



ANNUAL REPORT

/ รายงานประจำปี
2565/2022

INETREIT

ทรัสต์เพื่อการลงทุนในสิทธิ
การเช่าอสังหาริมทรัพย์ไอเน็ต

INET LEASEHOLD REAL ESTATE INVESTMENT TRUST



INETREIT



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Message from Chairman

Dear unitholders,

An overview of the year 2022 is that Thailand has started to fully reopen with measures to ease control of COVID-19 and clear measures to stimulate domestic tourism. This has resulted in better adjustments by private consumption and domestic tourism, and has greatly increased the use of digital services. Furthermore, both the public and private sectors are investing more in cloud services, with less investment in hardware and software. Cloud technology can handle large volumes of traffic at the same time, reducing the risk of bottlenecks and system crashes. All of these processes can be accessed anywhere and anytime via the internet.

INETREIT, a real estate investment trust for leasing rights to data centers, was established on July 29, 2021 as the first trust in Thailand to invest in data center infrastructure. This is a vital part of technology and information, and is supported by the government in driving Thailand's digital economy. The Data Center business provides server hosting services and cloud services, which are digital data storage spaces that allocate computer resources through the internet under secure standard systems.

Regarding INETREIT's performance in the 2022 fiscal year, the trust earned a net investment income of THB 323.07 million, which enabled the payment of returns to unitholders at THB 0.8717 per unit. This reflects the efficiency of INETREIT's asset management and investment capabilities. INETREIT continues to strive for sustained returns for all unitholders.

Finally, on behalf of the Chairman of Internet Relations Management Limited, as the manager of the trust, I would like to express my gratitude to all unitholders for their support and trust in INETREIT. We will continue to manage INETREIT's assets to generate the best possible returns for all unitholders, while also looking for new opportunities to invest in new assets with potential to generate better returns for all unitholders.

Ms. Vilawan Vanadurongwan

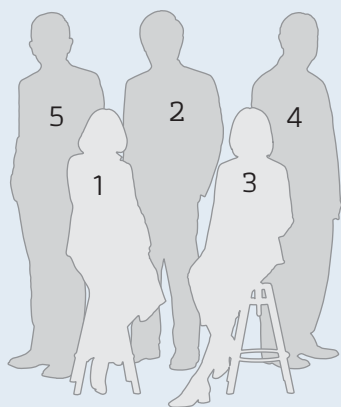
Chairman
INET REIT Management Company Limited







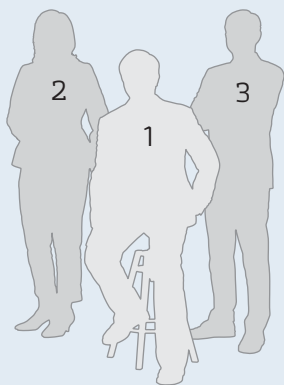
Board of Directors



- 1 **Ms. Vilawan Vanadurongwan**
Chairman
- 2 **Mr. Sahas Treetipbut**
Director
- 3 **Mrs. Morragot Kulatumyotin**
Director
- 4 **Mr. Visut Montriwat**
Independent Director
- 5 **Mr. Apirom Noiam**
Independent Director



Management Team



- 1 Mr. Suttakarn Naennar**
 - Managing Director
 - Acting Vice President of Investor Relations & Operations Support
 - Acting Vice President of Asset Management
- 2 Ms. Suphanika Kietduriyakul**
Vice President of Marketing & Business Development
- 3 Mr. Songsak Danubumrungsart**
Vice President of Compliance & Risk Management



1 Important Information of Trust

Information of December 31, 2022

Trust Name (Thai)	ทรัสต์เพื่อการลงทุนในสิทธิการเช่าอสังหาริมทรัพย์ไอเน็ต
Trust Name (English)	INET Leasehold Real Estate Investment Trust
Securities Initial	INETREIT
Trust Manager	INET REIT Management Company Limited
Trustee	Kasikorn Asset Management Company Limited
Auditor	EY Office Limited
Trust Establishment Date	July 29, 2021
Term of Trust	Indefinite
Lease Period	23 years until December 31, 2045
Type of Trust	Unit trust is not redeemable.

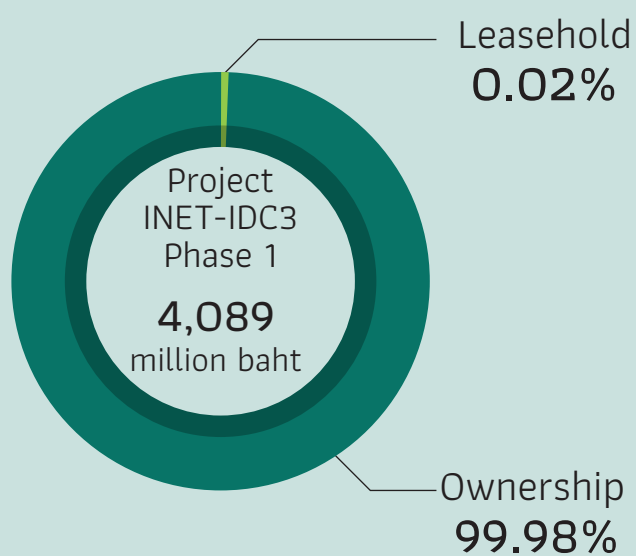
Market Cap	3,762	million baht
Number of Units	330	million units
Net Asset Value (NAV)	3,733.28	million baht
Par (baht per unit)	10	baht per unit
Price/NAV	1.01	times
Closing Price on the Last Business Day of the Year	11.40	baht/unit
Registered Capital	3,300	million baht
Net Asset Value Per Unit (NAV/unit)	11.3129	baht
Date of Approval for the Establishment and Management of Trust	July 29, 2021	
Weighted Average Remaining Land Lease Term	23	years

Capital Structure of Trust

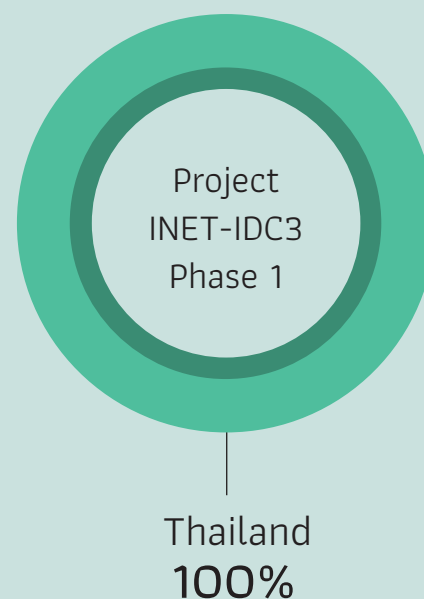
Total Assets	4,729.35	million baht
Total Liabilities	996.07	million baht
Capital	3,233.62	million baht

Earnings (Accumulated Loss)	499.66	million baht
Proportion of Loan	20.52%	of total assets

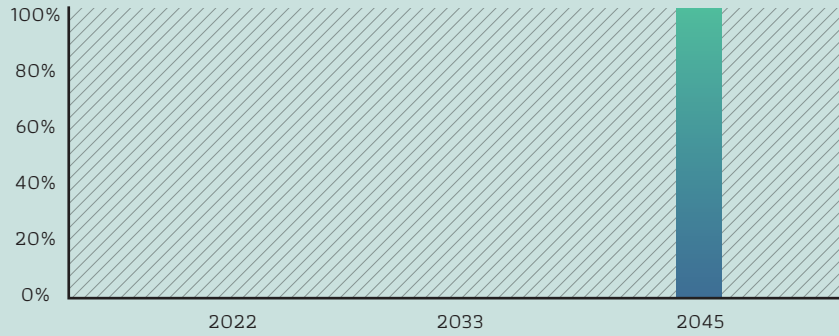
Proportion of Investment



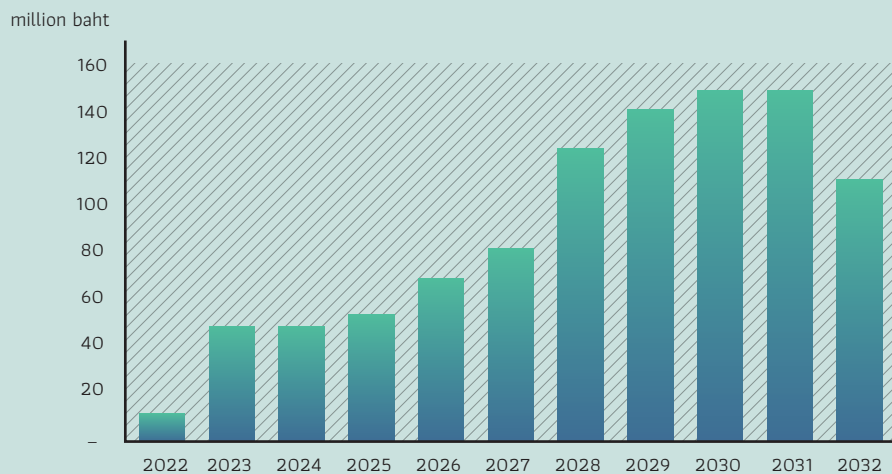
Revenue Structure



Weighted Average Remaining Lease Term



Details of the Maturity of the Loan



Appraisal Price of Assets Invested by the Trust

Main Invested Asset	Appraisal Price According to the Income Method (million baht)	Appraiser
Ownership of buildings and equipment related to the operations of the INET-IDC 3 Phase 1 project and leasehold on the land where the power substation control building is located	4,506	Grand Asset Advisory Company Limited

Major Trust Unitholders

(of 31/12/2022)

No.	Major Unitholder	Number of Trust Units	Percentage
1	Internet Thailand Public Company Limited	82,500,000	25.00
2	Southeast Life Insurance Public Company Limited	18,032,300	5.46
3	Muang Thai Life Assurance Public Company Limited	13,447,000	4.07
4	Krungthai-AXA Life Insurance Public Company Limited	11,137,800	3.38
5	Sripatum University	10,000,000	3.03
6	Dhipaya Insurance Public Company Limited	9,028,000	2.74
7	KRUNG THAI PROPERTY AND INFRASTRUCTURE FLEXIBLE FUND	8,671,700	2.63
8	Bangkok Life Assurance Public Company Limited	7,507,400	2.27
9	Allianz Ayudhya Insurance Public Company Limited	7,500,000	2.27
10	Thai Nakorn Patana Company Limited	7,500,000	2.27

Foreign Holding Limitation	49.00%
Proportion of Current Foreign Holding	0.22%

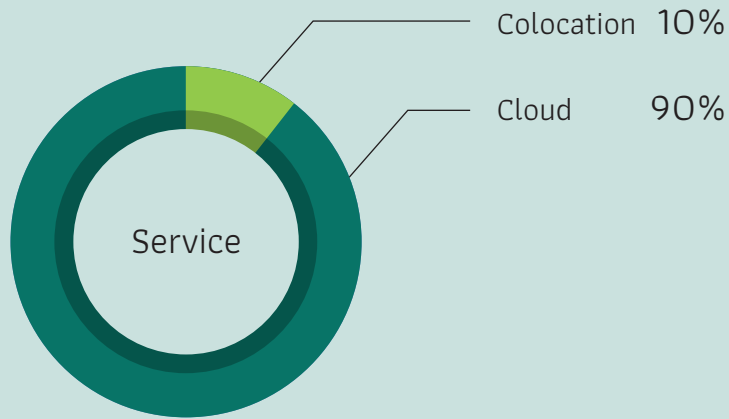
Distribution Payment Policy

The trust manager shall pay distributions to the trust unitholders of the adjusted net profit of the fiscal year for not less than 90 percent and not less than 2 times per fiscal year.

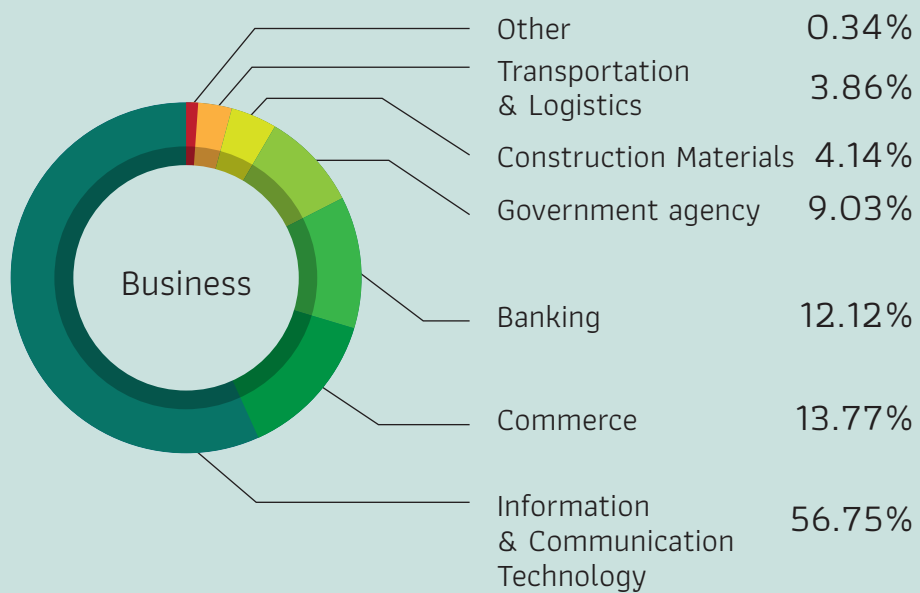
Item	2022	2021	Since the Establishment
Dividends (baht/unit) excluding income insurance	0.8717	0.3540	1.2257
Dividends (baht/unit) from the income insurance	-	-	-
Capital reduction (baht/unit)	-	-	-

Details of the Parties to the Lease Agreement [INET]

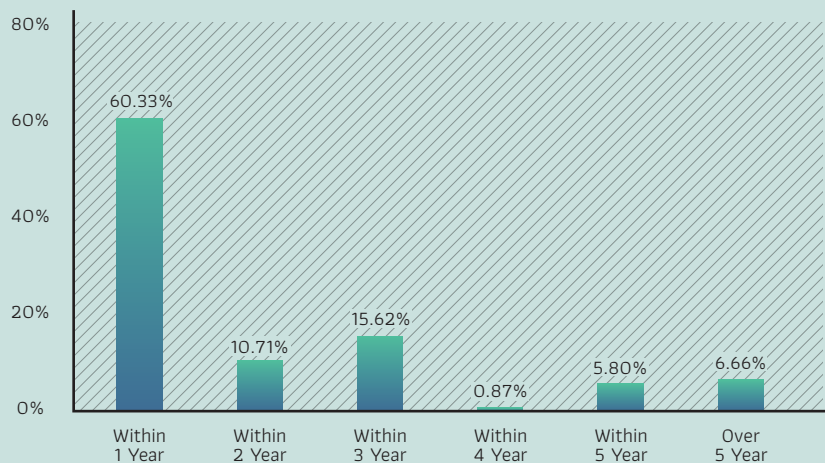
Proportion of Revenue by Service



Proportion of Revenue by Business



Proportion of Maturity Contracts



Performance of Trust

Average Leasing Rate	
Year	Average Leasing Rate (million baht/month)
2021	30.92
2022	31.55

Key Financial Figures (million baht)	For financial period from January 1, 2022, to December 31, 2022	For financial period from July 29, 2021, (the trust establishment date) to December 31, 2021
Leasing and service income	397.29	163.78
Other income	0.28	0.16
Earnings before deducted finance cost, income tax, depreciation and amortization (EBITDA)	323.07	144.55
Increase in net assets from operations	502.39	335.52
Earnings margin per unit (EPU) (baht)	1.5224	1.0167
Distribution per unit (DPU) (baht)	0.8717	0.3540
Capital reduction (baht)	-	-
Liabilities / Total assets (times)	0.21	0.23
Interest not exceeding (%)	MLR - 1.75	MLR - 1.75
Net cash used in operating activities	127.79	(3,873.48)
Net cash from financing activities	(346.74)	4,155.72
Net expected cash flows	(218.95)	282.23
Net assets	3,733.28	3,527.26
Price / Net assets per unit (times) at the end of the accounting year	1.01	1.03
Distribution (%) Closing price at the end of the accounting year	7.65%	1.48%
Fair market value at the end of the accounting year (million baht)	3,762.00	3,630.00
Closing price at the end of the accounting year (baht)	11.40	11.00

Analysis and Explanation of Trust Manager on the Operations and Financial Position of the Trust

In 2022, the trust has operating results for the year ended on December 31, 2022, which have been audited by a certified public accountant, with a total income of 397.57 million baht. The main income of the trust comes from investments in leasehold real estate or 99.93 percent of total income and has total expenses of 74.50 million baht. The financial cost equals to 40.55 million baht or 54.43 percent of total expenses. As a result, the trust has a net investment profit (operating profit) of 323.07 million baht.

The trust has considered the distributions to the trust unitholders as follows:

- No. 1** Consider distributions for the performance for the period from July 29, 2021, (the date of trust establishment) to September 30, 2021, at the rate of 0.1269 baht per unit, payment due on December 3, 2021.
- No. 2** Consider distributions for the performance for the period from October 1, 2021, to December 31, 2021, at the rate of 0.2271 baht per unit, payment due on March 10, 2022.
- No. 3** Consider distributions for the performance for the period from January 1, 2022, to March 31, 2022, at the rate of 0.2332 baht per unit, payment due on June 20, 2022.
- No. 4** Consider distributions for the performance for the period from April 1, 2022, to June 30, 2022, at the rate of 0.2280 baht per unit, payment due on August 29, 2022.
- No. 5** Consider distributions for the performance for the period from July 1, 2022, to September 30, 2022, at the rate of 0.2098 baht per unit, payment due on November 29, 2022.
- No. 6** Consider distributions for the performance for the period from October 1, 2022, to December 31, 2022, at the rate of 0.2007 baht per unit, payment due on March 13, 2023.

Type of Latest Auditor's Report

- No conditions -



Summary of Important Information About Money Loan

The trust has borrowed a total of 1,000 million baht to be used for investing in the core assets initially invested by the trust which entered into a loan agreement with a commercial bank. The main basic details are as follows:

Lender	Kasikorn Bank Public Company Limited, which is a person related to the trustee
Borrower	Trust for Investment in Leasehold Real Estate of INET
Loan Amount (million baht)	1,000 million baht
Interest Rate	MLR - 1.75
Loan Agreement Term	11 years from the date of the first loan drawdown
Interest Payment	Monthly
Principle Payment	Repayment by gradual payment as specified in the loan agreement with starting loan pay off from the 15th month onwards
Loan Collateral	<ol style="list-style-type: none"> 1. Mortgage assets, buildings, and equipment of the INET-IDC3 Phase 1 project, including power substation control buildings and equipment. 2. Register business collateral on the following agreements: <ul style="list-style-type: none"> - Lease agreement between the trust and the major lessees - Land lease agreement (power substation control building) - Other related agreements as agreed by the parties 3. Register business collateral on the right in the trust deposit account as agreed by the parties. 4. Transfer the right to receive the lease payment that the INET pays to the trust as agreed by the parties. 5. Insurance policy endorsement 6. A guarantee that additional collateral will not be created on the core assets (negative pledge) from the trust 7. Any other collateral as agreed by the parties

Table shows fees and expenses charged to the trust for accounting period from January 1, 2022, to December 31, 2022.

Fees Charged to the Trust		
Total Fees and Expenses	Actual Amount Paid (baht)	% of net investment income ⁽¹⁾
Trust Management Fee	19,120,968	5.92
Trustee Fee	9,114,476	2.82
Registrar Fee	1,500,498	0.46
Professional Fee	3,700,202	1.15
Other Expenses	513,194	0.16
Financial Cost	40,549,783	12.55

Remark ⁽¹⁾ Net investment profit equals to 323,066,233 baht.

Summary of Key Risk Factors

1. Risks Related to the Trust or the Operations of the Trust

The performance of the trust carries certain risks that depend on the ability of the Company, which acts as the trust manager. As the manager, the Company is responsible for controlling the trust's business operations to procure benefits from the assets invested by the trust, including selecting appropriate investment opportunities that align with the trust's investment guidelines as specified in the trust deed. The Company is supervised by the trustee in performing its duties, but trust unitholders may not have the opportunity to assess the Company's decisions. Moreover, the trust is exposed to the risk of losing personnel with expertise, experience, and knowledge. Such loss could potentially result in a decrease in the trust's operational efficiency. Additionally, there is a risk of conflicts of interest that may arise from the INET managing data centers other than INET-IDC3 Phase 1, in which the trust has invested. Lastly, there is also a risk that may occur as a result of loans made by the trust.

2. Risks Related to Procurement of Benefits from the Trust's Assets

The information technology service industry experiences rapid changes in technology that could have a significant negative impact on the business, financial position, and performance of INET. This could affect the trust's ability to pay the lease under the asset lease agreement, given that the trust relies on income from only one operating lessee. Furthermore, if there is a breach of the relevant lessee agreement between the trust and INET, the trust may not be able to find a third party to operate the data center business within a short period of time. This would be detrimental to the trust's operations. Another risk that the trust faces is the possibility that the operating lessee may fail to obtain or renew the necessary licenses or obtain approvals to operate the business.

3. Risks Related to the Main Assets Initially Invested by the Trust

The trust faces risks associated with the main assets it has invested in. The actual useful life of these assets may be significantly shorter than their designed useful life due to the lessee using them in a manner that does not align with their intended purpose or with improper care and maintenance, potentially resulting in faster-than-standard asset deterioration. Additionally, the value of the leasehold right on the land where the power substation control building is located, as well as the building that the trust invests in, will decrease according to the remaining lease period, potentially reducing the unit value of the trust. Another risk relates to studying the details of the assets used in providing data center services of the INET-IDC 3 Phase 1 project, which does not guarantee that the assets used in the business of providing data center services will be without damage or defects. The trust may also face challenges in receiving a requested VAT refund from the Revenue Department or receive it late, and risks from natural disasters, accidents, sabotage, or events of damage that may affect the operations of the data center of the INET-IDC 3 Phase 1 project. Additionally, the insurance coverage for the INET-IDC 3 Phase 1 project may not be sufficient to remedy all the damage incurred, which could impact the operation and the trust's ability to make distributions.



4. Risks Related to Regulations, Laws, Taxes, and General Risks

The trust faces risks associated with changes in laws, regulations, or law enforcement policies of Thailand, the expropriation of the core assets that the trust initially invested in, and changes in accounting standards or related laws that could impact the trust's operations or ability to make distributions. Additionally, the spread of infectious diseases, pandemic fears, or other serious public health problems could negatively affect the trust's income or financial position, the INET's ability to pay lease, and the INET's customers' ability to pay lease or service fees.

5. Risks Related to Investment in Trust Units of the Trust

As newly issued securities, the Company cannot guarantee that there will be sufficient liquidity in any secondary market for the trading of trust units. The trading price of trust units may fluctuate depending on various factors, and investors may not be able to sell trust units at a price equal to or greater than the offering price. The future sale of trust units by the INET or other major trust unitholders in significant amounts may negatively affect the trading price of trust units in the stock market and the benefits of trust unitholders in trading trust units in the secondary market. Additionally, the trust's distributions are based on its performance and cannot guarantee that it will be able to make distributions or maintain the rate of distributions in case of dissolution of the trust upon the occurrence of any events as required by laws. Unitholders should be aware that the capital return from the dissolution of the trust may be less than the amount invested. Additionally, if the trust offers additional trust units at a price lower than the value of the initial trust units offered for sale, investors may be exposed to the risk of a decrease in the market price of trust units, and the return on investment in trust units may differ from investors' expectations. This includes the risk of changes in tax policies related to investment in trust units, which may cause the trust unitholders to pay higher tax rates.

Basic Information

Trust Manager	INET REIT Management Company Limited
Address	1768 Thai Summit Tower, 24 th Floor, New Petchburi Road, Bangkapi Sub-District, Huai Khwang District, Bangkok 10310
Telephone	02-257-7000
URL	www.inetreit.com

Trustee	Kasikorn Asset Management Company Limited
Address	400/22 Kasikorn Bank Building, 6 th and 12 th floor, Phaholyothin Road, Samsennai Sub-District, Phayathai District, Bangkok 10400
Telephone	0-2673-3999
URL	www.kasikornasset.com



2 Operations of Trust

01 General Information

Trust Name (Thai)	ทรัสต์เพื่อการลงทุนในสิทธิการเช่าอสังหาริมทรัพย์ไอเน็ต
Trust Name (English)	INET Leasehold Real Estate Investment Trust
Abbreviation	INETREIT
Type	The trust has no maturity and does not accept redemption of trust units.
Trust Manager	INET REIT Management Company Limited
Trustee	Kasikorn Asset Management Company Limited
Registered Capital	3,300,000,000 baht

02 Policy, Business Overview, and Procurement of Benefits

2.1 Objectives and Strategies for the Operations of Trust

2.1.1 Objectives of Trust

The trust was established for the purpose of conducting transactions in the capital market as specified in the Notification of the SEC, with the objective of issuing trust units of Real Estate Investment Trust (REIT) for sale to the public as per the Notification TJ. 49/2012. The trust aims to list the trust units on the stock exchange after offering

for sale of trust units. Once the trust has used the proceeds from the offering of trust units and from borrowing to invest in the core assets of the trust, the trust manager will use the core assets to procure benefits through various means, such as lease, sublease, use of space, and/or providing services in connection with the lease or the leased property. The benefit procurement and management of the core assets will be under the control and supervision of the trustee to ensure the operations of the Company are in accordance with the terms and conditions of the trust manager appointment agreement, as well as the criteria prescribed by the Trust Act, and other related announcements of the Office of the SEC and the Stock Exchange of Thailand.

2.1.2 Strategies for the Trust's Operations

The trust manager has policies and strategies for management as follows:

1) Supervision of Operational Efficiency

Performance of the trust each year is monitored by comparing the performance of the trust in the past and the annual budget in order to evaluate and find ways for the trust to have earnings from operating according to the target. In the event that the performance of the trust does not meet the target set, the trust manager will analyze to find the cause and to improve and develop operational plans to achieve the goals set.

2) Determination of Appropriate Lease Rates

The trust will lease the main assets that the trust first invests in to the INET or other information technology service providers as the only lease. The lease rate is fixed. The lease rate has been increased by about 2 percent per year, which is a reasonable rate compared to the market lease rate. In addition, the lessee is responsible for all operating expenses related to the property itself.

3) Inspection and Assessment of Assets Status in the INET-IDC3 Phase 1 Project

Under the terms of the lease agreement, the lessee is responsible for all operating expenses of the property, including insurance, repair, and improvement of the property. This also includes modifying the leased equipment to support new

technologies from time to time. In order to ensure the assets remain in good condition throughout the lease term, the trust manager will inspect and assess their status.

4) Monitoring of Lessee Performance and Trends of Information Technology Service Industry

The trust manager will closely monitor the performance of the lessee and assess their ability to pay lease under the operating lease agreement. This also includes keeping track of the trend of the information technology service industry in case the trust needs to find other persons to operate the data center service business after or instead of the INET. Furthermore, the trust manager will consider additional investments in data center assets, including other phases of the INET-IDC3 project that will be open for service in the future.

5) Future Investment

Additional investment consideration is provided for the data center building assets which generate appropriate income and returns, including other assets related to the business operations of the data center building.

2.1.3 Significant Changes and Development

Year 2021

- On July 29, 2021, INET Leasehold Real Estate Investment Trust ("INETREIT") was established under the Trust Act with Kasikorn Asset Management Company Limited as the trustee and INET REIT Management Company Limited as the trust manager.
- On August 9, 2021, INETREIT's trust units started trading on the Stock Exchange of Thailand.

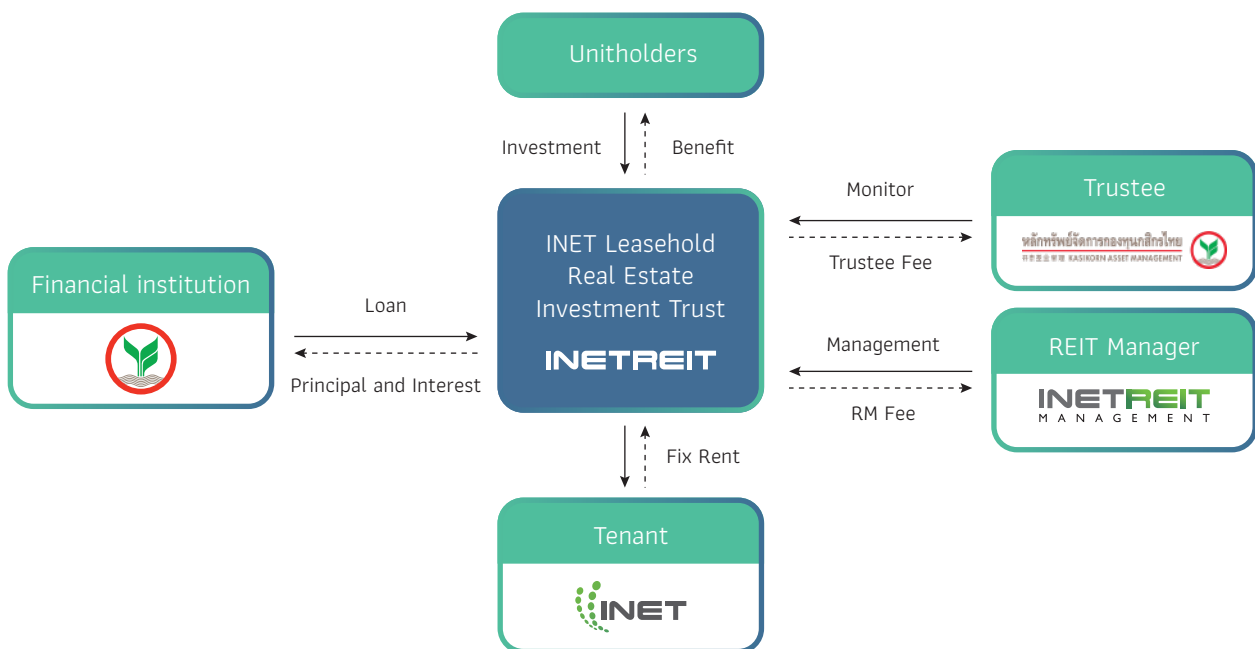
Year 2022

- On October 19, 2022, the extraordinary general meeting of shareholders No.1/2022 resolved to approve the amendment of the agreement relating to the investment of INET Leasehold Real Estate Investment Trust and entered into additional related contracts with the objectives and essence as follows:
 - The trust will be registered to establish the right of superficies on the land in the building area of the INET-IDC3 project and

will be registered as the partial establishment of charge on immovable property for the central area of the project without compensation and the term expires on December 31, 2045, which is the expiration date of the long-term land lease agreement for which the trust originally must rely on the rights of Internet Thailand Public Company Limited (“INET”) under the said land lease agreement from a third party.

- The trust will have the right of first refusal in investing in the land where the INET-IDC3 project is located, if INET, the lessee under the land lease agreement, and/or the same group of people intend to sell, rent, distribute, pay, transfer, whether in whole or in part of such plots of land, including INET and its subsidiaries, it will arrange additional entrances and exits for the project.

2.1.4 Structure of the Trust Management



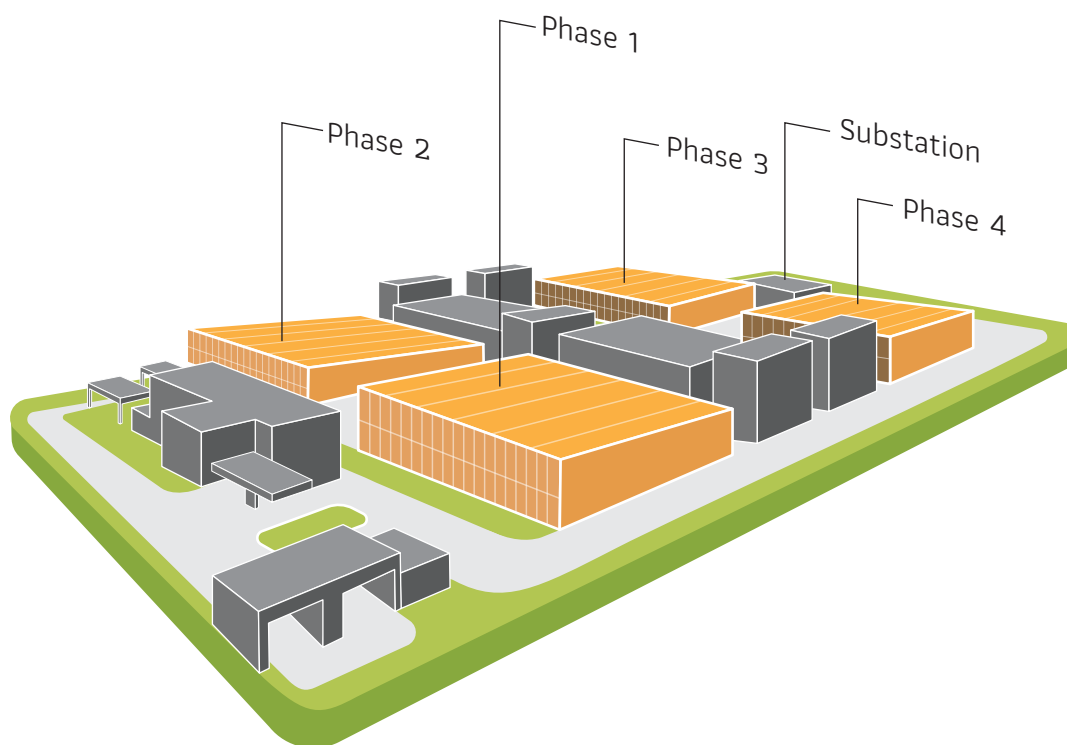
The trust is managed by INET REIT Management Company Limited which is the trust manager and has Kasikorn Asset Management Company Limited as the trustee. The trust will procure benefits from the core assets by leasing the core assets that the trust initially invested in to INET only.

In this regard, INET, the operating lessee, with the Company as the trust manager are connected persons from the fact that INET is a major shareholder and is the controlling person of the trust manager, as well as INET and/or its subsidiaries as the asset owner company will maintain the trust unit holding

proportion of the trust in the proportion of not less than 25 percent of the number of trust units issued and offer for sale at this time and will maintain the trust unit holding proportion in such proportion for a period of not less than 8 years from the date on which the trust completes its investment in the core assets that the trust initially invested in. INET may decrease proportion of trust unit holding to the rate of not less than 20 percent during the 9th year to the 16th year and 15 percent during the 17th year to December 31, 2045, of the date on which the trust completes the purchase and sale of the core assets that the trust initially invested in.

In addition, the trust borrows money from Kasikorn Bank to invest in the core assets that the trust initially invested in. Kasikorn Bank and the trustee are connected persons as Kasikorn Bank is the major shareholder and the controlling person of the Trustee.

In this regard, the management of the trust will be subject to the terms of the trust deed with the essence [as per Attachment 2] and investors can request to see a copy of the trust deed in full at the office of INET REIT Management Company Limited as the trust manager according to the contact channels that have been notified.



2.2 Information of the Trust's Assets

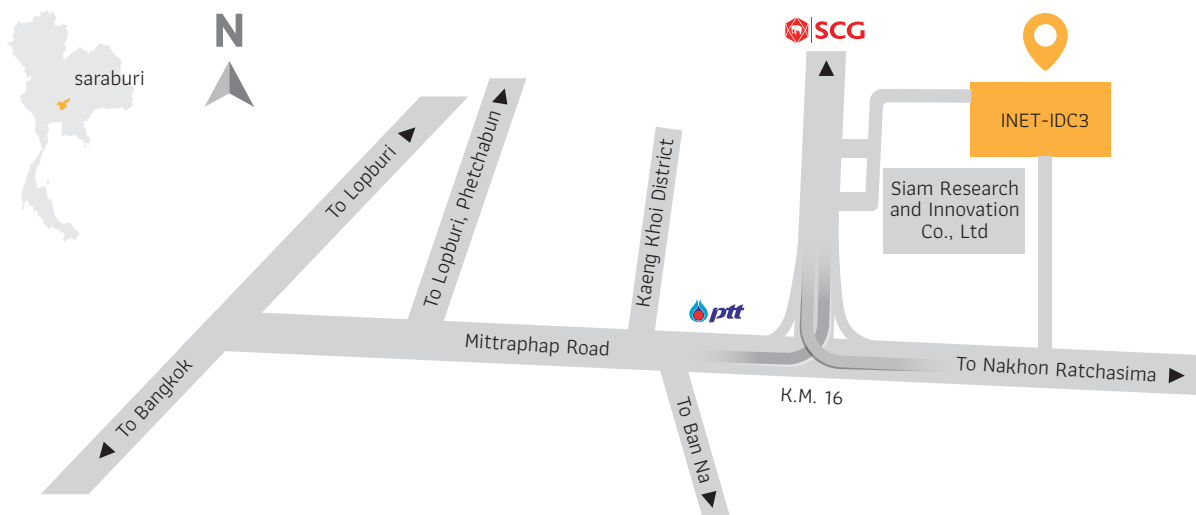
2.2.1 Project Overview

The data center is a place specifically designed and built to install network equipment and computers for data storage and various electronic devices needed to access data such as servers and network equipment to be a service center for agencies or business organizations that want to present and/or access to data through the Internet. In this regard, the data center must be located in an appropriate environment that is safe, stable, able to support the efficient use of network equipment and computers, and able to work 24 hours a day.

