



**KIATNAKIN
PHATRA**
ASSET MANAGEMENT

รายงานประจำปี 2563

กองทุนรวมสิทธิการเช่าอสังหาริมทรัพย์สนามบินสมุย

Annual Report 2020

SAMUI AIRPORT PROPERTY FUND (LEASEHOLD)



Annual Report

31 December 2020

Samui Airport Property Fund (Leasehold)

Disclaimer

This document is the translated version of Thai document, in the case that there are conflicts in any of the contents specified herein, contents of the original version shall supersede such conflict contents.

“Unitholders may obtain further information regarding the fund in annual report (56-REIT1)

on www.sec.or.th or <https://am.kkpfng.com>”

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Message to Unitholders

To Unitholders

Kiatnakin Phatra Asset Management Company Limited ("Management Company") would like to report to unitholders with regard to this annual report 2020 of Samui Airport Property Fund (Leasehold) as of 1 January 2020 - 31 December 2020.

Thailand's economy in the year 2020 was severely decelerated with the reduction of 6.1% from 4.0% growth in 2018 and 2.3% growth in 2019 due to the effect of the COVID-19 outbreak in Thailand and the world. This resulted in the decrease of investment value of the private sector by 8.4% when compared with the previous year, and the private consumption was shrunk by 1.0% due to the reduced purchase power. Moreover, the export value was reduced by 6.6% from the previous year. The public sector has remedied and stimulated the economy and disbursed the loan under the Royal Decree empowering the Ministry of Finance to borrow the money to solve the problems, remedy, and rehabilitate the economy and social affected by the COVID-19 outbreak in the year 2020, a total of 1 trillion Baht. In this year, the value of the public sector's consumption and investment was increased by 5.7% and 0.8% respectively from the previous year. Additionally, the public sector has employed various measures to assist the affected persons and economic stimulating projects, e.g., the extension of taxation period, abatement of contributions payable by the employers and secured persons, Khon La Khrueng project lightening the financial burdens of the people, Shop Di Mi Khuen Project stimulating the expenditure by providing tax incentives.

Thailand's economy for the year 2021 tended to be recovered from the low base in 2020 with a growth rate of 2.5 – 3.5%. The expansion of Thailand's economy was restricted even if the vaccines have been developed from several manufacturers, e.g., Pfizer, Moderna, Sinovac, and Astra Zeneca but the comprehensive vaccine development requires time. The vaccination in Thailand was expected to be commenced in the mid of 2021, Meanwhile, the new wave of outbreak from the end of 2020 led to the issuance of intensely strict measures applicable to certain areas which resulted in recovery constraints in the consumption and investment of the private sector including the recovery of the tourism sector because of the low number of foreign tourists visiting Thailand. Nevertheless, it was expected that the consumption and investment of the public sector would be continually grown from the previous year including the positive tendency of exportation thanks to the progress of vaccine distribution of the developed countries. Also, the economy in this year is supported by the stimulating measures continually issued by the public sector and the new wave of the pandemic has been dealt by the new intense measures focusing on the highly risky areas but the lockdown measure was not applied as the first wave, therefore, the collective economy tends to be affected less.

For the tourism sector in the year 2020, it has been severely affected by the COVID-19 outbreak in Thailand and the world resulting in a great decrease in the number of foreign tourists from March 2020, a total of 6.7 million persons this year, reduced from the previous year by 83.2%, due to the government's measures controlling the outbreak such as the temporary closures of certain establishments, quarantine measure against the persons coming from abroad, restriction of the travel of the foreign tourists, and prohibition of the international flights from landing on

Thailand. Nevertheless, Thailand tends to have good control over the outbreak including its tourism stimulating measures such as Rao Thio Duai Kan and Special Tourist VISA (STV) to attract the foreigners to return to Thailand, etc. Nonetheless, the tendency of recovery of the business sector remains to encounter the restriction due to the second wave of the outbreak in Thailand at the end of the year and the regulatory requirement for 14-days quarantine after entering Thailand, therefore, the number of tourists visiting Thailand via STV program was not much.

It was discovered that, in 2020, the Koh Samui tourism sector yielded a significant decline in the number of flights and visitors from the previous year, 5,485 flights (64.3% decrease) and 0.43 million persons (61.7% decrease) respectively, due to the emergency announcement across the Kingdom of Thailand from March 26th, 2020 onwards, the CAAT's notification prohibiting the air transportation from overseas effective from April to September 2020, and the pandemic existing in a lot of worldwide areas in 2020. Therefore, the international flights, e.g., Samui-Singapore, Samui-Hong Kong, Samui-Chongqing, and Samui-Chengdu were ceased in such a period, including the decrease of number of the domestic flights to be consistent with the needs of transportation to Koh Samui resulting in the significant decrease of overall flights of Samui Airport in the year 2020. Such significant reduction has occurred since April 2020 after comparing with the same period in the previous year before the situation of COVID-19 outbreak. In 2021, the tourism of Koh Samui has tended to be collectively recovered as the overall situation of Thailand's tourism resulted from the progress of vaccination in Thailand and foreign countries and relaxed criteria applicable to foreign travelers.

For the performance of Samui Airport Property Fund (Leasehold) from 1 January 2020 to 31 December 2020, the Fund's net investment income before including unrealized gains on investments equaled 698.14 million baht. The Fund's unrealized loss on investments largely consisted of 1,488.84 million baht of profit from asset appraisals. As a result, the Fund's total net loss equaled 790.69 million baht. During the year, the Management Company announced dividend payments at a rate of 0.7200 baht per investment unit, or 684.00 million baht, consistent with the dividend payment policy of paying dividends at least 90 percent of net profit excluding unrealized gains on investment asset appraisals and audits of real estate leasehold rights for each accounting period with payments to be made no more than four times per year.

The Fund's net total asset value as of 31 December 2020 equaled 11,139.78 million baht, or 11.7260 baht per unit which decreased by 12.74 percent when compared to the same period of the previous year, when net asset value equaled 12,766.47 baht, or 13.4383 baht net asset value per unit.

Kiatnakin Phatra Asset Management Company Limited would like to take this opportunity to thank you to all unitholders for your trust in invest with Samui Airport Property Fund (Lease Hold).

