentage of investments	Cost	Fair value	Percentage of investments
			(in Baht)		(%)	(in Baht)		(%)
Investments in properties	8							
1. Dusit Thani Laguna Phuket Hotel Project								
<u>Location</u> Tambon Cherno Talay, Talang, Phuket								
- Ownership of land, buildings and equipment		33 rai 2 ngan 61.4 square wah	3,061,795,368	2,958,020,057	40.67	3,058,196,939	2,954,421,628	43.43
2. DusitD2 Chiangmai Hotel Project								
<u>Location</u> Tambon Changklan, Muang, Chiangmai								
- Ownership of land, buildings and equipment		2 rai 2 ngan 65 square wah	409,742,154	411,700,000	5.66	409,742,154	409,957,597	6.03
3. Dusit Thani Hua Hin Hotel Project								
<u>Location</u> Petchkasem Road, Cha-am, Petchaburi								
- Right-of-use assets of land, and buildings and structures								
- Ownership of furniture, fixtures, equipment and improvement		63 rai 1 ngan 60 square wah	1,224,515,275	1,252,306,239	17.22	1,061,148,451	1,088,939,415	16.01
4. Dusit Thani Maldives Hotel Project								
<u>Location</u> Mudhdhoo Island, Baa Atoll, Republic of Maldives								
- Right-of-use assets of land, ownership of buildings, structures and equipment		166 rai 2 ngan 60 square wah	2,687,895,850	2,636,829,801	36.26	2,368,587,506	2,327,354,147	34.21
Total investments in properties			7,383,948,647	7,258,856,097	99.81	6,897,675,050	6,780,672,787	99.68
Investments in securities	7							
<i>Investment in unit trusts</i>								
TMB Thanapuls Fund			-	-	-	10,000,000	10,017,737	0.15
Phatra Money Positive Fund			14,018,571	14,035,885	0.19	378,935	380,026	0.01
Krungsri Medium Term Fixed Income Fund			-	-	-	10,956,359	11,264,891	0.16
<i>Investment in common shares</i>								
Dusit Management Co., Ltd.			10.00	10.00	-	10.00	10.00	-
Total investments in securities			14,018,581	14,035,895	0.19	21,335,304	21,662,664	0.32
Total investments			7,397,967,228	7,272,891,992	100.00	6,919,010,354	6,802,335,451	100.00

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

Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries

Consolidated statement of comprehensive income

		Year ended 31 December	
	Note	2020	2019
		(in Baht)	
Income			
Rental income	14	424,367,400	286,061,321
Interest income	14	329,930	392,633
Other income		1,993,353	2,330,662
Total income		426,690,683	288,784,616
Expenses			
Management fee	14	13,844,080	8,198,989
Trustee fee	14	8,845,761	6,285,891
Registrar fee		2,948,252	2,678,978
Professional fee		1,928,453	3,019,309
Amortisation of deferred expenses	10	12,210,511	7,469,987
Lease payment under operating lease		-	8,066,665
Other expenses		16,902,052	4,110,550
Finance costs		73,384,170	32,310,993
Income tax expense		3,359,408	7,523,861
Total expenses		133,422,687	79,665,223
Net profit on investments		293,267,996	209,119,393
Net gain (loss) on investments			
Net loss on investment	7, 8	(7,357,779)	-
Net gain on changes in fair value of investments	7, 8	1,432,357	-
Net realised loss from investments in freehold and leasehold properties		-	(3,415,501)
Net realised gain from sales of investments in securities		-	2,335,294
Net unrealised loss from investments in freehold and leasehold properties		-	(71,793,825)
Net unrealised gain from investments in securities		-	327,360
The effect of changes in foreign exchange rates		33,209,069	(14,625,794)
Total net gain (loss) on investments		27,283,647	(87,172,466)
Increase in net assets resulting from operations		320,551,643	121,946,927
Other comprehensive income			
Exchange differences		(42,878,115)	(27,431,360)
Increase in unitholders in net assets from operations and other components of unitholders' equity		277,673,528	94,515,567

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

Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries

Consolidated statement of changes in net assets

		Year ended 31 December	
	Note	2020	2019
		(in Baht)	
Increase in net assets resulting from operations during the year			
Net profit on investments		293,267,996	209,119,393
Net gain (loss) on investments		<u>27,283,647</u>	<u>(87,172,466)</u>
Increase in net assets during the year		320,551,643	121,946,927
 Distribution to unitholders	 12, 16	 (145,429,390)	 (173,175,292)
Capital increase from unitholders	15	-	1,782,390,000
Capital return to unitholders	15	(56,493,100)	(30,705,000)
Other components of unitholders' equity		<u>(42,878,115)</u>	<u>(27,431,360)</u>
 Increase in net assets during the year		75,751,038	1,673,025,275
Net assets at 1 January		<u>5,401,225,720</u>	<u>3,728,200,445</u>
Net assets at 31 December		<u>5,476,976,758</u>	<u>5,401,225,720</u>
 Changes in number of trust units			
Trust units at 1 January (<i>units</i>)		<u>711,500,000</u>	<u>711,500,000</u>
Trust units at 31 December (<i>units</i>)		<u>711,500,000</u>	<u>711,500,000</u>