The INET Data Center 3 project or the INET-IDC3 project is a data center which was constructed and developed by INET in 2016 to support business

expansion and can be used to connect to the other 2 data centers of INET, namely Bangkok Thai Tower (INET-IDC1 project) and Thai Summit Tower (INET-IDC2 project). There is also a link between the systems to be able to work substitutive and completely.

The INET-IDC3 project consists of a total of 4 phases of data center buildings. The INET-IDC3 Phase 1 project is certified with various international standards such as Uptime Tier III Certification of Design Documents (TCDD):2017, ISO/ IEC 270001:2013, ISO/IEC 20000-1:2011, etc. At present, INET-IDC3 project has provided services to customers in 2 phases, consisting of phase 1 which started operation since March 2017 and phase 2 (some section). In addition, INET has a plan to continuously expand investment in the INET-IDC3 project in other phases.



The INET-IDC3 project is located on the certificate of title No. 2877, Tab Kwang Sub-District, Kaeng Khoi District, Saraburi Province which is in the ownership of Mandala Communication Company Limited. Mandala has registered the partial establishment of the right of superficies to the trust without compensation and registered the partial establishment of charge on immovable property to the trust and INET without compensation on the certificate of title No. 2877 according to the operating agreement (for duties related to the land of building location that the trust invested in (the INET-IDC3 Phase 1 project)) is scheduled to end on December 31, 2045, and the power substation control building used for the INET-IDC3 Phase 1 and Phase 2 projects located on the Certificate of Title No. 9977, Parcel No.112, Dealing File No.1212, Thap Kwang Sub-District, Kaeng Khoi District, Saraburi Province. The location of the INET-IDC3 project is on the road leading to the Kaeng Khoi Cement factory which is about 2 kilometers from Mittraphap Road, the 15th kilometer, 42 meters above mean sea level, about 100 kilometers from Bangkok which takes only one and a half hours, and 20 kilometers from downtown Saraburi. There are communication networks of many network operators access and users can choose from many communication networks. In addition, the project is surrounded by various facilities and can be accessed easily and quickly. It is also an area with low risk of natural disasters such as floods, earthquakes, and is far from chemical and petrochemical industry areas with the adequacy of the electrical system which is in accordance with international standards used for selecting the location of a data center.

The INET-IDC3 project is a group of 3 buildings consisting of a customer center building, a data center building, and a utility building. The INET-IDC3 project can provide benefits in total of 2 services as follows:

1. **Co-location service** is a space rental service to place servers. It collects service fees as rental fee, installation cost, and monthly cost.
2. **Cloud services** can be divided into 3 types as follows:

Infrastructure as a Service (IaaS)

- Infrastructure as a Service (IaaS) is an information technology service such as a server or storage, which is an operating system that allows the use of software to simulate the operation of other computers without the user needing to maintain the equipment and helps service users save on IT investments and manage income in relation to expenses.

Platform as a Service (PaaS)

- Platform as a Service (PaaS) is a service that allows service users to bring applications to run on this system helping users use the service without investing in hardware and software, such as electronic tax invoice services, digital document management system service (paperless), electronic certificate issuance service, services to prepare for the security of information technology (cyber security), etc.

Software as a Service (SaaS)

- Software as a Service (SaaS) is a software service via the internet network, which users do not have to install software on the terminal device and do not need to maintain hardware, software, and data such as email on cloud, accounting software on cloud, etc.

2.2.2 Core Assets of the Trust

The trust has invested in the ownership of buildings and equipment related to the operation of the INET-IDC3 Phase 1 project and the leasehold of the land where the power substation control building is located with details as follows:

1) Ownership of the Buildings and Equipment as Follows:

1.1) Buildings and building components and system work related to the service of the INET-IDC3 Phase 1 project (the data center with an area of approximately 1,900 square meters and a utility building with an area of approximately 2,000 square meters, totaling an area of approximately 3,900 square meters), which is located on the land where the INET-IDC3 Phase 1 project is located

1.2) The customer center, an area of about 1,600 square meters, which can accommodate up to 100 customers and groups of visitors at the same time, including a parking building, a toilet building, a water tank building, a water pump room, guardhouse, and the link connecting to the customer center building, which is the common assets of the INET-IDC3 project, located on the land where the INET-IDC3 Phase 1 project is located

1.3) Buildings and building components of the power substation control building used for the INET-IDC3 Phase 1 and Phase 2 projects, located on the land where the power substation control building is located

1.4) Racks with other relevant connection equipment used in the INET-IDC3 Phase 1 project, which includes 492 racks of advanced technology equipment (core network)

1.5) Equipment used for the INET-IDC3 Phase 1 project



2) Leasehold of Certain Parts of the Certificate of Title No. 9977

It is the land where the power substation control building is located. The total area is approximately 1 ngan 31 square wa, with a lease term of approximately 25 years, which currently has a remaining lease term of 23 years from December 31, 2022, with the contract expiring on December 31, 2045.

3) Central Assets, Central Utility System, Central Roads, and Entrances and Exits of the INET-IDC3 Project, Central Assets, Central Utilities, and Central Roads

The trust has invested in central assets and some central utilities of the INET-IDC3 project which are the customer building, parking building, toilet building, water tank, water pump room, guardhouse, and a connecting walkway connected to the customer building. Therefore, the trust has the ownership rights in central assets and central utilities.

For the central road of the certificate of title No. 9977, which is the land of the location of the power substation control building and other central utilities such as electricity system, water supply system, telephone, and various utilities systems of the power substation control building that the trust does not invest in. INET agrees that the trust can utilize such central assets throughout the lease term of the partial land lease agreement (power substation control building) (amendment version).



Characteristics of the Assets Invested by the Trust

Location	Location of the INET-IDC3 project, namely the certificate of title No.2877, Tab Kwang Sub-District, Kaeng Khoi District, Saraburi Province, is the ownership of Mandala, where Mandala has registered the partial establishment of the right of superficies to the trust without compensation with the term of 23 years 2 months and 10 days from the date of registration of rights.
Characteristics of	<p>The trust has invested in the ownership of buildings and equipment related to the operation of the INET-IDC3 Phase 1 project and the leasehold of the land where the power substation control building is located according with details as follows:</p> <ol style="list-style-type: none"> 1. Buildings and building components and system work related to the service of the INET-IDC3 Phase 1 project (the data center Building, area of approximately 1,900 square meters, and utility building, area of approximately 2,000 square meters, total area of approximately 3,900 square meters) located on the land where the INET-IDC3 Phase 1 project is located 2. The customer center building with an area of approximately 1,600 square meters, which can support services to customers and a group of visitors up to 100 people at the same time, including the parking building, toilet building, water tank building, water pump room, guardhouse, and a connecting walkway connected to the customer center building, which are the central assets of the INET-IDC3 project located on the location of the INET-IDC3 Phase 1 project 3. Buildings and components of the power substation control building used for the INET-IDC3 Phase 1 and Phase 2 projects located on the location of the power substation control building 4. Racks with other relevant connection equipment used in the INET-IDC3 Phase 1 project, which includes 492 racks of advanced technology equipment (core network) 5. Equipment used for the INET-IDC3 Phase 1 project
Area Size of Land Under Leasehold	The INET-IDC3 Phase 1 project and central asset building, with the area of approximately 4 rai 1 ngan 1 square wa, including land that is the common area of the INET-IDC3 project, with an area of approximately 7 rai 2 ngan 41 square wa
Lease Term	Ended on December 31, 2045
Date of Investment in Assets	August 3, 2021
Investment Price	4,089 million baht

2.2.3 Price Obtained from the Valuation Report or Review of the Latest Valuation

Grand Asset Advisory Company Limited, an appraiser approved by the SEC Office, has appraised the core assets invested by the trust by considering income/analyzing discounted cash flow (income approach) as a basis for preparing a asset appraisal report which will only consider investment properties. The valuation by this method will appraise by considering the ability to generate income of the assets throughout the investment period. It will estimate income from operations deducted by the cost of all related operations, then discounted at an appropriate rate (discount rate) to get the sum of net income each year representing the present value.

Summary of Key Assumptions in the Valuation Using the Income Method Are as Follows:

Property Appraiser	Grand Asset Advisory Company Limited
Price Appraisal Method	Income Method
Property Price Appraisal Period	23 years (from the date of valuation assignment on December 31, 2022)
Date of Investigating the Condition of the Property	December 8, 2022
Property Price Appraisal Date	January 1, 2023
Appraised Property Value	4,505,800,000 baht
Rental Property	<p>1) <u>Real estate</u> (on some parts of certificate of title No.2877 and 9977)</p> <ul style="list-style-type: none"> - Data center building , utility building, components of the building, and related system work - Customer building, toilet building, water tank building, water pump room, guardhouse, and connecting walkway - Buildings and components of power substation control buildings <p>2) <u>Chattel</u></p> <ul style="list-style-type: none"> - Furniture and equipment for operating within the building related to the operation of data center - 492 racks with connected equipment, advanced technology equipment (core network), processor, and storage with associated software
Rental and Service Rate	<p>1) Real estate rental fee</p> <ul style="list-style-type: none"> - 18,927,936 baht per month for rent and service in the first year - Rent and service adjustment every January 1st of every year at 2.00% - Occupancy rate is considered at 100.00% every estimate year. <p>2) Chattel rental fee</p> <ul style="list-style-type: none"> - 12,618,624 baht per month for rent and service in the first year - Rent adjustment rate every January 1st of every year increases every year at 2.00%. - Occupancy rate is considered at 100.00% every estimate year.
Discount Rate	8.50%

2.3 Procurement of Benefits from Real Estate

2.3.1 Characteristics of Procurement of Benefits from Real Estate

The trust has a policy to procure benefits from the core assets that the trust initially invested in by leasing the core assets to INET only. Currently, it has a remaining lease term of 23 years from December 31, 2022, and the contract will end on December 31, 2045 (which is the same day as the expiration date of lease of land according to the operating agreement (for duties related to the land where the building invested by the trust (the INET-IDC3 Phase 1 project) is located) in order for INET to provide services to INET's customers.

The trust will collect the rental fee from INET at a fixed rate which will be increased 1 time a year at the rate of 2 percent per year as specified in the operating lease agreement, whereby INET will pay the rental fee to the trust on a monthly basis within the 5th day of every month, with the details of the rental rates as follows:

Items	Monthly Rental Rate In the First Year of the Contract [baht/month]	Rental Rate Adjustment
Rental fee for the customer center building and various equipment	320,000	Increase every January 1 st of each year at the rate of 2 percent per year
Rental fee for the data center building and various equipment	30,258,000	
Rental fee for power substation control building and various equipment	350,000	
Total	30,928,000	



2.3.2 Summary of Key Points of the Amendment to the Asset Lease Agreement for Operation (INET-IDC3 Phase 1 Project Building, INET-IDC3’s Central Utility Building, and Power Substation Control Building)

Topics	Details
Counterparty	<p>Lessor : Kasikorn Asset Management Company Limited as the trustee of INET Leasehold Real Estate Investment Trust (the “trust”)</p> <p>Lessee : Internet Thailand Public Company Limited (“INET”)</p>
Leased Property	<p>(1) Buildings and building components and system work related to the service of INET-IDC 3 Phase 1 project (data center building and utility building) (“INET-IDC 3 Phase 1 project building”)</p> <p>(2) Customer center building, parking building, toilet building, water tank building and water pump room, guardhouse, and connecting walkway connecting to the customer center building located on the land where INET-IDC 3 Phase 1 project is located (“central utilities building of the INET-IDC3 project”)</p> <p>(3) Buildings and building components of power substation control buildings used for the INET-IDC3 Phase 1 and Phase 2 projects (“power substation control building”) (Collectively, (1) to (3) are referred to as “leased real estate”.) The aforementioned buildings and components are situated on certain parts of certificate of title No.2877 and part of certificate of title No.9977, with the total building area approximately of 7,557.6 square meters.</p> <p>(4) Furniture and equipment for indoor operations that are leased real estates related to data center operations (that are not considered components of the leased real estates)</p> <p>(5) Racks with other relevant connection equipment used in the INET-IDC3 Phase 1 project, which includes advanced technology equipment (core network) and data processors and storage units totaling 492 racks with software related to various devices</p> <p>((4) and (5) are collectively referred to as "leased chattel"). The details of the leased assets are as specified in the agreement.</p>
Lease Term	<p>The trust agrees to let INET lease the leased assets for a period of approximately 25 years from the leasehold registration date until December 31, 2045 (“lease term”).</p>
Leasehold Registration	<p>In the event that the trust considers that the conditions specified in this agreement have been duly and completely fulfilled, both parties agree to proceed with the registration of amendments under this agreement at the land office or related government agencies for additional duties related to the land on which the building in which the trust invested is located (the INET-IDC3 Phase 1 project) within 60 Days from the date of entering into this contract or any other date to be agreed upon by the parties (“Amended Registration Date”).</p>

Topics	Details
Rental Fee	Leased asset rental fee (excluding VAT) (excluding registration fee, specific business tax, stamp duty, as well as other related fees and expenses) consists of rental of real estates in the amount of 18,556,800 baht and rental of chattel in the amount of 12,371,200 baht (excluding VAT).
Rental Deposit	INET agrees to deposit a rental deposit to guarantee the execution of this contract equal to the total amount of rent for 6 months, provided that the form of such rental deposit must be in cash at least half of the total amount.
Objectives of the Lease	INET agrees to take over, procure the benefits, or take any other action with the leased asset for the operation of the INET-IDC3 Phase 1 project and to be part of the central assets of the INET-IDC3 project (consisting of the INET-IDC3 Phase 1 , the INET-IDC3 Phase 2, the INET-IDC3 Phase 3, and INET-IDC3 Phase 4 project) However, it must be in accordance with the agreement for jointly utilizing the assets for the INET-IDC3 project specified in the additional undertaking agreement for duties related to the land on which the building invested by the trust is located (the INET-IDC3 Phase 1 project) and partial land lease agreement (the power substation control building) (between Mandala and INET as a lessor and a promisor, and the trust as the promise and the lessee)
Duties and Agreements of INET	<p>Throughout the lease term under this contract,</p> <ol style="list-style-type: none"> 1. INET agrees to perform, prepare, or take any other actions in accordance with the terms specified in this contract, the partial land lease agreement (power substation control building 1), operating agreement (INET-IDC3 Phase 1 project) (between INET as a lessor and the trust as a lessee) and additional operating agreement for duties related to the land on which the building in which the trust invested is located (INET-IDC3 Project Phase 1) (between Mandala, INE, and the trust). 2. INET agrees to provide a replacement (by giving ownership to the trust) and/or maintenance and/or repair of all types and/or improve the leased assets or take any action in order to keep the leased assets in good condition or suitable for the purposes specified in this contract. And, it shall procure the benefits according to the objectives of INET throughout the rental term with INET's expenses. 3. INET shall not construct any building or component in the leased assets and shall not make any modifications to any part of the leased assets which causes damage to the leased assets or change the leased assets which requires permission from the relevant government agencies unless having consulted with the trust. INET shall have the right to take such action only upon obtaining prior written consent from the trust. The trust shall not deny such consent without reasonable grounds. In this regard, the parties agree that the ownership of the building or any components constructed or modified thereof shall be owned by the trust as soon as such additional construction or modification is completed.

Topics	Details
	<p>4. In the event that the construction of buildings or components or modifications in any part of the leased property in accordance with Clause 3 above causes damage to other persons or buildings or in the event that INET violates any laws, rules, regulations, and/or other related regulations of the relevant government agencies, INET agrees to be liable solely to indemnify all civil and criminal damages as the owner of the leased property.</p> <p>5. INET shall use and shall ensure that lessees use the leased assets in good faith and shall not conduct any business or do any act or allow any person to do anything that is against the law or peace or good morals of the people.</p> <p>6. INET obtains licenses necessary for the operation of the leased assets (including but not limited to telecommunications). Such licenses have been lawfully obtained and still have a perfect result without being canceled, revoked, or expired, including no dispute with any government agency whatsoever. INET has complied with and will fully comply with the conditions and criteria specified in various licenses and has not acted in any way that violates any laws related to that license, which may cause such license to be at risk of revocation or may cause a negative impact on the leased assets or to the execution of the contract of the parties.</p> <p>7. In case there is an amendment to relevant laws and causes the trust to take action regarding telecommunication business licenses or any other licenses related to the business operation of the leased assets, INET agrees to proceed and assist in coordinating operations in order for the trust and/or a person designated by the trust (in the event that the trust assigns another juristic person to manage the assets instead) to obtain a telecommunication business license or any other license related to the business operation of the leased assets to comply with relevant laws. INET agrees to be responsible for the fees related to such licenses, including any other related operating expenses.</p> <p>In case that INET is another juristic person assigned by the trust to apply for a license on behalf of the trust, INET agrees to fully comply with the terms and conditions specified in the various licenses and shall not perform any act in violation of the laws related to such license, which may cause such license to be at risk of revocation or may cause a negative impact on the performance of the contract of the counterparty.</p> <p>8. INET shall maintain various certifications that INET has received (at INET's own expenses) not to be inferior to the standards received by INET as of the date of entering into this agreement, including (but not limited to ISO standards) or any other standards in the future as the trust deems appropriate in order for the business of providing data center services to go well and able to compete with competitors in such business.</p>

Topics	Details
	<p>9. Unless the parties agree otherwise as specified in this contract, INET shall not incur any additional debts or obligations according to the terms and details to be agreed upon, including the obligations relating to the leased assets including but not limited to sublease, transfer of leasehold rights or other rights, as well as sale and/or lease of leased assets and any other assets related to the operation of the leased assets which will affect the operation of the INET-IDC 3 Phase 1 project without obtaining the prior written consent of the trust.</p> <p>10. In the event that INET's shareholding proportion consisting of (a) government agencies, (b) state enterprises, or (c) mutual funds established by the Ministry of Finance or any other approved government agency of Cabinet Resolutions ("public sector") falls below 40 (forty) percent of INET's total shares, the trust has the right to proceed as follows:</p> <p>(1) Consider and verify the credit rating of (a) INET or (b) the shareholder who holds the sold INET shares on behalf of the public sector or (c) the parent company of the shareholder according to (b) that it is equivalent to Grade A- (for companies incorporated in Thailand) or Grade BBB+ (for companies incorporated abroad) or at least comparable grades (if there is no credit rating). If the persons under (a) and (b) and (c) are unable to maintain the credit rating in the grade specified above, INET grants the trust the right to operate as specified in Clause (2).</p> <p>(2) The trust shall examine and review the impact of the change in the proportion of the public sector's shareholding on being the lessee of INET (for example, preparing an analysis report (if any)). If such examination and review stated that the change in government shareholding could have a material adverse effect on INET's ability to be a lessee, INET grants the trust the right to operate as specified in Clause (3).</p> <p>(3) The trust is able to hold a unitholders' meeting to request a resolution from the unitholders' meeting to determine additional conditions or any action to prevent negative impacts according to the results of the examination and review of the impact on being a lessee of INET (the analysis report (if any)), and the trust shall proceed with INET in complying with the resolutions of the unitholders' meeting.</p> <p>In this regard, the trust will not exercise its right to invite the unitholders to the meeting under Clause (3) in the event that INET is still able to comply with Clause (1) and (2).</p>
Obligations of the Trust	<p>On the date of registration of the leasehold, the trust shall deliver the leased assets in a condition suitable for use in accordance with the objectives of INET. The parties agree that the trust shall be deemed to have delivered the possession of the leased assets to INET on the lease registration date.</p>

Topics	Details
Insurance	<ol style="list-style-type: none"> 1. From the date of this agreement and throughout the term of this agreement, INET will arrange for insurance in accordance with the conditions set by the Trust with the insurance company accepted by the Trust, for the amount of insurance sufficient to cover the risks that may occur to the same type business or as specified by the Trust as follows: <ol style="list-style-type: none"> (1) Property All Risks insurance covering the property rented to cover risks that may occur to the leased property. The insured amount will be determined based on the replacement cost, and must specify the name of the Treasury Department (and the lender of the Treasury Department, if any) as a joint insurer and a joint beneficiary with the ISP in the insurance policy prepared for the leased property. (2) Business Interruption insurance in case of damage to the leased property. The insured amount must cover the total amount of fixed rent to be paid to the Treasury Department for a period of 12 months under this agreement, and must specify the name of the Treasury Department (and the lender of the Treasury Department, if any) as a joint insurer and a joint beneficiary with the ISP in the insurance policy prepared for the leased property. (3) Public Liabilities insurance covering third party liabilities, with an insured amount of no less than THB 50,000,000 per year, based on the possibility of damage to third parties. The name of the Treasury Department (and the lender of the Treasury Department, if any) must be specified as a joint insurer with the ISP in the insurance policy prepared for the leased property to cover third party liabilities that the Treasury Department may have towards third parties. 2. The INET agrees to be responsible for any insurance premiums, expenses or fees incurred or related to the provision of insurance and/or the transfer of rights under the insurance policy that has been prepared and is effective at the date of this agreement.
Assignment of Lease and Sublease Rights	<ol style="list-style-type: none"> 1. Within the lease term, INET cannot transfer the rights and obligations to lease the leased assets under this lease agreement, in whole or in part, to any person unless obtain the trust's prior written consent. 2. The trust agrees to allow INET to offer the leased property to operators within the INET-IDC 3 project for joint use and/or sublease according to the normal business operation of the data center, whether in whole or in part, without prior approval from the trust, under the condition that such sublease must be in accordance with the procurement of benefits of INET, is a sublease to the same group of INET for the area within the INET-IDC 3 project only, and is not a business that is against the law, order, or good morals of the people. However, the sublease term or contract renewal requirement shall not exceed the lease term under this contract.

Topics	Details
Taxes Related to the Leased Assets	<ol style="list-style-type: none"> 1. INET agrees to be responsible for land and building tax or any other similar tax, regardless of what it is called, and any other fees or taxes that the government may additionally impose or apply in relation to land and buildings and/or income or use of possession from the leased assets since leasehold registration date onwards. 2. In the event that the trust has paid for land and building tax or any other similar tax, regardless of what it is called and/or any other taxes that the trust is obligated to pay on behalf of INET in advance, INET agrees to repay back to the trust that it has paid in full within 5 (five) working days from the date of receiving written notification from the trust.
Fees and Expenses	<p>Leasehold registration date as follows:</p> <ol style="list-style-type: none"> 1. Fees for registration of rights and juristic acts: INET shall be responsible. 2. Stamp duty for this contract: INET shall be responsible. 3. Any other expenses related to juristic registration at the relevant land office: INET shall be responsible.
Events of Default	<p>In the event of the occurrence of any of the events specified in the following cases shall be regarded as an event of default.</p> <ol style="list-style-type: none"> 1. Default by INET <ul style="list-style-type: none"> (a) It is the event that INET violates or does not comply with the terms or attestation specified in the INET-IDC3 Phase 1 investment agreement and any amendments thereto, or INET breaches the attestation specified in the INET-IDC3 Phase 1 investment agreement and any amended contracts (as the case may be) and INET cannot remedy such defaults and comply with the contract within 60 days from the date that INET is notified or aware of the event of breach of contract or within any period agreed upon by the parties, except for force majeure. <p>However, in the event that INET defaults on rental payment and/or any outstanding payments that INET has a duty to pay to the trust as specified in this agreement, the trust has the right to deduct the rental deposit according to the amount that INET defaulted on payment. In this regard, INET must additionally deposit the rental deposit to the trust to complete the amount specified in this agreement within the period specified in the relevant contract. If INET does not place additional rental deposit within the said period, the trust has the right to terminate this contract immediately.</p> <p>However, if the trust exercises its right to deduct the rental deposit under paragraph before the end period for 2 times in any 12-month period and INET defaults on rental payment and/or any outstanding payments during the said 12-month period, the trust has the right to terminate this agreement immediately.</p>

Topics	Details
	<p>(b) It is the event that INET has ceased all its operations or in part which causes the trust or the new lessee who will lease the leased assets to be unable to significantly benefit from the leased assets after the termination of this agreement.</p> <p>(c) Any other event of default specified in the additional undertaking agreement for duties related to the land on which the building invested by the trust is located (the INET-IDC3 Project Phase 1 project)</p> <p>2. Default by the Trust</p> <p>(a) In the event that the trust violates or fails to comply with the material terms of this agreement or breach the representations given in this contract and the trust does not remedy such breach of contract within the specified period, the trust shall be deemed to be at fault of this agreement, except for force majeure or caused by INET's failure to comply with the terms or conditions specified in the contract.</p>
Rights of the Counterparty in the Event of Default	<p>1. Rights of the trust in case of default by INET</p> <p>(a) In the event of the occurrence of the event specified in Clause 1. (a) or Clause 1. (c) of the Events of Default, the trust has the right to perform as specified in the additional operating agreement for duties related to the land on which the building in which the trust invested in is located (the INET-IDC3 Project Phase 1 project) and INET will comply with the (b).</p> <p>(b) In the event of an event as specified in Clause 1. (b). the trust has the right to terminate this agreement immediately or take any other action according to the resolution of the unitholders' meeting and INET agrees to comply with such resolution.</p> <p>2. Rights of INET in case of default by the trust</p> <p>In the event of the event specified in Clause 2. of the Events of Default, INET may not terminate this contract. Unless such damage is caused by the trust's violation or non-compliance with the terms specified in this contract, resulting in INET being unable to utilize the leased assets according to the intent and purpose of this agreement, INET has the right to terminate this contract immediately.</p> <p>In the event that INET terminates this contract as specified above, the trust shall repay the rent of the leased assets in proportion to the remaining lease term that the trust has already received and rental deposit to INET. The trust agrees to compensate for the lack of benefit from INET's inability to utilize the leased assets during the remaining lease period, without prejudice to INET's right to claim damages and/or any other expenses arising from the termination of this contract.</p>

Topics	Details
Termination of Contract	<ol style="list-style-type: none"> 1. Upon expiration of the lease term 2. The parties mutually agree to terminate the contract in writing. 3. The trust is terminated or dissolved due to legal requirements or orders from relevant government agencies, such as the SEC, the SEC Office, or the Capital Market Supervisory Board, or as stipulated in the trust deed, without fault on the part of either party. 4. The trust may terminate this contract if the leased properties are totally or substantially damaged. 5. If the whole or a substantial part of land title deed No. 2877, where the leased property is located, is included in an expropriation zone, reserve, or survey area for expropriation according to a law or announcement related to expropriation, or any other laws, regardless of whether land title deed No. 9977 is included in the expropriation area or not, this contract shall be terminated immediately upon payment or deposit of compensation by the expropriating authority in accordance with applicable laws. This is for the sake of clarity. In the event that the title deed no. 9977 falls under the expropriation area or reserved area or the exploration area for expropriation according to the announcement or the law relating to expropriation or other laws where the land title deed no. 2877 does not fall under the expropriation area, it shall be deemed that this contract is terminated only for the land title deed of additional duties related to the land on which the building invested by the trust (the INET-IDC3 Project Phase 1 project) is located. 6. If the contractual obligations related to the land on which the building, in which the trust has invested (the INET-IDC3 Phase 1 project), are terminated for any reason, this contract will also be terminated immediately.
Effect of the Termination of Contract	<ol style="list-style-type: none"> 1. If any of the events listed under Clause 1 of the Termination of Contract section occur, the parties agree to adhere to the specifications outlined in Clause 1 of the Effect after the Lease Agreement Expires the Lease Term. 2. If the contract is terminated as per Clause 2, the parties agree to abide by the terms already agreed upon. 3. If the contract is terminated as per Clause 3, Clause 4, or Clause 5 of the Termination of Contract section, the parties agree to abide by the specifications outlined in the additional operating agreement related to the land where the building invested by the trust (the INET-IDC3 Project Phase 1 project) is located. This includes the trust returning the lease fee and the remaining balance being proportional to the remaining lease term that the trust has already received and the rental deposit to INET. 4. If any of the events listed under Clause 6 of the Termination of Contract section occur, the parties agree to abide by the specifications outlined in the additional operating agreement related to the land where the building invested by the trust (the INET-IDC3 Project Phase 1 project) is located.

Topics	Details
Effect after the Lease Agreement Expires the Lease Term	<ol style="list-style-type: none"> 1. After the lease term of the contract expires, the parties agree that INET will demolish all leased properties located on title deed no. 2877 (excluding the substation control building) and improve the land on which the leased properties are located. INET will also move all types of materials and equipment installed on the aforementioned land within 90 days of receiving a written notification from the trust. INET is responsible for improving the land to the condition specified by the trust at its own expense, unless the parties agree otherwise under the agreement. Any additional duties related to the land on which the building, in which the trust has invested (INET-IDC3 Project Phase 1), is located, will also be agreed upon by the parties. INET agrees to follow through with the agreed-upon actions. 2. If this contract is terminated prematurely for any reason while the trust still has the right to use the land on title deed no. 2877 from the landowner of plot 2877, INET will proceed as follows. <ol style="list-style-type: none"> 2.1. Within 5 years from the termination date of this contract, assist the trust in procuring a Data Center Operator for the INET-IDC3 Phase 1 project and its common assets. 2.2. Transfer the rights to use software related to the operation of the data center for the INET-IDC3 Phase 1 project and its common assets to the trust or a person designated by the trust. 2.3. Carry out other necessary actions for business operations within the INET-IDC3 Phase 1 project and its common assets, such as transferring water meters and electricity meters from INET to the trust or a person designated by the trust, etc.
Force Majeure	<ol style="list-style-type: none"> 1. Force majeure that affects the rent <p>In the event of a force majeure event that has a significant adverse impact on the business and/or operations of INET as well as other operators in the same industry, without INET's fault or involvement, and as a result, INET is unable to pay the rent within the specified amount or period as per this contract, INET has the right to request the trust to consider providing assistance. Such assistance may include requesting a waiver or reduction of rent, extending the rental payment period, or any other proposals. However, the decision to provide assistance is at the sole discretion of the trust. The trust may consider any factors it deems appropriate, including but not limited to the performance of INET and other operators in the same industry. After the trust reviews and considers INET's request, if:</p> <ol style="list-style-type: none"> 1.1. INET has a rehabilitation plan and a timeframe to generate sufficient income to pay the rent to the trust, 1.2. It is the force majeure event that has a significant adverse impact on the business and/or operations of other operators in the same industry on a large scale, with clear and demonstrable impact information,

Topics	Details
	<p>The decision to grant a waiver and/or reduction of rent, extend the rental payment period, or accept any other proposals as mentioned above, will be at the discretion of the trust manager and the trustee.</p> <p>However, if INET's request for a waiver and/or reduction of rent, extension of the rental payment period, or any other proposals does not meet the conditions mentioned above, the trust will convene a meeting of the trust unitholders to approve such a waiver and/or reduction, extension of the rental payment period, or acceptance of any other proposals. INET must provide clear reasons for proposing such a request to the unitholders for consideration.</p> <p>The trust reserves the right to propose such action to either the Board of Directors' meeting of the trust manager or the trust unitholders, depending on the size of the transaction, for consideration and approval. INET agrees to be responsible for the expenses incurred in organizing the Board of Directors' meeting of the trust manager or the trust unitholders, as the case may be, to consider this matter.</p> <p>2. Other force majeure</p> <p>If a force majeure event occurs that renders either party unable to comply with this contract, in addition to the cases set forth in Clause 1, the affected party must promptly notify the other party in writing of such an event. In such an event, both parties shall agree to allow the affected party to postpone the performance of this contract for as long as the force majeure event continues. Neither party will be considered at fault in the event of force majeure. However, if either party is unable to comply with this contract for a period of more than 45 days in total due to force majeure, both parties will negotiate together in good faith and use their best efforts to reach an agreement that is mutually beneficial.</p>

2.3.3 Information of INET (Lessee)

1) History and General Information

Internet Thailand Public Company Limited, also known as INET, is a comprehensive information technology service provider that specializes in offering data center services along with associated equipment, including the presentation of information technology systems, such as Cloud Computing Solutions, and acts as a Cloud Solutions Provider.

INET was originally established on March 1, 1995, under the name of Internet Thailand Service Center (ITSC), with a focus on providing commercial Internet services. The Company was later approved by the Cabinet and registered as a company on May 13, 1997. On October 9, 1997, the Communications Authority of Thailand approved INET as an internet connection service provider for both juristic or corporate and individual customers, without an expiration date. In August 28, 2001, INET converted into a public company and increased its registered capital as per the Cabinet's resolution. The Company has been trading on the stock exchange since November 14, 2001.

2) Nature of Business

2.1) Product Information

2.1.1) Characteristics of Products and Services

INET is a leader in providing Cloud Service infrastructure in Thailand, with a focus on service stability, cyber threat prevention, and the development of various cloud services tailored to meet the diverse needs of its customers. As the digital age requires continuous business operations anytime, anywhere, INET offers services that meet international standards and has done so for more than a decade, making it a reliable provider for businesses.

INET develops stable digital services that have met international standards, including:



Infrastructure as a Service



Cloud Solutions



INET Data Center



Internet Access

Business Platform Service



E-Transaction



E-Office



1. Infrastructure as a Service

Their service offerings are a combination of 3 types of services: Cloud Solutions, INET Data Center, and Internet Access, which serve as crucial infrastructures for various digital services.

1.1 Cloud Solutions Service Business

It is a service that allows users to share computer resources over the internet while adhering to strict security standards in compliance with ISO/IEC 27001, ISO/IEC 20000, ISO/IEC 22301, and ISO/IEC 27018. This service is divided into 3 types, as follows:

- Infrastructure as a Service (IaaS) is a computer system infrastructure service that includes servers and storage. This service comes in various forms to cater to the unique needs of different customer groups, including those who prioritize security against cyber threats or require information security for the

healthcare industry. Other groups may opt for IaaS to reduce costs as the main factor, as users are not required to invest in or maintain their own equipment, resulting in significant savings in IT investments.

- Platform as a Service (PaaS) is a service that enables users to deploy applications to run on the system without investing in hardware and software. This service is particularly useful for electronic tax invoice services, digital document management system services (Paperless), electronic certificate issuance services, and cybersecurity preparation services.
- Software as a Service (SaaS) is a service that provides access to applications and software via the internet, without the need for users to install software on their local devices or maintain hardware, software, and data. SaaS offerings include Email on Cloud, VDI on Cloud, and more.

INET has been providing Public Cloud Solutions for enterprises for over a decade and has received security certification in compliance with ISO/IEC 27001:2013 standards.

INET has been certified for its compliance with the ISO/IEC 22301:2012 business continuity management standard and ISO/IEC 27018:2014 for personal data security, making it the first company in Thailand to receive such certification for cloud services across all three of its INET Data Centers (INET-IDC) located in Thai Summit Tower, Bangkok Thai Tower, and INET-IDC3 Saraburi.

Moreover, INET has been certified for its compliance with ISO/IEC 27001:2013 for Cloud Solutions and ISO 20000-1:2011 for information management services across all three of its locations, including Thai Summit Tower, Bangkok Thai Tower, and INET-IDC3 Saraburi. It has also been certified by the Cloud Security Alliance - Security, Trust & Assurance Registry (CSA-STAR), making it the first company in Thailand to receive such certification for its cloud systems. These certifications attest to INET's commitment to delivering high-quality cloud services and ensuring customer satisfaction.

INET has expanded its range of cloud services to offer customers various options, such as Infrastructure for Big Data, Chatbot as a Service, Document Management as a Service, and E-Meeting Conference to cater to the increasing demand for online meetings due to the COVID-19 situation. These services have been certified by the Electronic Transactions Development Agency. INET also offers specific cloud services, such as Cloud for public health systems, which are certified under ISO27799:2016 Health information security management, and Cloud services for financial transaction systems, which are certified under the financial transaction security standard PCI DSS. Furthermore, INET's cloud services for online payment, PCI Cloud IaaS, are also certified.

As a result, INET has been granted investment privileges for its Cloud Solutions services by the Board of Investment (BOI), which allows for a corporate income tax exemption for a period of 8 years.

1.2 INET Data Center Service Business

The INET Data Operations Center (INET-IDC) is a service center that caters to various government agencies and businesses who wish to present information through the internet or intranet, whether it be on public or private networks. This center provides a range of services, including:

- **Co-Location:**
A server depository service provides organizations with security and stability by allowing them to deposit their existing devices in the provided space.
- **Business Continuity Planning / Disaster Recovery Center:**
A backup facility for efficient and secure database management equips with a spare working area, internet access, and various facilities. This center provides support to employees in all emergency situations, such as flood crisis and political crisis.

INET Data Center (INET-IDC) operates from three locations: Bangkok Thai Tower (INET-IDC1), Thai Summit Tower (INET-IDC2), and Kaeng Khoi District in Saraburi Province (INET-IDC3). The design of all three centers focuses on high-speed and

high-stability connectivity, with perfect interconnection between them in full redundancy using dark fiber, size 10 Gbps, and a total of 4 routes (fiber route) that act as backup in case of any emergency. These centers provide services to leading organizations in the country that trade internet securities transactions and to service providers with highly visited websites, including customers from abroad who wish to reach users in Thailand. All three centers are designed and constructed according to world-class standards, emphasizing the value and safety of both devices and human beings, as well as the environment. For example, INET has built its own substation to create greater stability in the power system service.