Property Fund Management Team

Kiatnakin Phatra Asset Management Company Limited

1 Summary of the Fund

Part 1

Executive Summary

As of 31 December 2020

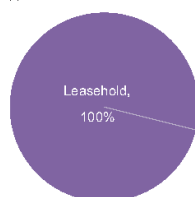
(Warning : Value of Core asset will slightly decrease and become zero at the end of the Lease agreement on November 23, 2036.)

Fund Name (in Thai)	กองทุนรวมสิทธิการเช่าสิ่งหาวิมทรัพย์สินนามบินสมุย		
Fund Name (in English)	SAMUI AIRPORT PROPERTY FUND (LEASEHOLD)		
Symbol	SPF	Name of the Management Company	Kiathakin Phatra Asset Management Co., Ltd.
Name of the Trustee	Bangkok Bank PCL.	Name of Auditor	EY OFFICE Co., Ltd.
Fund Registration Date	22 November 2006		

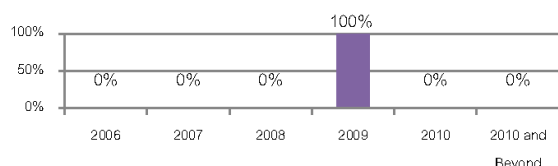
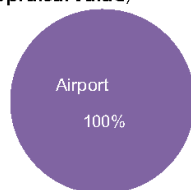
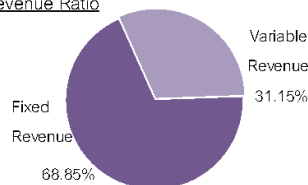
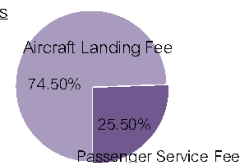
Market Cap	12,160 Million Baht	Close Price at 30 Dec 2020	12.80 Baht	Number of Investment Units	950,000,000 Unit
Net Asset Value (NAV)	11,139,778,807.48 Baht	NAV per Unit	11.7260 Baht	Paid-up Capital	9,208,065,000 Baht
Approval Date of the Fund Establishment	24 August 2006	P/NAV	1.06 time	Weighted Average Lease Expiry (WALE)	-

Investment Ratio (After Capital Raising)

100% Direct Investment 0% Indirect Investment

0% Freehold
100% Leasehold

Weighted Average Lease Expiry (WALE)

**Asset Investment Type (Appraisal value)****Revenue Ratio****Revenue Structure (After Capital Raising: Y 2007)****Total revenue ratio from fees****Fund Capital Structure**

Total assets	11,205,916,098 Baht	Retained earnings/Deficit	1,931,713,807 Baht
Total liabilities	66,137,291 Baht	Debt ratio	0
Paid-in capital	9,208,065,000 Baht	Credit rating	-

Overview Information of Samui Airport Property Fund (Leasehold) (Fund)

- Currently, the Fund invests in only one core asset, Samui Airport.
- The fund has a single sub-lessee, who is Bangkok Airways Public Company Limited with option to renew the agreement every 3 years.
- The fund gains revenue from sub-lease agreement and service agreement, which is fixed revenue and variable revenue. In addition, variable revenue is from no. of aircrafts and no. of passengers at the airport.

Core Asset Investment	Appraisal Value (Income Approach)	Appraiser	Major Shareholders	No. of Unit	% of Unit
Leasehold right in Samui Airport	10,934 Million Baht	Siam Appraisal And Services Co., Ltd.	1. Bangkok Airways Plc.	285,269,700	30.03%
			2. Kiatnakin Phatra Bank Plc.	94,997,176	10.00%
			3. Allianz Ayudhya Assurance Plc.	44,339,200	4.67%
			4. Social Security Office	35,256,300	3.71%
			5. TMB EASTSPRING Property and Infrastructure Income Plus Flexible Fund	19,953,700	2.10%
Unitholders can download full appraisal report via scan QR Code below			Foreign Limit% Current Foreign Holding 3.52...%		

Dividend Payment Policy :

Quarterly	2016	2017	2018	2019	2020	Since Inception
Dividend (THB per unit) Not including guarantee	1.47000	1.50000	1.38000	1.37000	0.72000	15.4337
Dividend (THB per unit) Including guarantee	0.00000	0.00000	0.00000	0.00000	0.72000	15.4337
Decreasing value of investment units (THB per unit)	0.00000	0.00000	0.00000	0.00000	0.00000	0.3073

(Please find term of dividend in the Fund scheme)

Estimate short-term returns of the fund during the period from to (if any)

If capital raising not more than – million Baht	Estimation prepared by auditor
Dividend from fund's operation	-
Dividend from guarantee*	-
Decreasing value of investment units	-
Total payment ratio to unitholders	-

Estimate long-term returns of the fund

Key assumption for IRR calculation at investment price	12.80 THB/unit ¹		
- Cashflow calculates from appraisal date	January 25, 2021	Expected IRR ² Excluding guarantee ³	IRR = 8.92%
- Fund expenses as average contract (% per total revenue)	4.44%	Expected IRR ² Including guarantee ³	IRR = 8.92%
- Debt ratio (if any)	0%		
- Estimate interest rate of debt (if any)	-		

¹ Close price at the last operating day in year 2020

² IRR is estimated to reflect expected returns of unitholders gain throughout the investment period.

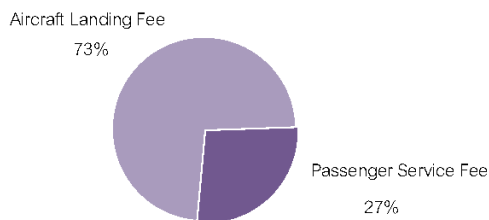
³ Currently, the fund has no guarantee support.