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

Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries

Consolidated statement of cash flows

		Year ended 31 December	
	Note	2020	2019
		(in Baht)	
Cash flows from operating activities			
Increase in net assets from operations		320,551,643	121,946,927
<i>Adjustments to reconcile increase in net assets from operations to net cash from (used in) operating activities:</i>			
Finance costs		73,384,170	32,310,993
Amortisation of deferred expenses	10	12,210,511	7,469,987
The effect of changes in foreign exchange rates		(33,209,069)	14,625,794
Income tax expense		3,359,408	7,523,861
Net loss on investment	7, 8	7,357,779	-
Proceed from sales of investments in securities	7	280,004,694	226,000,000
Payment for investments in securities	7	(272,000,000)	(245,000,000)
Purchases of investments in properties	8	(196,090,930)	(2,560,835,877)
Net gain on changes in fair value of investments	7, 8	(1,432,357)	-
Sales of investments in properties		430,716	3,724,001
Net realised loss from investments in freehold and leasehold properties		-	3,415,501
Net realised gain from sales of investments in securities		-	(2,335,294)
Net unrealised gain from investments in securities		-	(327,360)
Net unrealised loss from investments in freehold and leasehold properties		-	71,793,825
Interest income		(329,930)	-
Interest received		341,146	-
(Increase) decrease in rent and other receivables		10,390,759	(48,460,058)
(Increase) decrease in prepaid expenses		1,369,790	(8,961,720)
(Increase) decrease in other assets		143,970	(65,844,643)
Increase (decrease) in other payables		(55,224,954)	21,720,320
Increase in withholding tax payable		366,256	700,855
Income tax paid		(9,159,737)	-
Increase (decrease) in accrued expenses		(1,408,971)	2,627,053
Increase in deferred tax liabilities		58,903	-
Rental expense paid		(15,721,775)	-
Net cash from (used in) operating activities		125,392,022	(2,417,905,835)
Cash flows from financing activities			
Interest paid		(40,906,058)	(32,310,993)
Proceeds from long-term loans	11	200,270,008	1,673,189,877
Repayment of long-term loans	11	-	(784,075,000)
Capital increase from unitholders	15	-	1,782,390,000
Capital return to unitholders	15	(56,493,100)	(30,705,000)
Distribution to unitholders	12, 16	(145,429,390)	(173,175,292)
Net cash from (used in) financing activities		(42,558,540)	2,435,313,592
Net increase in cash and cash equivalents before effect of exchange rates		82,833,482	17,407,757
Effect of exchange rate changes on cash and cash equivalents		(837,967)	(830,183)
Net increase in cash and cash equivalents		81,995,515	16,577,574
Cash and cash equivalents at 1 January		52,064,097	35,486,523
Cash and cash equivalents at 31 December		134,059,612	52,064,097

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

Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the authorised director of the REIT manager on 18 February 2021.

1 General information

Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("the Trust") was established as a specific closed-end Real Estate Investment Trust with an indefinite term. The Trust was converted from Dusit Thani Freehold and Leasehold Property Fund ("the Fund") and registered on 29 November 2017 with registered capital of Baht 3,656.05 million (409.40 million units, at Baht 8.9302 per unit). Dusit Thani Properties REIT Co., Ltd. acts as REIT Manager ("REIT manager") and Krungthai Asset Management Public Company Limited acts as Trustee ("Trustee").

As at 31 December 2020, its major unitholder was Dusit Thani Public Company Limited which held 30.02% of total outstanding units and was incorporated in Thailand.

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

This consolidated financial statements included Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its subsidiaries ("the Group") as following;

Name	Type of business	Country of incorporation	Ownership interest	
			31 December 2020	31 December 2019
			(%)	
Dusit Thani REIT Company Limited	Holding	Thailand	100	100
Dusit Maldives Investment Private Limited	Leasing	Republic of Maldives	100	100

2 Basis of preparation of the financial statements

(a) Statement of compliance

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, issued and announced by AIMC in February 2020. In case this accounting guidance does not specifically state the practical guidance for a transaction, the Group shall apply Thai Financial Reporting Standard (TFRS) as announced by Federation of Accounting Professions ("Accounting Guidance").

The application of the Accounting Guidance resulted in changes in accounting policies of the Group which have material impact on the financial statements as disclosed in note 3. In addition, the Group elected to apply accounting guidance on *temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak* as disclosed in note 5.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

Dusit Thani Freehold and Leasehold Real Estate Investment Trust and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2020

(b) *Functional and presentation currency*

The financial statements are presented in Thai Baht, which is the Trust's functional currency.