In this regard, INET has received Up Time Tier III Design certification, which is a confirmation that the design of the INET Data Center (INET-IDC) is in line with international standards.

1.3 Internet Access Service

INET provides internet connection services for businesses with various speeds, covering all provinces of the country. The service can be accessed through a broadband internet network, high-speed leased line network (MPLS), and SD Wan services, offering flexibility and cost-effectiveness. The bandwidth is tailored to meet the specific needs of customers, with real-time usage monitoring and 24/7 technical support from experienced advisors. The service is backed by a Service Level Agreement (SLA) with a 99.90 percent uptime guarantee. To further enhance the service level, INET uses a Software-defined network system to manage the network infrastructure automatically, minimizing the risk of human error. As a result, the service has gained widespread acceptance among many large businesses in the country.

In 2021, the COVID-19 pandemic has led to a surge in digital usage and a shortage of IT personnel, making cost savings essential for both public and private agencies. As a result, many organizations have shifted from investing in hardware to using Cloud services more, leading to a significant growth in INET's Cloud Solutions. Consequently, the company is considering combining colocation services with cloud services to provide a more comprehensive offering in the future.

2. Business Platform Service

2.1 E-Transaction Service Business

Nowadays, electronic transactions play an important role in the modern economy, especially during the COVID-19 situation. INET, therefore, focuses on developing more electronic transaction services such as E-Tax Invoice Service, which INET is one of the E-Tax Invoice Service Providers of the Revenue Department.

- E-Tax Invoice Service

E-Tax Invoice Service, which is designed to transform paper tax invoices into electronic data. This service enables entrepreneurs to prepare electronic data in the specified format, deliver products to buyers or service recipients with systems that are linked to the Revenue Department, and keep electronic invoice information with information security standards to reduce the burden and save time for businesses. The system data is stored on the cloud, which is certified by the Payment Card Industry Data Security Standard (PCI DSS). The service is fully functional according to the Revenue Department's system and international standards, and can be easily integrated with Enterprise Resource Planning (ERP) systems for use by large organizations.

And as a result of the COVID-19 situation in 2020 and the measures taken to restrict access to public areas (lockdowns), traditional brick-and-mortar businesses were affected. Entrepreneurs have increasingly shifted to online sales, causing the online business sector to grow significantly. Consequently, the issuance of electronic tax invoices and receipts has become more prevalent throughout the year 2020, with the number of customers using the service more than doubling from the second quarter of 2020 onwards.

2.2 E-Office Service Business

In the digital economy that have adapted to use various systems on more electronics, the company has realized such benefits and therefore provides a variety of services to make it easier for service users to adapt to the digital age, including:

- Digital Workflow

Systems that enable organizations to digitize their business processes to increase business agility, such as reducing paper usage and speeding up data handling, turning documents from paper to information. And, there is a search system that helps to find important information faster. Also, there is a system that can change the signing of documents from paper to a digital signature or identity verification system and create a digital organization chart which can modify the access form of various systems to suit each type of business.

- E-Meeting (One-Conference)

INET provides a Video Conference system that facilitates communication and meetings between departments within an organization, promoting continuous business operations while ensuring data security. The system stores data on the cloud with international standards and is supported by the One-Conference system, which allows for both general and secure meetings that require 2-factor authentication. Additionally, service storage areas are compliant with the standards set by the Electronic Transactions Development Agency (ETDA) in Thailand

- One Box

This system is designed to help organizations manage their files in a systematic and secure manner. The data is stored on a database located in Thailand and can be accessed and shared on multiple devices. Access to each data file can be controlled and limited to ensure security and prevent unauthorized access to important documents.



2.3.4 Effects of Changing Lessees

If the trust is required to change the lessee or terminate the operating property lease agreement (including INET-IDC3 Project Phase 1, INET-IDC3 Project's common utility building, and power substation control building), the Company will follow a process to select new sub-lessees and lease the property while considering the benefits of the trust. However, it may take time for the trust to find a suitable replacement who has the qualifications and abilities to lease the core assets originally invested in by the trust, instead of INET. Furthermore, the rental

income that the trust receives from the new sub-lessee may not be equal to what was received from INET, directly impacting the trust's income and ability to pay returns to unitholders.

However, if the trust is forced to terminate the operating lease agreement due to any breach of conditions specified in the lease agreement or other contracts by the lessees, the trust may sue the lessee for compliance and/or claim damages from them. Additionally, the trust also has the right to collect the deposit given by the lessee to reduce the potential impact on the trust's income stream.

2.3.5 Loans

The trust entered into a loan agreement with Kasikorn Bank Public Company Limited with the following important conditions:

Lender	Kasikorn Bank Public Company Limited, which is a person related to the trustee
Borrower	INET Leasehold Real Estate Investment Trust
Loan Amount (million baht)	1,000 million baht
Interest Rate	MLR - 1.75
Loan Agreement Term	11 years from the date of the first loan drawdown
Principle Payment	Repayment by gradual payment as specified in the loan agreement with starting loan pay off from the 15th month onwards
Interest Payment	Monthly
Loan Collateral	<ol style="list-style-type: none"> 1. Mortgage assets, buildings, and equipment of the INET-IDC3 Phase 1 project, including power substation control buildings and equipment. 2. Register business collateral on the following agreements: <ul style="list-style-type: none"> - Lease agreement between the trust and the major lessees - Land lease agreement (power substation control building) - Other related agreements as agreed by the parties 3. Register business collateral on the right in the trust deposit account as agreed by the parties. 4. Transfer the right to receive the lease payment that the INET pays to the trust as agreed by the parties. 5. Insurance policy endorsement 6. A guarantee that additional collateral will not be created on the core assets (negative pledge) from the trust 7. Any other collateral as agreed by the parties
Crucial Conditions	<ol style="list-style-type: none"> 1. Funded interest bearing debt to total asset ratio not more than 35 percent 2. Interest bearing debt to earnings before interest, tax, depreciation and amortization (funded interest bearing debt to EBITDA ratio) not more than 5.5 times
Other Terms & Conditions	In addition to the above-specified conditions, the loan agreement is subject to other terms and conditions as set out in the collateral contract and other financial documents agreed upon by the parties in accordance with the guidelines of the Bank of Thailand and the law.

03 Overview of the Industry Situation of the Benefit Procurement Business from Invested Real Estate

3.1 Overview of Nation's Economy

The Bank of Thailand's 2022 Financial Stability Assessment Report highlights several challenges facing global financial stability in the year 2022. These include geopolitical conflicts such as the ongoing tension between Russia and Ukraine, as well as increasing market volatility due to uncertainty surrounding synchronized interest rate hikes by central banks worldwide to curb inflation. Additionally, there is a risk of a financial crisis in some emerging markets, which could further tighten the global financial situation and impact financial stability in many countries.

The Office of Industrial Economics has released a summary of the Thai industrial economy in 2022, as well as the outlook for 2023 according to the report, the world economy continued to expand in 2022, but with a slowing trend. The Thai economy, on the other hand, accelerated, with the trade and manufacturing sectors experiencing continued growth. However, there are concerns over high inflation rates, interest rates, and unemployment rates.

In 2022, the IMF has forecasted a global economic growth of 3.2 percent, which is expected to slow down to 2.7 percent in 2023. The global economy is showing signs of a recession due to economic uncertainty, prolonged geopolitical conflicts, energy crises, and high inflation resulting in high living costs. The high policy interest rate has added to these challenges. In late 2022, the US Federal Reserve signaled that the interest rate would remain at 3.75-4.00 percent and that there would be a slower increase in interest rates to balance the economy from tight monetary policy. However, international trade and manufacturing in many countries continue to expand well.

Furthermore, the global economy faces several issues that require monitoring, including a slowdown in economic growth, trade tensions that may increase trade barriers between superpowers, high energy prices and interest rates, and fluctuating exchange rates. The household and small business sectors are facing limitations in recovery, resulting in stagnant income and reduced purchasing power of consumers. Nevertheless, the inflation rate is expected to slow down in the future, and the recovery of the

Summary of Key Economic Indicators for the Country in 2022

	(%YoY)						
	GDP 2565 ^F	Inflation 2565 ^F	MPI (Jan-Oct)	Export (Jan-Oct)	Import (Jan-Oct)	Unemp. Rate ^F	Policy Rate ^F
USA	1.6 ▲	8.1 ▲	3.9 ▲	19.9 ▲	18.3 ▲	At 3.7	At 3.75-4.00
China	3.2 ▲	2.2 ▲	3.3 ^F ▲	11.1 ▲	3.8 ▲	At 4.2	At 3.65
Japan	1.7 ▲	2.2 ▲	0.3 ^F ▲	0.4 ▼	19.4 ▲	At 2.6	At -0.10
South Korea	2.6 ▲	5.5 ▲	3.6 ^F ▲	10.3 ▲	23.4 ▲	At 3.0	3.00
Singapore	3.0 ▲	5.5 ▲	3.4 ^F ▲	17.2 ▲	22.2 ▲	At 2.1	n.a
Thai	3.2 ▲	6.3 ▲	2.2 ▲	9.1 ▲	18.3 ▲	At 1.0	At 1.25

Source : www.ceicdata.com, www.imf.org, www.oie.go.th, www.nesdc.go.th
Remark : F is an estimate

service sector and tourism after the country's opening up around the world is a factor supporting further growth in consumption. This is an important driving force for exports and production expansion. However, the business sector may need to manage risks associated with such situations, particularly the management of limited raw materials and labor resources for maximum efficiency.

Despite the economic recovery in Thailand after being impacted by COVID-19, the ongoing geopolitical conflict between Russia and Ukraine has contributed to higher inflation, which is affecting the recovery of some sectors of the economy in a non-comprehensive manner (K-shaped). Nevertheless, the Thai financial system has remained stable with a strong financial and fiscal position, low foreign leverage, and high international reserves compared to many other countries. Financial measures have been implemented to maintain household and business stability, including gradual interest rate adjustments in line with the economic recovery. It helped cushion the volatility and stabilized the Thai financial system in the past year.

In 2022, the industrial economic conditions are expected to slow down in terms of Manufacturing Production Index (MPI), with an estimated growth of 1.0 percent compared to 5.85 percent in 2021. The slowdown is partially due to the conflict between Russia and Ukraine, leading to rising product prices and the disruption of global production chains. The global economic slowdown and the volatility of global financial markets also contribute to the situation. However, the domestic economy is gradually recovering after the country opened to foreign tourists. Certain important industries, such as the automotive industry, have expanded due to increased demand in the domestic market as chip shortages begin to ease. Additionally, the relaxation of COVID-19 control measures has led to a return to normal economic activity. The petroleum refining industry has also benefited from the recovery of both domestic and foreign tourism.

International Trade in 2022 (Jan.-Oct.) Increased Compared to the Same Period of 2021 (Jan.-Oct.). After the COVID-19 pandemic situation subsided, the recovery of international trade continued, along with the relaxation of epidemic control measures in

many countries around the world. As a result, economic activities in Thailand's main trading partners returned to normal operations. Moreover, the issue of container shortages has been alleviated, resulting in a balancing of freight trade costs. Additionally, the depreciation of the baht has helped increase the price competitiveness of Thai products. These positive factors have supported the expansion of private consumption demand, resulting in an increase in Thailand's international trade. Thailand's foreign trade in 2022 (Jan.-Oct.) has a total value of 501,858.3 million USD. The value of export trade is 243,138.5 million USD, growing by 9.1 percent compared to the same period last year. The import value is 258,719.8 million USD, an increase of 18.3 percent compared to the same period last year. The trade balance in 2022 (Jan.-Oct.) shows a deficit of 15,581.3 million USD.

Projected growth rate of the manufacturing production index (MPI) in 2023 is expected to expand by the range of 2.5-3.5 percent with supporting factors as follows:

(1) Expansion of domestic demand is due to the opening of the country and increased employment opportunities outside the agricultural sector, making private consumption increase.

(2) The tourism sector is expected to recover as the country opens up to foreign tourists and relaxes international travel restrictions, returning to normalcy.

(3) The agricultural sector has favorable growth prospects driven by the trend of expanding agricultural products, supported by sufficient water for cultivation. This has resulted in improved purchasing power in the agricultural sector.

3.2 Overview of the Industry Situation of the Benefit Procurement Business from Invested Real Estate

As we enter the digital age, the world is rapidly evolving to keep up with other nations, some of which are competing for technological leadership. Thailand is no exception and needs to adapt to the changing landscape. According to the 2021 Southeast Asian Digital Economy Report (e-Conomy SEA 2021), Thailand is experiencing one of the highest growth rates in digital economy among Southeast Asian countries. However, the shift towards digitalization

has also brought about the challenge of managing and storing vast amounts of data generated at an exponential rate. This data is crucial for technology research and development as well as data analysis, requiring large storage capacities to accommodate it. The development of advanced innovations in the future will depend on how well we can address this challenge.

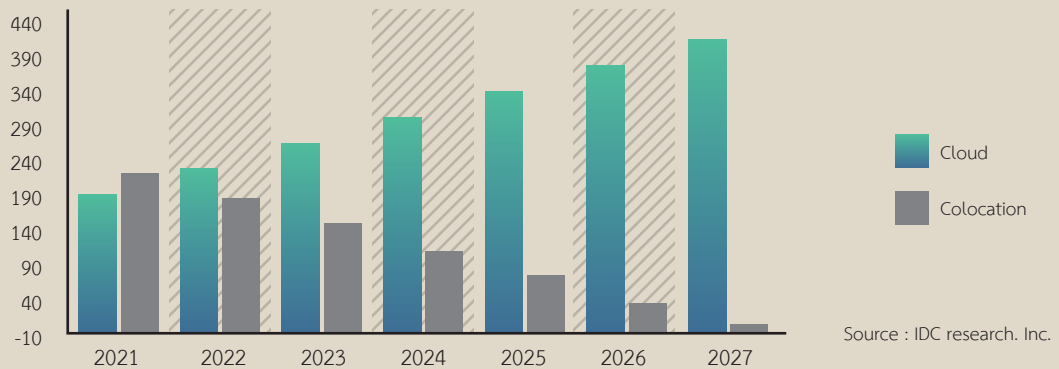
Cloud technology is currently available to support such growth. The cloud technology has 2 main functions: cloud computing and cloud storage, which are particularly useful for managing large amounts of data. It can also help reduce the risk of system crashes and traffic bottlenecks. With cloud technology, all processes can be accessed remotely via the internet, allowing for more flexibility and

accessibility. Furthermore, the upcoming 5G technology is expected to further improve the efficiency of working on the cloud.

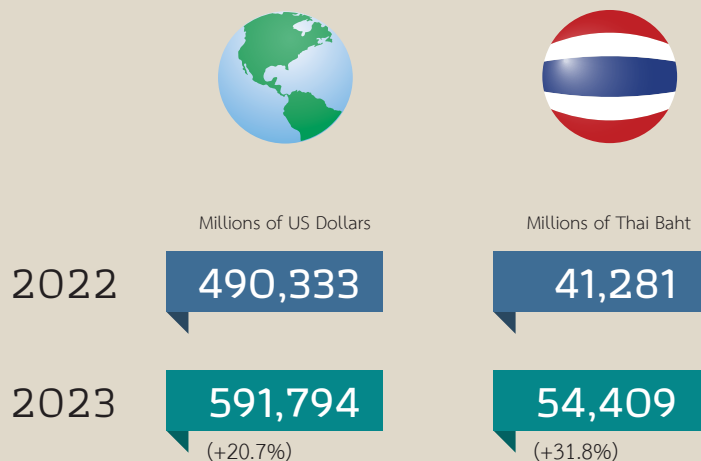
And based on IDC Research's forecasts, the current market conditions for the Cloud business are expected to continue growing as customers find it easier to access the Cloud, while the Co-location business is expected to gradually decrease as more customers switch to using the Cloud. This trend is expected to continue from 2021 to 2027, with Cloud having a higher growth rate and co-location having a lower growth rate.

According to a report by Gartner Inc., in 2022-2023, global public cloud services will grow by 20.7 percent and in Thailand will grow by 31.8 percent.

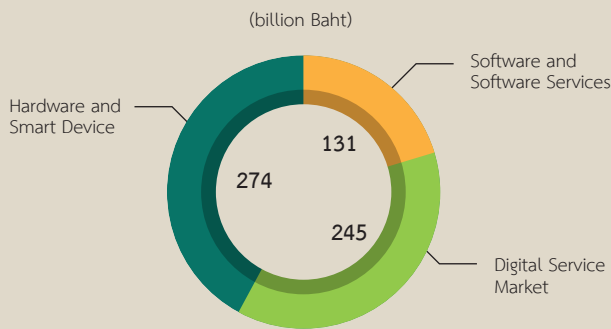
Expected Rack Co-Location Decreased and Cloud Growing



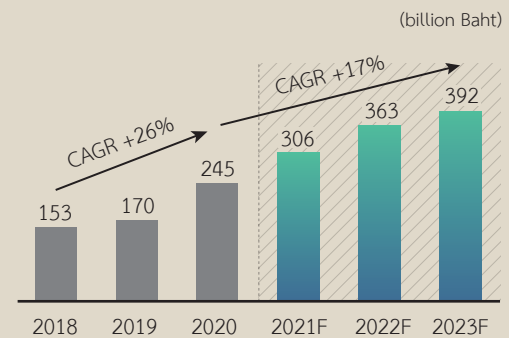
Forecast of Public Cloud Service Growth Worldwide and in Thailand



Value of Digital Industry in Thailand [2020]

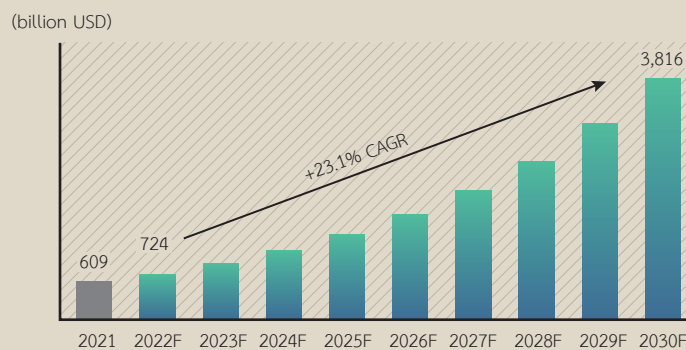


Digital Industry Growth in Thailand



Source : Digital Economy Promotion Agency (DEPA)

Digital Industry Growth Worldwide



Source : Grand View Research

Overview of the Industry Worldwide and in Thailand

The digital industry in Thailand is valued at 650,000 million baht, according to the Digital Economy Promotion Agency (DEPA) report on the digital industry in Thailand in 2020. This industry is related to all aspects of digital transformation and can be divided into the following sectors:

1) The software industry and software services sector has a value of 130,000 million baht. This sector encompasses the production, distribution, service, and rental of software, including enterprise software, software for data analysis and processing, cloud-based software, and other software directly related to digital transformation.

2) Hardware and intelligent equipment industry have a value at 270,000 million baht, including computer equipment, peripherals, storage devices, and smart devices.

3) The digital service industry has a value at 240,000 million baht, including products/services such as e-retail, online media, and FinTech.

The industry has grown at a CAGR of 26% during 2018-2020 and is expected to continue growing at a CAGR of 17% from 2020-2023. This reflects the accelerated growth of digital services and highlights the need for entrepreneurs in traditional industries to adapt and compete in the digital world.

The global digital transformation market is currently valued at 724 billion USD and is expected to grow at a CAGR of 23.1% from 2022 to 2030, according to the global digital transformation market (Source: Grand View Research.) with strong growth trend at a CAGR of 23.1% per year until 2030.

In addition, the government has planned to fully support digital transformation, resulting in the gradual issuance of more laws to be up-to-date and support the transition to the digital age. These include the Personal Data Protection Act, the Cyber Security Act, and the Electronic Government Agency Act, among others. The laws issued by the government provide a boost to both the private and public sectors to invest more in digital transformation.

04 Risk Factors

Investment in trust units of INET Leasehold Real Estate Investment Trust, investors should consider all information contained in the annual information disclosure form, including risk factors carefully before investing. In addition to the risk factors shown in this annual information disclosure form, there may be other risk factors which the Company is currently unaware of or is a risk the Company considers to be insignificant at this time but such risks may be a major risk factor in the future.

The Company has thoroughly evaluated the assets invested by the trust by reviewing pertinent information such as property appraisers' reports and technical property reports. It has also considered various environmental factors, including operations, financial position, and operating results, as well as changes in technology and relevant laws.

In 2022, as the trust manager, the Company has identified risk factors that may have a significant negative impact on the trust which investors should carefully consider as follows:

4.1 Risks Related to the Trust or the Operations of the Trust

4.1.1 Risks From the Trust Performance Which Depends on the Competence of the Trust manager and the Risk That the Trust May Lose the Trust manager or the Trust manager May Lose Top Executive Personnel and Personnel With Expertise in Procuring Benefits From the Trust's Assets

Although the trust has a stable income structure, the Company, as the trust manager, plays an important role in controlling the business operations in order to procure benefits from the assets invested by the trust, including suitable investment opportunities and in accordance with the investment guidelines of the trust as specified in the trust deed. The performance of the Company's duties will be under the supervision of the trustee.

To operate the aforementioned, unitholders may not have the opportunity to assess the decision of the Company about the strategy that the Company used in management or investment of the trust, as well as the conditions for such investment. In addition, the Company is able to exercise or consent to the exercise of any rights or remedies relating to the Company or business of the Company or to exercise or consent to the exercise of any rights or remedies as the trust manager, including giving consent to amend the agreement documents at its own discretion (apart from the matters reserved for the approval or consent of the unitholders for the benefit of the trust). It will bind all unitholders, even though it may not be in line with the interests of each trust unitholder, however, the exercise of any of the Company's rights mentioned above will be in accordance with the rules and regulations of the trust's operations by taking into account of the importance of the trust's overall benefits.

The ability of the Company to implement the successful investment strategy of the trust depends on several uncertain factors. If the Company is unable to operate according to the strategy of the trust as planned, there may be a negative impact on the financial position, performance, and business opportunities of the trust significantly as well as the ability of the trust to pay returns to the unitholders and trading price of trust units.

In addition, directors and senior executives of the Company as the trust managers are an important part of procuring benefits and managing the utilization of real estate. If the trust loses the trust manager or the trust manager loses key personnel, it may be the loss of people with experience, knowledge, expertise, and business connections. It is difficult to find personnel with the same level of competency to replace them. This can result in a decrease in the trust's operational efficiency.

However, the Company, as the trust manager, has a duty to notify the trustee if there is a change of the key personnel in the trust management and has to find a new key personnel with knowledge,

competence, and experience as soon as possible so as not to affect the performance of the trust manager and to provide the continuous management of the trust as well as maintaining the number of personnel in accordance with the regulations and related notifications.

4.1.2 Risks From Conflicts of Interest Since INET, the Operating Lessee, Manages the Data Centers Other Than the INET-IDC3 Phase 1 Project Invested by the Trust

After offering for sale of the trust units of the trust for investment in the core assets initially invested by the trust, the trust uses the proceeds from this initial offering to invest in the core assets of the INET-IDC3 Phase 1 project and enters into an asset lease agreement for the operations of the INET-IDC3 Phase 1 project with INET, the major shareholder of the Company, so that INET as the operating lessee can use the core assets firstly invested by the trust to provide further services to INET's customers.

Since INET still manages the INET - IDC1 project, the INET - IDC2 project, and other phases of the INET - IDC3 project (which are the projects that have the same nature of business as the core assets that the trust first invested in), as well as possibly develop other projects in the future. Therefore, it may cause a conflict of interest with the trust. In the event that there are new persons who wish to use the service of the data center and INET proposes a data center project other than the INET - IDC3 Phase 1 project for consideration, those who wish to use the service may decide to use the service of data centers in other places that the trust has not initially invested in. In addition, although INET has a duty to repair, modify, and maintain the leased equipment assets and is responsible for the expenses in doing so as specified in the asset lease agreement for the operations, the trust may also have risks that INET may choose to repair, develop, improve, and modify equipment assets in other data center projects managed by INET before repairing, developing, improving, and modifying equipment assets in the INET-IDC3 Phase 1 project, which may affect the value, status, condition, and utilization rate of the core assets initially invested by the trust.

However, such potential conflicts of interest do not directly affect the performance of the trust since the trust's main income comes from the rental that INET has to pay to the trust at a fixed rate which does not vary according to the performance of the core assets that the trust initially invests in. However, the ability to pay the rental of INET depends on the overall business operational results of INET, both from the INET - IDC3 Phase 1 project that the trust invests in for the first time and other projects of INET, including future projects.

In addition to the measures mentioned above, under the operating agreement, INET has given the trust the right of first refusal for the investment in the other phases of the INET - IDC3 project, including the property used in INET's business operations of the data center and/or the same group of people apart from the property under the other phases of INET-IDC3 project.

4.1.3 Possible Risks Arising From the Borrowing of the Trust

The trust enters into a long-term loan agreement for a credit line of 1,000 million baht or approximately 24.46 percent of the value of the core assets that the trust initially invests in with financial institutions as a part of the sources of fund for investing in the core assets that the trust initially invests in. Therefore, the trust may be exposed to risks from such borrowing and the fluctuations in economic conditions and interest rates. Since the floating interest rate under the loan agreement may change during the term of the loan agreement, it can affect the operations of the trust, causing the trust to have insufficient liquidity to pay interest and principal, and may affect the trust's ability to pay returns to the unitholders.

If the trust is unable to pay principal and interest due or any other breach of agreement under the loan agreement, it may result in the lender taking legal action against the trust or using the right to claim under the agreement arising from non-compliance with the loan agreement, such as exercising the right to enforce according to the agreement relating to providing part or all of the collateral of the trust used as collateral for the loan, etc. In addition, in



the event of new loans for repaying existing loans (refinancing), the trust may have risks that it may take time to process or the terms in the new loan agreement are not as good as the terms in the original loan agreement. In the case of additional borrowing, there may be certain terms of agreement which limit the operations of the trust. All aforementioned risks of borrowing may affect the liquidity of the trust which may negatively affect the trust's ability to pay returns to unitholders. In addition, such provisions may limit the trust's ability to make additional investments.

However, the Company will consider the increased risk compared to the benefits that will be obtained from the loan and guidelines or measures to prevent risks that may occur. Also, the Company will set measures to regularly monitor the performance of the trust and various external factors including interest rate trends. In addition, the Company may consider negotiating with creditors such as requesting for an extension of the debt repayment period, requesting for a waiver of conditions that obstruct the management of the trust, etc. The trust will do so by taking into account the relevant laws and the utmost benefit of the unitholders.

4.2 Risks Related to Procurement of Benefits From the Trust's Assets

4.2.1 Risks of the Trust Relying on Income From the Sole Operating Lessee Who Manages the INET-IDC3 Phase 1 Project, Which is the Trust's Only Source of Income

The trust has entered into an asset lease agreement for the operations of the INET-IDC3 Phase 1 project with INET for a period of approximately 24 years and 5 months in order to allow INET to lease the said asset. INET will procure the benefits from the INET-IDC3 Phase 1 project by bringing such asset out to provide further services to their own customers.

The main income of the trust comes from the lease fee under the asset lease agreement for the operations of the INET-IDC3 Phase 1 project as mentioned above only. If INET cannot control, supervise, and manage the INET-IDC3 Phase 1 project and general business

(any project) of INET effectively and efficiently, it can have an impact on business operations and management of the INET-IDC3 Phase 1 project, and assets in such project, as well as the turnover of INET. This may cause INET to be unable to pay the lease fee to the trust and/or comply with the

conditions of the asset lease agreement for the operations of the INET-IDC3 Phase 1 project and/or related agreements. Such case may negatively affect the turnover of the trust, including the trust's ability to pay returns.

However, the asset lease agreement for the operations of the INET-IDC3 Phase 1 project does not allow the operating lessee to terminate the agreement before the end of the lease period and requires the lessee to place a security deposit equal to the total rental amount of 6 months as specified in the asset lease agreement for the operations of the INET-IDC3 Phase 1 project. If the lease period ends prematurely which is caused by INET's breach of agreement, the trust has the right to seize such rental security deposit according to the conditions specified in the asset lease agreement for the operations of the INET-IDC3 Phase 1 project, together with claiming other damages (if any) from INET, depending on the judgment of the court and the ability to repay the debt or whether the asset value of INET is sufficient to repay the debt to the trust or not. In addition, the trust may lack rental income while there is no new operating lessee to operate the data center service business after or in place of INET if the trust is unable to find a new lessee who agrees to pay the lease fee in a reasonable amount and in a timely manner, or has rental conditions with the new lessee that are different from INET, or unable to find new lessees at all. Any of the aforementioned reasons may result in the trust receiving a decrease in rental income each year and may have a material negative impact on the business, financial position, performance, and business opportunities of the trust, including the ability of the trust to pay returns to the unitholders.

INET is a listed company on the stock exchange that has been in the technology business for a long time and has expertise in the information and communications technology industry. This will increase unitholders' confidence that INET will have the business potential and ability to comply with the asset lease agreement for the operations of INET-IDC3 Phase 1 project and/or related agreements. In addition, under the asset lease agreement for the operations of the INET-IDC 3 Phase 1 project, various measures have been taken to control the business operations of the lessee. This includes but is not

limited to determining the funded interest bearing debt to total asset ratio, compliance with the law, terms and conditions of the license, rules related to business operations, etc.

4.2.2 Risks From Economic and Industrial Conditions That May Affect Turnover, Financial Position, and Ability to Pay Lease Fee of INET to the Trust

Negative changes in economic conditions in the future, which may occur at the national, regional, and international levels, may have a significant negative impact on the state of the technology service industry, business operations of various entrepreneurs, including the need for data storage space or data storage system, which will affect the turnover and financial status of the operating lessee of the trust, including the ability to pay rent of operating lessee. This may negatively affect the trust's ability to pay returns. In the event that the operating lessee fails to pay the lease fee and the trust terminates the agreement, the trust may not be able to find other operating lessees to lease for operations because it is a case of changes that affect industry conditions.

However, the technology of the core assets that the trust initially invested in, at present, is considered the basic technology for providing data center services, which is still necessary and is not likely to be replaced by new technology in the future in the short and medium term. Moreover, the data center assets that the trust invested in the INET-IDC3 Phase 1 project can still be adjusted to support the development of technology in the future. It can provide various levels of benefits, both from colocation services to cloud services such as Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS), including various additional services to create more value. Such factors will help reduce the impact of economic and industry conditions that may change in the future and will help reduce the negative impact on the trust's ability to pay returns.

4.2.3 Information technology service industry has rapid changes in technology and INET may not be successful in responding to such technological developments. This may affect INET's ability to maintain and grow its customer base. This may have a significantly negative impact on business, financial position, performance, and the ability of INET to pay the lease fee according to the asset lease agreement for the operations of the INET-IDC3 Phase 1 project

As technology in the information technology service industry changes rapidly, INET must forecast and respond to such changes to improve existing services or develop new, better services successfully and quickly enough to adapt to market changes. To operate such action may require significant additional investment in technology, related equipment, and new better services. There may cause maintenance costs and a higher level of maintenance. Although INET has a duty to repair, modify, and maintain the leased assets to be in good condition throughout the lease period and modifying the leased equipment to keep up with new technology, there is a risk that INET may not be able to adjust such technology due to lack of funds or other reasons which may materially and negatively affect the value of the core assets initially invested by the trust. In addition, in the future, new technologies may replace and make current technologies and systems obsolete. Therefore, INET's ability to adapt to technological changes in providing information technology services and deliver new and better services in a timely manner at a low cost or the ability to forecast customer needs will play an important role to increase or maintain INET's customer base and revenue of INET. If INET is unable to respond to technological changes or does not have products and services that are popular in the market or if there is the development of products or services of other service providers to compete, it may lead to a decrease in the competitiveness and number of customers of INET, which may cause a material adverse effect on the business, financial position, performance, and ability of INET to pay the lease fee of the lease asset agreement for operations of the INET-IDC3 Phase 1 project.

INET is a company that has been in the technology business for a long time and has expertise in the information and communications

technology industry which will increase the unitholders' confidence that INET has the ability to access information sources, trends, and changing directions in the information technology service industry and has the potential to respond to such technological developments. Also, in the future, the cost of various technologies may be lower so it may not require a large amount of capital to invest in such additional investments.

4.2.4 Risks Related to Competitors in INET's Business Operation

INET may face the risk of increasing market supply due to higher competition in information technology service business in the future. The supply of data centers in Thailand grows more than 180 percent between 2015 and 2017, and the growth will be at a high rate between 25.00 percent to 30.00 percent per year in 2017, with more than 30 data center service providers in Thailand. It is expected that there will be an increase in the construction of a data center to support the increasing demand from the growing number of smart phones that support data transmission, usage of social media network, and applications, including the increasing use of data center operations from large enterprises which turn to use the cloud system to store and analyze more data, and the government sector which wants to promote access to the information technology and communications system network as well as electronic government services (e-Government) to remote areas where information and communications infrastructure and digital services have not reached. The increasing number of entrepreneurs in the market and the addition of new data centers in addition to the existing ones may affect users to switch to other service providers which will affect the income and performance of INET.

However, the demand of the data center business has a good growth trend in the present and in the future due to the development of technology and the accessibility of the Internet, resulting in the need for big data analytic and transmitting data through audio and visual systems (Audio Visual Streaming) even more. Data Center of the INET-IDC3 project has strengths from the design and construction

according to the Tier Standard Topology at the Tier-III level from Uptime Institute, the Information Security Management System certification of the Data Center with ISO / IEC 27001: 2013 standard, the certification of IT Service Management System of the data center in accordance with ISO / IEC 20000: 2011 standards, the design of telecommunication network infrastructure of TIA / EIA 942 - A, and in the Network Neutral Data Center with non-exclusive connection. This gives network service providers a wide variety of choices. In addition, the location of the Data Center is in a terrain that is safe from natural disasters. It has customers who are large industrial business groups of the country, financial institution groups, and government organizations, both using the service and planning to use the service. Therefore, the core assets that the trust initially invested in have advantages and has outstanding competitiveness compared to other data center building assets.

4.2.5 Risks of Finding New Lessees to Operate the Data Center Business After or In Place of INET

In the event that INET breaches the relevant agreement between the trust and INET causing the trust to terminate the lease agreement of such assets, the trust may not be able to find a third party to operate the data center service business after or replacing INET within a short period of time since the number of people who can operate a data center

service business is limited and such persons need to have a license and obtain various relevant approvals from the NBTC. Currently, there are about 10 people in total who can operate a data center service business.

However, the INET-IDC3 Phase 1 project, which has started its commercial operations at present, received Tier 3 Design certification from Uptime Institute for the design of engineering systems which is an internationally accepted standard and the project supports many types of lessees, including telecommunication companies, and hardware vendors for data centers, both domestically and internationally. Moreover, the INET-IDC3 project is located in a good location with a low risk of natural disasters and is ready in terms of utility systems. In addition, at present, there are many licensees related to the data center service business and the business is in the period of expanding. For people who are interested in investing who want to speed up the opening of operations, the trust's assets that are ready for operations may be an alternative for those who are interested in renting the assets from the trust. Therefore, the aforementioned factors will help encourage people who are interested in operating the business or be a lessee of the assets from the trust.



4.2.6 Risks of the Operating Lessee Not Obtaining or Not Being Able to Renew the Necessary Licenses or Approvals to Operate the Business

INET must obtain licenses and other relevant approvals from the NBTC. For the current business operation, INET has received a type one telecommunication business license which will expire on March 30, 2025. The said license can be extended upon fulfilling the conditions set by the NBTC. In maintaining such license, the licensee must comply with certain terms and conditions as specified by the NBTC.

However, during the term of the asset lease agreement for the operations of the INET-IDC3 Phase 1 project, the trust cannot guarantee that INET will be able to maintain or renew such license. Moreover, if NBTC issue new rules or new regulations or have different interpretations of the law or in the event that the NBTC increases the fees or other conditions relating to the collection of fees from INET, the trust cannot guarantee whether INET will be able to comply with such new conditions or interpretation guidelines or not. Any breach of these license terms and conditions will depend on the nature of the breach which may include liability for daily fines at the current rate of not less than 20,000 baht per day. For some unresolved violations of license conditions, and if the NBTC deems it to be a serious

violation, NBTC may consider revoking the license. The aforementioned causes may materially adversely affect INET's ability to operate and INET's rental payments to the trust under the asset lease agreement for the operations of INET-IDC3 project phase 1 or if INET is revoked or unable to renew the license or in the event that a new rule is issued causing the trust to have a duty to apply for a license and the trust is unable to apply for such license or the trust is in the process of applying for INET approval and/or the trust (as the case may be) may be unable to operate temporarily or continuously, which may significantly affect the trust's income and the trust's ability to pay returns to the unitholders, or it may have to dissolve the trust.

However, the operating lease agreement has set a condition for INET to agree to comply with laws, agreements, and conditions of the license applicable to INET's business operations, including the acquisition and maintenance of the license from the NBTC. INET agrees to be responsible for any damages that the trust and the trustee have received due to breach of agreement or agreement terms or breach of any attestation of INET under the INET-IDC3 Phase 1 project operating agreement. The clause under the operating agreement between the trust and INET stipulates that INET is obligated to perform or assist in coordinating the operations in case of issuing new rules or regulations or there is a different interpretation of the law. INET agrees to be responsible for the operational fees and related expenses.