Summary of details of sponsor's guarantee support* (if any)

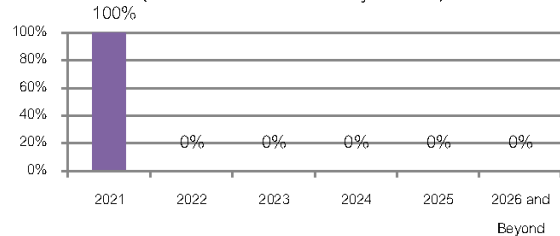
	Asset 1
Period of guarantee support	-
Number of years of guarantee support	-
Terms of guarantee support	-
Amount of guarantee support	-
Details of sponsor's guarantee support	-
Credit rating of sponsor's guarantee support	-

Details of sub-lessee in the sub-lease agreement (Year 2020)

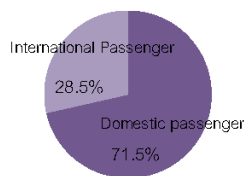
Revenue Ratio (Calculated from revenue in year 2020)



Weighted Average Lease Expiry after capital arising (Calculated from revenue in year 2020)

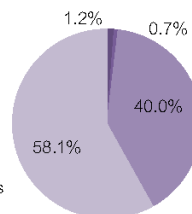


Passenger Service Fee

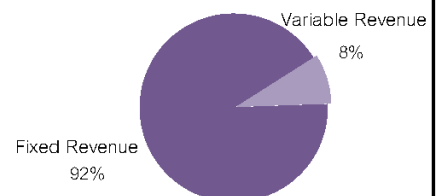


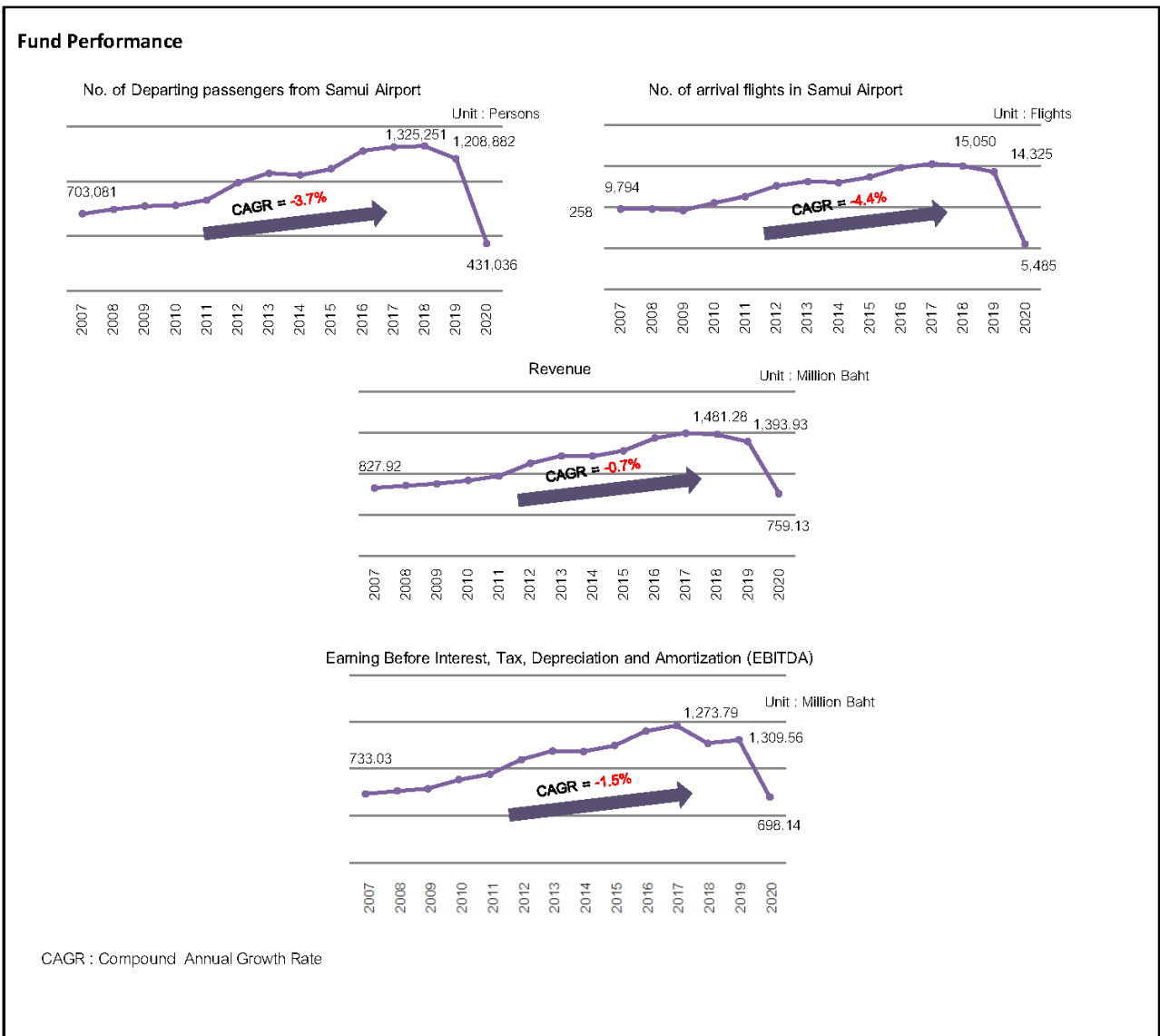
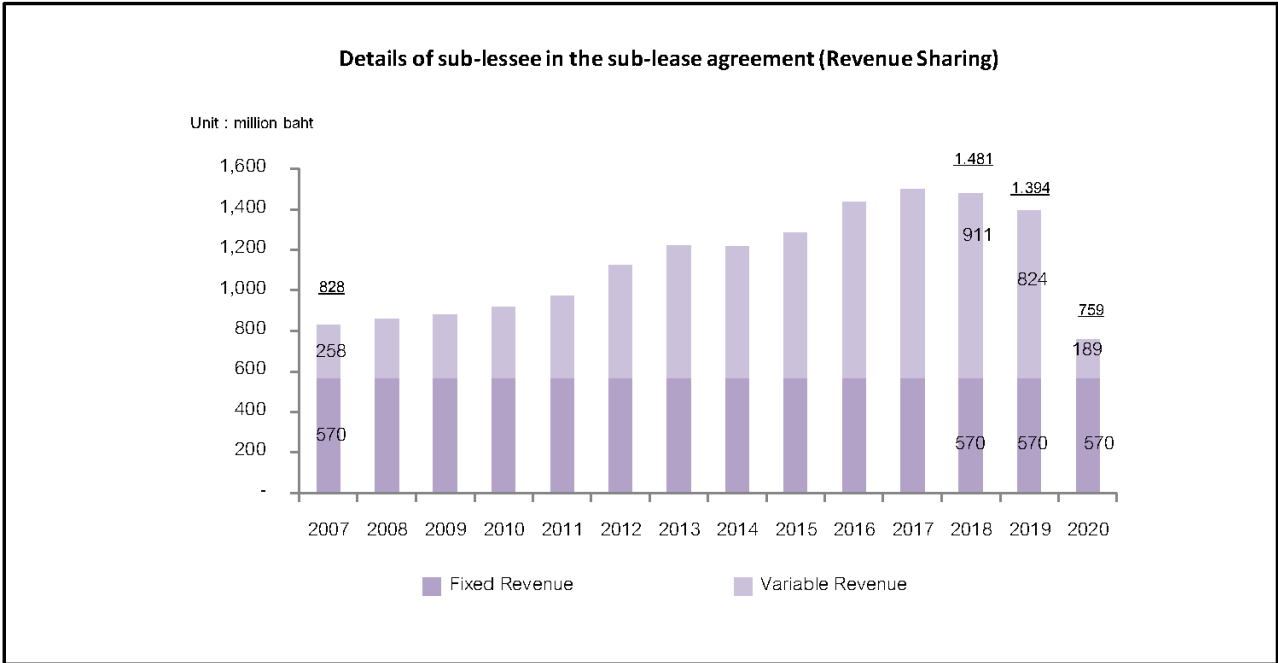
Aircraft Landing Fee