(c) *Use of judgements and estimates*

The preparation of financial statements in conformity with an accounting guidance requires management to make judgements, estimates and assumptions that affect the application of the Group'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.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 4 (h) Determining the incremental borrowing rate to measure lease liabilities;

Note 8 Investments in properties: key assumptions affecting the valuation

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied the Accounting Guidance. As a result, the Group did not adjust the information presented for 2019. Details of changes in the Group's accounting policies are in note 3(A) - 3(D). In addition, the Accounting Guidance is not required the Group to prepare the separate financial statements. The Group may additionally present the separate financial statements, in that case, the Group requires to adopt the Thai Accounting Standard no.27 Separate Financial Statements. The Group, therefore, applies to present only the consolidated financial statements for presentation of these financial statements.

A. *Financial instruments accounting*

Under the Accounting Guidance, the Group shall measure its investments at fair value, which is not different from previous accounting policy, measure its financial liabilities at amortised costs, and recognise interest expense using effective interest rate ("EIR"). Previously, the Group recognises interest expense using contractual interest rate based on accrual basis.

The change in accounting policy as described above has no material impact on the Group's financial statements.

B. *Lease accounting*

From 1 January 2020, the Group has initially applied the Accounting Guidance to lease accounting.

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under the Accounting Guidance, the Group shall recognise right-of-use assets and lease liabilities. The lease liabilities were discounted using interest rate implicit in the lease or lessee's incremental borrowing rate if the interest rate implicit in the lease was not available.

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Notes to the financial statements

For the year ended 31 December 2020

<i>Impact from change in lease accounting policy</i>	<i>(in thousand Baht)</i>
<i>At 1 January 2020</i>	
Increase in investments in properties at fair value	324,850
Increase in lease liabilities	316,682
Decrease in prepaid expenses	8,168
 <i>Measurement of lease liabilities</i>	 <i>(in thousand Baht)</i>
Operating lease commitment as disclosed at 31 December 2019	1,189,198
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020	316,682
Lease liabilities recognised at 1 January 2020	316,682
Weighted-average incremental borrowing rate (% per annum)	10.5

Right-of-use assets and lease liabilities shown above were presented as part of leasing segments.

C. Equity issuance cost

Under the Accounting Guidance, the Group recognised full amount of equity issuance cost arising from 1 January 2020 as a deduction on capital from unitholders. For deferred expenses incurred before 1 January 2020, the Group was allowed to amortise as expenses according to previous accounting policy (see note 10).

D. Fair value measurement

Under the Accounting Guidance, the objective of fair value measurement is to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would take place between market participants at the measurement date under current market conditions. Previously, the fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable and willing parties in an arm's length transaction. In addition, the Accounting Guidance requires to have additional fair value disclosure, in which the Group has disclosed in note 20.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

The consolidated financial statements relate to the Trust and its subsidiaries ("the Group").

Subsidiaries

Subsidiaries are entities controlled by the the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the Group. The financial statements of subsidiary is included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

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(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognized in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Investments measured at fair value through profit or loss

Accounting policies applicable from 1 January 2020

Investment are initially recognised at fair value through profit or loss when the Group 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.

Derecognition

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

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Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group 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.

Accounting policies applicable before 1 January 2020

Investments in securities are recognised as assets at cost at the date on which the Group has rights on investments. The cost of investments comprises the purchase prices and direct expenses that the Group pays to acquire such investments.

The values of investments which cannot be freely traded on an open market is stated at fair value by considering the principles and methods determining by the Association of Investment Management Companies and the stipulations, principles and methods for determining fair value of investments in debt instruments which cannot be freely traded on an open market of the Securities and Exchange Commission.

Gains or losses from investment valuation are presented as net unrealised gains or losses on investment in securities in profit or loss.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss, presented as “net realised gain (loss) on investments”. If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(d) *Investments in properties at fair value*

Investments in properties include properties that are held as right-of-use assets, as well as properties that are owned by the Group to earn rental income, or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investments in properties are measured at cost, including transaction costs, on initial recognition and subsequently at fair value, with any change recognised in profit or loss and presented as “gain (loss) from changes in fair value of investment” (2019: *presented as net unrealised gains or losses on investment in properties*).

Cost includes expenditure that is directly attributable to the acquisition of the investments in 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 Group 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 Group will not appoint any valuers to appraise the properties for more than 2 consecutive times.

Any gains and losses on disposal of investments in properties are determined by comparing the proceeds from disposal with the carrying amount of investments in properties, recognised in profit or loss and presented as “net realised gain (loss) on investments”.

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(e) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances and call deposits.

(f) Rent and other receivables

Accounting policies applicable from 1 January 2020

Rent and other receivables are measured at transaction price less allowance for expected credit loss.

Loss allowances for rent and other receivables are measured at an amount equal to lifetime expected credit losses. Expected credit losses are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date. An expected credit loss is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the loss was recognised in profit or loss.

Accrued rental income is presented as part of rental and other receivables.

Accounting policies applicable before 1 January 2020

Rental and other receivables are measured at transaction price less allowance for doubtful accounts which is determined based on an analysis of payment histories and future expectations of receivables payments. Bad debts are written off when incurred.