4.3 Risks Related to Investment in the Core Assets Initially Invested by the Trust

4.3.1 Core Assets Initially Invested by the Trust May Have an Actual Service Life Significantly Shorter Than Their Designed Service Life.

In investing in the core assets that the trust initially invested in, the Company has provided technical advisors to assess the service life of the core assets that the trust initially invested in, based on the service life according to the general standards of each type of assets as follows: 1) Advanced technology equipment has service life for approximately 7 years, 2) Component mechanical equipment has service life of approximately 15



years, 3) Cable equipment and network equipment system work has a service life of approximately 20 years, and 4) Building structure has a service life of more than 27 years. This assessment is based on the additional assumption that the user of the assets will procure the benefits of the assets according to the purpose of use and take care and maintain the assets according to the standards continually.

However, the trust is in the position of the owner and the lessor of the assets only. Therefore, there is a risk that the operating lessee of the trust may use the assets for benefits in ways that are inconsistent with purposes of the use or with improper care and maintenance. As a result, such assets will deteriorate faster than the standard or in the event that the operating lessee is unable to provide equipment to replace broken, damaged, deteriorated, or out-of-service-life equipment to maintain the same standard as the first day that the trust invested in the core assets that the trust initially invested in. It may affect the service standards for procuring benefits from the core assets that the trust initially invested in which may negatively affect the ability to pay the lease fee of the operating lessee to the trust.

However, the asset lease agreement for the operations of the INET-IDC3 Phase 1 project requires INET as the operating lessee to be responsible for repairing, modifying, and maintaining the leased assets to be in good condition according to usage standards throughout the lease period, as well as being responsible for the cost of maintenance of the leased assets, including the cost of replacing various parts that deteriorate or expire (the ownership of such assets will belong to the trust) to ensure that the utilization of the assets of the lessee will be in accordance with the objectives and standards of use, including taking care, repairing, and maintaining to be consistently in accordance with standards. This will result in the utilization of such assets with maximum efficiency. However, if INET has to repair or modify a lot of equipment, it may affect INET's ability to pay lease fee to the trust.

However, the trust requires INET to submit the annual operating plan and the maintenance plan of the assets to the trust. It also requires INET to maintain a reserve fund according to the said plan in case it

needs to repair or modify equipment in large amount. In addition, the trust will arrange for a technical advisor to examine the plan and the implementation of such plans.

4.3.2 Risks From the Value of the Leasehold on the Land Where the Power Substation Control Building is Located and the Building That the Trust Invested in Being Reduced According to the Remaining Lease Period Which May Cause the Trust Unit Value of the Trust to Decrease Proportionally

The trust invested in the leasehold of the land where the power substation control building is located as well as investing in the ownership of buildings, structures, and movable properties used in the INET-IDC3 Phase 1 project for the purpose of utilizing the core assets initially invested by the trust according to the investment objectives of the trust for a period of approximately 24 years and 5 months from the date of investment by the trust until December 31, 2045 (which is the same date as the expiry date of the right under the operating agreement (for duties related to the land where the building invested by the trust (INET-IDC3 Phase 1 project) is located)). In addition, at the end of the lease period, INET has the right to buy back the buildings and structures that the trust invested in or the trust may have a duty to demolish such buildings (as the case may be), in which the value of leasehold on the land where the power substation control building is located and the value of the buildings in which the trust invested will be reduced according to the remaining period. The trust will not reserve funds for the repayment of the investment in the leasehold of real estate to the unitholders, but will gradually pay back the investment to the unitholders by reducing the registered capital.

In addition, the value of trust units may decrease from the value appraisal of the leasehold and structures invested by the trust or due to any other reasons beyond the control of the trust. However, such change of leasehold value may significantly affect the net asset value of the trust, unit value, and/or payment of returns of the trust in the end.

4.3.3 Studying and Examining the Status of the INET-IDC3 Phase 1 project Does Not Guarantee That the Assets in the Data Center Service Business Are Free of Defects.

Before investing in the core assets initially invested by the trust, the Company has studied the details of the assets used in the service of the data center of the INET - IDC3 Phase 1 project by checking the status from related documents (Due Diligence), including details from the value appraiser's report, report of the building structure consultant, and report of the technical advisor of the trust carefully. However, such actions do not guarantee that the assets used in the business of providing data center services are free from damage or defects that there may be a cost to improve or repair. The value appraiser's report, report of the building structure consultant, and report of the technical advisor of the trust that the Company used as a basis for assessing and inspecting assets used in the business of providing data center services may have flaws and inaccuracy due to some defects of the assets used in the business of providing data center services may be difficult to detect or cannot be detected due to audit limitations including techniques used in inspection or other factors that limit the examination of both value appraisers, building structure consultant, and technical advisor of the trust, including events that may occur from the date of the report preparation of the value appraiser, building structure consultant, and technical advisors of the trust until the date of successful investment by the trust. In this regard, in the event that the core assets in which the trust initially invested is damaged and causes the trust to be unable to lease it to the operating lessee, or use any other relevant benefits for the benefit of the trust, the trust has the right to receive compensation from INET in case of breach of agreement. It can be proved that such defect has occurred before INET delivered the core assets that the trust initially invested in to the trust. However, the trust founder cannot guarantee that the trust will be entitled to compensation from the lessor's breach of agreement. If the lessor does not agree to compensate in the event of such breach of agreement the trust has the right to use the court's right to receive further compensation from the lessor, depending on the proving process, prosecution, and prosecution proceedings.

In addition, the core assets initially invested by the trust may violate the rules, regulations, and regulations related to the assets which the study of the details and examination of related documents (Due Diligence) of the Company cannot cover. This may result in the burden of expenses that exceed the amount the Company has estimated before investing or incurring a duty to perform obligations relating to the breach of such regulations imposed by the relevant government authorities. In particular, the attestation, warranties, and agreements for indemnification that INET has provided to the trust have limitations in terms of the scope, amount, and period of time that the asset owner has given attestation, warranties, and indemnification agreements. The trust has the right to be compensated by the lessor in the event of a breach of the attestation or warranties. However, the trust's founder cannot guarantee that the trust will be entitled to be compensated according to the attestation, warranties, or agreements to indemnify in the event of damage or liability to the trust as a result of the acquisition of assets. If the lessor does not agree to compensate in the event of such breach of agreement, the trust has the right to use the court's right to receive further compensation from the lessor, depending on the proving process, prosecution, and prosecution proceedings.

4.3.4 Risks As the Trust Relies on Cement Kaeng Khoi Land for the INET-IDC3 project's Entrance and Exit

Currently, the INET - IDC3 project has 2 entrances to the public, namely the entrance and exit on Rong Poon Road and the entrance and exit on Thap Kwang Municipal Road. The entrance and exit to Rong Poon Road is the entrance and exit that must pass through the land owned by Cement Kaeng Khoi which the trust has the right to use such entrance and exit as specified under the temporary entrance and exit area agreement to go through public roads. If there is a case where Cement Kaeng Khoi cancels such agreement or Cement Kaeng Khoi transfers ownership of the land that is the entrance to the third parties, this will be in the event that Mandala breaches the aforementioned agreement. However, in the event that the trust is unable to use the entrance of the Cement plant, the trust can still use the entrance and exit on Thap Kwang Municipal Road by passing through the land owned by INET in

order to pass through the public road. INET agrees to register the encumbrance in immovable properties on the area used as the entrance on the certificate of title of said land to the trust on the date of trust's investment for the trust and/or a person designated by the trust can use INET's land to access the public road, Thap Kwang Municipal Road.

4.3.5 Risks That the Trust May Not Be Able to Request a Vat Refund (From Buying Assets From INET) From the Revenue Department According to the Amount Requested or Get a Late Refund

The trust is obligated to pay VAT from purchasing assets from INET under the real estate purchase agreement. The trust has the right to request VAT refund from the Revenue Department after the completion of purchase of assets if the trust has less output tax than input tax. The trust cannot guarantee that the trust will receive a full amount of VAT refund from the Revenue Department. There may also be a risk of delay in receiving the refund. This may negatively affect the performance of the trust as well as the trust's ability to pay returns.

In addition, in the event that the trust disagrees with the Revenue Department's ruling, the trust may have to take reasonable steps. This may include legal proceedings with the Revenue Department or courts to request a refund of the VAT amount, which is currently awaiting consideration from the Revenue Department.

4.3.6 Risks Arise From Natural Disasters, Accidents, Sabotage, or Events of Damage That May Affect the Operations of the Data Center of the INET-IDC3 Phase 1 Project, Including the Insurance for the INET-IDC3 Phase 1 Project That Has Been Done Possibly Not Being Sufficient to Remedy All Damages. As a Result, It May Negatively Affect the Trust Operations That May Affect the Trust's Ability to Pay Returns.

The INET-IDC3 Phase 1 project may be damaged during operations due to many reasons such as fire, explosion, natural disasters, including the actions of third parties, and other unpredictable dangers. Although such an event is likely to occur infrequently, it may cause significant damage to

people, assets, environment, business operations, reputation, financial position, performance, and financial status of INET and may have a significant negative impact on the trust's income.

Even though the trust has provided adequate and appropriate insurance for the core assets that the trust initially invested in, which is in accordance with the requirements of relevant laws, in the event of damage to the INET-IDC3 Phase 1 project, there may be situations where some insurance policies do not provide full damage coverage or certain damages that may occur that are beyond the forecast and not covered by the insurance policy. Therefore, the amount of insurance or compensation to be received may not be sufficient for repair or construction and/or delays. Hence, the trust may have an obligation to incur expenses for repairs and/or additional construction and/or related expenses during construction so that real estate can procure benefits. This may directly affect the return that unitholders expect to receive or may not receive any insurance money at all.

The trust has prepared business interruption insurance to reduce the risk of loss of income during construction in case of asset damage.

In addition, in order to manage such risks, the Company may regularly review the type of insurance and there will be an appropriate insurance limit for each type of insurance.



4.4 Risks Related to Regulations, Laws, Taxes, and General Risks

4.4.1 Future Changes in Laws, Regulations, or Law Enforcement Policies in Thailand May Adversely Affect the Trust's Income.

Laws, regulations, and law enforcement policies in Thailand, including the laws applicable to the business of providing information technology services may change in the future. In addition, each governing organization may interpret the law and different practices of the laws. The change of the laws, regulations, policies, and plans of the government concerning the nature of the trust's business or the information technology service business may result in the trust being obliged to comply with additional legal requirements and is limited in the scope of any action related to its business operations. This results in significantly higher operating costs or may cause the trust to be unable to take advantage of the invested assets any longer. Any of the aforementioned may negatively affect the financial position, performance, and business opportunities of the trust until it may have to dissolve the trust.

4.4.2 Risks From the Initial Investment of the Trust's Main Assets Being Expropriated

The trust may be at risk in the event that the government agency expropriates the core assets that the trust initially invested in which causes the trust to be unable to use the core assets initially invested by the trust for the benefit of continuing its business operations; also, it cause the returns that the trust receives from the investment not be in accordance with the estimated income until it may have to dissolve the trust.

In addition, in the event of such expropriation, the trust may not receive compensation from the expropriation or received such compensation less than the value that the trust used to invest in the assets. This may result in the return that the unitholders will receive from the investment is not as estimated. However, the amount of compensation that the trust will receive depends on the conditions specified in the relevant agreement and the remaining sublease period of the assets after expropriation or the amount of compensation received from the expropriation. In addition, the founder of the trust has studied the information according to the Royal Decree prescribing the land area in the area to be expropriated in the area where the core assets that the trust initially invested in are located. It is not found that the location of the core assets that the

trust initially invested in falls under the specific expropriation zone. The trust founder cannot assess the likelihood of expropriation as land expropriation is the policy and the necessity of using the government's land at certain time in the future.

4.4.3 Changes in Accounting Standards or Related Laws May Affect the Operations or the Ability to Pay Returns of the Trust.

The trust's financial statements may be affected by the new accounting standards which has been further adjusted to be in line with International Financial Reporting Standards (IFRS). Currently there is no information about the scope and timing of changes in accounting standards. Such changes are unpredictable. However, such changes are only changes in accounting standards which may not affect the ability to pay returns to unitholders in any way.

In addition, amendments to laws, notifications, requirements, rules, regulations, provisions, policies, interpretations, and/or orders of government agencies or agencies with legal powers related to information technology service business and the trust or the benefits received from investing in the trust's assets are factors that the trust cannot control or predict. Therefore, the trust is unable to assess the impact from such event and cannot guarantee that any of the aforementioned events will not affect the performance of the trust or the trust's ability to pay returns. In the case of aforementioned events, it may materially and negatively affect the performance, status, income, profit, and financial liquidity of the trust, including the ability to pay returns of the trust or the trading price of trust units in the secondary market.

4.4.4 Spread of Infectious Disease, Fear of an Epidemic, or Other Serious Public Health Issue

Outbreaks of Influenza A Infectious Diseases occurring in poultry or Bird Flu (Influenza A H5N1), Severe Acute Respiratory Syndrome (SARS), Middle East Respiratory Syndrome (MERS), Coronavirus Disease 2019 (COVID-19), or any other life-threatening diseases, contagious diseases, or severe epidemic and measures to manage such epidemic by the government, such as city lockdown measures,

including the global economy slowing down from the epidemic situation may affect the business operations and the ability to pay lease fee of INET which may negatively affect the income or financial status of the trust.

At present, the epidemic of Coronavirus Disease 2019 (COVID-19) has not directly affected the information technology service business and does not significantly affect the operations of the core assets that the trust initially invested in. In addition, the main income of the trust will come from the lease fee that INET has to pay to the trust at a fixed rate which does not vary according to the performance of the core assets that the trust initially invested in any way. However, the Company is aware of the risks arising from such situations and is prepared to cope with situations that may affect the operations of the trust and industry conditions that may affect the business operations, financial position, and INET's ability to pay lease fee. Since the trust relies on income from INET which is the only lessee. Also, if INET's customers are affected by the epidemic of Coronavirus Disease 2019 (COVID-19) or the spread of any other contagious diseases in the future and results in INET's customers being unable to pay rent or service fees to INET, it may affect INET's ability to pay rent to the trust as well. In addition, the Company is also preparing for the opportunities that arise from such situations. However, if the situation of spread of Coronavirus Disease 2019 (COVID-19) in the future becomes more severe, it may affect the performance of the trust and the distribution of returns of the trust.

4.4.5 Political Risks

The trust's operation, financial position, performance, and business opportunities may be partially influenced by the political situation in Thailand. It can be seen that the political situation in Thailand has been unstable many times. The event affected the economy and society of Thailand.

The Company, therefore, cannot guarantee that there will be no further events that will lead to political instability which may have a material adverse effect on our operations, financial position, performance, and business opportunities of the trust.

4.5 Risks Associated With Investing in Trust Units

4.5.1 Trading prices of trust units can fluctuate greatly and investors may not be able to sell trust units at a price equal to or greater than the offering price of trust units.

The trust registers the trust units as listed securities on the stock exchange. The liquidity of trading trust units is assessed from the frequency and volume of trust units traded on the stock exchange which is based on the amount of demand of buyers - sellers (Bid - Offer), which depends on many factors that the trust cannot control, such as the amount of demand of investors. Therefore, there is a risk that the trust units of the trust will lack trading liquidity in the secondary market and lack of general demand from investors. It may also result in the purchase price of trust units of the trust not reflecting the actual performance of the trust. It may cause investors to be unable to assess the performance of the trust by comparing with other trusts both in Thailand and abroad.

In addition, the trading price of trust units in the secondary market may be traded at a lower price than the offering price of trust units in this offering. However, the trading price of trust units depends on many factors, including the following factors:

- Perspectives on the operational and investment potential of the trust, including the information technology service business in Thailand
- Differences between the trust's the actual financial position and performance and those forecasted by investors and analysts
- Issuing a new analysis or changes in analysts' recommendations or estimates
- Changes in economic, political, or general market conditions
- Net asset value of the trust
- Attractiveness of trust units compared to other capital securities, including other trust units that are not in the business of providing information technology services
- Balance between demand and supply in trust units
- Sale or intention to sell a large number of trust units by unit holders
- Future size and liquidity of the information

technology service business market in Thailand or the market of real estate investment trusts in Thailand

- Future changes in the structure, regulations, including tax burdens, both in general and in particular with respect to real estate investment trusts and domestic and foreign investment
- Litigation and investigation by government agencies
- Market volatility as well as capital market weakness and rising interest rates, and
- Inability of the trust to operate according to the investment strategy and business expansion, etc.

All the above factors may cause the market price and demand of trust units to fluctuate greatly or causing the trust units to be traded in the secondary market at a price higher or lower than the net asset value of the trust units.

In addition, the trust's inability to meet market expectations in terms of profit and returns may have an adverse effect on the market price of the trust units. This may limit or prevent unitholders from being able to sell trust units in a timely manner and may negatively affect the liquidity of the trust units of the trust.

4.5.2 Future Sale of trust Units by INET or Other Major Unitholders May Negatively Affect the Trading Price of Trust Units.

After the initial offering of trust units, INET agrees to hold trust units in the proportion of not less than 25.00 percent of the trust units issued and offered for sale at this time and will maintain the trust unit holding in such proportion for a period of not less than 8 years from the date on which the trust completes its investment in the core assets that the trust initially invested in. INET may reduce the trust unit holding proportion to a remaining rate of not less than 20.00 percent during the 9th to the 16th year and 15.00 percent during the 17th to the 25th year of the date on which the trust completes the purchase and sale of the core assets that the trust initially invested in of the number of trust units issued and offered for sale at this time. In this regard,

INET agrees not to sell, pay, transfer, or create any obligations on such trust units held by INET, unless receiving the consent of the trust. Therefore, in the event that INET or other major unitholders (if any), either one or more, sell a significant number of their trust units or there is an expectation in the market that a significant number of trust units may be sold, this may negatively affect the trading price of trust units in the stock market and the interests of the unitholders in trading the trust units in the secondary market. In addition, such events may have an adverse effect on the offering price or difficulty in offering for sale of newly issued trust units of the trust in the event that there is a capital increase (if any) that the trust is unable to assess or anticipate such effects in the future (if any).

4.5.3 The Trust Cannot Guarantee That It Will Be Able To Pay Returns in the Trust Units or Maintain the Level of Compensation Payment Rate.

The distribution of returns of the trust will be determined from the performance of the trust which depends on several factors, including domestic and international economic conditions, lessee's ability to pay lease fee, various operating expenses, changes in laws and regulations related to the information technology service business, and natural disasters.

political circumstance. Therefore, there is a risk that investors will not receive return as estimated in the year of the incident, or the trust will not be capable of maintaining return payment rate or increasing them in the next years. Thus, the Company cannot approve that the trust will be capable of paying distribution or maintain its distribution payment rate.

Moreover, in accordance with tax laws of current Thailand, the trust does not have corporate income tax burden. If any change in corporate income tax laws or any other rules occurs, causing trust and/or trust bearer to have corporate income tax burden. INET is not responsible or does not compensate for the aforementioned tax to the trust. This may negatively affect financial position, operation result, and capability in paying the trust's distribution significantly as well as returns from the unitholders' investment, and may cause trust

unitholders to receive less capital from the trust, or to have an increase in tax burden.

4.5.4 The Trust is a Type of Trust That Does Not Accept the Trust Unit Buy Backs. The Trust Unitholders Cannot Sell Back the Trust Units.

Since the trust is a type of trust that does not accept trust unit buy backs, trust unitholders are not able to resell their own trust unit. Thus, there is no collateral that trust unitholders will be able to resell the trust unit and no collateral that they will be able to sell their own trust unit at a price bought or be able to sell at any price.

However, the trust has made trust unit registration as listed securities in The Stock Exchange of Thailand. Therefore, the trust unitholders will have a way to sell the unit in the Stock Exchange where the price of the trust unit and liquidity in sale will be determined by market situation.

4.5.5 The Trust May Have Dissolution of the Trust if Any Incident Causing Dissolution of the Trust to Occur as Stated in the Law, With the Rebate From Dissolution of the Trust That May End Up Being Lower Than the Amount Invested by the Unitholders.

After the date of trust establishment, it may cause the Company to dissolution of the trust if any of the following circumstances:

- Number of trust unitholders less than 35 people
- When the sale of main property of the trust occurred and the Company is unable to make the trust invest in real estate with a total value of not less than 500 million baht or not less than 75 percent of the total trust property value within 1 year starting from the date of selling aforementioned property
- When the trust unit holder meeting has a resolution to a dissolution of the trust per assign regulations in the trust establishment agreement

When there is a dissolution of the trust, the trust unitholders may not receive trust unit buy in full or being collateralized at all due to trust having to carry out liquidation. Costs of establishment and trust management will be reduced prior to returning the money to the trust unitholders.

4.5.6 Market Price of Trust Units May Reduce if the Offered Price of the Newly-Issued Trust is Below Par of the Trust Unit Before Additional Trust Unit Selling Offer.

After the first trust unit selling offer, the trust may issue additional trust units, by having an offered price of newly-issued trust units with a price less than the trust unit before additional trust unit selling offer. The offered price which is below the trust unit value before the selling offer may cause the market price of trust units to decline and the returns of capital investment in trust unit to be different from what investor expected.

4.5.7 Capital Return From Dissolution of the Trust May Be Lower Than the Amount Invested by the Unitholders From This Trust Unit Selling Offer.

In case of dissolution of trust, the Company is unable to guarantee that trust unitholders will receive their own investments back whether in full or in part, depending of the cause, the method of dissolution of the trust, rules for the disposal of main assets which trust first invent on, and the remaining period of the leasehold rights. In addition, trust units are not financial products with principal protection. The Company is unable to guarantee that trust unitholders will receive the whole investments. In the event of dissolution of the trust or trust Account liquidation, it is possible that investor may lose some or all of their own investments in the trust.

4.5.8 Changes in Tax Policy Regarding Capital Investment in Trust Units

Trust unitholders may hold capital investment tax burden or sales in trust units which they have to pay the tax in a higher rate if any changes in the law, tax regulation, or any other relevant matters occurred.

05 Disputes and Restrictions in Utilizing in Real Estate

The trust have no significant legal disputes and restrictions in making use of the real estate which will cause negative effects to the operation of the trust.

06 Other Significant Information

The trust does not have any other significant information to the trust operation. However, investors may seek additional information of the trust from the trust website at www.inetreit.com, or the Stock Exchange of Thailand website at www.set.or.th.



3 Management and Governance of the Trust

07 Information of Trust Units and Unitholders

7.1 Trust Units

7.1.1 Information of Trust Units

Paid-up Capital	3,300,000,000.00 baht
Par Value Per Unit	10.00 baht/unit
Number of Current Trust	330,000,000.00 Units

7.1.2 Information of Securities Prices

Closing Price on Dec. 30, 2022	11.40 baht/unit
Net Asset Value on Dec. 31, 2022	3,733.28 million baht
Net Asset Value Per Unit on Aug. 3, 2021	9.7796 baht/unit
Net Asset Value Per Unit on Dec. 31, 2022	11.3129 baht/unit
Value by Market Price (Market Capitalization) on Dec. 30, 2022	3,762.00 million baht
Average Trading Value Per Year (Trade Volume)	4.32 million baht
Highest Price Throughout Accounting Year of 2022	12.70 baht per unit

7.1.3 Instrument Issued by the Trust

- None -

7.2 Structure of the Trust Unitholders

7.2.1 The First 10 Major Trust Unitholders

On December 31, 2022, there were 10 major trust unitholders according to a closing register book as follows:

No.	Major Unitholder	Number of Units	Percentage
1	Internet Thailand Public Company Limited	82,500,000	25.00
2	Southeast Life Insurance Public Company Limited	18,032,300	5.46
3	Muang Thai Life Assurance Public Company Limited	13,447,000	4.07
4	Krungthai-AXA Life Insurance Public Company Limited	11,137,800	3.38
5	Sripatum University	10,000,000	3.03
6	Dhipaya Insurance Public Company Limited	9,028,000	2.74
7	Krung Thai Property and Infrastructure Flexible Fund	8,671,700	2.63
8	Bangkok Life Assurance Public Company Limited	7,507,400	2.27
9	Allianz Ayudhya Insurance Public Company Limited	7,500,000	2.27
10	Thai Nakorn Patana Company Limited	7,500,000	2.27

7.2.2 Major Trust Unitholders

(Holding Trust Units from 10 Percent and Above by the Same Individual Group)

No.	Major Unitholder	Number of Units	Percentage
1	Internet Thailand Public Company Limited	82,500,000	25.00

7.3 Distribution Payment of the Trust

7.3.1 Distribution Payment Policy

Distribution payment of the trust will be determined from the trust operation result which depends on many factors. Therefore, there is a risk of investor not receiving distribution as estimated, or the risk of trust not being able to maintain or increase the distribution payment rate. The trust's distribution policy and restrictions are as follows:

1) The trust manager will pay the distribution to the trust unitholders no less than 90 percent of improved net profit of each fiscal years. Distribution to be paid to the trust unitholders is divided into year-end distribution and interim distribution (if any). At any circumstance, the trust manager will pay the distribution to the trust unitholders no less than 2 times per fiscal years (by starting to pay distribution in the first trust account period if the trust has enough profit to pay the distribution within the mentioned account period). In addition, improved net profit in this article refers to the following improvement records:

- Unrealized gains from value assessment or the trust's property assessment review, as well as improvement by any other records as per the SEC Office's guideline to be consistent with the trust's cash status
- Reduction by emergency fund records for loan performance or bind burden from the trust's loan base on financial amount addressed in information records statement and prospectus, or annual registration statement, depending on the cases

2) In case of the trust having retained earnings based on improved net profit in each year of the trust according to Clause (1) In any account period, the trust manager may pay the distribution to the trust unitholders using retained earnings.

3) In case of the trust still having an accumulated lost, the trust manager will not pay any distribution to the trust unitholders.

4) In case of paying distribution to the trust unitholders for each account periods, the manager must notify paying the distribution to the trust unitholders and close the trust unitholder registration book to address the unitholders who have the right to receive the distribution and will process in the aforementioned payment to the unitholders in the following period of time:

Year-End Distribution

The trust manager will pay the distribution for each fiscal year (year-end distribution) within 90 days starting from the end of the fiscal year.

Additional Conditions

Except for the distribution payment in the first accounting year, in consideration of paying annual distribution, distribution payment rate assignment will be determined by discretion of the trust manager. If the returns to be announced per trust unit during any year value less than or equal to 0.10 baht, the trust manager reserves the right not to pay distribution at that time, and accumulate the said distribution to be paid in the next distribution payment period. However, the above conditions must not be contrary to the Clause (1).

Interim Distribution

The trust manager will pay the interim distribution (if any) within 90 days starting from the end of the interim distribution consideration period.

Additional Conditions

In consideration of interim distribution, determination of distribution rate will depend on the discretion of the trust manager. If the value of distribution to be paid per the trust unit during any quarter is less than or equal to 0.10 baht, the trust manager reserves the right not to pay the distribution at that time and accumulates said distribution to be paid along with the distribution in the next period.

As per distribution payment policy aforementioned, the trust manager will proceed in accordance with the trust establishment agreement. Unless the SEC Office and/or any other agencies with legal authority amend, add, declare, assign, order, endorse, and/or waive otherwise, the trust manager will proceed accordingly.

The discretion payment to the trust unitholders shall be in accordance with the following regulations:

1) The trust unitholders who are entitled to receive distribution must be the unitholders whose names appear in the trust unitholders registration at the trust unitholders registration closing date for distribution payment and/or date of assigning name to grant right (record date) based on trust units holding proportion of each trust unitholder.

2) The trust unitholders who are entitled to receive distribution must be the unitholders whose name appears on the trust unitholders registration book at the trust unitholders registration book closing date to assign the right of the unitholders who are entitled to receive distribution based on the trust units holding proportion of each trust unitholder. If it appears that any individual or group of individual holds trust units of the trust in excess of the ratio prescribed by the SEC Board, the said individual or group of individual will not be entitled to receive distribution only for the portion of exceeded trust units announced by the SEC Board.

3) The trust manager will declare the distribution payment before the trust unitholders registration closing date or the trust unitholders assigning date in accordance with relevant regulations and laws (as the case may be) according to the assigned period by laws to determine the right to receive distribution and the distribution rate through the information dissemination system of the Stock Exchange and may also declare by one of the following methods:

- Send a letter to notify the trust unitholders whose name appears in the trust unitholders registration book of the trust on the closing date of the trust unitholders registration book or the record date for the unitholders in accordance with relevant regulations and laws (as the case may be), or
- Put an announcement in the public area at every office of the trust manager, or
- Declare via the trust manager's website and/or the trust website, or
- Declare on at least 1 newspaper.

4) The trust manager will proceed to have withholding tax at the rate assigned by laws for the distribution paid to each type of trust unitholders.

5) The trust manager will make the distribution payment in the form of a crossed check payable to the trust unitholders and will send via registered mail to the address specified by the trust unitholders in the trust unit subscription form or deposit into the trust unitholders' deposit accounts as notified. The trust unitholders will be responsible for the fees and expenses incurred in transactions and exchange rate risk burden (if any). The trust manager will deduct such fees and expenses from the amount to be paid.

6) In case of the trust unitholders not exercising the right to receive any amount of distribution within the statute of limitations according to the civil and commercial law, such money shall become the ownership of the trust. The trust manager will not use such distribution for any purpose other than the benefit of the trust.

7.4 Past Distribution Payment Records

Date of Directors' Resolution	Date of Trust Unitholder Right Issuance	Date of Distribution Payment	Distribution Per Unit [baht]	Turnover Period
Nov. 05, 2021	Nov. 19, 2021	Dec. 03, 2021	0.1269	Jul. 29, 2021 - Sep. 30, 2021
Feb. 10, 2022	Feb. 24, 2022	Mar. 10, 2022	0.2271	Oct. 01, 2021 - Dec. 31, 2021
May 03, 2022	May 18, 2022	Jun. 20, 2022	0.2332	Jan. 01, 2022 - Mar. 31, 2022
Aug. 03, 2022	Aug. 16, 2022	Aug. 29, 2022	0.2280	Apr. 01, 2022 - Jun. 30, 2022
Nov. 01, 2022	Nov. 16, 2022	Nov. 29, 2022	0.2098	Jul. 01, 2022 - Sep. 30, 2022
Feb. 13, 2023	Feb. 27, 2023	Mar. 13, 2023	0.2007	Oct. 01, 2022 - Dec. 31, 2022

08 Management Structure

8.1 Trust Manager

8.1.1 General Information

INET REIT Management Company Limited (the “Company”), which will act as the trust manager (REIT Manager) of the trust, is a Company limited which was registered in Thailand on September 29, 2020, with an authorized capital of 10,000,000 baht. The main objective is to perform the duty of trust management in particular. It has Internet Thailand Public Company Limited (“INET”) as a major shareholder in the Company. The Company holds 99.997 percent of the total sold shares. In this regard, the Company has been approved to be the trust manager in accordance with the Notification SCH. 29/2012 on January 26, 2021.



The following table summarizes key information about the trust manager:

Company Name	INET REIT Management Company Limited
Company Registration Number	0105563143111
Company Registration Date	September 29, 2020
Office Location	1768 Thai Summit Tower, 24 th Floor, New Petchburi Road, Bangkok Sub-District, Huai Khwang District, Bangkok
Contact Channel	Telephone: 02-257-7000 Fax: 02-257-1379 Website: www.inetreit.com E-mail: info@inetreit.com
Registered Paid-Up Capital	10,000,000 baht
Number of Issued and Paid-up Shares	100,000 shares
Par Value	100 baht per share
Nature and Scope of Business	It is obligated to be the real estate investment trust manager (REIT Manager).
Major Shareholder (Proportion of Shares)	Internet Thailand Public Company Limited (99.997 Percent)
List of Directors	1. Ms. Vilawan Vanadurongwan 2. Mr. Sahus Treetipbut 3. Mrs. Morragot Kulatumyotin 4. Mr. Wisut Montriwat 5. Mr. Apirom Noi-Am
List of Authorized Directors	Two of these three directors, which are Ms. Vilawan Vanadurongwan or Mr. Sahus Treetipbut or Mrs. Morragot Kulatumyotin, jointly sign and affix with the Company seal.
Accounting Period	January 1 - December 31

8.1.2 Shareholders of the Trust Manager

Shareholding structure of the Company on February 28, 2023, is detailed as follows:

No.	List of Shareholders	Number of Shares Held [shares]	Proportion [Percent]
1	Internet Thailand Public Company Limited	99,997	99.997
2	Mrs. Morragot Kulatumyotin	2	0.002
3	Mr. Suttakarn Naennar	1	0.001
	Total	100,000	100.000

A group of major shareholders who, by their behavior, have significant influence on management policy determination or operations of the trust manager is INET, which holds the Company's shares of 99.997 percent of the total paid-up shares. INET is a registered company on the Stock Exchange in the category of providing internet connection and integrated services related to information and communication technology (hereafter collectively referred to INET and its subsidiaries as “INET Group”). Significant information is shown in the following table:

Company Name	Internet Thailand Public Company Limited
Company Registration Number	0107544000094
Company Registration Date	September 14, 2001
Business Type	Provide internet connection and integrated services related to information and communication technology.
Office Location	1768 Thai Summit Tower, 10 th -12 th Floor and IT Floor, New Petchburi Road, Bang Kapi Sub-District, Huai Khwang District, Bangkok 10310
Registered Paid-Up Capital	500,041,575.00 baht
Par Value	1.00 baht per share
List of Directors	<ol style="list-style-type: none"> 1. Dr. Thaweesak Koanantakool 2. Prof. Emeritus Achara Chandrachai, Ph.D. 3. Ms. Narumol Wangsatorntanakun 4. Ms. Nilobon Tangprasit 5. Asst. Prof. Tippawan Pinvanichkul, Ph.D. 6. Asst. Prof. Pipat Reungsang, Ph.D. ² 7. Ms. Ploy Charoensom ¹ 8. Mr. Sahun Treetipbut 9. Prof. Dr. Sukit Limpijumnong ³ 10. Mr. Morakot Thienmontree 11. Mr. Thinnakorn Nathonglie 12. Mrs. Morragot Kulatumyotin
List of Authorized Directors	Authorized directors who can sign to bind the Company comprising “Dr. Thaweesak Koanantakool or Prof. Dr. Sukit Limpijumnong, any one of them jointly signing with any of Mrs. Morragot Kulatumyotin or Mr. Morakot Thienmontree or Mr. Thinnakorn Nathonglie, total of two people, and affixing the Company seal. Or Mrs. Morragot Kulatumyotin signs jointly with either Mr. Morakot Thienmontree or Mr. Thinnakorn Nathonglie, total of two people, and affix with the Company seal.
Accounting Period	January 1 - December 31
Website	www.inet.co.th

Remark: 1. Ms. Ploy Charoensom has been appointed as an independent director, effective from February 24, 2022.
2. Asst. Prof. Dr. Pipat Reungsang has been appointed as an independent director, effective from April 28, 2022.
3. Prof. Dr. Sukit Limpijumnong has been appointed as an acting director for Dr. Narong Sirilertworakul, effective from November 11, 2022.

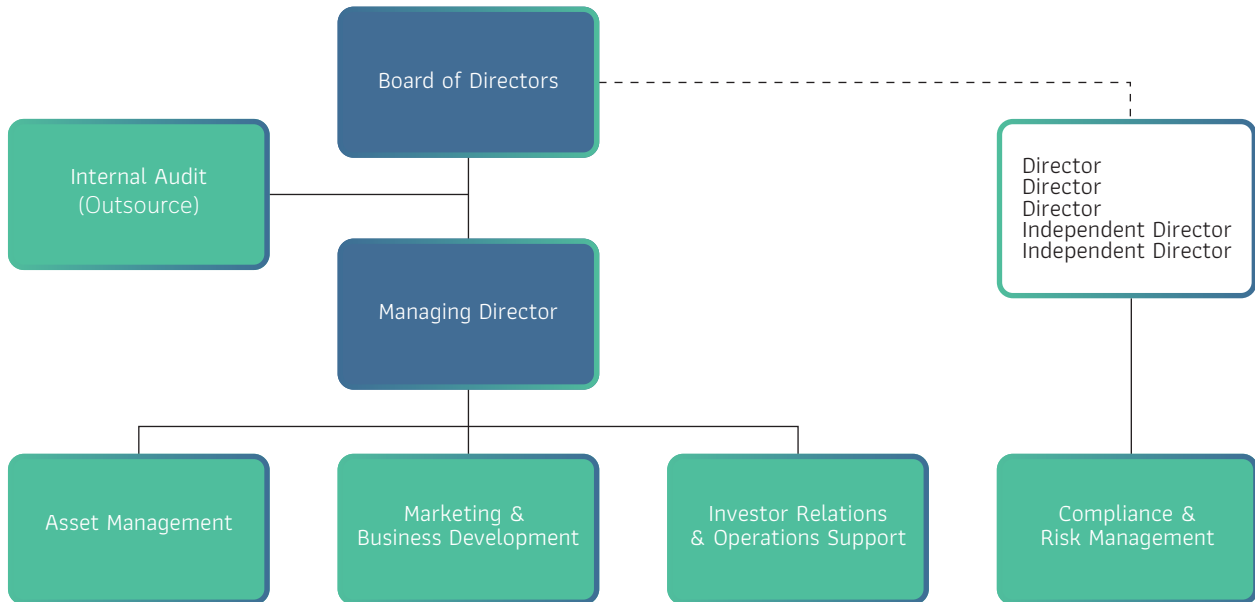
The top 10 major shareholders of INET on December 31, 2022, are as follows:

No.	List of Shareholders	Number of Shares Held [shares]	Proportion [Percent]
1	National Science and Technology Development Agency	124,504,000	24.90
2	National Telecom Public Company Limited	120,496,000	24.10
3	Mr. Boonkiert Eur-sudkich	16,136,400	3.23
4	Thai NVDR Company Limited	12,095,564	2.42
5	Mr. Wiboon Sirikitpanitkul	8,494,200	1.70
6	Mr. Thaveechat Jurangkoon	7,196,000	1.44
7	Mr. Nantachai Kamthonthip	6,060,000	1.21
8	Mr. Surachai Prachasittisak	6,000,000	1.20
9	Mr. Varawuth Wuthipan	5,890,000	1.18
10	Mr. Thawat Tantimeth	4,300,000	0.86



8.1.3 Administration Structure

Administration structure of the Company, as the trust manager (REIT Manager), comprises the Board of Directors and management officers according to the following administration structure:



The organizational structure of the trust manager is based on the principle of clear delegation of duties and responsibilities of each section. Each department is independent, systematic, in line with trust and good corporate governance code, taking into the risk control that will occur of corruption, fraud, conflict of interest in order to enable the trust manager to manage capital investment for the investors with honesty, care, and consideration of the trust units holder benefits before the trust manager's own interests.