- Type 1 Cressna
- Type 2 Dash 7
- Type 3 ATR
- Type 4 Boeing, Airbus



Ratio of Fixed & Variable Revenues (Calculated from revenue in year 2020)





Key Financial Highlights	Performances in the Past Three Years and the Latest Operating Period			
	2017	2018	2019	2020
Revenue (M.TH)	1,498.94	1,481.28	1,393.93	759.10
Other Income (M.TH)	5.28	5.06	5.27	2.72
Subsidies	-	-	-	-
EBITDA (M.TH)	1,458.63	1,273.79	1,309.56	698.14
Net Profit (M.TH)	2,795.67	1,333.76	2,151.60	(790.69)
EPU (TH/unit)	2.94	1.40	2.26	(0.83)
DPU (TH/unit)	1.5000	1.3800	1.3700	0.7200
Capital Reduction (TH/unit)	-	-	-	-
Debt/Net Asset Value (Times)	0.0065	0.0103	0.0067	0.0059
Interest Cost (%)	-	-	-	-
Operating Cash Flow (M.TH)	1,418.14	1,344.41	1,303.54	912.71
Investing Cash Flow (M.TH)	-	-	-	-
Financing Cash Flow (M.TH)	(1,420.25)	(1,344.25)	(1,311.00)	(836)
Net Cash Flow (M.TH)	(2.11)	0.16	(7.46)	76.71
NAV (M.TH)	11,936.37	11,925.87	12,766.47	11,139.78
P/NAV (Times)	1.99	1.83	1.72	1.06
Dividend Yield (%) Including guarantee support	6.00%	6.00%	5.93%	5.63%
Dividend Yield (%) Not Including guarantee support	6.00%	6.00%	5.93%	5.63%
Market Cap (M.TH)	23,750	21,850	21,945	12,160
Closing Price (TH/unit)	25.00	23.00	23.10	12.80

Management Discussion and Analysis

In 2020, the operation of Samui Airport Property Fund (the Fund) had been affected by the Coronavirus pandemic (Covid-19). This year, the Fund has net investment income of Baht 698.14 Million Baht. Additionally, the Fund has recorded an unrealized loss on investments from a decrease in appraisal value of the leasehold property in the amount of Baht 1,488.84 Million Baht and net loss 790.69 Million Baht. Moreover, the Management Company announced that dividend payment of the Fund was at the rate of Baht 0.7200 per unit or was an amount of 684.00 Million Baht. The fund had Net Asset Value (NAV) as of December 31, 2020 equal to 11,139.78 Million Baht.

Type of audit report

Without condition Other

Table of fees charged from the Fund (Not including VAT, SBT or other taxes)

Fees and Expenses	Expected paid rate ¹ (% per year of NAV)	% of Net Profit (Estimate)
Management fee (Fixed Fee)	Not exceeding 1.00	(4.27)
Management fee (Variable Fee)	-	-
Trustee Fee	As actual paid but not over 0.15 And not less than 250,000 Baht per year	(0.54)
Registrar Fee	As actual paid but not over 0.10	(0.80)
Financial Advisor Fee	Not exceeding 3.00	-
Underwriter Fee	-	-
Property Operator fee	Not exceeding 3.00	-
Property Maintenance Cost	As actual paid	-
Property Management Fee	As actual paid	-
Insurance Premium	As actual paid	-
Related Tax Expense	As actual paid	-
Advertising, Public Relations and Promotion Expense	Not exceeding 0.5	-
Other Expense over 0.01% of NAV	As actual paid	-
Other Fee ²	As actual paid	(2.45)

Note

¹Some expense transactions are not calculated to percentage of NAV, thus ceiling cost is estimated for calculation NAV percentage only

²Each expense transaction is not over 0.01 of NAV

Summary Risk Factors

1. General Risks
2. Risks Associated with the Initial Sub-lessee
3. Replacement of the Airport Operator
4. Majority of Samui Airport's Fees Generated by Bangkok Airways PLC.
5. Competition from a Second Airport and Other Tourist Destinations
6. Insurance
7. Risks Applicable to the Operation of an Airport and an Airline
8. A Change in Accounting Standards or Relevant Laws
9. Ability to Pay Dividends from the Fund
10. The Fund's Net Asset Value may not correlate to Actual Value upon Liquidation or Dissolution
11. Lack of Liquidity
12. Decrease of value of the long term leasehold right

For more information, unitholders can find the risk factors of the fund in part 2 of the fund operational of Samui Airport Property Fund (Leasehold) under the subject Risk Factor of the **Annual Registration Statement**

Fund Disposal Terms

No Yes Unitholders can find conditions of the fund disposal in the fund scheme at <https://am.kkpg.com>