(g) Equity issuance cost

Equity issuance cost comprises the Group's unit issuance and offering expenses as incurred.

Accounting policies applicable from 1 January 2020

The Group entirely recognised equity issuance cost as a deduction on capital from unitholders.

Accounting policies applicable from 1 January 2020

Equity issuance cost recognised as deferred expenses and amortised as an expense over a period of 5 years on a straight-line basis.

(h) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease.

As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

Right-of-use assets are initial measured at cost and classify as investment in property as described in note 4(d).

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The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate and subsequently at amortised cost using the effective interest method. The lease payments included fixed payments less any lease incentive receivable. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

The lease liability is remeasured when there is a modification, change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. 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.

Accounting policies applicable before 1 January 2020

Assets held under operating leases were not recognised in the Group's statement of financial position. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

As a lessor

The accounting policy for lessor is described in note 4(k).

(i) *Interest-bearing liabilities*

Interest-bearing liabilities are measured at amortised cost.

(j) *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 Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

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If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short 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 Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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

(k) *Rental income*

Accounting policies applicable from 1 January 2020

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease. If a head lease is a short-term lease to which the Group applies the exemption, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of stand-alone prices.

The Group recognises lease payments received under operating leases as rental income 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 rental income is presented as part of rental and other receivables.

The Group applies the derecognition and impairment in accordance with note 4(c) and 4(f).

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Accounting policies applicable before 1 January 2020

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(l) Interest

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expense and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(m) Expenses

Other expenses are recognised on accrual basis.

(n) Income tax

The Trust is exempt from corporate income tax in Thailand so no corporate income tax is recorded.

Income tax expense in the consolidated financial statements comprises current and deferred tax of subsidiaries. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year of subsidiaries, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

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The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(o) *Distribution to unitholders*

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

(p) *Related parties*

Related parties are 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 Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(q) *Segment reporting*

Segment results that are reported to the Group's management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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5 Impact of COVID-19

Due to the COVID-19 outbreak in 2020, Thailand and many other countries have enacted several protective measures against the pandemic. This has affected to the Group's operations, as a results, the decreasing in variable rental income. The REIT manager is closely monitoring the situation. The situation of COVID-19 pandemic is still ongoing, resulting in the estimation uncertainty on the potential impact to the Group. The Group has adopted the guidance on temporary accounting relief measures for additional accounting options in dealing with the impact of COVID-19 pandemic issued by the Federation of Accounting Professions ("Accounting Guidance") for the preparation of financial statements for the period ended 31 December 2020 which the Group has chosen not to take into account the information related to COVID-19, which may affect future financial forecast, in fair value measurement technique of investment properties, therefore, the Group used the latest appraised value on 25 September 2019 for Dusit Thani Maldives Hotel project, 16 October 2019 for Dusit Thani Laguna Phuket Hotel and Dusit Thani Hua Hin Hotel and 9 January 2020 for dusitD2 Chiang Mai Hotel as fair value. In addition, on 5 November 2020, the Group has received an approved waiver letter for valuation or review of valuation of investments in properties which should be conducted within 2020 to extend valuation period to be 31 March 2021 from the Office of the Securities and Exchange Commission to comply with Notification of the Capital Market Supervisory Board No. TorNor/Jor 36/2653 for the waiver on operation of Property Funds, Infrastructure Funds and Real Estate Investment Trusts due to the COVID-19 pandemic.

However, the Accounting Guidance expired on 31 December 2020. The COVID-19 pandemic continued subsequent to the expiration of the Accounting Guidance as increasingly affected cases were found and spread all over Thailand. In response to the situation, Thailand has enacted measures to monitor and control the spread, encouraging people to keep social distancing, avoid crowded gathering and travel less. Meanwhile, according to information from the World Health Organization (WHO), vaccines for COVID-19 have become available and are being rolled out around the world. However, it is still not possible to predict for how long and to what extent the vaccines will provide protection and when the spread will be over.

As the situation is highly uncertain and fluid, it is currently not possible to determine the impact of the continued pandemic, government measures and roll out of the vaccination on the business of the Group. The REIT manager is closely monitoring the situation and managing to lessen the impact as much as possible.

6 Financial risks

Credit risk

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

The Group has significant concentrations of credit risk due to the Group have only 2 lessee/sub-lessee. As a result, the Group might have the risk from financial position and ability to pay lease rental of those lessee/sub-lessee if it has financial problem.

Currency risk

The Group's accounts denominated in foreign currency are as follows:

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At 31 December	2020	2019
	<i>(in thousand Baht)</i>	
United States Dollars		
Cash at banks	11,941	-
Euro		
Other payables	-	2,491
Rufiyaa		
Other payables	-	724

The Group has not entered into derivatives contract to hedge accounts denominated in foreign currency against currency risk.