Board of Directors

The Company has 1 set of the board comprising of no less than 3 experts, with at least 1/3 of the total number of directors of the Company, holding the position of independent directors. Such independent directors have qualifications in accordance with the rules set forth in the Notification of the Capital Market Supervisory Board regarding the request and authorization in offering newly issued shares. In addition, the directors and individuals with management authority must be in accordance with the Notification SCH. 29/2012 and any amendments or in accordance with other rules that the SEC Office may change in the future.

Directors authorized to sign on behalf of the Company, as trust manager, must have 2 directors (not independent directors) jointly signing and affixing the Company seal. The Board of Directors may assign one or more directors or any other individual to act on behalf of the Board of Directors, provided that aforementioned delegation must not be the case of delegation or sub-delegation results in (1) directors or assignees being stakeholders, or (2) persons with possible conflicts or have any other interest with the trust's benefit being able to approve such transactions.

List of directors, including their educational background and experience, is as follows:

Name		Position	Training/Educational Background	Work Experience in the Past 5 Years	
1) Ms. Vilawan Vanadurongwan	Chairman of the Board	<ul style="list-style-type: none"> - Bachelor's Degree, Faculty of Commerce and Account, Chulalongkorn University - Risk Management Committee Program, Class of 6/2015, Thai Institute of Directors - Directors Accreditation Program (DAP), Thai Institute of Directors 	<ul style="list-style-type: none"> 2020 - Present 2014 - Present 2014 - Present 2012 - Present 2012 - Present 2012 - Present 2012 - Present 	<ul style="list-style-type: none"> Chairman of the Board, INET REIT Management Company Limited Director of the Nomination and Remuneration Committee, Srivichai Vejivat Public Company Limited Chairman of the Financial and Investment Planning Working Group, Srivichai Vejivat Public Company Limited Director, Srivichaivejivat Public Company Limited Vice-Chief Operating Officer and Executive Director, Srivichaivejivat Public Company Limited Chairman of the Risk Management Committee, Srivichaivejivat Public Company Limited Director, Saivichai Pattana Company Limited 	
2) Mr. Sahus Treetipbut	Director	<ul style="list-style-type: none"> - Master of Computer and Information Science, Syracuse University, USA - Bachelor's Degree, Faculty of Commerce and Accountancy (Statistics), Chulalongkorn University 	<ul style="list-style-type: none"> 2020 - Present 2019 - Present 2017 - Present 2015 - Present 2014 - Present 2014 - Present 2012 - Present 2008 - 2020 2008 - 2020 2008 - 2021 2008 - Present 2006 - 2019 	<ul style="list-style-type: none"> Director, INET REIT Management Company Limited Director of the Remuneration and Corporate Governance Committee Internet Thailand Public Company Limited Director for the Managing Director's Performance Evaluation, Internet Thailand Public Company Limited Director of the Nomination and Remuneration Committee, Origin Property Public Company Limited Chairman of Audit Committee, Origin Property Public Company Limited Independent Director, Origin Property Public Company Limited Chairman of the Board, Thiensurat Public Company Limited Chairman of the Board, COL Public Company Limited Director of the Audit Committee, COL Public Company Limited Independent Director, COL Public Company Limited Executive Director, Internet Thailand Public Company Limited Director of the Nomination and Remuneration Committee, Internet Thailand Public Company Limited 	

Work Experience in the Past 5 Years			
Name	Position	Training/Educational Background	
3) Mrs. Morragot Kulatumyotin	Director	<ul style="list-style-type: none"> - Master of Business Administration, Thammasat University - Master of Computer Science, University of Missouri Columbia, USA. - Bachelor of Mathematics, Prince of Songkla University 	<p>2020 - Present 2017 - Present 2016 - 2019</p> <p>2014 - 2016 2013 - Present 2013 - Present 2008 - Present</p> <p>2008 - Present 2008 - Present 2003 - Present</p> <p>Director, INET REIT Management Company Limited Chairman of the Board, Digital Healthcare Solution Company Limited Director of the Corporate Governance Committee, Internet Thailand Public Company Limited Director, Thai Dot Com Public Company Limited Managing Director, Internet Thailand Public Company Limited Acting Company Secretary, Internet Thailand Public Company Limited Director of the Risk Management Committee, Internet Thailand Public Company Limited Executive Director, Internet Thailand Public Company Limited Chairman of the Board, Mandala Communication Company Limited Director, Internet Thailand Public Company Limited</p>
4) Mr. Wisut Montriwat	Independent Director	<ul style="list-style-type: none"> - Master of Business Management, Northern Illinois University, USA - Bachelor of Commerce, Chulalongkorn University - Diploma of Thailand National Defence College, Class of 38 	<p>2020 - Present 2020 - Present 2011 - Present</p> <p>2011 - Present 2008 - 2023 2006 - Mar. 2023</p> <p>2006 - Mar. 2023 2006 - Mar. 2023 2006 - Mar. 2023</p> <p>Independent Director, INET REIT Management Company Limited Director, BAFS Clean Energy Corporation Company Limited Director of the Audit Committee, Srivichaivejvat Public Company Limited Independent Director, Srivichaivejvat Public Company Limited Director, Thai Aviation Refueling Company Limited Chairman of the Remuneration Committee, Bangkok Aviation Fuel Services Public Company Limited Director of the Audit Committee, Bangkok Aviation Fuel Services Public Company Limited Independent Director, Bangkok Aviation Fuel Services Public Company Limited</p>

Name	Position	Training/Educational Background	Work Experience in the Past 5 Years
5) Mr. Apirom Noi-Am	Independent Director	<ul style="list-style-type: none"> - Master of Business Management, University of North Texas, USA - Bachelor of Economics, Chulalongkorn University 	<ul style="list-style-type: none"> Digital Development Advisor, Foundation for the Blind in Thailand under the Royal Patronage of Her Majesty the Queen Independent Director, INET REIT Management Company Limited Director and Chairman of the Center for Educational Technology for the Blind, Foundation for the Blind in Thailand under the Royal Patronage of Her Majesty the Queen

Executives

The Company divides its departments into 4 main departments which perform under the supervision of managing directors, which are the asset management department, the marketing and business development department, the investor relations and operational support department, and the corporate governance and risk management department

List of managing directors and executives, including their educational background and experience, is as follows:

Name	Position	Training/Educational Background	Work Experience in the Past 5 Years
1) Mr. Suttakarn Naennar	<ul style="list-style-type: none"> - Managing Director - Acting Vice President of Investor Relations & Operations Support - Acting Vice President of Asset Management 	<ul style="list-style-type: none"> - Master of Strategic Management, College of Management, Mahidol University - Mini MBA, The Keep Walking Fund Course, Class of 2, Chulalongkorn University - Bachelor of Business Administration in Accounting, Ramkhamhaeng University 	<ul style="list-style-type: none"> 2022 - Present 2022 - Present 2021 - Present 2020 - 2022 2015 - 2020 <p>Managing Director, INET REIT Management Company Limited Acting Director of the Investor Relations and Operational Support Department, INET REIT Management Company Limited Acting Director of the Asset Management Department, INET REIT Management Company Limited Director of the Investor Relations and Operational Support Department, INET REIT Management Company Limited Director of the Investment Analysis Department, Internet Thailand Public Company Limited</p>
2) Mr. Songsak Danubumrungsart	Vice President of Compliance & Risk Management	<ul style="list-style-type: none"> - Master of Business Administration (Marketing), Srinakharinwirot University - Bachelor of Arts (Statistics), Thammasat University 	<ul style="list-style-type: none"> 2020 - Present 2017 - 2020 2014 - 2020 2010 - 2020 <p>Director of the Corporate Governance and Risk Management Department, INET REIT Management Company Limited Director, Thai Starter Dot Com Company Limited Director, Mandala Communication Company Limited Advisor, Internet Thailand Public Company Limited</p>
3) Ms. Suphanika Kietduriyakul	Vice President of Marketing & Business Development	<ul style="list-style-type: none"> - Master of Business Administration in Finance, Clark University - Bachelor of Accountancy in Cost Management, Chulalongkorn University 	<ul style="list-style-type: none"> 2022 - Present 2020 - 2022 2016 - 2020 <p>Director of the Marketing and Business Development Department, INET REIT Management Company Limited Director of the Investor Relations Division, INET REIT Management Company Limited Director of the Investment Management Department, Internet Thailand Public Company Limited</p>

8.1.4 Duties and Responsibilities of the Company as the Trust Manager

The Company, as the trust manager, is responsible for managing the trust, controlling the performance of lessees of the core assets, and operating in line with the Company's policy, trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and related laws.

General Duties of the Company Are as Follows:

1) Perform duties with professionalism, competence, responsibility, carefulness, and honesty, while ensuring fair treatment of unitholders in the best interests of the unitholders as a whole. and comply with the trust deed, trust manager appointment agreement, registration statement, prospectus, objectives of establishing the trust, resolutions of the unitholders' meeting, as well as relevant regulations and laws

2) Comply with the Trust Act, the Securities Act, and other laws related to the operation of the trust as well as adhering to the code of conduct and professional standards established by associations related to securities business or organizations recognized by the SEC Office, mutatis mutandis. The Company must not encourage, direct, or cooperate with any person in any activity that may violate these requirements or laws.

3) Ensure adequate capital for business operations and to be prepared for any responsibilities that may arise from performing duties as the trust manager.

4) Arrange liability insurance to cover any potential claims arising from its business operations as well as from the actions of directors, executives, and employees of the Company.

5) Manage assets in accordance with the trust deed, trust manager appointment agreement, registration statement, prospectus, the Company's operation plan, resolutions of the trust unitholders' meeting, including regulations and related laws.

6) Not misuse any information acquired during the course of the trust manager to gain personal benefit or cause harm to the overall interests of the trust.

7) Operate with caution to prevent any conflicts of interest and, in case of a conflict of interest, ensure that investors are treated fairly and appropriately.

8) Organize meetings of unitholders in accordance with the regulations specified in the trust deed, rules, and relevant laws.

9) Proceed with any capital increase or decrease in accordance with the regulations specified in the trust deed, rules, and relevant laws.

Duties in Report Preparation and Disclosure

1) Prepare the Company's financial statements in accordance with the accounting standards prescribed by the law on accounting professions and shall submit such financial statements to the SEC Office within the specified period.

2) Disclose, express opinions, or provide information that is significant and relevant enough for investors to make investment decisions.

3) Prepare and disclose information related to the trust in compliance with the Securities and Exchange Act, as well as other information specified in the trust deed, registration statement, prospectus, regulations of the stock exchange, and relevant rules and laws, such as calculation, and disclosure of the asset value of the trust as well as the trust unit value, etc.

4) Cooperate with the trustee or the SEC Office in fulfilling their duties, including providing any additional information as requested by them.

5) Ensure that trust unitholders receive complete, correct, and sufficient information prior to making decisions. This includes receiving information in advance as specified in the trust deed, registration statement, prospectus, related regulations, and laws.

6) Prepare and submit reports and/or documents to the trustee and/or the SEC Office within the specified period.

Duties Relating to Investment or Disposition of the Trust's Assets

1) Take necessary measures to ensure that the investments made in core assets and other assets are appropriate by conducting regular self-assessments for investment management readiness, and operate in accordance with the Company's investment policy and trust deed.

2) Ensure that any sale, payment, transfer of real estate, or contracts related to real estate for the trust are conducted correctly and in accordance with laws, and are legally binding.

3) Conduct due diligence on real estate, assess risks in various aspects that may arise from investments, and provide a guideline for risk management.

4) Arrange for the price appraisal of core assets in accordance with the regulations specified.

5) Ensure that the core assets are well-maintained and ready to generate income at all times by arranging for repairs, improvements, and maintenance.

6) Provide sufficient insurance coverage for the core assets during the period of investment by the trust. This includes non-life insurance that covers any damages to the real estate, third-party liability insurance that covers damages caused by the real estate or its operation, and any other necessary additional insurance.

7) Develop an investment plan and manage risks related to the trust and its assets, including a loan plan and an annual financial management plan for the trust.

Duties Relating to the Trust's Benefit Administration

1) Coordinate with the trustee or the person assigned by the trustee to facilitate the survey of the core assets.

2) Manage the budget of the trust and working capital of the trust.

3) Prepare the financial statements of the trust in accordance with the accounting standards prescribed by the accounting law and disclose the financial statements in accordance with the specified regulations.

4) Disburse the trust's expenses only from the account for day-to-day operations or for other purposes that have been mutually agreed upon with the trustee, and should not exceed the limit approved by the trustee.

5) Arrange for the distribution of returns to the trust unitholders in accordance with the rules and conditions specified in the trust deed, the resolutions of the trust unitholders' meeting, regulations, and relevant laws.

6) In the event that a resolution is required from the trust unitholders for any operation, the

trust manager must express an opinion and analyze the impact as information for making a decision.

7) Organize the storage of documents related to the operation of the trust.

Duties When Entering Into a Transaction That May Cause a Conflict of Interest

If a transaction may cause a conflict of interest, the Company will carefully consider the reasons and necessity of entering into such a transaction. The Company will ask for the trustee for an opinion whether the transaction is in accordance with the trust deed and relevant laws. If the trustee does not approve of the transaction, the Company will not proceed with it. In addition to approval the trustee as specified above, if the transaction size requires approval from the Board of Directors and/or the trust unitholders' meeting, the Company will seek such approval as specified by relevant regulations.

In this regard, the trust and the trustee shall not enter into a transaction that presents a conflict of interest unless the trustee demands compensation for acting as a trustee, or if the trustee can demonstrate that it has managed the trust in a fair manner, has sufficiently disclosed relevant information to the unitholders in advance without any objection from the unitholders, and has performed actions in accordance with relevant regulations.

Other Duties of the Company

In case of appointing an advisor to provide advice or consultation regarding real estate investment and management, the Company shall comply with the following regulations:

1) The advisor must notify any interest in the transaction for consideration.

2) If the advisor has a direct or indirect interest in the matter under consideration, he/she must not participate in the decision-making process on the matter.

Duties and Responsibilities of the Board of Directors

1) Consider and approve the significant policy related to the management of the trust such as policies of the trust management, the trust's capital structure, real estate investment, procurement of benefits from real estate, etc. so that they are implemented by the relevant departments.

2) Consider and approve investments, acquisition of real estate, or the first real estate leasehold, and additional investments to procure benefits from the real estate or the real estate leasehold. Supervise compliance with the Company's policy, trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and related laws.

3) Consider and approve the disposition of core assets and equipment of the trust to comply with the Company's policy, trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and related laws.

4) Consider and approve the risk management policy related to the management of the trust for implementation by relevant departments.

5) Consider and approve policies, regulations, and procedures for managing relevant conflicts of interest, especially between the trust and the trust manager and persons connected to the trust manager. This shall include measures or guidelines to protect the best interests of the trust or the trust unitholders as a whole in the event of a conflict of interest.

6) Consider and approve transactions between the trust and the trust manager, the trust and persons connected to the trust manager, and transactions between the trust and the trustee and persons related to the trustee in accordance with relevant rules and regulations. Directors who have an interest in such matters are prohibited from voting.

7) Consider and approve transactions with related parties in accordance with applicable rules and regulations. Directors who have an interest in such matters are prohibited from voting.

8) Consider and select the managing director of the Company to act as the manager of the trust.

9) Consider and approve the appointment of lessees for the core assets of the trust and assess their performance.



10) Consider and approve the work system to be assigned the external service providers (outsources) as operators in accordance with relevant regulations, including considering and selecting such service providers (outsources).

11) Consider and approve the employment of advisors related to the trust management.

12) Monitor and supervise to ensure that the performance of the trust manager and the assignee is in accordance with the Company's policy, trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and related laws. Report important matters to the Board of Directors every quarter or when necessary and evaluate the performance of the managing director.

13) Consider and approve the annual financial budget.

14) Consider and approve the trust's annual business plan.

15) Consider and approve the annual business plan for the assets, the trust's annual maintenance plan, and the trust's major overhaul & capacity improvement plan prepared by the lessees of the core assets.

16) Consider and acknowledge the progress and results of maintenance or improvement of the trust's assets.

17) Consider and approve the financial statements of the trust, which must be prepared in accordance with the accounting standards prescribed by the relevant accounting laws, and disclose the financial statements by the regulations specified.

18) Consider and approve special expenditures and/or investment budgets outside the annual budget.

19) Supervise the report of internal audit results (if any) according to the specified plans and regulations.

20) Consider and approve the operational performance as well as the distribution of benefits to the trust unitholders.

21) Consider and approve the arrangement of the annual general meeting of trust unitholders or any other meetings deemed beneficial to the management of the trust, or when unitholders holding not less than 10 (ten) percent of the total number of sold trust units submit their names and the reasons for calling a unitholders' meeting in writing.

22) Consider and approve a guideline for resolving significant disputes and complaints related to the operation of the trust, as deemed necessary and appropriate, in order to resolve the complaints and disputes related to the operation of the trust from third parties or unitholders and take any necessary action in accordance with laws, regulations, and resolutions of the trust unitholders' meeting, trust deed, trust manager appointment agreement, registration statement, and prospectus.

23) The Board of Directors may delegate one or more directors or other individuals to act on behalf of the Board of Directors, provided that it must not be the delegation or the sub-delegation resulting in (1) the directors or the assignees with interests or (2) persons with possible conflicts or any interests that conflict with the trust's benefit to be able to approve such transactions.

24) Consider and approve legal proceedings for any disputes arising.

25) Consider and approve the compliance plan, including approving the capital increase of the trust as well as applying for relevant permissions.

Duties and Responsibilities of Independent Directors

The Company mandates that the Board of Directors includes independent directors who possess expertise that is advantageous to the business. These directors are tasked with monitoring and supervising the work of the Company's executives and departments, with the aim of complying with good corporate governance principles. They are expected to consider and express an opinion to support policies that benefit the trust and/or unitholders, or oppose the Company's decisions that may have a negative impact on them. Independent directors must maintain their independence, not be influenced by the Company's executives or major shareholders, and not involve or have no interests in decision-making regarding the Company's operations. They are entrusted with specific roles and responsibilities to fulfill as follows:

(1) Consider and express opinions or comments on transactions with persons involving the trust or transactions that may result in conflicts of interest, including the acquisition or disposition of significant assets, for the benefit of the unitholders.

(2) Provide advice or comments on important matters such as capital structure, the Company's policy, operational control policy, etc.

(3) Express opinions on the policy for managing risks that arise, as well as regulations for controlling or reducing such risks.

(4) Consider, supervise, and provide advice to the Company in the preparation of financial statements of the Company and the trust to ensure accuracy and completeness.

(5) Suggest important issues that should be considered during the Board of Directors' meetings.

(6) Appoint, supervise, and monitor operations, as well as providing advice or comments on the operational plan, evaluating performance, and commenting on the results of the internal auditor's performance evaluation (if any). Propose and provide opinions on the internal audit report to the Board of Directors' meetings.

(7) Consider to conduct an internal audit at least once a year or at any other time that independent directors deem appropriate.

(8) Consider and approve the annual performance audit and review plan (the compliance plan) prior to proposing it to the Board of Directors for approval.

Duties and Responsibilities of the Management Division

The Company has divided its work into 4 main departments, with each department's scope of work and duties clearly defined to ensure that the trust manager can fulfill its responsibilities in accordance with the Company's policy, trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and laws related to trust management. The departments are responsible for the following main duties and responsibilities:

1) Asset Management Department

(1) Arrange for the recruitment and selection process when changing lessees for the trust's core assets, as well as controlling, inspecting, and monitoring the performance of lessees of the trust's core assets in accordance with the objectives and related agreements. (For example, this is to ensure that the lessees of the trust's core assets have fully and accurately paid the rental to the trust in accordance with the relevant contractual agreements.)

(2) Coordinate the rental collection from the lessees of the trust's core assets.

(3) Supervise the quality of the trust's core assets that may impact the ability to generate more benefits by arranging for the improvement, repair, and maintenance of the core assets of the trust to ensure they are ready for long-term continual benefit procurement.

(4) Manage the trust's core assets in accordance with relevant agreements.

(5) Support operations related to the management of the trust's core assets.

(6) Supervise the external service providers of the trust's core asset lessees to ensure compliance with the relevant regulations and conditions so that the various systems of the core assets are always in a ready-to-use condition. Review and submit the annual maintenance plan as well as the major overhaul & capacity improvement plan for the trust's assets, which are provided by the trust's core asset lessees to the Board of Directors.

(7) Supervise and arrange for insurance to protect against damage that may occur to the trust's real estate. Arrange for liability insurance to third parties that may be damaged from real estate or operations on real estate, as well as other additional insurance related to the trust that the Company deems appropriate, such as business interruption insurance.

(8) Arrange an annual audit of the performance of lessees occupying the trust's core assets and assess the lessees as the lease term nears its end.

(9) Answer inquiries and receive complaints from minor service receivers or lessees to find solutions.

2) Marketing and Business Development Department

(1) Create an investment plan, the capital structure, and the investment management. Consider and proceed with the selection of initial investment properties and additional investments, including investments in other assets related to the initial investment properties and additional investments (if any) that are qualified according to the Company's policy in order to facilitate the growth of the trust and generate additional benefits for the unitholders.

(2) Select and inspect the real estate that the trust intends to invest in with due diligence and caution for consideration before investing. They

must maintain records and store information, including relevant documents related to the selection, examination, and decision to invest or not to invest in any asset for the trust. And, present the due diligence report to the managing director and the Board of Directors.

(3) Prepare a plan and present an appropriate structure and sources of fund, including incurring the trust's debt for investment in the trust's core assets by proposing them to the Board of Directors for consideration.

(4) Consider the disposition of existing core assets by the investment policy of the Company.

(5) Consider investments in assets other than the core assets.

(6) Arrange an appraisal of the core assets to be invested or distributed, as well as arranging for an appraisal and review of the value of the trust's core assets within the period specified by the relevant regulations.

3) Investor Relations and Operational Support Department

(1) Control and coordinate the trust unitholders' meeting every year, or when there is any significant transaction or any transaction size that meet relevant legal criteria and notifications.

(2) Examine the performance of the trust in order to propose the distribution of returns to the trust unitholders at the Board of Directors' meeting.

(3) Control and coordinate the preparation of the request for permission, submit the registration statement (filing), and report the results of the offering, as well as preparing and disclosing information according to laws and relevant specified regulations to propose to the managing director and/or the Board of Directors for consideration and approval.

(4) Answer inquiries and receive complaints from unitholders to find solutions.

(5) Calculate and prepare reports of property value, net asset value ("NAV"), and trust unit value of the trust, including disclosing information about the trust's assets to the trust unitholders and providing reports in accordance with regulations required by laws.

(6) Prepare the trust's financial statements at the end of every month, every quarter, and at the end of every year in accordance with generally

accepted accounting standards for each type of transaction. Prepare the trust's financial statements every quarter and at the end of every year, which must be reviewed and audited by a certified public accountant approved by the SEC Office.

(7) Prepare the budget of the trust.

(8) Prepare a special expenditure plan and/or expenses outside the annual investment budget of the trust.

(9) Conduct a financial plan, manage the trust's income and expenses, including ensuring effective rent collection and managing the trust's cash flow.

4) Corporate Governance and Risk Management Department

(1) Provide knowledge, advice, and guidance on compliance with relevant regulations as well as various advice to departments to ensure understanding and compliance with specified rules.

(2) Supervise, follow up, inspect, and report the results of risk management related to the management of the trust according to the Company's risk prevention measures to ensure that the risk management is in accordance with the Company's risk management policy, trust deed, laws, and related notifications.

(3) Prepare an annual plan to audit the operation of the Company, as the trust manager, to ensure that the operation of each department is in accordance with the Company's policy, trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and related laws in order to submit it for approval to the Board of Directors.

(4) Review the interests of the Company's personnel and the operations in accordance with the regulations for conducting transactions with related persons or persons connected to the trust manager.

(5) Prepare a guideline to prevent the unauthorized use of inside information. Additionally, I conduct tests to ensure that access to information within each department is restricted through a Chinese Wall system to prevent the misuse of confidential information. These guidelines and testing results are then presented to the Board of Directors for their approval.

(6) Prepare a guideline to manage relevant conflicts of interest, especially between the trust and the trust manager and persons connected to the trust manager, to propose to the Board of Directors.

(7) Inspect, supervise, follow up, and prepare reports on the audit results of each department's performance in accordance with the Company's policy, trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and relevant laws to present these reports to the managing director.

(8) Supervise and monitor the operations of various departments within the Company as the trust manager to ensure compliance with the good corporate governance policy.

(9) Audit and oversee the management of the trust, as well as the operations of the Company's executives, as the trust manager, to ensure compliance with the Securities Act, the Trust Act, and other relevant regulations and notifications set forth by the SEC, the Stock Exchange of Thailand, and other related agencies.

(10) Inspect the preparation of information disclosure reports that are submitted to the SEC Office, the Stock Exchange of Thailand, other related agencies, and/or the trust unitholders as required by laws in accordance with relevant requirements of laws and related notifications.

In this regard, department managers may consider and propose various agendas to the Board of Directors' meeting if they deem it appropriate and/or independent directors may provide additional opinions based on the general working process of that department.

8.1.5 Methods and Conditions for Changing the Trust Manager

When it comes to changing the trust manager, there are methods and conditions for the operation as follows:

Reasons for Changing the Trust Manager

1) The trust manager resigns in accordance with the regulations and procedures specified in the trust deed.

2) The trust manager is removed from duties upon the occurrence of the following events:

- It shows that the trust manager fails to properly manage the trust according to their duties and responsibilities as outlined in the trust deed, trust manager appointment agreement, the Trust Act, the SEC Office's notifications, or

any other relevant notifications; and failure to perform such duties may cause serious damage to the trust and/or unitholders; and the trust manager is unable to remedy such damage within the timeframe specified in the trust manager appointment agreement.

- The fact shows that the trust manager fails to comply with the regulations outlined in Chapter 1, violates or fails to comply with the regulations outlined in Chapter 2 of the Notification SCH. 29/2012, and fails to comply with the orders as specified by the SEC Office, or complies with the orders but cannot resolve issues within the timeframe specified by the SEC Office.
- The fact shows that trust manager's approval from the SEC Office has been terminated and the trust manager's approval has not been renewed by the SEC Office in accordance with the Notification SCH. 29./2012, and such issues cannot be corrected within 90 days.

3) The trust manager is unable to maintain the capital in accordance with the regulations outlined in relevant announcements.

4) The SEC Office revokes the trust manager's approval or suspends the duties of the trust manager for more than 90 days in accordance with the Notification SCH. 29/2012.

5) The trust manager ceases to be a juristic person, goes into liquidation, or is taken into receivership, whether or not it is an absolute receivership order.

Resignation and Post-Resignation Duties of the Trust Manager

1) Resignation of the Trust Manager

If the trust managers wish to resign, they must notify the trust unitholders of their resignation in writing and disseminate the news through the news dissemination system of the Stock Exchange of Thailand and the trustee at least 120 days prior to the effective date of resignation. While the resignation has not yet come into force, the trust manager is required to provide reasonable assistance to the trustee in appointing a new qualified person (who is approved by the SEC) to be the new trust manager of the trust in place of the former one. In the event that the trustee is unable to appoint a new trust manager, the former trust manager shall continue to perform duties until the new trust manager is able to fully perform the duties according to the trust deed.

2) Post-Resignation Duties

Upon termination of the trust manager appointment agreement for any reason, the trust manager shall still be responsible for the following duties:

- Deliver all work, work systems, customer lists, accounts, documents, and any information related to the performance of the trust manager, whether it is trade secret information or not, to the trustee and/or the new trust manager. Additionally, the trust manager must take any reasonable action requested by the trustee to ensure that the new trust manager can continue to perform duties for the best interests of the trust and the unitholders as a whole.
- Take any other reasonable action necessary to enable the new trust manager to continually perform their duties in accordance with the trust deed, including signing a letter certifying the accuracy and completeness of the deliverables to the trustee or the new trust manager.

Procedures for Appointing a New Trust Manager

The trustee shall request a unitholders' resolution to appoint a new trust manager within 60 days from the occurrence of the change of trust manager. After receiving the resolution, the trustee shall appoint a person approved by the unitholders within 30 days. However, in the event that a resolution is requested but not received, the trustee is required to appoint a new trust manager while taking into account the best interests of the trust unitholders as a whole.

8.2 Property Manager

- None -



8.3 Trustee

8.3.1 General Information of the Trustee

Company Name	Kasikorn Asset Management Company Limited
Office Location	400/22 Kasikorn Bank Building, 6 th and 12 th Floor, Phaholyothin Road, Samsennai Sub-District, Head Office, Phayathai District, Bangkok 10400
Business Type	Securities Company of Fund and Trustee Management
Contact Channel	Telephone: 0-2673-3999 Fax: 0-2673-3900 Website: www.kasikornasset.com

8.3.2 Shareholder Structure of Kasikorn Asset Management Company Limited on November 4, 2022

No.	List of Shareholders	Number of Shares Held [shares]	Proportion [Percent]
1	Kasikorn Bank Public Company Limited	27,154,272	100.00
2	Mr. Prathan Acharawan	1	0.00
3	Ms. Saranya Sirivanasandha	1	0.00
	Total	27,154,274	100.00

8.3.3 Duties and Responsibilities of the Trustee

The trustee has a professional responsibility to manage the trust with honesty and caution, including utilizing their expertise to treat unitholders fairly for the best benefit of the trust unitholders as a whole. The trustee is also required to comply with relevant laws, trust deed, objectives in establishing the trust, unitholders' resolutions, and any additional obligations made to the unitholders (if any).

While performing such duties, the trustee may seek opinions from independent professional advisors as they deem appropriate. The trustee is required to avoid any actions that conflict with the interest of the trust, whether such action benefits the trustee or others, unless it is for the purpose of receiving remuneration for acting as a trustee or a transaction that has measures or mechanisms to ensure the fairness of that transaction. The trustee must demonstrate that they have managed the trust in a fair manner and have sufficiently disclosed relevant information to the unitholders in advance without any objection from the trust unitholders. In this regard, such disclosure and objection must be in compliance with the Notification SR. 27/2014 and related regulations of the SEC Board under the trust deed, as well as the Trust Act, notifications, rules, regulations, and requirements of the SEC Board, the SEC Office, and the Stock Exchange of Thailand. The trustee is required to fulfill the following duties:

Duties of Administration of the Property

1) The trustee must assign the management of the trust to a trust manager approved by the SEC Office, except the management of other assets that are not core assets.

2) Management of other assets that are not core assets of the trust is the responsibility of the trust manager, unless the trust manager is unable to fulfill this duty. In such case, the regulations must be met.

- If the trustee has to act independently, they must institute at least the following measures by separating the department responsible for managing investments in other assets from the department responsible for duties causing conflicts of interest or operation that has measures to prevent the gaining of inside information, and by separating the department and personnel responsible for investing in other assets from other department and personnel who have the opportunity to make use of such information.
- If a person other than the trust manager is assigned to be the operator, he/she must comply with the rules specified in the Notification of the Capital Market Supervisory Board regarding the Provision of Other Persons to Operate Work Related to Business Operations, with respect to the assignment of other persons to perform work related to the investment of the fund, mutatis mutandis.

Responsibilities in Organizing the Work System of the Trustee

The trustee is responsible for providing a proper work system in accordance with the Trust Act and as announced by the SEC Office. At least, the work system of the trustee shall cover the following matters:

1) Separate the trust from the trustee's personal properties: In order to keep the assets, the trust under the trust deed must be separated from the assets of other trust or the trustee's personal property.

2) Examine the trust management to ensure the trust manager complies with the trust deed and the Trust Act.

3) Record ownership or rights over the assets in the trust, income, expenses, and liabilities of the trust, including accounts related to the trust.

4) Audit and monitor the performance of the trust manager for the benefit of the trust.

5) Control, inspect, and prevent the trust management from not being in accordance with the trust deed and the Trust Act, and preventing fraud in the trust management.

6) The trustee shall maintain a separate account for the assets of the trust, distinct from other assets and accounts of the trustee. If the trustee manages multiple trusts, they must maintain a separate account for the assets of each trust and maintain accurate, complete, and up-to-date accounting records. The trustee shall keep the assets of the trust separate from their personal assets and other assets held by the trustee.

Responsibilities in the Trust Management

1) The trustee has a duty to attend every unitholders' meeting. If a resolution is requested from the unitholders to take any action, the trustee must act as follows:

- Answer questions and provide opinions about the actions or matters seeking resolution and whether they are in accordance with the trust deed or relevant laws.
- Appeal and notify the trust unitholders that such actions or matters requested for resolution cannot be done if they do not comply with the trust deed or relevant laws.

In the event that the trustee is a trust unitholder in the trust, if there is a need to vote or take any action as a unitholder, the trustee shall take into account and protect the best interests of the trust unitholders as a whole and be based on the principles of honesty and prudence, including not causing conflicts or affecting the performance of duties as a trustee of the trust.

2) The trustee has a duty to enforce debt repayment or ensure that debt repayment is enforced in accordance with the agreement between the trust and other parties.

3) Trustees are prohibited from offsetting debts owed by themselves to third parties that do not arise from the performance of their duties as trustees against debts owed by third parties to the trustee arising from the management of the trust. Any action that violates this prohibition is void.

4) In case the trustee enters into juristic acts or transactions with third parties, the trustee shall notify the third parties in writing upon entering into such acts or transactions with third parties that it is acting as a trustee. Also, it must be clearly stated in the documentary evidence of such a juristic act or transaction that it was done in the capacity of a trustee.

5) To manage the trust, the trustee shall not assign another person to manage the trust unless there is an exception that the trustee has the right to delegate.

6) The trustee is responsible for preparing the unitholders register book, whereby the trustee may assign the SET or a person licensed to act as a registrar under the Securities Act on its behalf. When another person is assigned as the trust unit registrar, it is responsible for supervising such a delegated person to comply with the criteria for the preparation of the trust unitholders register book, the issuance of title documents, and the transfer of trust units in the trust deed, unless there is evidence in accordance with the system and regulations of the Securities Depository Center in relation to the securities registrar.

7) The trustee is responsible for preparing evidence showing the rights in trust units or trust unit certificates to be given to the trust unitholders.

8) In the event that the trust unitholder requests the trustee or the securities registrar to issue evidence of rights in new trust units or new trust unit certificates in place of the old ones that have been lost, defaced, or materially damaged, the trustee is obligated to issue or follow a procedure for issuing evidence showing rights in new trust units or new trust unit certificates to unitholders within a reasonable time.

9) The trustee is responsible for providing the trustee's opinions on the performance of duties by the trust manager in the annual report of the trust. The trust manager is responsible for preparing such reports to present to the trust unitholders. The trustee must comment on the performance of the trust manager whether the trust management is in

accordance with the terms of the trust deed, laws, and other relevant requirements or not. If the trust manager fails to comply with the requirements of the trust deed, laws, or any other related announcements and requirements, such matters shall be specified, as shall the trustee's actions to correct them.

10) The trustee is responsible for certifying the report on the net asset value of the trust and the value of the trust units as of the last day of each quarter in accordance with the rules and regulations prescribed by relevant regulations for the trust manager to use in disclosing such reports to the SEC Office within 45 days from the last day of each quarter.

In addition, the trustee has a duty to exercise prudence and caution in order for the trust manager to calculate the net asset value (NAV) of the trust's assets per unit in accordance with the rules and regulations prescribed by the relevant regulations. When the trust manager issues an annual report in each period, he/she publishes information on net asset value and net asset value per unit in the trust's annual report. In this regard, the trust manager must submit information related to net asset value (NAV) calculations, including but not limited to real estate appraisal reports. The trust manager must also certify the accuracy of the information submitted to the trustee.