Name of underwriter: -

Information

Management Company	Kiatnakin Phatra Asset Management Co., Ltd.
Address	19th Floor, Muang Thai-Phatra Complex Building Tower A 252/25, Ratchadaphisek Road, Huaykwang Sub-district Huaykwang District, Bangkok 10310
Telephone Number	02 305 9800
website	https://am.kkpg.com
Trustee	Bangkok Bank PCL
Address	333 Silom Road, Silom, Bangrak, Bangkok 10500 Thailand
Telephone Number	02 626 4530
website	www.bangkokbank.com/en/Business-Banking/Securities-Services/Mutual-Funds-Supervisor

2 Fund Information

Fund Name (in Thai)	:	กองทุนรวมสิทธิการเช่าอสังหาริมทรัพย์สนามบินสมุย
Fund Name (in English)	:	SAMUI AIRPORT PROPERTY FUND (Leasehold)
Abbreviation	:	SPF
Fund Type	:	Closed-end property fund
Fund Maturity	:	Indefinite
Paid-up Capital	:	9,500,000,000 Baht (at Registration Date) 9,208,065,000 Baht (at 31 December 2020)
Name of the Management Company	:	Kiatnakin Phatra Asset Management Co., Ltd. (Formerly known as Phatra Asset Management Company Limited, effective from September 28, 2020)
Name of the Trustee	:	Bangkok Bank PCL

3 Business Overview and Procurement of Benefit

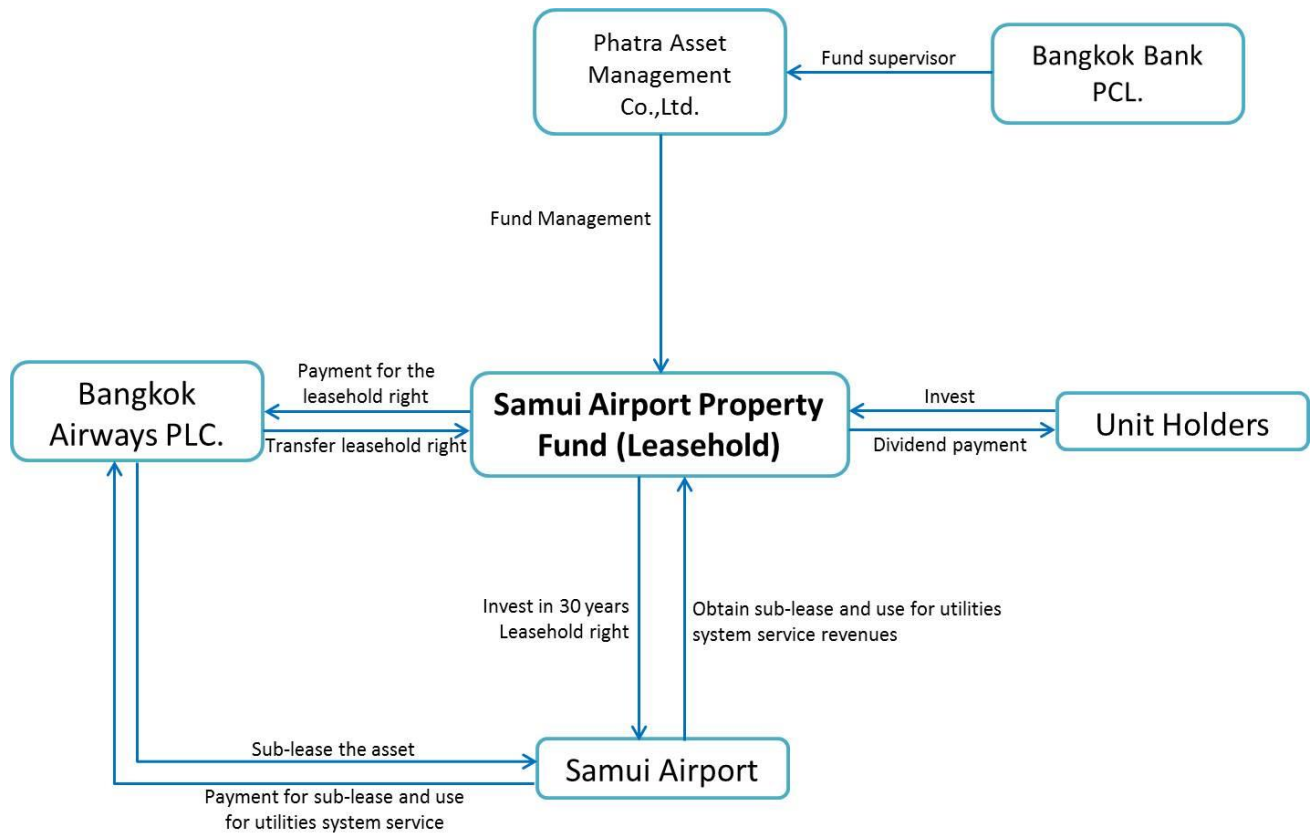
3.1 Vision, Objectives, Goals

The Project will mobilize funds from the public and general investors, with the main objective to use the proceeds of such fund mobilization for purchasing, leasing and/or subleasing immovable properties, as well as for seeking benefits from those immovable properties by way of letting, subletting transfer and/or disposal of those immovable properties invested in or possessed by the Fund, as well as improvement, modification, construction and development of the capacity of those immovable properties by obtaining or accepting transfers of construction permits and/or applying for other permits and/or doing any other pertinent or necessary acts for the benefit of the immovable properties within the scope that the Fund may act under the regulations of the Office of SEC and other relevant notifications, and with a view to generate income and returns for the Fund and the unitholders, including investment in other properties and/or other securities and/or seeking of benefits by other means as prescribed by the Securities Law and/or other relevant laws.