Market risk

The Group is exposed to market risk due to the holding of investment in debt security for which return on the investment are subject to volatility of economic, political, money market and capital market conditions. Such conditions could have either positive or negative impact on the operation of the company that issues securities, depending on the extent to which the issuers' business type correlates with the market volatility, which could push the security's price up or down.

Interest rate risk

Interest rate risk is the risk that value of financial assets and financial liabilities is subject to change due to the movement of market interest rates.

The following table summarises the Group's interest rate risk comprised fair value of financial assets and financial liabilities that have interest rate:

<i>Financial assets and financial liabilities that have floating interest rate</i>	Carrying amount of financial instruments - net <i>(in thousand Baht)</i>
<i>At 31 December 2020</i>	
Cash at banks	134,060
Long-term loans	(1,683,507)

Financial risk management policies

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

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7 Investments measured at fair value through profit or loss

	<i>(in thousand Baht)</i>
At 1 January 2020	21,663
Additions	272,000
Disposal	(280,005)
Net gain on investment	688
Loss on measurement of investments	(310)
At 31 December 2020	<u>14,036</u>

8 Investments in properties at fair value

- 1) On 8 December 2017, the Group received a transfer assets from the Fund. The initial investment 3 properties of the Fund transferred related to 3 hotels which detailed as follows:

(a) Investments in assets used in operations of Dusit Thani Laguna Phuket Hotel:

- Purchase of land, buildings and hotel's infrastructures of Dusit Thani Laguna Phuket Hotel totalling Baht 2,801 million.
- Purchase of furniture and fixtures and equipment used in operations of Dusit Thani Laguna Phuket Hotel totalling Baht 68 million.

(b) Investments in assets used in operations of dusitD2 Chiang Mai Hotel:

- Purchase of land, buildings and hotel's infrastructures of dusitD2 Chiang Mai Hotel totalling Baht 387 million.
- Purchase of furniture and fixtures and equipment used in operations of dusitD2 Chiang Mai Hotel totalling Baht 14 million.

(c) Investments in assets used in operations of Dusit Thani Hua Hin Hotel:

- Lease of properties used in operations of Dusit Thani Hua Hin Hotel from Dusit Thai Properties Public Company Limited which consisted of land, buildings and hotel's infrastructures for the period of 30 years. The Trust had paid all leases for the entire lease period from 24 December 2010 to 23 December 2040 (total 30 years) at the agreement date totalling Baht 839 million.
- Purchase of furniture and fixtures and equipment used in operations of Dusit Thani Hua Hin Hotel totalling Baht 52 million.

The Group has leased and/or sub-leased all properties to the hotel management company, Dusit Management Company Limited, a subsidiary of Dusit Thani Public Company Limited.

The mentioned leased and/or sub-leased to Dusit Management Company Limited, the Group has received the transferred rights and responsibilities of leased and/or sub-leased agreements from the Fund which the expiry date is in 2019. After that, the Trust is able to give right to Dusit Management Company Limited to renew the agreements 4 times with a 3-year period each (ending in 2031). The term and conditions are similar with the existing agreements, except the rental amount specified the following:

- (a) Fixed rental will be calculated according to the rental agreement, nevertheless the fixed rental will not less than Baht 205 million.

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- (b) Variable rental will refer to hotels performance.
- 2) On 25 September 2019, the Trust has invested in Dusit Thani Maldives Hotel project. The total investment value was in the amount of USD 76.92 million. Details of Dusit Thani Maldives Hotel project consist of:
- (a) The island of Mudhdhoo in Baa Atoll in the Republic of Maldives where Dusit Thani Maldives Hotel is located. The 40-year leasehold right was granted by the Government of the Republic of Maldives with the area of 166 rai 2 ngan 60 square wah, including the component parts of the island. Dusit Maldives Investment Private Limited has to pay annual rental to the Government of Republic of Maldives in the amount of USD 1 million per annum up to September 2059.
- (b) Any buildings and structures, including but not limited to 95 villas with utility systems, working systems, and facilities.
- (c) Furniture, tools, facility equipment, and other related properties which used in the business operation of Dusit Thani Maldives Hotel.

However, the Group invests in that project via (1) indirectly investment in Dusit Maldives Investment Private Limited which has the rights in leasehold right and ownership of assets in Dusit Thani Maldives Hotel project. (2) the Trust will lend a loan to Dusit Maldives Investment Private Limited for the acquisition of assets with loan interest rate and interest payment terms as specified in the agreement.

On 25 September 2019, Dusit Maldives Management Private Limited also entered into the sublease of land and lease of assets agreement with Dusit Maldives Investment Private Limited, lessor, with lease term of 21 years. Rental rate and calculation method are indicated in the agreement. The minimum fixed rental rate shall be reviewed every 3 years.

Land and constructions of Dusit Thani Laguna Phuket and leasehold right of land, ownership of buildings, structures of Dusit Thani Maldives Hotel are pledged as collateral of loan from a financial institution which is referred to note 11.