11) The trustee may incur debt and/or any expenses under the rules, conditions, and methods specified in the trust deed, the Trust Act, notifications, rules, and any other relevant regulations.

12) The trustee has no duty to provide any collateral to guarantee the performance of his/her duties as a trustee, and the trustee has no other duties to the unitholders and/or any other persons other than those specified in the trust instrument and/or as stipulated by laws. In addition, the trustee's entering into the trust establishment agreement does not provide a guarantee for income or the performance of the trust or a guarantee for the performance of the contract with any lessees.

13) Upon the termination of the trust, the trustee shall continue to perform duties to collect, dispose of, and allocate assets by paying debts and expenses upon termination of the trust in the order specified in the Trust Act.

14) The trustee shall separate the financial statements of the trust from the financial statements of other trusts, taking into account the standards prescribed by laws on accounting professions. The prepared financial statements must be audited and commented on by auditors before they are submitted to the SEC Office and disclosed to the public in accordance with the rules and regulations prescribed by the SEC Office. In this regard, such auditors must be approved by the SEC Office and cannot be directors, employees, or employees of the trustee.

15) The trustee shall be refrained from exercising the right to receive money or property back from the trust for expenses paid to third parties.

Responsibilities in Following Up, Supervising, and Inspecting the Trust Manager or Other Assignees (if any)

The trustee is responsible for following up, supervising, and inspecting the trust manager or other assignees (if any) to perform the assigned tasks in accordance with the trust deed, other relevant contracts, and other related announcements as specified by the SEC Board or the SEC Office. Following up, supervising, and inspecting as described above shall include performing the following duties:

1) Supervise that the trust management is done by the trust manager, who has been approved by the SEC Office throughout the period that the trust is established.

2) Follow up, supervise, and take action as necessary for the assignee to behave in accordance with the criteria specified in the trust deed and relevant laws. This includes the removal of the former assignee and the appointment of a new assignee.

3) Supervise and ensure that the trust's investment is in accordance with the trust deed and relevant laws.

4) Supervise to ensure that information about the trust is disclosed accurately and completely as specified in the trust deed and relevant laws.

5) Express opinions on actions or transactions for the trust by the trust manager and other assignees (if any) in order to obtain resolutions from the unitholders, disclose information about the trust to the unitholders, or when requested by the SEC Office.

6) In case of necessity for the benefit of the trust and the unitholders as a whole, the trustee may require the trust manager to take any action that is reasonable and will not create a greater burden on the trust manager than the duties specified in the trust deed or relevant laws. In this regard, the matter that the trust manager has to perform such actions must not be contrary to or inconsistent with the trust deed or the laws, rules, regulations, and regulations of relevant government agencies. And if such actions cause burdens and expenses to the trust manager which are excessive, the trustee and the trust manager will agree further.

7) In the event that the trust manager acts or omits to act, causing damage to the trust, or fails to perform his/her duties in accordance with the trust deed or relevant laws, the trustee shall have the following duties:

- Report to the SEC Office within 5 business days after knowing or becoming aware of such an event.
- Rectify, deter, or remedy the damage incurred to the trust as deemed appropriate.

In the event that there is no trust manager or there is an event that causes the trust manager to be unable to perform his/her duties, the trustee shall manage the trust until a new trust manager is appointed. In this regard, under the criteria as specified in the Notification KR. 14/2012, the trustee shall have the duty to manage the trust as necessary to prevent, inhibit, or limit serious damage to the trust or the unitholders as a whole, and operate in accordance with the authority specified in the trust deed and the Trust Act. In doing so, the trustee may assign other persons to manage the trust during that time within the scope, criteria, and conditions specified in the trust deed, including having the power to appoint a new trust manager according to the authority and duty in the trust deed and the Trust Act.

In addition, when the trustee considers that, in the event that the trust manager fails to perform its duties correctly and completely as specified in the trust deed or the Trust Act, the SEC notifications, or related notifications that are considered to have caused or may have caused serious damage to the trust and/or the trust unitholders and cannot remedy such damage within a reasonable period of time, the trustee can act on behalf of the trust

manager in accordance with which the trustee deems appropriate. This is for the benefit of the trust and the trust unitholders as a whole.

In addition to those specified in the trust deed, if the trust manager takes any action that affects, amends, or changes any material part of the core assets, such as amendments to the structure of the assets or amendments to the type or nature of the use of the assets, the trust manager must seek approval from the trustee before proceeding in such matters.

8.4 Related Person Information

8.4.1 Auditors

Company Name	EY Office Limited
Office Location	193/136-137 Lake Rajada Building, 33 rd Floor, Ratchadapisek Road, Klongtoey Sub-District, Klongtoey District, Bangkok 10110
Contact Channels	Telephone: 0-2264-9090 Fax: 0-2264-0789

8.4.2 Trust Unit Registrar

Company Name	Thailand Securities Depository Company Limited
Office Location	93, 14 th Floor, Ratchadapisek Road, Din Daeng District, Bangkok 10400
Contact Channels	Telephone: 0-2009-9999 Fax: 0-2009-9992

8.4.3 Asset Appraisal Company for Investment in Core Assets First Invested by the Trust

Company Name	Grand Asset Advisory Company Limited
Office Location	1350/279-283 Thairong Tower, 16 th Floor, Phatthanakan Road, Suanluang Sub-District, Suanluang District, Bangkok 10250
Contact Channels	Telephone: 0-2030-5885 Fax: 0-2030-5811-12

09 The Trust Governance

The Company has supervised the trust in accordance with the trust deed, including relevant laws and notifications. The Company has provided a working system manual and internal control system to define the duties and scope of operations of the Company in each department. It also monitors the operations of the trust to be in accordance with the work system. A group of the Board of Directors consists of 5 directors, which 2 of them are independent directors. The Company has not appointed subcommittees.

9.1 The Trust Manager's Meeting

9.1.1 Meeting Requirements

It is required that the Board of Directors' meeting must be held at least 4 times a year. In each of the Board of Directors' meeting, there must be more than half of the total number of directors present to constitute a quorum. The resolution of the Board of Directors' meeting shall be based on the majority votes of the directors attending the meeting. In this regard, directors who have interests in that matter must refrain from participating in the consideration and have no right to vote. The annual general meeting must be held within 4 months from the end of the fiscal year of the trust. Also, there must be the position of secretary of the Board of Directors to present the agenda for the meeting as proposed by each party, prepare, and keep minutes of the Board of Directors' meetings and related documents.

9.1.2 Significant Transactions of the Trust in the Past Accounting Period

Date	Details
January 17, 2022	- Notification of personnel changes for the trust manager of the INET Leasehold Real Estate
February 10, 2022	- Consideration and approval of the trust's annual financial statements for the period of July 29, 2021, to December 31, 2021, that have been audited by auditors Notification of 2022 annual general meeting of the trust unitholders of the INET Leasehold Real Estate Investment Trust on April 19, 2022 - Consideration and approval of the payment of interim remuneration based on the performance of the trust between October 1, 2022, and December 31, 2022
March 4, 2022	- Release of charge on immovable property on the certificate of title No. 9976
April 20, 2022	- Notification of the resolutions of 2022 annual general meeting of the trust unitholders of the INET Leasehold Real Estate Investment Trust

Date	Details
May 3, 2022	<ul style="list-style-type: none"> - Dissemination of the minutes of 2022 annual general meeting of the trust unitholders - Consideration and approval of the trust's interim financial statements between January 1, 2022, and March 31, 2022, that have been reviewed by auditors - Consideration and approval of the payment of interim remuneration based on the performance of the trust between January 1, 2022, and March 31, 2022
July 26, 2022	<ul style="list-style-type: none"> - Notification of the change of personnel of the trust manager of the INET Leasehold Real Estate Investment Trust
August 3, 2022	<ul style="list-style-type: none"> - Consideration and approval of the trust's interim financial statements between April 1, 2022, and June 30, 2022, that have been reviewed by auditors. - Consideration and approval of the payment of interim remuneration based on the performance of the trust between April 1, 2022, and June 30, 2022.
September 12, 2022	<ul style="list-style-type: none"> - Notification of the resolution of the Board of Directors regarding the consideration of the request for consent to amend the contract related to the investment of INETREIT, and determination of the date of the extraordinary general meeting No. 1/2022
October 19, 2022	<ul style="list-style-type: none"> - Notification of the resolutions of the extraordinary general meeting of the trust unitholders No. 1/2022 of the INET Leasehold Real Estate Investment Trust
November 1, 2022	<ul style="list-style-type: none"> - Consideration and approval of the trust's interim financial statements between July 1, 2022, and September 30, 2022, that have been reviewed by auditors - Consideration and approval of the interim distributions based on the performance of the trust between July 1, 2022, and September 30, 2022
November 2, 2022	<ul style="list-style-type: none"> - Publication of the minutes of the extraordinary general meeting of the trust unitholders No. 1/2022 of the INET Leasehold Real Estate Investment Trust

9.2 Supervision on the Inside Information Use

The Company will set guidelines for preventing the misuse of inside information by stipulating that there are segregation of the Company's divisions, departments within the Company, including personnel who may have conflicts of interest or have information that may be learned from performing duties, which is inside information. This can be divided as follows:

Segregation of the Company's Divisions, Departments Within the Company, and Personnel to Prevent Inside Information Leakage (Chinese Wall)

1) Provide a work area or site with a control and inspection system for access to the area where the office is located and a data recording system for entering and exiting the area. This includes work areas of each department that are separated from each other and providing regulations prohibiting the disclosure and borrowing of passwords between workers as well, such as the use of access-out cards (keycard), etc.

2) Segregate departments and personnel in the department who have the opportunity to receive information from operations (inside information). Especially departments that have the opportunity to make use of inside information, the departments responsible for investment such as marketing and business development, etc., should be clearly separated from other departments.

3) In addition, the corporate governance and risk management department has put in place measures to prevent "over the wall" cases, such as cases where operators are loaned between departments. Such a worker shall be deemed to be the worker of the borrowing department. And, the Chinese Wall measures of the borrowing department shall be complied with throughout the borrowing period and until the inside information that may be known from the operation has been disclosed to the public.

Management and Restrictions on the Inside Information Use

1) Determine procedures for departments that may receive inside information and restrictions on

the right to access inside information in order to limit the use of inside information to the extent necessary for the operation (the "need to know basis"). The information acquired from performing duties relating to investment management for the trust shall be confidential information. The relevant personnel and departments must keep that information safe and not disclose it to any unrelated person or use the information for their own or others' benefit.

2) Assign a person who can access the inside information in each area (the access person) to control and inspect the communications resulting from the use of such a person's inside information more closely than others. The aforementioned group of people is obligated to strictly comply with the rules and regulations of the Company.

3) Organize an annual review of the access persons and the right to access internal information in order to revise them in accordance with the situation that may change. In this regard, the access to information in each area will be divided into sections according to the type of information to be accessed only by those departments or individuals who are involved and need to use the information to operate.

In this regard, the access to information in each area will be divided into sections according to the type of information to be accessed only by those departments or individuals who are involved and need to use the information to operate.

Retention of Inside Information, Including Information in the Electronic System

The Company will use an efficient system to maintain information to prevent other unrelated departments and/or personnel from knowing or accessing information under the responsibility of each department by providing the following measures:

1) In the event that information is in the form of documents, the Company will store them in a secure place, for example, in a file cabinet or a locked room. The corporate compliance and risk management department will verify that each department has a document control record and store document related to its department at least 1 (one) time a year. There must be a controller and a strict record control over the document use. At least, the following documents must be stored.

- Trust establishment or offering for sale of newly issued trust units
- Distributions to the trust unitholders
- Capital increase of the trust (if any)
- Capital reduction of the trust (if any)
- Any action that may significantly affect the trust, such as disputes or complaints from the trust unitholders or third parties

2) In the case of information in the electronic system, there will be a computer password to prevent unauthorized persons from accessing it, and there is a system for recording access (a log file), browsing, and editing by storing access records (the log file) for a period of not less than 30 (thirty) days.

In addition, the Company will provide measures to control the leakage of inside information in the event that a document is copied or printed from a computer system, such as requiring the user to destroy copies of the internal data that are no longer in use, etc.

Guidelines for Preventing the Use of Inside Information and Guidelines for Actions in Case of Violations

1) The Company will collect and publish a list of securities to regulate the purchase or sale by its directors, executives, and employees, which are: securities of major shareholders of the Company, trust units of the trusts managed by the Company, including instruments related to such securities after those securities have been listed on the Stock Exchange of Thailand.

2) The Company will announce to all directors, executives, and employees of the Company the period of prohibited trading in such securities. Trading in such securities is prohibited while the Company has received or has the opportunity to receive inside information about the issuer of such securities or is preparing a schedule for the distributions to the trust unitholders, and during the period prior to the dissemination of the financial statements or the dissemination of the financial position and status of the trust, (for which such information has not been disclosed to the public), until such information has been made public.

3) All directors, executives, and employees are required to report their securities holdings under (1) above, including those of their spouses, minor children, and those who live together as husband and wife, to the corporate compliance and risk management department according to the Company's securities holding information form. Such form must comply with relevant laws and announcements. When starting to hold positions as directors, executives, and/or employees of the Company, they must notify the Company of their intention to trade securities at least 3 (three) business days in advance and report every time there is a change in the holding of such securities within 3 (three) business days.

4) The Company may publish a list of securities that are prohibited from trading additionally if it is the security that the Company has the opportunity to receive inside information about its issuer, for example, from studying to enter into a transaction with that issuer. The corporate governance and risk management department will present the list of securities to the Board of Directors for approval before announcing the list of securities.

5) To monitor the security trading of employees, the Company will have audit measures to ensure that directors, executives, and employees comply with the Company's policies, guidelines, and internal regulations, including regulations, rules, and/or orders of relevant departments, taking into account the risk that employees may not comply with the rules.

9.3 Making Decisions on Investment and Trust Management

9.3.1 Factors Used in Making Decisions on Investment and Trust Management

The investment of the trust shall be in accordance with the rules prescribed in the Notification TJ. 49/2012, as well as relevant announcements and orders as specified by the SEC Board or the SEC Office, or to make further amendments. The investment policy is as follows:

1) Direct Investment in Core Assets and Equipment

The trust has a policy to invest in core assets in the category of immovable properties or leasehold rights of immovable properties and assets that are components of or equipment for such

immovable properties, with investment criteria as follows:

(1.1) It is an investment in real estate to acquire ownership or possessory rights. However, in the case of the acquisition of possessory rights, it must be in one of the following cases:

- It is an acquisition of real estate with the issuance of NS. 3K.
- It is an acquisition of leasehold rights in immovable properties with the issuance of an instrument of ownership or possessory right in the category of NS. 3K.

(1.2) The acquired real estate must not be subject to real rights or have any disputes unless the trust manager and the trustee have considered in writing that being subject to real rights or such disputes do not significantly affect the benefit from such real estate and that the conditions for acquiring that immovable property are also beneficial to the trust unitholders as a whole.

(1.3) The real estate acquisition contract must not include any agreements or obligations that could prevent the trust from selling the real estate at a fair price (at the time of sale), for example, an agreement that gives the counterparty the right to purchase real estate of the trust before other parties with a fixed price in advance, etc., or that causes the trust to have more duties than the normal duties that the lessee should have upon the termination of the lease agreement.

(1.4) The acquired real estate must be ready for procurement, with a total value of not less than 75 percent of the value of the trust units requested for sale, including the loan amount (if any). In this regard, the trust may invest in projects that have not yet completed construction. The value of the investment that will be acquired and used to complete the development of real estate for the procurement of benefits must not exceed ten percent of the total asset value of the trust (after the offering of the trust units), and must be able to show that there will be sufficient working capital for such development without affecting the survival of the trust as well.

(1.5) The real estate invested by the trust must be appraised in accordance with the following criteria:

- It is a full appraisal that has title documents

verified and is for public purposes to disclose information to investors no more than 6 months prior to the application date by at least 2 appraisers.

- The appraiser must be an appraiser approved by the Sec office.

(1.6) The acquired real estate must have a total value of not less than 500,000,000 baht. However, in the event that the amount of funds raised through the offering of trust units is less than the value of the real estate intended to be invested, the applicant must be able to show that other sources of funds are sufficient to acquire such real estate.

(1.7) In the event that trust will invest in order to acquire possession rights by subleasing immovable properties or leasing buildings, houses, or structures, the lessor is not the owner according to the land title deeds or the person having the right to possess possession according to the certificate of utilization. The trust manager must provide measures to prevent risks or remedies for damage that may occur to the trust arising from the investment in order to obtain possessive rights by leasing immovable properties or renting buildings or structures that the lessor is not the owner or possessor according to the utilization Certificate. And, the trust manager must disclose the risks to the trustee and the trust unitholders.

(1.8) In the event that the trust acquires ownership of the immovable property and the trust manager wishes to procure benefits from such immovable property by renting it to the original owner. The trust manager must determine the lease fee (both in terms of lease price and lease terms) that is charged from the original owner in a manner that is a normal business practice, as if it were or was not inferior to a transaction with a general third-party partner.



2) Indirect Investment in Core Assets and Equipment

The trust may invest in the core assets of the trust indirectly through a company established with the objective of operating in the same manner as the trust, whether one company or several companies. The way of holding shares or debt instruments issued by such company or entering into a loan agreement with such company is for the purpose of indirect investment in the trust in accordance with the rules prescribed in the Notification T.J. 49/2012 and other relevant announcements in accordance with the following criteria:

(2.1) The company in which the trust indirectly invests in core assets must comply with the following criteria:

(2.1.1) The trust owns the company. (A wholly owned subsidiary)

(2.1.2) In the event that the person who wishes to sell, pay, transfer, lease, or grant rights to the said core assets is not a connected person of the trust manager, it must be a company that has one of the following characteristics:

- 1) A company in which trust holds shares of not less than 75 percent of the total shares sold and not less than 75 percent of the total number of voting rights of that company.
- 2) A company that has a trust or a company under 1) holds shares in an aggregate of not less than 75 percent of the total number of shares sold and not less than 75 percent of the total voting rights of that company.
- 3) A company that holds shares in the next chain of not less than 75 percent of the total number of shares sold and not less than 75 percent of the total voting rights of that company, starting from holding shares of 1) or 2).

The holding of shares in the company under the first paragraph, at any level, shall have voting rights of not less than the amount prescribed by the law of the country in which the company is established for passing a significant resolution. The final shareholding, when calculated on a pro rata basis, must have the number of shares held by the trust representing not less than 51 percent of the total issued shares of the company.

(2.1.3) It is a company in which the trust cannot hold shares in such companies up to the proportion of (2.1.1) or (2.1.2) due to restrictions under other laws. The trust or the company under (2.1.1) or (2.1.2) must hold shares in aggregate of not less than the maximum amount that can be held under the said law, which must not be less than 40 percent of the total voting rights of that company. In addition, it can be shown that the trust participates in the management of such a company at least in proportion to its shareholding in that company.

3) Acquisition Method of Core Assets and Equipment

3.1) The acquisition of core assets and equipment by the trust manager must proceed as follows:

- Examine and review (due diligence) information and contracts related to the main assets and equipment (if any) in the following matters:
 - Condition of the real estate, such as condition of location, entrance, opportunity to generate income, various obligations of that real estate, etc.
 - Ability of the parties to enter into a juristic act as well as completeness, accuracy, and enforceability of the title document or related contract documents
 - Real estate financial information and other suitability factors for investing in that real estate
 - In the event that the real estate to be invested in is located in a foreign country, the trust's ability to acquire and hold the property according to the laws of that country must be examined and reviewed. The opinion of a legal advisor with expertise in the law of that country must also be provided for the audit and review.

In the event that the owner, lessor, or assignee of the leasehold right is a person connected to the trust manager, the trust manager will arrange for a financial advisor to comment on the analysis of such information. In this regard, the examination and review of the core assets and equipment are for the purpose of making decisions on investment and disclosing accurate information.

- Appraise the value of core assets, at least as required.
- In the event that the trust invests in leasehold rights in immovable properties in the form of a sublease, measures will be taken to prevent risks or remedy damages that may arise from a breach of the lease agreement or the inability to enforce the rights in the lease agreement.

3.2) The acquisition of additional core assets shall be in accordance with the following criteria:

- The substance of the transaction is a transaction with the following characteristics:
 - It is in accordance with the trust deed and relevant laws.
 - It is in the best interest of the trust.
 - It is reasonable with fair price.
 - Transaction expenses charged by the trust (if any) are at a fair and appropriate rate.
 - Those who have a special interest in the transaction are refrained from the decision to enter into that transaction.
- The system for approval must go through the following actions:
 - It is approved by the trustee that the transaction is in accordance with the trust deed and relevant laws.
 - In the case of a transaction with a value of more than 1,000,000 baht or 0.03 percent of the net asset value of the trust, whichever is higher, it must be approved by the Board of Directors of the trust manager.

- In the case of a transaction valued at 20,000,000 baht or more than 3 percent of the net asset value of the trust, whichever is higher, the resolution of the trust unitholders must be obtained with a vote of not less than 3/4 of the total number of votes of the trust unitholders attending the meeting and having the right to vote.

In this regard, the calculation of the value of the main assets under this clause shall be based on the total acquisition value of each project that makes the trust ready to earn income, including assets related to that project.

- For the procedures for obtaining approval from the trustee or obtaining a resolution of the trust unitholders, it requires the trust manager and the trustee to have the following duties:
 - It is the trust manager's duty to provide documents requesting approval or a meeting invitation letter, as the case may be, expressing his opinion on the nature of the additional core assets acquisition transaction, together with reasons and clear supporting information.
 - It is the duty of the trustee to attend the meeting of trust unitholders to give opinions on the nature of the transaction and whether they are in compliance with this agreement and related laws.

4) Disposition of Core Assets and Equipment

In disposing of core assets, the trust manager must proceed as follows:

(4.1) Before disposing of the core assets, the trust manager shall provide an appraisal of the core assets in accordance with the regulations.

(4.2) Disposition of core assets shall be in accordance with the following criteria:

- Disposition will be done openly and contain the contents of the transaction as specified. There is an approval system as specified, and there is a process for obtaining approval from the trustee or requesting a resolution of the trust unitholders' meeting.
- Disposition of core assets that fall into the following characteristics, in addition to being in accordance with the requirements on disposing of core assets specified in the preceding paragraph, must also be necessary and appropriate with the approval of the Board of Directors of the trust manager as well.
 - Disposal of core assets before 1 (one) year from the date on which the trust acquired such core assets.
 - Disposition of core assets acquired by the trust to the original Owners' procurement of benefits from the core assets of the trust.

5) Procurement of Benefits from the Core Assets of the Trust

The procurement of benefits from the core assets of the trust must have the following characteristics:

(5.1) The trust manager will procure benefits from the core assets by leasing, subletting, or utilizing the premises, for which a fee is charged, and providing services related to the leasing or utilization of the premises. In this regard, the trust manager will not take any action that uses the trust to operate other businesses, such as hotel or hospital businesses, etc., unless the trust has a necessity due to a change in the lessee of the immovable property or is in the process of recruiting a new lessee for the immovable property. The trust may operate in a manner that temporarily uses the trust to operate such other businesses.

In the event that the trust has a temporary necessity to operate other businesses, the trust manager must disclose a report clarifying the reasons for the change in the tenant of the property, as well as informing the guidelines of the trust's actions during the recruitment of new real estate tenants and reporting the progress of such actions in accordance with relevant rules and laws.

(5.2) In the event that the trust manager will lease real estate to a person who will use that real estate to operate a business that the trust cannot operate by itself, such as a hotel business or hospital business, etc., there must be an agreement that predetermines a fixed amount of rent and may additionally set rent that is based on the lessee's performance. Such agreements must be disclosed in the registration statement and prospectus, the annual information disclosure form, and the annual report.

(5.3) The trust manager is prohibited from leasing immovable property to a person who has reasonable grounds to suspect that such immovable property will be used for an immoral or illegal business. In each lease, the trust manager must provide an agreement in order for the trust to be able to terminate the lease if it appears that the lessee uses the real estate for such a business.

(5.4) The trust manager will maintain the core assets in good condition and ready to generate income. This includes the provision of adequate insurance throughout the period that the trust invests in the core assets, as per the following details:

- In managing and seeking benefits from various assets, the trust will consider the renovation or maintenance of the trust's assets. This includes immovable properties of the trust or immovable properties that the trust has the leasehold right to be in good condition and ready to use for its benefit or in line with changing market conditions or customer needs. In this regard, the trust may use rental deposits and/or loans from commercial banks or financial institutions for the operation of the trust, its management, and seeking benefits from the trust's various properties, or the improvement or maintenance of such assets. However, it must be in accordance with the resolution of the unitholders' meeting and/or the registration statement for the sale of such trust units. And, the trust must have a management system for the lease guarantee to be ready when the lessee exercises the right to receive the lease deposit.
- The trust manager has a duty to provide insurance in the amount that the trustee deems sufficient and appropriate to restore the trust's assets to their original condition so that the trust can procure the same benefits and receive returns of not less than throughout the period that the trust invests in core assets. Such insurance must cover non-life damage that may occur to real estate in an amount that is not less than the replacement cost (full replacement cost) and third-party liability insurance that may be damaged from immovable property or from the operation of immovable property in an amount that is sufficient and appropriate. However, in considering the above insurance amount prepared by the trust manager, the trustee shall not refuse to provide such insurance or an insurance amount without reasonable grounds.

(5.5) In the event that the trust acquires ownership of the immovable property and the trust manager wishes to procure benefits from such immovable property by leasing it to the original owner, the trust manager must determine the lease fee charged to the previous owner in terms of lease price and lease terms in a normal business practice as if it were a transaction with a general third-party partner.

(5.6) In case of force majeure that affects the procurement of benefits by the trust and/or the trust unitholders and/or the performance of duties by the parties under the agreement for procuring benefits in the real estate of the trust, the trustee (together with the trust manager) has the power to consider, negotiate, and/or relax the performance of the contract that is affected by such force majeure, including but not limited to lease fee exemption, postponement of lease payment, and/or relief of duties under the trust's real estate benefit agreement with contract parties and/or contracts with all lessees in the real estate, regardless of any.

9.4 Property Manager Selection

- None -

9.5 Supervision of the Performance of Property Managers

- None -

9.6 Monitoring of the Trust's Benefits

The trust manager shall provide guidelines and systems for monitoring and overseeing the trust's interests in order to maintain the utmost benefit of the trust and the unitholders. The guidelines will be provided as follows:

- 1) Coordinate with the trustee or the person assigned by the trustee to facilitate the survey of the core assets.
- 2) Manage the trust's budget and the trust's cash flow.
- 3) Prepare the financial statements of the trust in accordance with the accounting standards prescribed by the accounting law and disclose the financial statements in accordance with the specified criteria.
- 4) Disburse expenses of the trust only in the case of disbursement from the account for day-to-day operations or other purposes agreed with the trustee under the limit approved by the trustee.
- 5) Arrange for the distribution of returns to the trust unitholders in accordance with the rules and conditions specified in the trust deed, the resolutions of the trust unitholders' meeting, regulations, and relevant laws.
- 6) In the event that a resolution is required from the trust unitholders for any business operation, the trust manager must express an opinion and analyze the impact as information for making a decision.
- 7) Organize the storage of documents related to the operation of the trust.

9.7 Remuneration of the Trust Manager

The trustee acting on behalf of the trust agrees to pay a fee (including VAT) for the performance of duties under the trust manager appointment agreement. The details are as follows:

- 1) Basic fee is at the rate of 2 percent per year of the total asset value of the trust, and the trustee agrees to pay the basic fee to the trust manager on a monthly basis.
- 2) Fee for acquisition or disposition of assets
 - (2.1) Fee for the acquisition of core assets of the trust (acquisition fee) after the initial public offering of trust units:
 - In the case of assets of persons connected to the trust manager at a rate not exceeding 0.75 percent of the value of the core assets acquired
 - In the case of other assets at a rate not exceeding 1.00 percent of the value of core assets acquiredThe trustee on behalf of the trust cannot take the fees payable under this clause, regardless of all or part of them, to set off for any other debts. The trustee shall pay the fee for the acquisition of such assets to the trust manager upon the trust receiving ownership or leasehold rights to such assets.
 - (2.2) Fee for disposition of the core assets of the trust (disposition fee): at a rate not exceeding 0.50 percent of the net asset value disposed of by the trust. The fee is the rate excluding VAT.

9.8 Disclosure of Information to Unitholders

The Company has a duty to prepare and disclose information about the operation of the trust that is accurate, complete, clear, and adequate for investors' decision-making in the form of reports, financial information, and general information, as well as any other important information. The Company will disclose through various communication channels, including the website of the Stock Exchange of Thailand, the Company's website, and documents sent to trust unitholders, including reporting to relevant regulatory agencies as specified in the trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and relevant laws. The business development and investor relations department will disclose information that has been prepared and reviewed according to the Company's procedures to relevant persons or departments. The details are as follows:

(1) Trust Information That Must Be Reported Regularly

Information Type	Information Reporting Period
Quarterly financial statements* (reviewed), Auditor's report according to the notification of the Office of the SEC on the approval of auditors, Certificate of financial statements (56-REIT3)	Deliver together within 45 (forty-five) days from the end of the quarter.
Trust investment status report	Within 45 (forty-five) days from the end of the quarter via OFAR system
Report the net asset value (NAV) of the trust, the value of the trust unit, the total asset value, and details of seeking benefits from assets other than the core assets (if any)	Submit to the trustee for review within 30 (thirty) days from the end of each quarter and submit the report certified by the trustee to the SEC and the SET within 45 (forty-five) days from the end of each quarter.
Annual financial statement* (annual statement) (Auditors audits with financial statement submission form, auditor's report according to the notification of the Office of the SEC regarding the approval of auditors, Certificate of financial statements (56-REIT3))	Within 2 (two) months from the end of the fiscal year in the case of not submitting the 4 th (fourth) quarter financial statements, or within 3 (three) months from the end of the fiscal year in the case of submitting the 4 th (fourth) quarter financial statements
Summary report on the performance of the trust	Deliver together with the submission of financial statements every time.
Report clarifying the performance that have changed more than 20 (twenty) percent from the same period of the previous year	Deliver together with the submission of financial statements every time.
Submission of financial statements through the FSCOMP system	Within 1 (one) business day from the date of submission of the financial statements
Annual information disclosure form	Within 3 (three) months from the end of the fiscal year
Annual report of the trust	Deliver together with the notice of the annual general meeting of trust unitholders within 120 (one hundred and twenty) days from the end of the fiscal year.
Report on the distribution of trust unit holdings (free float)	Within 14 (fourteen) days from the closing date of the register to determine the name list for the annual general meeting
Trust manager's capital management report (CAR)	Within 5 (five) days from the last day of each month

Remark: * The preparation and disclosure of information in the financial statements of the trust shall be in accordance with the accounting standards prescribed by the Federation of Accounting Professions for each type of transaction.

(2) Trust Information That Must Be Reported When an Event Occurs

Information Type	Information Reporting Period
Report on the distribution of trust unit holdings (free float)	Within 14 (fourteen) days from the closing date of the register book, determine the name list for the trust unitholders' meeting or the date to determine the name list of trust unitholders for any rights
Schedule of the closing date of the register book to suspend transfers of trust units, the date to determine the list of trust unitholders for the unitholders' meeting, or the date for granting any rights to the trust unitholders	Immediately, without delay, and not less than 14 (fourteen) days (and not less than 7 (seven) days in the event of a change) before the closing date of the register book to suspend transfer of trust units, the record date for unitholders for the unitholders' meeting, or the date for granting any rights to the trust unitholders.
Invitation letter for unitholders' meeting	Submit to the trustee for approval no less than 14 (fourteen) days prior to the closing date of the trust unitholders' register book.
	Report information to the SET at least 7 (seven) or 14 (fourteen) days prior to the meeting date.
	Announce the meeting in at least 1 (one) local daily newspaper not less than 3 (three) days prior to the meeting date.
Abbreviated minutes of the trust unitholders' meeting for publishing information on the electronic media of the Stock Exchange of Thailand	Without delay, i.e., (a) on the day when the event occurs, report it at least 1 hour before or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of securities trading of the following business day.
Minutes of the trust unitholders' meeting	Submit to the trustee for approval within 9 (nine) days from the date of each trust unitholders' meeting.
	Report information to the SET within 14 (fourteen) days from the date of each trust unitholders' meeting.
Report on construction progress in case the trust invests in immovable properties that are not yet completed (if any)	Within 30 (thirty) days from the last day of every 6 (six) month period from the date of investment in that real estate
	When the construction is complete and ready to bring benefits, the report must be prepared and submitted within 30 (thirty) days of the completion of the construction and readiness to bring benefits.

Information Type	Information Reporting Period
<p>Progress report on the sale of core assets and causing the value of core assets invested by the trust to be less than 500 (five hundred) million baht, or less than 75 (seventy-five) percent of the total assets</p>	<p>Report to the SEC Office without delay, i.e., (a) on the day the event occurs, by reporting at least 1 hour before each round of buying or selling of securities on the SET or after the time of purchase or sell securities in the SET. (b) In the case of force majeure, the Company cannot comply with (a) at least 1 hour prior to the first round of trading of securities on the following business day when there is a sale of core assets in such a manner, submit progress reports to the Stock Exchange of Thailand together with the submission of financial statements every time.</p>
<p>Report on the par value of the trust units after the reduction of the paid-up capital of the trust</p>	<p>Within 15 (fifteen) days from the date of completion of the reduction of paid-up capital</p>
<p>Report on significant events and changes relating to the trust and the unitholders, including:</p> <ul style="list-style-type: none"> - Determining the date for the unitholders' meeting - Paying or not paying benefits - Trust's resolution to increase capital, allocate trust units, or reduce paid-up capital - Issuance of new trust units (tranches) - Change in trust unitholder structure that is more than 10 percent of each type of trust unit (tranche) - Acquisition or loss of important commercial contracts (such as lease contracts made with tenants of the trust's core assets) - Acquisition or disposition of core assets - Borrowing money, creating significant encumbrances on the assets of the trust, or issuing debt securities in a significant amount compared to its financial position and performance, or the trust issuing significant new products - Dissolution of the trust or the business of core assets with liquidation - Major changes in the investment program 	<p>Without delay, i.e., (a) on the day when the event occurs, report it at least 1 hour before or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of securities trading of the following business day.</p>

Information Type	Information Reporting Period
<p>Default in debt payment or inability to comply with legal obligations regarding receiving financial assistance with a value of 5 percent or more of the total asset value in the latest financial statements or consolidated financial statements</p>	<p>Immediately and without delay, i.e., (a) on the day when the event occurs, report it at least 1 hour before or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of securities trading of the following business day. Then, report the progress of the trust's default on debt payment (if any) within 45 days from the end of each quarter or when there is progress on the default on debt payment, whichever event occurs first.</p>
<p>Transactions with connected persons of the Company</p>	<p>Immediately and without delay, i.e., (a) on the day when the event occurs, report it at least 1 hour before or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of securities trading of the following business day.</p>
<p>Significant disputes affecting the operation of the trust, such as disputes with labors, subcontractors, or suppliers to the trust</p>	<p>Immediately and without delay, i.e., on the day the event occurs, report it at least 1 hour before the time of buying or selling securities on the SET in each round or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of trading of securities on the following business day, including disclosure in the annual report and/or financial statements of the trust.</p>
<p>Major legal disputes</p>	<p>Immediately and without delay, i.e., on the day the event occurs, report it at least 1 hour before the time of buying or selling securities on the SET in each round or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of trading of securities on the following business day, including disclosure in the annual report and/or financial statements of the trust.</p>

Information Type	Information Reporting Period
Change in significant accounting policies	Immediately and without delay, i.e., (a) on the day when the event occurs, report it at least 1 hour before or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of securities trading of the following business day.
Any other information that has or will have an effect on the benefits or decisions of investors, on the change in the price of trust units, or on any other information	Immediately and without delay, i.e., (a) on the day when the event occurs, report it at least 1 hour before or after the time of buying or selling securities on the SET. (b) In case of a force majeure event that cannot be complied with in (a), the report must be made at least 1 hour before the first round of securities trading of the following business day. Then, report it to the SEC Office without delay after it has been reported to the SET.
Report on the changes as follows: <ul style="list-style-type: none"> - Change of trust manager or trustee - Relocation of the trust manager's head office - Change of auditor for the trust - Change of securities registrar or change of location of the trust's securities registrar 	Within 3 (three) business days from the date of the incident, report it to the SEC office without delay after it has been reported to the SET
Change of directors or persons with management authority of the trust manager	Report to the SET within 3 (three) business days from the date of occurrence, and report to the SEC within 15 (fifteen) days.
Report on full real estate valuation	Immediately and without delay.
Real estate valuation review report (which must be done every 1 (one) year from the date of the latest full valuation)	Immediately and without delay.

In addition, the Company will prepare documents, evidence, and other relevant information and reports as required by the trust deed, trust manager appointment agreement, registration statement, prospectus, regulations, and relevant laws by submitting reports to the SEC Office in the form of printed documents and submitting such reports in the form of copies of printed documents and/or electronic data via the SET's data transmission system as required by relevant regulations and laws.

9.9 Organizing a Meeting of Unitholders

The trust manager has the duty to arrange the unitholders' meeting at least as follows:

1) An annual general meeting must be held within 4 months from the end of the fiscal year of the trust.