3.2 Major Changes and Development

Date	Events
30 Sep 2020	Change name of the Management Company from Phatra Asset Management Company Limited to Kiatnakin Phatra Asset Management Company Limited
1 Jun 2018	The Management Company set up Property / REITs Investment Committee to take charge of managing Property Funds and Real Estate Investment Trusts.
24 May 2017	Pursuant to the Royal Decree on the discontinuation of exemption of revenue and value-added taxes for real estate funds that became effective on 24 May 2017 and onward, the Fund was required to collect value-added taxes and stamp tax expenses and take other required actions to ensure legal compliance.
1 Sep 2016	Change of trustee and amendment to the Fund Management Project of Samui Airport Property Fund (Leasehold) (SPF) from Citibank N.A. Bangkok Branch to Bangkok Bank Public Company Limited
9 Nov 2015	Amend the project due to change of name of Management Company
30 Aug 2013	Amend the Fund Scheme due to change of name of the Management Company
1 Aug 2013	Change structure of shareholders and name of the Management Company from Kiatnakin Fund Management Company Limited to Phatra Asset Management Company Limited

3.3 Fund Structure of Samui Airport Property Fund (Leasehold)



3.4 Assets of the Fund

3.4.1 Details of Assets by Asset Type

Samui Airport Property Fund (Leasehold)

As at 31 December 2020

<u>Type of investment</u>	<u>Cost</u> (Baht)	<u>Fair value</u> (Baht)
Investments in leasehold rights to properties		
Leasehold rights on land, runway, parking apron and construction on leased land of Samui Airport. Such land is located in Tambon Bophut, Amphoe Koh Samui, and comprises of land under 29 title deeds and 19 Nor.Sor.3 Gor. and related acquisition costs	9,301,358,900	10,934,000,000
Total investments in leasehold rights to properties	9,301,358,900	10,934,000,000

Type of investment	<u>Maturity date</u>	<u>Interest rate</u> (Percent)	<u>Par value</u> (Baht)	<u>Fair value</u> (Baht)	<u>Percentage of investment</u> (Percent)
Investments in securities					
Fixed deposit					
KasiKohn Bank Public Company Limited	12 Sep 2021	0.20	33,860,149	33,860,149	0.31
Bond					
CB21304A	4 Mar 2021	0.30	40,000,000	39,979,457	0.36
LB22DA	17 Dec 2022	0.33	39,000,000	40,270,832	0.36
Total investments in securities				114,110,438	1.03
Total investments				11,048,110,438	100.00

Ratio of investment in the property per average total asset value during the year is equal to 98.97%

Details of Assets by Asset Type (continued)

Samui Airport Property Fund (Leashold)

As at 31 December 2020

	<u>Percentage of Average Total Asset *</u>	<u>Asset Value according to Market/Fair Price (Baht)</u>
<u>Assets</u>		
Investments in leasehold rights to properties at fair value (at cost: Baht 9,301.36 million)	92.51%	10,934,000,000
Investments in securities at fair value (at cost: 2020: Baht 114 million, 2019: Baht 280 million)	0.97%	114,110,438
Cash at banks	0.68%	79,871,722
Accounts receivable		
from return on leasehold rights to properties	0.40%	47,500,000
from interest	0.00%	53,674
Other assets	0.26%	30,380,264
Total assets		11,205,916,098
<u>Liabilities</u>		
Accrued expenses	0.04%	4,332,709
Deposits received from customer	0.40%	47,500,000
Other liabilities	0.12%	14,304,582
Total liabilities		66,137,291
Net assets		11,139,778,807
Net assets		
Fund registered		
1,050,000,000 units of Baht 9.6927 each		10,177,335,000
Paid-in capital from unitholders		
950,000,000 units of Baht 9.6927 each		9,208,065,000
Retained earnings		1,931,713,807
Net assets		11,139,778,807
Net asset value per unit		11.7260
Number of units issued - end of year (units)		950,000,000
Total expenses to average net asset ratio		0.54%

Remark: * Average net assets at 1 January 2020 – 31 December 2020 is equal to 11,818,766,019 Baht

3.4.2 Details of Leased Property by Samui Airport Property Fund (Leasehold)

Samui Airport Property Fund (Leasehold) invested in the leasehold for 30 years from 24 November 2006 to 23 November 2036, having the details on the structures and other attachments that the fund leased on the operations of the airport, appraisal value, invested cost, with the following details:

Details of the structures and other attachments that the property

The Fund invested in the long-term leasehold which are the leased land, runway, apron and structures on the leased land. Currently it is used in the operation business of the airport situated on Koh Samui (island). The Fund signed the long-term lease contract for 30 years ended on 23 November 2036, with the mortgage on the lands and structures with the Samui Airport Property Fund (Leasehold).

(a) Leased land

The leased lands situated at Bo Phud sub-district, Koh Samui district, Surat Thani province having the approximate area of about 449-3-83.8 rai (179,983.8 sq. wah, or about 719,935.2 sq. m), which consists of the 29 land title deeds and 19 certificates of utilization (Nor Sor 3 Kohr) as follows:

Land Title Deed

No.	Land Title Deed	No.	Area		
			Rai (X1600m)	Ngan (X400m)	Square Wah (X4m)
1	2514	55	1	0	10
2	2515	56	4	2	64
3	2516	57	0	3	57
4	2517	58	1	1	21
5	2518	59	18	2	83
6	2519	60	0	1	95
7	2742	11	5	1	00
8	2754	29	6	1	68
9	2755	30	8	1	15
10	2773	12	1	3	20
11	6644	125	1	2	84

No.	Land Title Deed	No.	Area		
			Rai	Ngan	Square Wah
			(X1600m)	(X400m)	(X4m)
12	6646	127	1	3	38
13	6656	137	1	3	91
14	6658	139	0	2	50
15	6659	140	1	1	35
16	6660	141	0	3	35
17	15267	17	268	3	51
18	15334	162	0	1	84.8
19	15335	163	0	1	36.6
20	15336	164	0	3	79.8
21	15337	165	1	1	39
22	15338	166	2	1	56.1
23	16965	23	3	3	46
24	16966	24	2	2	28
25	17662	217	2	2	44
26	19613	26	7	1	22
27	20756	29	1	1	39
28	21726	10	5	0	95.5
29	28481	199	0	1	78
Total			354	3	65.8

Certificate of Utilization (Nor Sor 3 Kohr.)