Movements in investments in properties were summarised as follows:

	<i>Note</i>	2020	2019
		<i>(in thousand Baht)</i>	
At 1 January		6,780,673	4,339,997
Addition from acquisition of assets		-	2,360,552
Addition from property improvement		196,091	200,284
Addition from the changes in accounting policies	3	324,850	-
Disposal of renovations during the year		(7,258)	(7,139)
Gain (loss) on changes in fair value		1,742	(71,794)
Loss on right-of-use- assets remeasurement		(1,219)	-
The effect of changes in foreign exchange rates		(36,023)	(41,227)
At 31 December		7,258,856	6,780,673

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For the year ended 31 December 2020

Year ended 31 December

2020 2019
(in thousand Baht)

Amounts recognised in profit or loss

Rental income	424,367	281,061
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On 9 January 2020, the independent professional valuer appraised the fair value of investment in properties of DusitD2 Chiang Mai Hotel based on income approach. These properties have the appraisal value totalling Baht 411.7 million caused to gain on changes in fair value of Baht 1.742 million. The fair value of investment property has been categorised as a Level 3 fair value.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Discounted cash flows; based on income approach was determined by independent professional valuers.	<ul style="list-style-type: none"> Room rate growth (2%-5%) Occupancy rate (70%-80%) Risk-adjusted discount rate (9%-12%) 	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> Room rate growth was higher (lower); Occupancy rate was higher (lower); Risk-adjusted discount rate was lower (higher).

Leases

As a lessee

Fixed payment for the year ended 31 December 2020 amounted of Baht 31.32 million.

For the year ended 31 December

2020 2019
(in thousand Baht)

Amounts recognised in profit or loss

Interest on lease liabilities	30,928	-
Lease expense	-	8,067

In 2020, total cash outflow for leases of the Group was Baht 15.72 million.

As a lessor

(in thousand Baht)

Lease payments to be received on a maturity of operating lease

At 31 December

	2020	2019
1 st year	424,367	424,367
2 nd year	424,367	424,367
3 rd year	424,367	424,367
4 th year	424,367	424,367
5 th year	424,367	424,367
After 5 th year	4,520,512	4,944,880
Total	6,642,347	7,066,715

*Variable rental will refer to hotels performance.

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9 Cash and cash equivalents

	31 December 2020		31 December 2019	
	(in thousand Baht)	Interest rate (%)	(in thousand Baht)	Interest rate (%)
Cash at banks - savings accounts	134,060	0.050 - 1.100	52,064	0.050 - 1.400
Total	134,060		52,064	

10 Deferred expenses

	Note	2020 (in thousand Baht)	2019 (in thousand Baht)
At 1 January		63,335	4,960
Addition		-	65,845
Recognised as expenses during the year		(12,211)	(7,470)
Reclass to payments for deferred long-term loans issuing cost	11	(6,309)	-
At 31 December		44,815	63,335

If the Group was to recognise the deferred expenses as expenses in full at 31 December 2020, the Group's net asset value (NAV) would be decreased to Baht 5,432.16 million, and NAV per unit would be Baht 7.6348 per unit.

11 Long-term loans

On 23 September 2019, the Trust entered into the loan agreement with a financial institution with a loan facility of Baht 1,944.21 million. The Trust drew down the first installment of Baht 1,488.21 million on 25 September 2019 for the purpose of lending to a subsidiary to acquire assets and liabilities of Dusit Thani Maldives Hotel project. And the Trust drew down the second installment of Baht 80.57 million on 10 April 2020 and the third installment of Baht 119.70 million on 15 May 2020 for supporting capital expenditure and expenses for hotel renovation. The loan is secured by land and constructions of Dusit Thani Laguna Phuket and leasehold right of land, ownership of buildings, structures of Dusit Thani Maldives Hotel and others with interest rate not exceeding 4.2% per annum by paying interest quarterly. The principal repayment shall be one time when loan agreement is ended. The maturity period is 5 years starting from the first installment.

The loan agreement has restricts and conditions as specified in the agreement such as carrying to the debt to EBITDA ratio and loan to total assets ratio.

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The movement of long-term loans were as follows:

	Note	2020 (in thousand Baht)	2019
At 1 January		1,488,210	599,095
Add proceeds from long-term loans		200,270	1,673,190
Add amortisation of long-term loans issuing cost		1,336	-
Less payments for long-term loans		-	(784,075)
Less payments for deferred long-term loans issuing cost	10	(6,309)	-
At 31 December		<u>1,683,507</u>	<u>1,488,210</u>

The periods to maturity of long-term loans as at 31 December 2020 and 2019 were as follows:

	2020 (in thousand Baht)	2019
After one year but within five years	<u>1,683,507</u>	<u>1,488,210</u>
Total	<u>1,683,507</u>	<u>1,488,210</u>

12 Retained earnings

	2020 (in thousand Baht)	2019
At 1 January	20,921	72,150
Net profit on investment	293,268	209,119
Net loss on investment	(7,358)	(1,080)
Gain (loss) on changes in fair value of investment	1,432	(71,467)
The effect of changes in foreign exchange rates	33,209	(14,626)
Capital return to unitholders	<u>(145,429)</u>	<u>(173,175)</u>
At 31 December	<u>196,043</u>	<u>20,921</u>