2) An extraordinary meeting is a meeting other than the annual general meeting, which will be held when the following items or events are specified:

(1) When unitholders, holding trust units in aggregate, representing not less than 10 percent of the total number of sold trust units, make a written request to the trust manager to call a meeting of trust unitholders, the reasons for requesting the meeting are clearly stated in the letter. In this regard, when the trust unitholders have signed a letter requesting a unitholders' meeting, the trust manager shall arrange a unitholders' meeting within 45 days from the date of receipt of the letter from the unitholders.

(2) In any case that the trustee deems necessary or appropriate to propose to the unitholders' meeting for consideration and resolution on that matter, the trust manager shall hold a unitholders' meeting within 1 month from the date of receipt of the letter from the trustee. However, this does not preclude the trustee's right to consult with the trust manager regarding such a necessity.

(3) In any other case that the trust manager deems necessary or appropriate to propose the matter to the unitholders' meeting for consideration and resolution on such matter for the benefit of trust management, this does not preclude the trustee's right to consult with the trust manager regarding such a necessity.

9.9.1 Calling a Meeting of Unitholders

In calling a unitholders' meeting, the trust manager shall prepare a meeting notice specifying the place, date, time, method of meeting, agenda, and such other details as are appropriate and sufficient for the trust unitholders to make a decision. At least there must be information on how to hold a meeting and how to vote as well as the agenda of the meeting and the matter to be proposed to the meeting with reasonable details

clearly stating that the matter will be proposed for acknowledgment, approval, or consideration, as the case may be. This includes the trust manager's opinion on such a matter and the impact that the trust unitholders may receive from voting on that matter, by delivering the meeting invitation letter, trust unitholders must proceed as follows:

(1) Deliver the meeting invitation letter to the trust unitholders in advance of the meeting date according to the following periods:

- 14 days in case of a meeting of trust unitholders, which requires an agenda that requires resolutions of trust unitholders from not less than 3-4 of the number of trust units of the trust unitholders attending the meeting and having the right to vote

- 7 days in other cases

(2) Announce the meeting in at least 1 local daily newspaper not less than 3 days before the meeting date.

(3) In case the trust manager fails to call a unitholders' meeting within 45 days from the date of receipt of the letter from the unitholders, the trustee shall be able to call a unitholders' meeting in accordance with the meeting calling method specified in the first paragraph of this clause, mutatis mutandis, and the trustee shall have the right to collect expenses incurred

(if any) from holding a meeting of unitholders on behalf of the said trust manager as actually and reasonably incurred.

9.9.2 Quorum and Chairman of the Trust Unitholders' Meeting

(1) Quorum

A meeting of trust unitholders must be attended by at least 25 trust unitholders, or not less than half of the total number of trust unitholders, and there must be no less than one-third of the total number of trust units sold in total to constitute a quorum.

In the event that at any trust unitholders' meeting, after 1 hour has passed since the time specified for the meeting, the number of trust unitholders attending the meeting is insufficient to constitute a quorum, as specified in the first paragraph, if the meeting of trust unitholders was called in response to their request, the meeting should be canceled. If the trust unitholders' meeting is not called as a result of a request by the trust unitholders, the meeting shall be rescheduled, and notice of the

meeting shall be delivered to the trust unitholders at least 7 days prior to the meeting date. In the latter meeting, it is not mandatory that a quorum be formed.

(2) Chairman of the Unitholders' Meeting

Subject to the Trust Act and related notifications, the trustee shall appoint a person to act as the chairman of the meeting of trust unitholders. In considering any item on the agenda of the unitholders' meeting in which the chairman of the unitholders' meeting has an interest, the chairman shall leave the meeting on that agenda and the trust manager shall present a list of persons to the unitholders' meeting. The trust considers appointing the chairman of the trust unitholders' meeting for that agenda.

In the event that the trustee has conflicts of interest in any item on the agenda, the trust manager shall present a list of persons for the trust unitholders' meeting to appoint as the chairman of the trust unitholders' meeting for that item. In the event that both the trustee and the trust manager have interests in any agenda item, the trust unitholders' meeting shall consider appointing any person to be the chairman of the trust unitholders' meeting for that agenda item.

Furthermore, if the agenda of the trust unitholders' meeting contains any items in which the trustee or the trust manager has an interest, the trustee, the trust manager, and the trustee's representative do not have the right to vote on such an agenda. (In case the trustee or the trust manager and the representative of the trustee or the trust manager are unitholders.)

In addition, the chairman of the trust unitholders' meeting shall have the powers and duties as follows:

- Supervise the orderly conduct of the general meeting.
- Determine to use any other methods in conducting the meeting of trust unitholders as the chairman of the meeting may consider appropriate or necessary in order for the trust unitholders' meeting to take place as well as the process of considering and voting on various matters in an orderly and efficient manner.
- In order to keep the unitholders' meeting in accordance with the Trust Act and related notifications, the chairman may terminate any discussion or consideration in the unitholders' meeting.

- In case of equal votes in the resolution of the unitholders' meeting, the chairman of the unitholders' meeting shall have a casting vote by exercising the deciding power of the chairman of the unitholders' meeting. Votes in equal votes shall be final.

9.9.3 How to Grant Proxy

In the trust unitholders' meeting, the trust unitholder may appoint a proxy to another person, such as a trustee or independent director of the trust manager, as specified in the proxy form, to attend the meeting and vote on his or her behalf in the meeting. In delivering the invitation letter to the trust unitholders' meeting, the trust manager shall deliver the proxy form to the trust unitholders.

In this regard, the proxy holder must deliver the proxy form and supporting documents as specified in the meeting invitation letter to the chairman of the meeting prior to the commencement of the trust unitholders' meeting.

The trust unitholders' meeting shall be conducted in accordance with the following criteria:

(1) The trust unitholders' meeting shall be conducted in accordance with the order of the agenda specified in the meeting notice unless the meeting resolves to change the order of the agenda with a vote of not less than 2-3 of the number of trust unitholders attending the meeting.

(2) When the meeting has completed its consideration, unitholders holding trust units representing an aggregate of not less than 1-3 of the total number of trust units sold may ask the meeting to consider matters other than those specified in the meeting notice.

(3) In the event that the meeting has not finished considering the matters listed in the order of the agenda under (1) or has not finished considering the matters proposed by the trust unitholders under (2), as the case may be, and it is necessary to postpone the consideration, the meeting shall specify the place, date, and time for the next meeting, and the trust manager shall send a notice of meeting specifying the place, date, time, and agenda to the trust unitholders at least 7 days prior to the meeting date. The notice of the meeting must also be advertised in a newspaper at least 3 days prior to the meeting date.



9.9.4 How to Count Votes

Unitholders have 1 vote per trust unit held by them, and unitholders who have the right to vote must not have a special interest in the matter being considered.

9.9.5 Unitholders' Resolution

Unless otherwise specified in the trust deed, the resolution of the trust unitholders shall consist of the following votes:

(1) In general, a majority of trust unitholders attending the meeting and having the right to vote will be the resolution.

(2) In the following cases, a vote of not less than 3-4 of the total number of votes of the trust unitholders attending the meeting and having the right to vote is required.

- Acquisition or disposition of core assets with a value of 30 percent or more of the total asset value of the trust
- A capital increase or decrease in the paid-up capital of the trust, which is not specified in advance in the trust deed
- Capital increase under a general mandate of the trust

- Transactions with the trust manager or persons connected to the trust manager with a transaction size of at least 20,000,000 baht or more than 3 percent of the net asset value of the trust, whichever is higher
- Changes in returns and the return of funds to unitholders
- Change of trustee or trust manager
- Amendments to the trust deed in matters that significantly affect the rights of the trust unitholders
- Dissolution of the trust

In addition, if the resolution of the trust unitholders will cause the trust or the management of the trust to be contrary to or inconsistent with the rules prescribed in the notification SR. 26/2012, or other rules under the Securities Act or the Act, the Trust Act assumes that such a resolution is ineffective.

9.9.6 Preparation of Minutes of the Trust Unitholders' Meeting

The trust manager shall prepare the minutes of each meeting and resolutions of the trust unitholders, whereby the chairman of each meeting shall sign to certify the accuracy of such reports. In this regard, the expenses for preparing the minutes of the meeting shall be the expenses of the trust.

9.9.7 Request for Resolutions and Unitholders' Meeting

(1) How to Request a Resolution

To request a resolution to approve any matter in the management and operation of the trust as specified in the trust deed and the Trust Act, it shall be done by way of holding a meeting of trust unitholders only.

(2) Reason for Requesting a Resolution

The reasons for requesting a resolution from unitholders are as follows:

- Acquisition or disposition of core assets with a value of 30 percent or more of the total asset value of the trust
- Issuing debt instruments, debt securities, or borrowing money for which the trust must provide collateral as specified
- Capital increase or decrease in the paid-up capital of the trust that is not specified in advance
- Capital increase under a general mandate of the trust
- Transactions with the trust manager or persons connected to the trust manager with a transaction size of at least 20,000,000 baht or more than 3 percent of the net asset value of the trust, whichever is higher
- Changes in returns and the return of funds to unitholders
- Change of trustee or trust manager
- Amendments to this agreement in matters that significantly affect the rights of trust unit holders
- Dissolution of the trust
- Any other case that the trustee or the trust manager deems necessary or appropriate to propose the matter to unitholders for consideration and resolution on such a matter

9.9.8 Restrictions on the Voting Rights of Trust Unitholders

The following unitholders have voting rights restrictions:

(1) Unitholders holding trust units in excess of the ratio or not in accordance with the rules prescribed in the Notification TJ. 49/2012, the Notification KR. 14/2012, and the Notification SCH.

29/2012, as the case may be, or in any other proportion to be announced or amended by the SEC, only for the part that exceeds the rate or does not comply with the said criteria

(2) Unitholders who have special interests in the matter requested for resolution

9.9.9 Arrangement of the Annual General Meeting and the Waiver of the Provisions of the Trust Deed of the Real Estate Investment Trust in the Year 2021 Due to the Outbreak of the Coronavirus Disease 2019 (COVID-19) Outbreak, According to the Notification SR. 7/2021. The Annual General Meeting May Be Changed as Follows:

(1) The annual general meeting held in 2021 of the trust unitholders of any trust is a meeting to report to the trust unitholders only without requesting a resolution from unitholders. The trust manager may proceed with other methods instead of holding an annual general meeting to report to the unitholders at least the following matters:

- Trust management in important matters and guidelines for future trust management
- Financial status and performance of the trust in the past fiscal year with at least the audited financial statements and opinions from the auditor
- Appointment of the trust's auditor and auditing expenses

In this regard, the trust manager shall provide a communication channel for the trust unit holders to request additional information from the trust manager. In the event that the trust unitholders have any inquiries, the trust manager shall prepare a summary of key points in the form of questions and answers for the trust unitholders to acknowledge as well, and the trust manager shall disseminate the information through the information system of the SET.

(2) In 2021, the trust manager may request resolutions from unitholders in lieu of holding a meeting of unitholders, as specified in the announcement of the transaction requirements and the text of the trust deed. However, this does not include the request for a resolution for the disposal of the trust's assets. The trust manager shall comply with the following criteria:

To request for resolution, the trust manager shall comply with the following regulations:

- Submit a request letter for unitholders' resolutions at least 14 days in advance of the closing date for receiving the reply letter from unitholders. The letter requesting such a resolution must clearly specify the closing date for receiving the reply letter and contain details as specified in Clause 94(1) of the Notification of the Capital Market Supervisory Board concerning rules, conditions, and procedures for the establishment and management of infrastructure funds, *mutatis mutandis*.
- Unitholders' resolutions shall be in accordance with the following regulations:
 - In the case of requesting a resolution for a transaction, a vote of not less than 3-4 of the total number of votes of the trust unitholders attending the meeting and having the right to vote is required. The resolution shall be based on the total number of trust units—more than one-half of the total number of trust units—of the trust unitholders who have the right to vote.
 - In any case other than (a), resolutions based on the total number of trust units shall be held by more than half of the total number of trust unitholders who have a reply letter and are entitled to vote.

The trust manager may obtain the unitholders' resolution under the first paragraph by electronic means. The suitability of the trust unitholders, the security standards of electronic media operations, and compliance with laws related to electronic transactions or operations must also be taken into account.

The quorum count according to item 2) shall be in accordance with Section 129/2 of the Securities and Exchange Act B.E. 2535 and the regulations prescribed in the notifications issued under Section 129/2 of the Securities and Exchange Act B.E. 2535, *mutatis mutandis*.

9.10 Nomination and Appointment of Directors and Top Executives

9.10.1 Selection, Nomination, and Appointment of Directors and Top Executives

The trust manager has a selection system and checks that the executive personnel have the qualifications specified in the announcement by the SEC Office as follows:

- (1) A person who has work experience consistent with the real estate business that the trust invests in
- (2) A person with knowledge and experience in management for at least 5 (five) years
- (3) A person with no prohibited characteristics under the Notification of the Capital Market Supervisory Board concerning Prohibited Characteristics of Personnel in Capital Market Business, including complying with the criteria and policies of the Company and the trust deed, the trust manager appointment agreement, the registration statement, the prospectus, the regulations, and relevant laws

9.10.2 Selection of Independent Committees

The independent directors of the Company as the trust manager must have at least the following qualifications:

- (1) Hold shares not exceeding 1 (one) percent of the total number of shares with voting rights of the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company. This includes the shares held by related persons of that independent director as well.
- (2) Not be or have been an executive director, employee, staff member, advisor who receives a regular salary, or controlling person of the Company, parent company, subsidiary, associated company, same-level subsidiary, major shareholder, or those with controlling power of the Company, unless the foregoing status has ended not less than 2 (two) years.
- (3) Not be a person who has a blood relationship or by legal registration in the form of father, mother, spouse, siblings, and children, including spouses of children of other directors, executives, major shareholder controllers, or a person who will be nominated to be a director, executive, or person with controlling authority of the Company or subsidiary.

(4) Not have or have had a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, or controlling persons of the Company in a manner that may interfere with his independent judgment, including not being or using to be a significant shareholder of a person who has a business relationship with the Company, parent company, subsidiary, associated company, and major shareholder, unless he or she has retired from the aforementioned position for not less than 2 (two) years.

(5) Not be or have been an auditor of the Company, parent company, subsidiary, associated company, major shareholder, or the person who has the authority to control the Company, and not be a significant shareholder, controller, or partner of the audit firm that has auditors of the Company, parent company, subsidiary, associated company, major shareholders, or the person having the authority to control the Company is affiliated with, unless the affiliation of the aforementioned nature has been terminated for not less than 2(two) years.

(6) Not be or have been a professional service provider, including a legal advisor or financial advisor who receives service fees exceeding 2 (two) million baht per year from the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company, and not be a significant shareholder, controlling person, or partner of that professional service provider unless he or she has retired from the aforementioned position for not less than 2 (two) years.

(7) Not be a director who has been appointed as a representative of the Company's directors, major shareholders, or shareholders who are related to major shareholders.

(8) Not operate businesses with the same nature and are in significant competition with the Company's business or a subsidiary; be a significant partner in the partnership; be a director who takes part in the management; be an employee; be an advisor who receives a regular salary; or hold more than 1 percent (One) of the total number of shares with voting rights of other companies that operate businesses of the same nature and are in significant competition with the Company's business or subsidiary.

(9) Not be a person that the Exchange deems unsuitable to be an executive according to its regulations and/or a person with prohibited characteristics according to the Notification of the Capital Market Supervisory Board concerning Prohibited Characteristics of Personnel in Capital Market Business, mutatis mutandis, to Clause 12(4) of the Notification of the Office of the SEC No. SCH. 29/2012 Re: Rules, Conditions, and Procedures for Approving a trust manager and Operational Standards, and any amendments or other rules that the SEC may change in the future.

(10) Never been a person convicted of violating the securities law, the law governing finance business, securities business, and credit finance business, the law governing commercial banking, the law governing non-life insurance, the law governing the prevention and suppression of money laundering, or any other law regarding financial business in the same way, whether it is Thai law or foreign law, by the authority under that law, in this regard, for offenses relating to unfair acts relating to securities trading or deceitful, fraudulent, or dishonest management.

(11) Not possess any other characteristics that may prevent them from expressing opinions freely on the Company's operations.

9.11 Auditor's Remuneration

The Company has appointed EY Office Limited as the auditor of the trust for the accounting period from January 1, 2022, until December 31, 2022, with remuneration from the audit. The total amount is 850,000 baht.

10 Social Responsibility

- None -



11 Internal Control and Risk Management

The Company establishes a policy and supervises the management of risks related to the trust management and the trust's investment to be in accordance with the trust deed and relevant regulations. It is obligated to supervise and prevent conflicts of interest between the trust and connected persons, including providing the organizational structure and the guideline to maintain the utmost benefits of the trust and the trust unitholders as a whole when the conflicts of interest occur.

In addition, it is obligated to ensure that the personnel involved in the operation of the trust are qualified according to the characteristics of work performed; and the personnel involved in the trust operations who perform their duties must be in full numbers and have experience related to real estate management or related businesses as specified in the Securities and Exchange Act, the Trust for Transactions in Capital Market Act, the announcements of the Office of the SEC, and other related laws, including any necessary preparations and necessary actions to ensure that there will not be a case where the trust lacks personnel to perform duties.

Moreover, the corporate compliance and risk management department is responsible for inspecting the trust operations to be in accordance with all 10 work systems and the internal control system as well as the trust deed and other relevant laws to ensure that the trust and persons connected to the trust manager or the trustee acknowledge and comply with existing or often amended laws and regulations.

12 Related Party Transactions and Prevention of Conflicts of Interest

The Company, as the trust manager, has main duties and responsibilities in managing the trust, including investing in the core assets that are the first investment of the trust and taking care of the benefits of the trust. Although the Company has the policy to avoid making related party transactions that may cause a conflict of interest, the Company may enter into related party transactions with persons that may cause a conflict of interest or that may cause a conflict of interest in the future according to the announcements of the Office of the SEC and the SET. In this regard, in case of entering into transactions that may cause a conflict of interest, the Company will consider the reason and necessity for entering into such transactions as well as performing duties in accordance with the Company's policies, trust deed, trust manager appointment agreement, information disclosure form, prospectus, the Securities Act, regulations, and laws related to trust management.

Regarding the trust's investment in the core assets that are the trust's first investment and after the investment in the core assets that are the trust's first investment, the Company expects that there will be related party transactions. The summary details of the said transactions are as follows:

12.1 Individuals/Juristic Persons Related to the Trust Manager or the Trustee

Juristic Persons/Companies With Possible Conflicts	Relationship
INET REIT Management Company Limited (the “Company” or the “trust manager”)	<ul style="list-style-type: none"> - It is the trust manager. - It is the subsidiary of INET. INET shareholding represents 99.997 percent of the issued and paid-up shares of the Company.
Internet Thailand Public Company Limited (“INET”)	<ul style="list-style-type: none"> - It holds the ownership of the data center, buildings, equipment, and other properties related to the business of providing information technology services to the INET-IDC3 Phase 1 project, as well as the power substation control building for the INET-IDC3 Phase 1 and Phase 2 projects which are the core assets firstly invested by the trust, including the certificate of title No. 9977 which is the land where the power substation control building is located. - It is the major shareholder of the trust manager. INET shareholding represents 99.997 percent of the issued and paid-up shares of the trust manager. - It is the controlling person of the trust manager. - It is the major unitholder of the trust after the trust establishment. The unit-holding represents approximately 25 percent of the trust issued and offered this time.
Mandala Communication Company Limited (“Mandala”)	<ul style="list-style-type: none"> - It is the grantor of the right to register to separate the establishment of right of superficies for the trust without compensation, and register to separate the establishment of charge on immovable property for the trust and INET without compensation on the certificate of title No. 2877. - It is the subsidiary of Internet Thailand Public Company Limited (“INET”). INET shareholding represents 99.99 percent of the issued and paid-up shares of Mandala.
Kasikorn Asset Management Company Limited (“KASSET”)	<ul style="list-style-type: none"> - It is the trustee of the trust. - It is the subsidiary of Kasikorn Bank Public Company Limited (“KBANK”). KBANK shareholding represents 99.99 percent of the issued and paid-up shares of KASSET.
Kasikorn Bank Public Company Limited (“KBANK”)	<ul style="list-style-type: none"> - It is the lender for investment in core assets first invested by the trust. - It is the major shareholder of the trustee. KBANK shareholding represents 99.99 percent of the issued and paid-up shares of KBANK.

12.2 Details of Related Transactions of the Trust and the Trust Manager and Persons Connected to the Trust Manager

12.2.1 Related Transactions of the Trust and the Trust Manager and Persons Connected to the Trust Manager

Entering into the Trust Manager Appointment Agreement		
Juristic Persons/ Companies Related to the Trust Manager	Characteristics of Related Party Transactions	Necessity and Reasonableness of Transactions
The Company	The trustee on behalf of the trust will appoint the Company to be the trust manager of the trust.	The Company's directors and executives are experienced in investment management and benefit provision from real estate. They also have knowledge and understanding of asset management as well as being well familiar with core assets firstly invested by the trust.

Entering into the Agreement Regarding the Core Assets Firstly Invested by the Trust		
Juristic Persons/ Companies Related to the Trust Manager	Characteristics of Related Party Transactions	Necessity and Reasonableness of Transactions
INET	The trust invests in the ownership of buildings, component parts of buildings, and systems related to the services of the INET-IDC3 Phase 1 project, as well as the power substation control building for the INET-IDC3 Phase 1 and Phase 2 projects, by entering into an agreement to buy and sell such assets from INET. And, INET will let the trust lease the land where the power substation control building is located.	The trust's investment in the core assets firstly invested by the trust is considered an investment in quality assets that have the potential to generate income and returns for the trust and the unitholders. The INET-IDC3 Phase 1 project is the high quality asset with international certification standards, located at Thap Kwang Sub-District, Kaeng Khoi District, Saraburi Province. The location is 42 meters above sea level on a stable crustal area far from the cracks of the earth, making it safe from natural disasters such as floods and earthquakes, and far from important political places or areas at risk of blockade from protest. Therefore, it has a good effect on the business operation of the INET-IDC3 Phase 1 project.

Entering into the Agreement Regarding the Trust's Benefit Procurement

Juristic Persons/ Companies Related to the Trust Manager	Characteristics of Related Party Transactions	Necessity and Reasonableness of Transactions
INET	The trust will enter into the lease agreement to operate (the INET-IDC3 Phase 1 project, the central utility building for the INET-IDC3 project, and the power substation control building) with INET so that INET can lease the core assets firstly invested by the trust for further benefit procurement.	Providing the trust's core assets to INET for lease is reasonable because INET is experienced in managing the core assets firstly invested by the trust, specialized, and has a good understanding of the core assets firstly invested by the trust. The trust will benefit from receiving the lease fee from INET.

Entering into the Operating Agreement

Juristic Persons/ Companies Related to the Trust Manager	Characteristics of Related Party Transactions	Necessity and Reasonableness of Transactions
INET	The trust will enter into the operating agreement with INET. Important operations of the agreement are as follows: 1. Holding of trust units and maintaining of shareholding proportion in the Company 2. Investment of the trust in future projects with the right of first refusal	The agreement for various operations is the agreement to reduce conflicts of interest and increase investor confidence in the trust as well as for the trust to be able to procure benefits from the core assets firstly invested by the trust more smoothly.

Amendments to the Agreement Related to the Investment Agreement, and Entering Into the Agreement Related to the Investment of INET Leasehold Real Estate Investment Trust, and Entering Into Additional Related Agreements

Juristic Persons/ Companies Related to the Trust Manager	Characteristics of Related Party Transactions	Necessity and Reasonableness of Transactions
<p>INET and/or Persons Related to INET</p>	<p>1. The trust will enter into an investment amendment agreement with INET (in a part related to INET), and</p> <p>2. The trust will enter into an agreement of additional operations for duties relating to the land where locates the building which the trust invests for the INET-IDC3 Phase 1 project with Mandala with the following aims:</p> <p>2.1 Establish the right of superficies on the land plot No. 2877 for the trust in the location of the building invested by the trust.</p> <p>2.2 Establish the charge on immovable property on the land plot No. 2877 for the trust in the central area without compensation. The term expires on December 31, 2045 (which is the same day as the expiry date of the land lease under the lease agreement of land No. 2877 (former)).</p> <p>It is without compensation, the term expires on December 31, 2045 (which is the same day as the expiry date of the land lease under the lease agreement of land No. 2877 (former)).</p>	<p>An amendment has been made to the relevant investment agreement of the trust, and additional related agreements have been conducted because this additional amendment involves changing the right to operate under the land lease agreement of plot No. 2877, which is the right of INET under the agreement, to the right registration at the land office related to the utilization of the plot No. 2877, i.e. the right of superficies (for the location of the building in which the trust has invested) and the encumbrances in immovable properties (for the common area) which the trust has received the right directly from the owner of land plot No. 2877.</p> <p>Furthermore, the trust has been granted the right of first refusal to invest in plot No. 2877 in the event that INET and/or the same group of persons (including Mandala) intend to sell, rent, distribute, transfer, in whole or in part of the land plot No. 2877.</p>

12.3 Policy of Transactions Between the Trust and the Trust Manager and Persons Connected to the Trust Manager in the Future, as well as Guidelines to Prevent Conflicts of Interest.

Transactions between the trust and the trust manager, as well as persons connected to the trust manager, shall be conducted in compliance with the following regulations and conditions:

- 1) Substance of the Transaction: It must be a transaction with the following characteristics.
 - (1) It is in accordance with the trust deed and relevant laws.
 - (2) It is in the best interest of the trust.
 - (3) It is reasonable with fair price.
 - (4) Transaction expenses charged by the trust (if any) are at a fair and appropriate rate.
 - (5) Those who have a special interest in the transaction are refrained from the decision to enter into that transaction.
- 2) Approval System

In addition to the information disclosed in the information disclosure form and prospectus, transactions between the trust and the trust manager, as well as persons connected to the trust manager, are subject to the following procedures for requesting approval to enter into the transaction:

- (1) The transaction must be approved by the trustee to ensure compliance with this agreement and relevant laws.
- (2) For transactions valued at more than 1,000,000 baht, or equivalent to 0.03 percent of the net asset value of the trust or higher, whichever is greater, approval must be obtained from the Board of Directors of the trust manager.
- (3) For transactions valued at 20,000,000 baht or more, or equivalent to more than 3 percent of the net asset value of the trust, whichever is greater, a resolution must be obtained from the trust unitholders with a vote of not less than 3/4 of the total number of votes of the trust unitholders attending the meeting and having the right to vote.
- (4) In the event that the transaction in this clause is an acquisition or disposition of core assets, the value calculation is calculated based on the value of the acquisition or disposition of all assets of each project that makes that project ready to generate income.
Such assets shall include those related to the project.

- (5) Unless it is a transaction between the trust and the trust manager or a person connected to the trust manager that has been clearly shown in the registration statement and prospectus, the process for obtaining approval from the trustee or obtaining a resolution of the trust unitholders must be in accordance with the trust deed, mutatis mutandis. And in the case of requesting a resolution of the trust unitholders, the invitation to the trust unitholders' meeting must include the opinion of a financial advisor in order to obtain a resolution from the trust unitholders.

12.4 Details of Related Transactions of the Trust and the Trustee and Persons Connected to the Trustee

12.4.1 Related Transactions of the Trust and the Trustee and Persons Connected to the Trustee

Entering into the Trust Establishment Agreement		
Juristic Persons/ Companies Related to the Trust Manager	Characteristics of Related Party Transactions	Necessity and Reasonableness of Transactions
KASSET	The trust will appoint KASSET to be the trustee of the trust.	KASSET has significant experience serving as the trustee for INET Leasehold Real Estate Investment Trust, and thus possesses extensive knowledge and understanding of trust management, as well as relevant regulations. KASSET has both rights and responsibilities in managing the trust in accordance with the terms and conditions outlined in the trust deed and the Securities Act.

Entering into the Loan Agreement		
Juristic Persons/ Companies Related to the Trust Manager	Characteristics of Related Party Transactions	Necessity and Reasonableness of Transactions
KBANK	The trust will loan money and provide collateral for the loan to KBANK and/or the subsidiary and the associated company of KBANK in the total amount not exceeding 35 percent of the total asset value in order to invest in the core assets firstly invested by the trust.	The conditions for borrowing money, including interest rates, payment of principal and interest, provision of collateral related to loans, expenses for entering into transactions charged from the trust, and other minor conditions, will be reasonable and will not cause the trust to incur losses. The relevant contracts specify these conditions as normal commercial terms, on an arm's length basis.

12.5 Policy of Transactions Between the Trust and the Trustee and Persons Connected to the Trustee in the Future, as well as Guidelines to Prevent Conflicts of Interest

The trustee shall not engage in any action that conflicts with the interests of the Trust, whether such action benefits the trustee or others, except in the following cases:

- (1) This is a request for remuneration for serving as a trustee.
- (2) It is a transaction that includes measures or mechanisms to ensure the fairness of the transaction; and The trustee can demonstrate that it has managed the trust in a fair manner and has provided sufficient disclosure of relevant information to the unitholders in advance. Additionally, the unitholders who received such information did not raise any objections. Such disclosure and objection must comply with the rules and regulations set forth by the SEC Office.

12.6 Procedures of Transactions Between the Trust and the Trustee and Persons Connected to the Trustee in the Future

In any future transactions between the trust and the trustee and persons connected to the trustee, the trustee must disclose information to unitholders or investors prior to entering into transactions that conflict with the interests of the trust, in the following manner:

- (1) The disclosure must be made through the Stock Exchange of Thailand, in compliance with its regulations regarding such matters, or any other channel that enables unitholders to have comprehensive access to information related to the transaction.
- (2) Period of information disclosure is appropriate. It must not be less than 14 days.
- (3) The channels, methods, and timeframe for expressing objections must be clearly disclosed. The objection period must not be less than 14 days, unless a resolution of the trust unitholders is requested to enter into the transaction. In such cases, objections must be raised in obtaining a resolution of the trust unitholders.
- (4) If the trust unitholders clearly express their objection in accordance with the method disclosed in Clause (3), and such objection amounts to more than 1/4 of the total number of trust units sold, the trustee shall not act or consent to a transaction that conflicts with the interests of the trust.

In this regard, please refer to the additional details provided in the Summary of the Trust Deed, which can be found in Attachment 2 of the Trust Deed.





4 Important Financial Position

13 Important Financial Information

Summary of the Audit Report for the Past 1 Year

Financial Statements for the Year	Auditor	Office
2022	Ms. Suchada Tantiolarn	EY Office Limited

The following report pertains to the financial statements that have been audited by a certified public accountant. The auditor's opinion on the financial statements for the year ended on December 31, 2022, is summarized as follows:

The auditor provided the comment that “The financial statements above present the financial position of INET Leasehold Real Estate Investment Trust of December 31, 2022. The changes in net assets and cash flows for the year ended December 31, 2022, were materially correct and in compliance with the accounting practices for property funds, as established by the Association of Investment Management Companies for Real Estate Investment Trusts, Infrastructure Funds, and Infrastructure Investment Trusts, and approved by the Securities and Exchange Commission.”

13.1 Statement of Financial Position on December 31, 2022

Unit (baht)

Items	On December 31, 2022	On December 31, 2021
Assets		
Leasehold Real Estate Investments	4,432,883,687	4,160,449,008
Investments in Securities by Fair Value	123,540,124	-
Bank Deposit	63,283,234	282,230,694
Prepaid Expenses	-	351,091
Accrued Interest Receivables	13,424	49,448
Account Receivables	678	-
The Revenue Department Receivables - Value Added Tax	109,631,594	109,654,927
Total Assets	4,729,352,741	4,552,735,168
Liabilities		
Accrued Payment and Other Payable	4,049,684	7,248,894
Long-Term Loans from Financial Institutions	970,298,729	980,206,875
Lease Deposit Received	21,723,368	38,017,008
Total Liabilities	996,071,781	1,025,472,777
Net Asset	3,733,280,960	3,527,262,391
Net Capital Received From the Trust Unitholders	3,233,620,577	3,233,620,577
Retained Earnings	499,660,383	293,641,814
Net Capital Received From the Trust Unitholders	3,733,280,960	3,527,262,391
Retained Earnings	11.3129	10.6886
Total Sold Trust Units at the End of Period (units)	330,000,000	330,000,000

13.2 Profit-Loss Statement From January 1, 2022, to December 31, 2022

Unit (baht)

Items	For Accounting Period From January 1, 2022, to December 31, 2022	For Accounting Period From July 29, 2021, [The Trust Establishment Date] to December 31, 2021
Investment Income		
Income From Leasehold Real Estate Investments	397,285,616	163,783,160
Other Income	279,738	160,829
Total Income	397,565,354	163,943,989
Expenses		
Trust Manager Fee	19,120,968	7,755,733
Trustee Fee	9,114,476	3,895,502
Registrar Fee	1,500,498	536,132
Professional Fee	3,700,202	6,730,810
Other Expense	513,194	476,027
Financial Cost	40,549,783	16,438,174
Total Expenses	74,499,121	35,832,378
Net Investment Income	323,066,233	128,111,611
Net Profits From Investments		
Net Profits From Disposal of Investments	10,910	-
Profits on Changes in Fair Value of Investments	179,312,726	207,405,084
Net Profits From Investments	179,323,636	207,405,084
Increase in Net Assets from Operations	502,389,869	335,516,695

13.3 Cash Flow Statement From January 1, 2022, to December 31, 2022

Unit (baht)

Items	For Accounting Period From January 1, 2022, to December 31, 2022	For Accounting Period From July 29, 2021, [The Trust Establishment Date] to December 31, 2021
Net Cash Flow Used in Operating Activities		
Increase in Net Assets from Operations	502,389,869	335,516,695
Adjustment to Reconcile Increase (Decrease) in Net Assets from Operations to Net Cash Received from (Used in) Operating Activities		
Leasehold Real Estate Investments Purchase	-	(4,089,456,401)
investments in Securities Purchase	(133,289,591)	-
Disposal of Investments in Securities	9,989,090	-
Lease Deposit Received	3,711,360	185,568,000
Lease Deposit Repaid	(94,639,680)	-
Decreased (Increased) Prepaid Expenses	351,091	(351,091)
Increased (Decreased) Accrued Payment and Other Payable	(3,287,172)	7,043,348
Decreased (Increased) Accrued Interest Receivables	36,024	(49,448)
Leasehold Real Estate Investments Improvement	(18,726,896)	(11,138,515)
Increased Account Receivables	(678)	-
Decreased (Increased) Revenue Department Receivables	23,333	(109,654,927)
Interest Expenses	40,549,783	16,438,174
Profits on Changes in Fair Value of Investments	(179,312,726)	(207,405,084)
Net Cash Used in Operating Activities	127,793,807	(3,873,489,249)
Cash Flow From Financing Activities		
Cash From Capital Received From the Trust Unitholders	-	3,300,000,000
Cash Paid for the Cost of Issuing and Selling Trust Units	-	(66,379,423)
Dividend Capital to Unitholders	(296,371,300)	(41,874,881)
Long-Term Loan from Financial Institutes (Net Fee)	-	979,160,000
Reimburse (Pay) from Long Term Loan from Financial Institutes (Net Fee)	(12,500,000)	-
Interest Cash Expenses	(37,869,967)	(15,185,753)
Net Cash From (Used in) Financing Activities	(346,741,267)	4,155,719,943
Net Increase (Decrease) in Bank Deposits	(218,947,460)	282,230,694
Bank Deposit at the Beginning of the Year/Period	282,230,694	-
End of Year Bank Deposit	63,283,234	282,230,694

14 Analysis and Explanation of the Trust Manager

14.1 Performance and Financial Position of the Trust

For the performance for the accounting period spanning from January 1, 2022, to December 31, 2022, audited by the certified public accountant, the trust generated a total income of 397.57 million baht, which represents an increase from the previous year by 233.62 million baht, or an increase of 142.50 percent from the previous year's performance for the same period that was not a full year (the period from July 29, 2021 (the Trust Establishment Date) to December 31, 2021). Also, the total expenses amounted to 74.50 million baht, representing an increase of 38.67 million baht or 107.91 percent from the previous year's costs. Furthermore, financial expenses for 2022 amounted to 40.55 million baht, which is an increase of 24.11 million baht from the previous year, or an increase of 146.68 percent.

14.1.1 Overall Performance of the Trust

1) Net Investment Income

Unit (baht)

Items	December 31, 2022	December 31, 2021	YoY%
Sales and Service Income	397,285,616	163,783,160	142.57%
Other Income	279,738	160,829	73.94%
Total Income	397,565,354	163,943,989	142.50%
Fund Management Expense and Fee	33,436,144	18,918,177	76.74%
Financial Cost	40,549,783	16,438,174	146.68%
Other Expense	513,194	476,027	7.81%
Total Expenses	74,499,121	35,832,378	107.91%
Net Investment Income	323,066,233	128,111,611	152.18%
Net Profits From Disposal of Investments	10,910	-	100.00%
Profits on Changes in Fair Value of Investments	179,312,726	207,405,084	(13.54%)
Increase in Net Assets from Operations	502,389,869	335,516,695	49.74%

In 2022, there was a net investment profit of 323.07 million baht, which is an increase of 194.95 million baht from the previous year or an increase of 152.18 percent. Additionally, there was a gain from changes in the fair value of investments of 179.31 million baht, which is a decrease of 28.09 million baht from the previous year or a decrease of 13.54 percent. The net assets from operations increased by 502.39 million baht, or 49.74 percent from the previous year.