No.	Certificate of Utilization	Land No.	Area		
			Rai (X1600m)	Ngan (X400m)	Square Wah (X4m)
30	821	10	3	3	80
31	847	36	12	3	54
32	896	64	7	3	60
33	899	68	17	3	60
34	921	93	13	3	10
35	1424	96	1	0	48
36	1428	100	4	0	6
37	1451	129	4	0	25
38	1452	130	5	1	60
39	1510	188	2	1	32
40	2113	206	1	3	46
41	2114	209	2	0	41
42	2157	130	2	3	89
43	2790	249	0	0	30
44	6088	479	2	3	89
45	6089	480	2	3	89
46	6385	36	5	3	59
47	7184	667	0	0	31
48	7433	704	2	3	09
Total			95	0	18
Total Area			449	3	83.8

Remark: 1 rai = 1,600 sq.m. 1rai = 4 ngan, 1 ngan = 100 square wah (4 sq.m)

(b) Runway

Runway means a long road used by airplanes when they land and take off, including the attachments fixed on the runway. The runway is a single runway with the width of 45 metre and the length of 2,100 metre. The area has runway edge at 7.5 metre on each side with the runway strip 75 metre on each side from the middle of the runway. The total area of the runway strip is about 150 metre paralleled along the runway. The total runway and the strip is about 94,500 and 31,500 square metre respectively.

The runway is paved with asphalt with the bearing strength of PCN 38/F/B/W/T, in order to supports the airplane type ATR 72-500, Airbus A319 including the Boeing 737-400. At the end of 2013, the runway had been increased thickness of the surface by about 5cm.

(c) Apron

The apron means a place at the airport where planes park to load/unload supplies, including the attachments fixed on the apron. There are 2 aprons at Samui airport which are per follows;

1. Apron on the east of the runway with 9 parking slots.

The apron has the width of 125m, length of 350m, and the total area of about 43,750 sq. m. Its surface made with concrete with the bearing strength of PCN 42/R/D/X/T, in order to park the airplane type ATR 72-500, Airbus A319 including the Boeing 737-400.

2. Apron on the west of the runway with 4 parking slots

The apron has the width of 128m, length of 160, and the total area of about 20,480 sq. m. Its surface made with concrete with the bearing strength of PCN 39/R/A/W/T, in order to park the airplane type ATR 72-500, Airbus A319 including the Boeing 737-400.

(d) Current Terminals

The current terminals consist of the domestic and international terminals, as well as the supporting buildings to replace the old terminals to serve the increased number of passengers. Other structures are reinforced concrete (RC) road, concrete block fence, roof-covered walkway, landscape, systems work and other construction. General characteristics of the building are mostly RC structures, as it used hardwood or natural materials, polished or ceramic

tiles or large sand RC floors. The roofs are made of red oat grass/Nipa palm leaves, most walls opened to natural breezes, with the details, dimensions and area in each structure are as follows:

Building Details and Area

Building		Building Area (sq.m.)
1	Domestic & International Boarding Pass Building	
	Interior usable area	1,743.00
	Renovated Part	257.00
Total Building Area No.		2,000.00
2	Domestic Departure Terminal (Gates 1 , 2 and 3)	
	2.1 Octagon Building 1	
	Interior usable area	312.00
	2.2 Octagon Building 2	
	Interior usable area	312.00
	2.3 Octagon Building 3	
	Interior usable area	312.00
	2.4 Gate 1	
	Interior usable area	50.00
	2.5 Gate 2	
	Interior usable area	50.00
	2.6 Gate 3	
	Interior usable area	50.00
2.7 Internet / Refreshment & Bar Building		
Interior usable area	68.00	
2.8 Courtesy Corner Building		
Interior usable area	56.00	
2.9 VIP Building		
Interior usable area	87.00	
2.10 TOT.LOT Building		
Interior usable area	56.00	
2.11 Shop Building 1		
Interior usable area	50.00	
2.12 Shop Building 2		
Interior usable area	20.00	

Building		Building Area (sq.m.)
2.13	Shop Building 3	
	Interior usable area	20.00
2.14	Shop Building 4	
	Interior usable area	50.00
2.15	Shop Building 5	
	Interior usable area	20.00
2.16	Shop Building 6	
	Interior usable area	20.00
2.17	Shop Building 7	
	Interior usable area	20.00
2.18	Service Room Building	
	Interior usable area	70.00
2.19	Storage Building	
	Interior usable area	70.00
2.20	Toilet Building 1	
	Interior usable area	75.00
2.21	Toilet Building 2	
	Interior usable area	78.00
2.22	Toilet Building 3	
	Interior usable area	104.00
2.23	Hallway to the domestic outbound building	
	Interior Usable Area	148.00
2.24	Substation Building	
	Interior usable area	20.00
2.25	Security Scan Building	
	Interior usable area	100.00
2.26	Customer Service Building	
	Interior usable area	160.00
2.27	Hallway to Gates 1 , 2 and 3	
	Interior usable area	120.00
2.28	Walk Way	
	Interior usable area	396.00

Building		Building Area (sq.m.)
Total Building Area No. 2		2,894.00
3	Domestic Inbound Building (Gate 4)	
3.1	Domestic Inbound Greeting Building	
	Interior usable area	173.00
3.2	Octagon 4	
	Interior usable area	374.00
3.3	Toilet Building 1	
	Interior usable area	92.00
3.4	Toilet Building 2	
	Interior usable area	92.00
3.5	VIP Building	
	Interior usable area	107.00
3.6	Office Building	
	Interior usable area	60.00
3.7	Gate 4	
	Interior usable area	50.00
3.8	Walk Way	
	Interior usable area	128.00
Total Building Area No. 3		1,076.00
4	International Inbound Passenger Building (Gate 5)	
4.1	Octagon Building 5	
	Interior usable area	374.00
4.2	Duty-Free Shop Building	
	Interior usable area	77.00
4.3	Immigration Building	
	Interior usable area	194.00
	Renovated Part	115.50
4.4	Gate 5	
	Interior usable area	50.00
4.5	Inbound Passenger Greeting Building	
	Interior usable area	624.00
4.6	Rendezvous Point	
	Interior usable area	450.00
4.7	Male & Female Toilet Building	
	Interior usable area	328.00

Building		Building Area (sq.m.)
4.8	Walk Way Interior usable area	52.00
Total Building Area No. 4		2,264.50
5	International Outbound Passenger Building (Gate 6)	
5.1	Hexagon Building 6 Interior usable area	346.00
5.2	Gate 6 Interior usable area	50.00
5.3	Immigration Building /Office Interior usable area Renovated Part	615.00 97.20
5.4	Duty-Free Building Interior usable area	178.00
5.5	VIP Building Interior usable area	50.00
5.6	Walkway Interior usable area	278.00
Total Building Area No. 5		1,614.20
6	International Outbound Passenger Building (Gate 7)	
6.1	Gate 7 Interior usable area	82.00
6.2	Lobby and Lounge for departure passenger Interior usable area	510.31
6.3	Walk Way Interior usable area	225.00
Total Building Area No. 6		817.31
7	Auxiliary Building	
7.1	Security building Interior usable area	45.00
7.2	Catering Building and of Thai Airways office Interior usable area	144.00
7.3	Store Building Interior usable area	72.00