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13 Expenses

Dusit Thani Properties REIT Co., Ltd. acts as REIT manager and Krungthai Asset Management Public Company Limited acts as Trustee. Fee are calculated as follows:

- Management fee at not exceeding 2.00 % except 2018 and 2019 at not exceeding 0.15% of total assets value per annum. The management fee is not less than Baht 2 million per year.
- Fee for acquiring/disposing of trust assets at not exceeding 1.00% of the value of the asset acquired or disposed of by the Trust.
- Trustee fee at not exceeding 2.00 % of total assets value per annum. The fee is not less than Baht 6 million per year.
- Registrar fee is in according to the requirements of the registrar.

14 Related parties

During the year, the Group has significant transactions with the REIT Manager, Trustee and other entities with common shareholders and / or common directors with the REIT Manager, Trustee and the Group. The significant transactions for the year ended 31 December 2020 and 2019 are as follows:

	2020 <i>(in thousand Baht)</i>	2019	Pricing policies
Dusit Thani Properties REIT Company Limited			
Management fee	13,844	8,199	As specified in prospectus
Krungthai Assets Management Public Company Limited			
Trustee fee	8,846	6,286	As specified in prospectus
Krungthai Bank Public Company Limited			
Interest income	27	76	Interest rate at 0.125% - 0.375% per annum
Dusit Management Company Limited			
Rental income	205,000	205,000	As specified in contract
Dusit Maldives Management Private Limited			
Rental income	219,367	81,061	As specified in contract

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Balances as at 31 December 2020 and 2019 with related parties were as follows:

	2020	2019
	<i>(in thousand Baht)</i>	
<i>Cash at banks</i>		
Krungthai Bank Public Company Limited	13,772	7,227
<i>Rent and other receivables</i>		
Dusit Management Company Limited	24,193	-
Dusit Maldives Management Private Limited	13,667	35,735
<i>Deferred expenses</i>		
Dusit Thani Properties REIT Co., Ltd.	13,249	17,766
<i>Other payables</i>		
Dusit Management Company Limited	4,772	52,573
Dusit Maldives Management Private Limited	37	2,422
	4,809	54,995
<i>Accrued expenses</i>		
Krungthai Assets Management Public Company Limited	1,537	2,151
Dusit Thani Properties REIT Company Limited	2,406	1,867
Total	3,943	4,018

At the Board of Directors' meeting of the REIT Manager held on 3 September 2020, the Board of Directors have approved the resolution to financial restructuring the subsidiaries by increasing the capital in Dusit Thani REIT Company Limited. Subsequently, Dusit Thani REIT Company Limited will increase the capital in Dusit Maldives Investment Private Limited, and Dusit Maldives Investment Private Limited will repay the outstanding short-term loan to the Trust.

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15 Unitholders' equity

	Par value (in Baht)	Number	2020 Amount (thousand units / in thousand Baht)	2019 Number	Amount
<i>Capital contribution</i>					
At 1 January					
- Units trusts	8.9302	711,500	5,407,736	409,400	3,656,051
	0.0750,				
Capital reduction ⁽¹⁾	0.0794	-	(56,493)	-	(30,705)
Capital increase ⁽²⁾	5.9000	-	-	302,100	1,782,390
At 31 December		711,500	5,351,243	711,500	5,407,736

⁽¹⁾On 26 July 2019, the Trust approved the capital reduction totaling of Baht 30,705,000 or equivalent to Baht 0.075 per unit, by reducing from par value of Baht 8.9302 per unit to Baht 8.8552 per unit. This capital reduction is for the purpose of paying distribution from Trust's operating performance to unitholders before starting the first capital increase. The reduction of registered capital was paid to unitholders on 23 August 2019.

On 24 February 2020, the board of directors of the REIT manager approved the capital return to unitholders at Baht 0.0794 per unit, totalling Baht 56.49 million.

⁽²⁾The Trust issued and offered the Trust units for increase capital which was equivalent to 302,100,000 units with the selling price at Baht 5.90 per unit. On 25 September 2019, the Trust obtained the proceed of Trust additional investment totaling value of Baht 1,782.39 million, resulting in the total investment units as of 31 December 2019 was 711,500,000 units.

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16 Distribution to unitholders

The Trust has distributed dividends to unitholders as follows:

- 16.1 The trust manager shall distribute benefits to unitholders not less than 90% of the adjusted net profit for the fiscal year, not less than one time per year and shall distribute the benefit within 90 days from the end of the fiscal year or from the end of the accounting period (if any).

The adjusted net profit means net profit adjusted with following transactions:

- (1) Unrealised gain from appraisal of the trust's asset, including other adjusted transactions as indicated in guidelines of the Office of SEC to be in accordance with cash position of the trust.
- (2) Cash position of the trust which is deducted loan principal repayment and other obligations which is specified in annual statement filling or annual report (if any).