2) Expenses

Unit (baht)

Items	December 31, 2022	December 31, 2021	YoY%
Expenses			
Financial Cost	40,549,783	16,438,174	146.68%
Trust Management Fee	19,120,968	7,755,733	146.54%
Trustee Fee	9,114,476	3,895,502	133.97%
Registrar Fee	1,500,498	536,132	179.87%
Professional Fee	3,700,202	6,730,810	(45.03%)
Other Expense	513,194	476,027	7.81%
Total Expenses	74,499,121	35,832,378	107.91%

The trust incurred total expenses of 74.50 million baht, which represents an increase of 38.67 million baht or 107.91 percent from the previous year. The majority of the expenses were financial costs, including interest payments on long-term loans from financial institutions in the amount of 1,000 million baht. The trust manager fee amounted to 19.12 million baht, which is an increase of 11.37 million baht or 146.54 percent from the previous year. The trustee fee amounted to 9.11 million baht, representing an increase of 5.22 million baht or 133.97 percent. The Registrar fee amounted to 1.50 million baht, which is an increase of 0.96 million baht or 179.87 percent. However, professional fees decreased from the previous year by 3.03 million baht or 45.03 percent. Other expenses increased by 0.04 million baht or 7.81 percent from the previous year.

14.1.2 Financial Position of the Trust

1) Assets

Unit (baht)

Items	December 31, 2022	December 31, 2021	YoY%
Assets			
Leasehold Real Estate Investments	4,432,883,687	4,160,449,008	6.55%
Investments in Securities by Fair Value	123,540,124	-	100.00%
Bank Deposit	63,283,234	282,230,694	(77.58%)
Prepaid Expenses	-	351,091	(100.00%)
Accrued Interest Receivables	13,424	49,448	(72.85%)
Account Receivables	678	-	100.00%
The Revenue Department Receivables - Value Added Tax	109,631,594	109,654,927	(0.02%)
Total Assets	4,729,352,741	4,552,735,168	3.88%

As of December 31, 2022, the trust's total assets amounted to 4,729.35 million baht, reflecting an increase of 176.6 million baht or 3.88 percent from the previous year. The trust's total assets mainly consisted of investments in leasehold properties of 4,432.88 million baht, which increased by 272.43 million baht or 6.55 percent from the previous year. Additionally, investments in securities at fair value increased by 123.54 million baht or 100 percent from the previous year. However, bank deposits decreased by 218.95 million baht or 77.58 percent from the previous year to 63.28 million baht. The Revenue Department receivables amounted to 109.63 million baht, reflecting a decrease of 0.02 million baht or 0.02 percent from the previous year.

2) Liability

Unit (baht)			
Items	December 31, 2022	December 31, 2021	YoY%
Liabilities			
Accrued Payment and Other Payable	4,049,684	7,248,894	(44.13%)
Long-Term Loans from Financial Institutions	970,298,729	980,206,875	(1.01%)
Lease Deposit	21,723,368	38,017,008	(42.86%)
Total Liabilities	996,071,781	1,025,472,777	(2.87%)

As of December 31, 2022, the trust's liabilities amounted to 996.07 million baht, with most of the liabilities being loans in the amount of 970.30 million baht, which are subject to the conditions specified in the loan agreement. The lessee's deposit is held for their insurance and services. The remaining liabilities consisted of accrued expenses and other payables in the amount of 4.05 million baht, reflecting a decrease of 3.20 million baht or 44.13 percent from the previous year. Long-term loans from financial institutions amounted to 970.30 million baht, reflecting a decrease of 9.91 million baht or 1.01 percent from the previous year. The lease deposit amounted to 21.72 million baht, reflecting a decrease of 16.29 million baht or 42.86 percent from the previous year. Lastly, accrued expenses and other payables amounted to 4.05 million baht, reflecting a decrease of 3.23 million baht or 44.13 percent from the previous year.

3) Net Asset

Unit (baht)			
Items	December 31, 2022	December 31, 2021	YoY%
Net Asset			
Net Capital Received From the Trust Unitholders	3,233,620,577	3,233,620,577	0.00%
Retained Earnings	499,660,383	293,641,814	70.16%
Net Asset	3,733,280,960	3,527,262,391	5.84%
Net Assets Per Unit (baht)	11.3129	10.6886	

As of December 31, 2022, the trust's total net assets amounted to 3,733.28 million baht, reflecting an increase of 206.02 million baht or 5.84 percent from the previous year. This increase is attributable to the profit from the measurement of the capital value of the trust's assets by an independent appraiser in 2022. As a result, the net assets per unit in 2022 are equal to 11.3129 baht.

14.1.3 Cash Flow Statement

Unit (baht)

Items	December 31, 2022	December 31, 2021	YoY%
Net Cash From (Used in) Operating Activities	127,793,806	(3,873,489,249)	103.30%
Net Cash From (Used in) Financing Activities	(346,741,266)	4,155,719,943	(108.34%)
Net Increase (Decrease) in Bank Deposits	(218,947,460)	282,230,694	(177.58%)
Bank Deposit at the Beginning of the Year/Period	282,230,694	-	100.00%
End of Year Bank Deposit	63,283,234	282,230,694	(77.58%)

As of December 31, 2022, the trust had cash and bank deposits totaling 63.28 million baht at the end of the period. This was mainly due to the following reasons:

- 1) In 2022, the trust received net cash of 127.79 million baht from operating activities, mainly due to gains from investments in leasehold properties. However, the trust also invested in INET-IDC3 Phase 1 on August 3, 2021, resulting in net cash used in operating activities in the amount of 3,873.49 million baht.
- 2) In 2022, the trust's cash used in financing activities amounted to 346.74 million baht, mainly due to the distribution of returns to unitholders totaling 296.37 million baht and payment of interest on loans from financial institutions totaling 37.87 million baht.


14.2 Factors or Causes That May Affect Future Financial Condition or Operations (Forward Looking) significantly.

In 2022, both Thailand's economy and the global economy faced ongoing challenges such as the COVID-19 pandemic, the conflict between Russia and Ukraine, and fluctuating energy costs, which have impacted global economic growth rates over the past one to two years. However, with the full reopening of countries to restore their economies to normal conditions, economic activities have become more favorable. Private consumption, investment, relocation of foreign investors' production bases, tourism, and services, as well as exports, have improved in line with various economic stimulus measures.

The trust manager predicts that in 2023, there will be growth in basic technology for data center services and cloud technology. The assets invested by the trust are basic technologies that can be adjusted to support co-location services, cloud services in the form of Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS), including various value-added services. Furthermore, the government has planned to fully support digital transformation, and as a result, more laws are being issued to modernize and support the transition to the digital age, such as the Personal Data Protection Act, the Cyber Security Act, and the Public Service Act Electronics, among others. These laws support both the private and public sectors to invest more in digital systems. Therefore, these factors will help to reduce the impact of future changes in economic and industry conditions and help to reduce negative impacts on the trust's ability to make distributions.


Opinions of the Trustee Regarding the Trust's Operations

Trustee's Opinion Report for the Period From January 1, 2022, to December 31, 2022



PB.O.660204

หลักทรัพย์จัดการกองทุนสิทธิไทย
开泰基金管理 KASIKORN ASSET MANAGEMENT



Opinion of the Trustee


28 February 2023

To Trust unitholders of INET Leasehold Real Estate Investment Trust

I, Kasikorn Asset Management Company Limited, as the Trustee of Real Estate Investment Trust, has supervised and monitored the management of INET Leasehold Real Estate Investment Trust ("the Trust") managed by INET REIT Management Company Limited for the accounting period from 1 January 2022 to 31 December 2022.

I am of the opinion that INET REIT Management 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.


Best Regards,



(Mr. Vittawat Ajchariyavanich)
Deputy Managing Director

KAsset Call Center 02-6733888
www.kasikornbank.com

บริการทุกระดับประทับใจ



หนึ่งในบริษัทของธนาคารสิทธิไทย

16 Independent Auditor's Report

To the Unitholders of INET Leasehold Real Estate Investment Trust

Opinion

I have audited the accompanying financial statements of INET Leasehold Real Estate Investment Trust (“the Trust”), which comprise the statement of financial position, including the details of investments as at 31 December 2022, and the related statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of INET Leasehold Real Estate Investment Trust as at 31 December 2022, its financial performance, changes in its 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 and approved by the Securities and Exchange Commission of Thailand.

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond are described below.

Fair value of investment in leasehold real estate

As described in Note 7 to the financial statements, the Trust presented the investment in leasehold real estate as at 31 December 2022 at its fair value based on the value appraised by an independent appraiser of Baht 4,506 million. The investment is core assets of the Trust and has a substantially significant value to the Trust. Since the investment is not traded in an active market and a quoted price is not available for the same or similar investments, the trust manager determined its fair value at the end of the reporting period based on

the appraisal value calculated by an independent appraiser using the income approach which requires significant judgement with respect to the determination of assumption exercised by the independent appraiser. Therefore, I addressed the importance of the audit of the measurement of the investment's value.

I have examined the fair value of investment in leasehold real estate of the Trust by gaining an understanding of the calculation of the fair value of investment by reviewing the appraisal report and making enquiry of the trust manager. I considered the scope and objectives of the fair value measurement performed by the independent appraiser, and the knowledge and competence of the appraiser. I assessed the techniques and models used by the independent appraisers to measure the fair value, as specified in the appraisal reports prepared by the appraiser. Moreover, I assessed the appropriateness of the discount rate, which is a key assumption used in the measurement, and reviewed the estimated future cash flows against the rental rates as specified in the long-term lease agreement as well as tested the fair value calculation based on the above model and assumptions.

Other Information

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

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

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

When I read the annual report of the Trust, if I conclude that there is a material misstatement therein, I am required to communicate the matter to trust manager for correction of the misstatement.

Responsibilities of Trust Manager for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

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

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

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

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

I am responsible for the audit resulting in this independent auditor's report.

Suchada Tantioran
Certified Public Accountant (Thailand) No. 7138

EY Office Limited
Bangkok: 13 February 2023

17 Financial Statements

INET Leasehold Real Estate Investment Trust
Statement of financial position
As at 31 December 2022

		(Unit: Baht)	
	Note	2022	2021
Assets			
Investment in leasehold real estate	7	4,432,883,687	4,160,449,008
Investments in securities at fair value	7	123,540,124	-
Cash at banks	8	63,283,234	282,230,694
Prepaid expenses		-	351,091
Accrued interest receivables		13,424	49,448
Other receivables		678	-
Receivables from the Revenue Department - value added tax		109,631,594	109,654,927
Total assets		4,729,352,741	4,552,735,168
Liabilities			
Accrued expenses and other payables		4,049,687	7,248,894
Long-term loan from financial institution	9	970,298,729	980,206,875
Deposit received for long-term lease	7	21,723,368	38,017,008
Total liabilities		996,071,781	1,025,472,777
Net assets		3,733,280,960	3,527,262,391
Net assets			
Net capital from unitholders	10	3,233,620,577	3,233,620,577
Retained earnings	11	499,660,383	293,641,814
Net assets		3,733,280,960	3,527,262,391
Net asset value per unit		11.3129	10.6886
Number of units issued at the end of year (units)		330,000,000	330,000,000

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

INET Leasehold Real Estate Investment Trust
Statement of financial position
As at 31 December 2022

Details of investments classified by investment category

	2022			2021		
	Amortised cost (Baht)	Fair value* (Baht)	of investment (%)	Amortised cost (Baht)	Fair value* (Baht)	of investment (%)
Investment in leasehold real estate (Note 7)						
Investment in INET Data Center 3 Phase 1 in the form of the ownership of buildings and equipment related to the operations of the data center. The project is located in Kaeng Khoi, Saraburi on leased land with long-term leases expiring on 31 December 2045.	4,046,405,501	4,432,883,687	97.29	3,953,043,924	4,160,449,008	100.00
Total investment in leasehold real estate	<u>4,046,405,501</u>	<u>4,432,883,687</u>	<u>97.29</u>	<u>3,953,043,924</u>	<u>4,160,449,008</u>	<u>100.00</u>
	Cost (Baht)	Fair value (Baht)	Percentage of investment (%)	Cost (Baht)	Fair value (Baht)	Percentage of investment (%)
Investment in securities (Note 7)						
"K Cash Management Fund (K-CASH)"	123,300,501	123,540,124	2.71	-	-	-
Total investment in securities at fair value	<u>123,300,501</u>	<u>123,540,124</u>	<u>2.71</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total investments	<u>4,556,423,811</u>	<u>4,556,423,811</u>	<u>100.00</u>	<u>4,160,449,008</u>	<u>4,160,449,008</u>	<u>100.00</u>

* Presented at the fair value amount after deduction of the difference of rental deposit received (Note 7)

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

INET Leasehold Real Estate Investment Trust
Statement of comprehensive income
For the year ended 31 December 2022

(Unit: Baht)

	Note	For the year ended 31 December 2022	For the period from 29 July 2021 (date of establishment) to 31 December 2021
Investment income			
Income from investment in leasehold real estate		397,285,616	163,783,160
Other income		279,738	160,829
Total income		397,565,354	163,943,989
Expenses			
Trust management's fee	13	19,120,968	7,755,733
Trustee's fee	13	9,114,476	3,895,502
Registrar's fee	13	1,500,498	536,132
Professional fee		3,700,202	6,730,810
Other expenses		513,194	476,027
Finance costs		40,549,783	16,438,174
Total expenses		74,499,121	35,832,378
Net investment income		323,066,233	128,111,611
Net gain on investments			
Net realised gain from investments		10,910	-
Gain on change in fair value of investments		179,312,726	207,405,084
Total net gain on investments		179,323,636	207,405,084
Increase in net assets from operations		502,389,869	335,516,695

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

INET Leasehold Real Estate Investment Trust
Statement of comprehensive income
For the year ended 31 December 2022

(Unit: Baht)

Note	For the year ended 31 December 2022	For the period from 29 July 2021 (date of establishment) to 31 December 2021
Increase in net assets from operations during the year		
	323,066,233	128,111,611
	10,910	-
	179,312,726	207,405,084
	502,389,869	335,516,695
	-	3,233,620,577
12	(296,371,300)	(41,874,881)
	206,018,569	3,527,262,391
	3,527,262,391	-
	3,733,280,960	3,527,262,391

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



INET Leasehold Real Estate Investment Trust
Statement of comprehensive income
For the year ended 31 December 2022

(Unit: Baht)

Note	For the year ended 31 December 2022	For the period from 29 July 2021 (date of establishment) to 31 December 2021
Cash flows used in operating activities		
Increase in net assets from operations	502,389,869	335,516,695
Adjustments to reconcile increase in net assets from operations to net cash from (used in) operating activities:		
Acquisition of investment in leasehold real estate	-	(4,089,456,401)
Acquisitions of investments in securities	7 (133,289,591)	-
Disposals of investments in securities	7 9,989,090	-
Receive deposit for long-term lease	3,711,360	185,568,000
Refund of deposit for long-term lease	7 (94,639,680)	-
Decrease (Increase) in prepaid expenses	351,091	(351,091)
Increase (Decrease) in accrued expenses and other payable	(3,287,172)	7,043,348
Decrease (Increase) in accrued interest income	36,024	(49,448)
Adjustment of the investment in leasehold real estate	7 (18,726,896)	(11,138,515)
Increase in other receivables	(678)	-
Decrease (Increase) in receivables from the Revenue Department	23,333	(109,654,927)
Interest expense	40,549,783	16,438,174
Gain on change in fair value of investments	(179,312,726)	(207,405,084)
Net cash flows from (used in) operating activities	127,793,807	(3,873,489,249)
Cash flows from financing activities		
Capital contribution received from unitholders	-	3,300,000,000
Cash paid for the cost of issuing and offering trust units	-	(66,379,423)
Distributions to unitholders	12 (296,371,300)	(41,874,881)
Cash received from long-term loan from financial institution (net of transaction costs)	9 -	979,160,000
Repayment of long-term loan from financial institution	9 (12,500,000)	-
Cash paid for interest expense	(37,869,967)	(15,185,753)
Net cash flows from (used in) financing activities	(346,741,267)	4,155,719,943
Net increase (decrease) in cash at banks	(218,947,460)	282,230,694
Cash at banks at the beginning of year/period	282,230,694	-
Cash at banks at the end of year	63,283,234	282,230,694
	-	-

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

1. Description of INET Leasehold Real Estate Investment Trust

INET Leasehold Real Estate Investment Trust (“the Trust”) is a real estate investment trust established under the Trust for Transaction in Capital Market Act, B.E. 2550 in accordance with the trust deed executed on 29 July 2021 by INET REIT Management Company Limited as the trust settlor and Kasikorn Asset Management Company Limited as the trustee. On 29 July 2021, the Trust was established as a specific closed-end real estate investment trust with an indefinite term. The Trust’s objectives are to mobilise funds raised from general investors and from loan from financial institution for initial investment in INET Data Center 3 Phase 1 (“INET-IDC3 Phase 1”) in the form of ownership of buildings and equipment related to the operations of the data center. INET-IDC3 Phase 1 is located in Kaeng Khoi, Saraburi on leased land with a long-term lease.

The Trust has a policy to seek benefits from the properties invested through a long-term lease agreement. In addition to letting out of properties, the Trust may perform any other acts for the interest of the Trust with an aim of generating income and returns for the Trust and its unitholders. The Trust may invest in other relevant properties as prescribed in the trust deed.

On 6 August 2021, the Stock Exchange of Thailand approved the listing of the Trust’s units and their trading is permitted from 9 August 2021 onwards.

The Trust is managed by INET REIT Management Company Limited (“the trust manager”) and Kasikorn Asset Management Company Limited is the trustee.

As at 31 December 2022, Internet Thailand Public Company Limited, a major unitholder, held 25% in the Trust’s total issued and paid-up units.

2. Basis of preparation of financial statements

These financial statements are prepared in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand.

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

3. Distribution policy

The Trust has policies to pay distributions to unitholders as follows:

- (1) The trust manager shall pay distributions to unitholders, in aggregate, not less than 90% of adjusted net profits for the year. The benefits to be paid to the trust unitholders are divided into the benefit for the fiscal year (year-end distribution) and the benefit for the interim period (interim distribution) (if any). In this regard, payment of distributions is to be made to the trust unitholders not less than two times per annum, beginning in the first accounting period of the Trust if sufficient profits are available in such accounting period.
The adjusted net profit means the net profit of the Trust determined on a cash basis which includes the repayment of the principal as specified in the loan agreement (if any).
- (2) In case that the Trust has retained earnings, the trust manager may make a dividend payment to the unitholders from such retained earnings.
- (3) If the Trust has accumulated losses, the trust manager will not pay the distributions to the unitholders.
- (4) In case that the Trust has excess liquidity, trust manager may make payment to the unitholders by capital reduction.

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

4. Significant accounting policies

4.1 Revenues and expenses recognition

Income from investment in leasehold real estate

Income from investment in leasehold real estate (see note 4.2) is recognised as revenue on an accrual basis based on the effective interest rate.

Interest income and finance costs

Interest income and finance costs are recognised as revenue and expense on an accrual basis based on the effective interest rate.

Expenses

Expenses are recognised on an accrual basis.

4.2 Financial instrument

Financial assets

Investments in financial assets are recognised at fair value on the date which the Trust has rights on investments. Subsequently, the investments are measured at fair value through profit or loss.

Investment in leasehold real estate

Investment in leasehold real estate that the Trust acquires and leases it back to the seller throughout the useful life of the property, such investment will be classified as investment in financial assets. The initial value of investment is measured using the cost of investment on the date that the Trust has right on the investment, as it is considered to be the best estimation of fair value as it is the latest exchange transaction in accordance with market mechanism. Subsequently, the investment is measured at fair value, referring to the value as appraised by an independent appraiser.

Investment in securities

Investment in money market fund is presented in the financial statements at the fair value through profit or loss. The reference fair value is based on net asset value as at the last business day of the reporting period of the fund which is prepared and published by the asset management company. The weighted average method is used for computation of the cost of investment disposal.

Financial liabilities

Financial liabilities are classified as liabilities to be subsequently measured at amortised cost. The financial liability is initially recognised at fair value less directly related transaction costs.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been sold or transferred and either the Trust has transferred substantially all the risks and rewards of the asset, or the Trust has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Costs for issuing and offering trust units

Incremental expenses directly related to the issuance and offering of trust units are deducted from the capital from unitholders.

4.5 Capital distribution

A decrease in retained earnings is recognised on the date of the declaration of distribution.

4.6 Income tax

The Trust has no corporate income tax liability since it is exempted from corporate income tax in Thailand.

4.7 Related party transactions

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

They also include the trust manager and their related parties, associated companies and individuals or enterprises which directly or indirectly own voting interests that gives them significant influence over the Trust, key management personnel and directors of the trust manager with authority in planning and directing the Trust's operations.

4.8 Provisions

Provisions are recognised when the Trust has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.9 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 buyer and seller (market participants) at the measurement date. The Trust applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Trust measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

- Level 1 Use of quoted market prices in an active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs of assets or liabilities such as estimates of future cash flows

At the end of each reporting period, the Trust determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts at times requires the fund management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgement and estimate is as follows:

Fair value of investment in leasehold real estate

The fair value of the investment in leasehold real estate is referred to the value per the appraisal report of an independent appraiser, which was determined using the income approach. The determination of the fair value of the investment requires the use of an appropriate discount rate, and the future cash inflows the Trust will receive which are determined basing on the rental rates specified in the lease agreement. The lease agreement will be expired on 31 December 2045 (see Note 7 to the financial statements).

6. Segment information

Currently, the Trust only operates in one business segment which is the investment in data center real estate and only in Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

7. Investments at fair value

7.1 Investment in leasehold real estate

On 3 August 2021, the Trust entered into a real estate sale and purchase agreement (INET-IDC 3 Phase 1, common utility properties of INET-IDC3 project, and electricity substation building), a land lease agreement, a land use right agreement and an agreement to buy movable properties with the major unitholder to acquire the ownership of real estate and movable properties of the project which is located on the land with a long-term lease agreement expiring on 31 December 2045. The Trust paid Baht 4,089.5 million to the seller for the purchase of real estate and movable properties on 3 August 2021, and on the same day, the Trust entered into a contract to lease the project assets to the seller. The lease agreement will be expired on 31 December 2045. The lease agreement requires the lessee to be responsible for the maintenance, replacement of the equipment or spare parts, property insurance premiums, signboard taxes, property and land taxes, stamp duty, and other taxes charged on the lease properties throughout the lease period, including demolishing of the properties, restoring the land's to its former condition, and remove the installed equipment at the end of the lease.

Investment in leasehold real estate that the Trust acquired and leased it back to the seller throughout the useful life of the properties, such investment is classified as investment in financial asset.

Under the long-term lease agreement, the lessee must place a cash deposit in the amount equal to the lease payments of the next 6 months. The deposit will be returned to the lessee at the end of lease agreement. However, the lessee may provide bank guarantee in place of cash deposit in the amount not exceeding the lease payments of the next 3 months. On 3 August 2021, the lessee placed a deposit of Baht 185.6 million with the Trust. The Trust has taken into account the impact of time value of money to assess the fair value of the deposit on the initial recognition date and reflected this as the Day-1 difference adjustment which was recorded against the investment in leasehold real estate and will be amortised throughout the term of the lease.

During the current year, the lessee provided a bank guarantee of Baht 97.3 million in place of cash deposit. Therefore, the return of the cash deposit was recorded and the relevant rental deposit difference amounting to Baht 73.1 million was reversed during the year.

The component of the deposit received for long-term lease balance as of 31 December 2022 and 2021 are as follow.

	(Unit: Thousand Baht)	
	2022	2021
Deposit received from lessee	94,639	185,568
Adjustment	(72,916)	(147,551)
Deposit received for long-term lease	21,723	38,017

Movements of the investment in leasehold real estate are as follows:

(Unit: Thousand Baht)

	Leasehold	Difference on rental deposit	Total
Beginning balance as at 29 July 2021	-	-	-
Purchase of investment during the period	4,089,456	-	4,089,456
Adjustment due to Day-1 difference on deposit received for long-term lease	-	(148,249)	(148,249)
Amortisation	11,139	698	11,837
Gain on valuation of investment	207,405	-	207,405
Ending balance as at 31 December 2021	4,308,000	(147,551)	4,160,449
Amortisation	18,727	1,526	20,253
Deposit return	-	73,109	73,109
Loss on valuation of investment	179,073	-	179,073
Ending balance as at 31 December 2022	4,505,800	(72,916)	4,432,884

On 19 October 2022, the Extraordinary General Meeting of Trust Unitholders No. 1/2022 passed a resolution approving the amendment to the agreements with respect to the investment in INET-IDC3 of the Trust and the execution of the additional relevant agreements. The objectives and the essence of the transactions are as follows:

- The Trust will obtain the registered right of superficies on the land in the area of the building in which it invests, and the registered obligations for the split of related immovable properties used as common properties, without further charges, and will be expired on 31 December 2045, the same date as that of the long-term land lease agreement through which the Trust relies on to obtain the right to use of the land Internet Thailand Public Company Limited (“INET”) leased from third party.
- The Trust is to be entitled to the right of first refusal to invest in the land plot where INET-IDC3 enacted on if INET, which is the lessee under the land lease agreement, and/or its related parties wishes to sell, lease, distribute, dispose, transfer the land, whether in whole or in part. Also, INET and its subsidiary will arrange for an extra entrance to and exit from the properties.

On 21 October 2022 the abovementioned agreements were executed and the related registrations on the land were completed.

7.2 Investment in securities

The Trust invested in the money market fund and the movements of such investments during the year is as follow.

(Unit: Thousand Baht)

Beginning balance as at 1 January 2022	-
Addition	133,290
Disposals during the year	(9,990)
Gain on change in fair value	240
Ending balance as at 31 December 2022	123,540

7.3 Fair value measurement

The Trust engaged an independent appraiser to appraise the fair value of the investment in leasehold real estate as at 31 December 2022 using the income approach. A key assumption used in the valuation of investment in leasehold real estate is the discount rate of 8.5% per annum (31 December 2021: 9.0% per annum). An increase in the discount rate would cause the fair value of the investment to decrease.

The reference fair value of the investment in the money market fund is based on net asset value as at the last business day of the reporting period of the fund which is prepared and published by the asset management company.

As at 31 December 2022 and 2021, the Trust had the investments that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	2022			
	Level 1	Level 2	Level 3	Total
Investment in leasehold real estate	-	-	4,505,800	4,505,800
Investment in securities	-	123,540	-	123,540
	2021			
	Level 1	Level 2	Level 3	Total
Investment in leasehold real estate	-	-	4,308,000	4,308,000

During the year, there were no transfers within the fair value hierarchies, and there were no changes in valuation techniques during the year.

8. Cash at banks

	2022		2021	
	Principal (Thousand Baht)	Interest rate (% per annum)	Principal (Thousand Baht)	Interest rate (% per annum)
Kasikornbank Public Company Limited				
Current account	42	-	76	-
Saving account	33,217	0.25	91,391	0.10
3-month fixed deposit	-	-	190,764	0.10
Government Savings Bank				
3-month fixed deposit	30,024	0.45	-	-
Total cash at banks	63,283		282,231	

9. Long-term loan from financial institution

On 30 July 2021, the Trust entered into a long-term loan agreement with a commercial bank for a credit facility of Baht 1,000 million to finance the initial investment in the INET-IDC3 Phase 1. The loan was drawn in full on 3 August 2021. The loan bears interest at MLR less a fixed rate as stipulated in the agreement. The interest is payable every month starting from the date of drawdown of the loan. Starting at the 15th month from the loan drawdown, the principal is repayable in 40 quarterly installments from Baht 13 million to Baht 38 million each, as stipulated in the loan agreement. The details of the balance of the loans as at 31 December 2022 and 2021 are as follow:

	(Unit: Thousand Baht)	
	2022	2021
Long-term loan from financial institution	987,500	1,000,000
Less: Deferred transaction costs	(17,201)	(19,793)
Long-term loan from financial institution - net	<u>970,299</u>	<u>980,207</u>

As at 31 December 2022, the principal of long-term loan which will become due within a year amounted to Baht 50 million (2021: Baht 13 million).

The collateral of the long-term loan includes the mortgage of buildings and properties, business security agreement over the lease agreement of INET-IDC3 Phase 1, land use right agreement, real estate sale and purchase agreement and land lease agreement, movable properties such as utility systems, tools and equipment in the project, and bank account of the Trust.

Under the long-term loan agreement, the Trust is required to comply with various covenants and conditions, such as maintaining financial ratios in accordance with the rates stipulated in the agreement.

10. Capital from unitholders

Movements of trust units and net capital from unitholders are as follows:

	Units (Million units)	Unit value (Baht)	Amount (Million Baht)
Beginning balance as at 29 July 2021 (date of establishment)	-	-	-
Capital received from unitholders	330	10.00	3,300
Less: Costs of issuing and offering trust units	-	(0.20)	(66)
Ending balance as at 31 December 2021	<u>330</u>	<u>9.80</u>	<u>3,234</u>
Ending balance as at 31 December 2022	<u>330</u>	<u>9.80</u>	<u>3,234</u>

On 29 July 2021, the Trust was registered and established with 330 million registered trust units at Baht 10.00 per unit, totaling Baht 3,300 million. The incremental costs which are directly related to the issuing and offering of trust units are deducted from the capital from unitholders as presented in the statement of financial position.

11. Retained earnings

The movements of the retained earnings during the year ended 31 December 2022 and the period from 29 July 2021 (date of establishment) to 31 Dec 2021 are as follows.

(Unit: Thousand Baht)

	2022	2021
Retained earnings at beginning of the year/period	293,642	-
Add: Net investment income	323,066	128,112
Net realised gain from investment	11	-
Gain on change in fair value of investments	179,313	207,405
Less: Distribution to unitholders (Note12)	(296,372)	(41,875)
Retained earnings at end of the year	499,660	293,642

12. Capital distribution to unitholders

The Trust announced the payment of distributions during the year 2022 as follows:

Announcement date	Period	Per unit (Baht)	Total (Thousand Baht)
10 February 2022	1 October 2021 - 31 December 2021	0.2271	74,942
3 May 2022	1 January 2022 - 31 March 2022	0.2332	76,956
2 August 2022	1 April 2022 - 30 June 2022	0.2280	75,240
1 November 2022	1 July 2022 - 30 September 2022	0.2098	69,234
Total		0.8981	296,372

The Trust announced the payment of distribution during the period from 29 July 2021 (date of establishment) to 31 December 2021 as follows:

Announcement date	Period	Per unit (Baht)	Total (Thousand Baht)
5 November 2021	29 July 2021 - 30 September 2021	0.1269	41,875

13. Expenses

13.1 Trust management fee

Trust management fee is calculated on a monthly basis, at a rate not exceeding 2% per annum of the Trust's total assets (exclusive of value added tax).

13.2 Trustee's fee

Trustee's fee is calculated on a monthly basis, at a rate not exceeding 0.2% per annum of the Trust's total assets as of the investment date, with a minimum fee of Baht 8.0 million per annum (exclusive of value added tax or any other similar taxes).

13.3 Registrar's fee

Registrar fee is calculated on a monthly basis, at a rate not exceeding 0.038% per annum of the Trust's registered capital (exclusive of value added tax or any other similar taxes), but not exceeding Baht 5.0 million per annum.

14. Related party transactions

The relationship between the Trust and individuals or enterprises, which are related party, are summarised below.

Name of entities	Nature of relationships
INET REIT Management Company Limited	Trust manager
Kasikorn Asset Management Company Limited	Trustee
Internet Thailand Public Company Limited	Major unitholder
Kasikornbank Public Company Limited	Major shareholder of the trustee

During the year ended 31 December 2022 and the period from 29 July 2021 (date of establishment) to 31 December 2021, the Trust had significant business transactions with related parties, which have been concluded on the commercial terms and bases agreed upon in the ordinary course of business between the Trust and related parties. Below is a summary of those transactions.

(Unit: Thousand Baht)

	Note	2022	2021
Major unitholder			
Income from investment in leasehold real estate	7	397,286	163,783
Purchase of investment in leasehold real estate	7	-	4,089,456
Dividend payments	12	74,093	10,469
Trust manager			
Trust management fee	13	19,121	7,756
Trustee			
Trustee fee	13	9,114	3,896
Purchase of investment in the fund managed by related party	7	133,290	-
Sale of investment in the fund managed by related party	7	9,990	-
Major shareholder of the trustee			
Drawdown of long-term loan (net of fee)	9	-	979,160
Payment of long-term loan	9	12,500	-
Interest income	8	246	158
Interest expenses	9	40,550	16,438
Underwriting fee (at the rate as stipulated in the agreement)		-	48,661

As at 31 December 2022 and 2021, the Trust has the following significant outstanding balances with its related parties.

(Unit: Thousand Baht)

	2022	2021
Major unitholder		
Investment in leasehold real estate	4,432,884	4,160,449
Deposit received for long-term lease	21,723	38,017
Trust manager		
Accrued trust management fee	1,719	1,655
Trustee		
Investment in the fund managed by related party	123,540	-
Accrued trustee fee	795	1,564
Major shareholder of the trustee		
Cash at bank	33,259	282,231
Accrued interest receivables	4	49
Long-term loan	970,299	980,207
Accrued interest expenses	294	206

15. Information on investment purchase and sales transactions

The Trust's investment trading transactions for the year ended 31 December 2022, excluding cash at banks, amounted to Baht 143 million which is 4.03% of the average net assets value during the year (The period from 29 July 2021 (date of establishment) to 31 December 2021: Baht 4,089 million which is 124.34% of the average net assets value during the period).

16. Commitments

The Trust is committed to pay fees to counterparties under the terms and conditions as described in Note 13.

17. Financial instruments

17.1 Financial risk management

The Trust's financial instruments comprise investment in leasehold real estate that is classified as financial assets, investment in securities, cash at banks, accrued interest receivables, accrued expenses and other payables, long-term loan from financial institution, and deposit received for long-term lease. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Trust has invested primarily in and receive principal income from the investment in leasehold real estate that has a long-term lease agreement with a sole lessee. The Trust, therefore, is exposed to credit risk primarily with respect to its investment in leasehold real estate. The Trust has considered that the lessee is a listed company on the stock exchange of Thailand and has ability to pay rental according to the agreement in the short-term, and under lease agreement, the Trust is provided with rental deposit and various collaterals. In addition, the Trust is exposed to credit risk with respect to cash at banks, investment in money market fund and accrued interest receivable from cash at banks. The Trust has considered depositing money with banks with stable financial status and investing in relatively low risk money market fund. The Trust therefore does not expect to incur material financial losses from the credit risk in the short-term. The maximum exposure is the carrying amounts of the assets as stated in the statement of financial position less the recovery from collateral (if any).

Interest rate risk

The Trust's exposure to significant interest rate risk relates to its cash at banks and long-term loan. All bank deposits carried a fixed short-term interest rates which are close to the market rate and long-term loan bears floating interest rate that will change according to market rate.

Significant financial assets and liabilities as at 31 December 2022 and 2021 classified by type of interest rate are summarised in the table below.

(Unit: Million Baht)

	2022			
	Floating interest rate	Non- interest bearing	Total	Interest rate
Financial Assets				
Investment in leasehold real estate *	-	4,433	4,433	-
Investment in securities	-	124	124	-
Cash at banks	63	-	63	Note 8
Financial liabilities				
Accrued expenses and other payables	-	4	4	-
Long-term loan from financial institution	970	-	970	Note 9
Deposit received for long-term lease	-	22	22	-

* Classified as financial assets presented at fair value. The expected cash flows from investment are fixed and not dependent on interest rates.

(Unit: Million Baht)

	2022			
	Floating interest rate	Non- interest bearing	Total	Interest rate
Financial Assets				
Investment in leasehold real estate *	-	4,160	4,160	-
Cash at banks	282	-	282	Note 8
Financial liabilities				
Accrued expenses and other payables	-	7	7	-
Long-term loan from financial institution	980	-	980	Note 9
Deposit received for long-term lease	-	38	38	-

* Classified as financial assets presented at fair value. The expected cash flows from investment are fixed and not dependent on interest rates.

Liquidity risk

The Trust has highly liquid assets such as cash at banks which is sufficient to make scheduled payments as specified in the loan agreement and the projected income stream of the Trust is sufficient to pay the amounts due and make capital distributions to the unitholders.

17.2 Fair values of financial instruments

The Trust measures its investment in leasehold real estate and investment in securities at fair value. Other financial instruments held by the Trust are short-term in nature or carrying interest at rates close to market interest rate. The Trust therefore believe that fair value of financial instruments is not to be materially different from the amounts presented in the statement of financial position.

18. Event after the reporting period

On 13 February 2023, the meeting of the trust manager's Board of Directors No. 2/2023 passed a resolution to pay a distribution from net profit of the period from 1 October 2022 to 31 December 2022 and retained earnings of Baht 0.2007 per unit, totaling of Baht 66.2 million to the unitholders.

19. Approval of financial statements

These financial statements were authorised for issue by the authorised directors of trust manager on 13 February 2023.



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