- 16.2 In the case where the Trust has an accumulated net profit from each accounting period, the trust manager may also make distribution to the unitholders from aforesaid accumulated net profit.

- 16.3 In the case where the Trust still has an accumulated loss, the trust manager shall make no distribution to the unitholders.

- 16.4 For consideration of distribution benefits, if the benefit per trust unit of annual period or interim period is less than or equal to Baht 0.10, the trust manager shall reserve the rights not to make any distribution and carry forward such distribution for next period as indicated in benefit distribution policy.

During 2020 and 2019, the Trust has distributed dividends to unitholders as follows:

Dividend announcement date	For the period	Amount per unit (Baht per unit)	2020 (in thousand Baht)
	1 October - 31 December 2019		
27 February 2020	and retain earnings	0.0294	20,917
	1 January - 30 June 2020		
30 July 2020	and retain earnings	0.1750	124,512
Total			145,429

Dividend announcement date	For the period	Amount per unit (Baht per unit)	2019 (in thousand Baht)
6 February 2019	1 July - 31 December 2018	0.1714	70,171
26 July 2019	1 January - 30 June 2019	0.2516	103,004
Total			173,175

17 Information on investment purchase and sale transactions

The Group's purchase and sale transactions during the year ended 31 December 2020, excluding investments in cash at banks, amounted to Baht 202.81 million which was 3.35% of the average net asset values during the year. (2019: Baht 2,516.80 million which was 58.70% of the average net asset values during the year).

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18 Commitments

The Group has commitments in respect of hotel renovation contracts within one year totalling Baht 75.26 million.

19 Segment information and disaggregation of revenue

The Group has two reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different services, and are managed separately because they require different marketing strategies. For each of the strategic divisions, the Chief Operating Decision Maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Leasing
- Segment 2 Others

Information regarding the results of each reportable segment is included below as included in the internal management reports that are reviewed by the Group's CODM. Management believes that such information is the most relevant in evaluating the results of segments and is relative to other entities that operate within these industries.

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	Leasing		Others		Elimination		Total	
<i>Year ended 31 December</i>	2020	2019	2020	2019	2020	2019	2020	2019
	<i>(in thousand Baht)</i>							
<i>Information about reportable segments</i>								
External revenue	424,367	286,061	2,324	2,723	-	-	426,691	288,784
Inter-segment revenue	-	-	81,310	22,000	(81,310)	(22,000)	-	-
Total revenues	<u>424,367</u>	<u>286,061</u>	<u>83,634</u>	<u>24,723</u>	<u>(81,310)</u>	<u>(22,000)</u>	<u>426,691</u>	<u>288,784</u>
<i>Disaggregation of revenue</i>								
Primary geographical markets								
Thailand	205,000	205,000	1,427	2,723	-	-	206,427	207,723
Overseas	219,367	81,061	82,207	22,000	(81,310)	(22,000)	220,264	81,061
Total revenues	<u>424,367</u>	<u>286,061</u>	<u>83,634</u>	<u>24,723</u>	<u>(81,310)</u>	<u>(22,000)</u>	<u>426,691</u>	<u>288,784</u>
Timing of revenue recognition								
Over time	424,367	286,061	83,634	24,723	(81,310)	(22,000)	426,691	288,784

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20 Information on fair value level and fair value measurement of investment

The following table shows fair value categorised by measurement approach:

	Level 2	Level 3 (in thousand Baht)	Total
At 31 December 2020			
Investments in properties at fair value	-	7,258,856	7,258,856
Fixed income fund	14,036	-	14,036
At 31 December 2019			
Investments in properties at fair value	-	6,780,673	6,780,673
Fixed income fund	21,663	-	21,663

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 fixed income fund.

Investments categorised in level 3 have significant unobservable data as they are not actively traded. Methods and assumptions used in the measurement are disclosed in note 8.

21 Events after the reporting period

At the Board of Directors' meeting of the REIT manager held on 18 February 2021, the Board of Directors approved the distribution to unitholders of the Trust from the operation for the period from 1 July 2020 to 31 December 2020 and retain earnings at the rate of Baht 0.2130 per unit, totaling Baht 151.55 million. The distribution of investment will be paid to the unitholders in March 2021.



Opinion of the Trustee

To Trust unitholders of Dusit Thani Freehold and Leasehold Real Estate Investment Trust (“the Trust”)

I, KrungThai Asset Management Public Company Limited, as the Trustee of Dusit Thani Freehold and Leasehold Real Estate Investment Trust, has supervised and monitored the management of the Trust managed by Dusit Thani Properties REIT Company Limited for the accounting period from 1st January 2020 to 31st December 2020.

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

Trustee

KrungThai Asset Management Public Company Limited

Mr. Piraj Migasena

Executive Vice President

KrungThai Asset Management Public Company Limited

5 March 2020

Property Fund, Infrastructure and REIT Dept.

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