Building		Building Area (sq.m.)
7.4	Ticketing Building	
	Interior usable area	130.00
7.5	Ground Office Building	
	Interior usable area	64.00
7.6	Central Computer Building	
	Interior usable area	80.00
7.7	Toilet Building 1	
	Interior usable area	78.00
7.8	Toilet Building 2	
	Interior usable area	64.00
7.9	Toilet Building 3	
	Interior usable area	39.00
7.10	Residential Building 1	
	Interior usable area	302.00
	Vacated Roof Area	22.00
7.11	Residential Building 2	
	Interior usable area	200.00
7.12	Residential Building 3	
	Interior Usable Area	200.00
7.13	Residential Building 4	
	Interior usable area	66.00
	Balcony	18.00
7.14	Residential Building 5	
	Interior usable area	240.00
7.15	Residential Building 6	
	Interior usable area	256.00
7.16	Electrical System Building	
	Interior usable area	77.00
7.17	Waterworks Building	
	Interior usable area	72.00
7.18	Limousine Building	
	Interior usable area	90.00
Total Building Area No. 7		2,259.00
Total Building Area No. 1 – 7		12,925.01

(e) Old Terminals

It is the terminal opened for service since 1989 and stopped the service since Samui Airport opened up the new terminal in the mid of 2007. It had demolition, construction and renovation from the date of the long-term leasing, with the details of each building size and area as follows:

Building Details and Area

Building		Building Area (sq.m.)
1	Old Terminal	
1.1	Domestic Arrival Lounge	
	Interior usable area	276.00
1.2	International Departure Lounge	
	Interior usable area	160.00
1.3	Domestic & International Boarding Lounge	
	Interior usable area	278.00
1.4	Shop Building 1	
	Interior usable area	121.00
1.5	Shop Building 2	
	Interior usable area	109.00
1.6	Toilet Building	
	Interior usable area	35.00
1.7	Shop Building 3	
	Interior usable area	22.00
1.8	Shop Building 4	
	Interior usable area	22.00
1.9	First aid building	
	Interior usable area	34.00
1.10	Post office building	
	Interior usable area	24.00
1.11	Shop building 5	
	Interior usable area	14.00
Total area and building value		1,095.00

Details of Property Leasehold Right Valuation on December 31, 2020

The fund invested in the leasehold of the Samui Airport as specified in the details in the prospectus and its summary, with the details in the essence as follows

Investment Asset Type	Airport
Commencement Date of the Agreement	24 November 2006
Sub-lessee and Occupant under Fund Agreement	Bangkok Airways Public Co., Ltd.
Appraisal Value of the Investment Asset of the Fund	10,934,000,000 Baht (According to the condition in the Fund's agreements) as of 31 December 2020
Date of the Valuation Review	25 January 2020
Remaining Leasehold Period	15.90 years
Valuation Method	Discounted Cash Flow (DCF) Approach, which is projecting net future rental income stream over years of the remaining lease term, and discounting the income to a Net Present Value by applying an appropriate discount rate.
Name of Valuer	Siam Appraisal and Services Co., Ltd.
Obligation of the Asset	Mortgaged to the Fund

Summary of Material Terms and Conditions of the Long Term Lease Agreement and Undertaking Agreement

- 1. Bangkok Airways PLC.'**
- Substantial Obligation**
- Bangkok Airways PLC. shall sublease and use the utilities system services in relation to the Leased Assets according to the terms and conditions to be agreed upon by the parties pursuant to the Samui Airport Agreements and Bangkok Airways PLC. shall provide Equipment, Machinery and Systems which are necessary to the operation of Samui Airport for the Fund to use or have the right to use in accordance with the terms and conditions in the Long Term Lease Agreement.
 - Unless Bangkok Airways PLC. has transferred or terminated the Airport Operating Licenses according to the Undertaking Agreement, Bangkok Airways PLC. shall comply with the terms and conditions and governing laws which are material to the operation of the Samui Airport and provide aviation services according to the routes between the Samui Airport and other airports, including all relevant regulations, throughout the term of the Long Term Lease Agreement.

3. Unless Bangkok Airways PLC. has transferred or terminated the Airport Operating Licenses according to the Undertaking Agreement, Bangkok Airways PLC. shall comply with the terms and conditions of the Airport Operating Licenses and the Airline Operating Licenses and shall maintain such licenses, throughout the term of the Long Term Lease Agreement.
4. Bangkok Airways PLC., at its expense, agrees to prepare an application(s) together with any supporting documents and/or necessary reports as required by applicable laws (including Environmental Impact Assessment Report) and agrees to submit such application(s) to the relevant authorities for consideration to allow the Samui Airport to accommodate additional aircraft and/or types of aircraft for transporting more passengers at Samui Airport, details of which are to be agreed between the Fund and Bangkok Airways PLC. under the Long Term Lease Agreement. However, such permission shall be subject to consideration and discretion of relevant authorities, in accordance with applicable laws.
5. Throughout the term of the Long Term Lease Agreement, Bangkok Airways PLC., at its expense, agrees to maintain the general environment of the Leased Assets and the Samui Airport, in the condition that is good and suitable for the use of the Leased Assets as an airport for Samui Island, and attractive for services to passengers and airline operators.
6. Throughout the term of the Long Term Lease Agreement, in the event that the accumulated number of passengers during a 12 month period is lower than the accumulated number of passengers during the 12 month period of the previous year during the same period, Bangkok Airways PLC., at its expense, agrees to undertake marketing activities (to be agreed between the Fund and Bangkok Airways PLC. in the Long Term Lease Agreement) as necessary and proper to promote Samui Island and the Samui Airport in order to draw passengers to travel to Samui Island.
7. In event that the Utilities System Service Agreement is terminated prior to expiry or the Sub-Lease Agreement is terminated without renewal, not by reason of a breach by the Fund or the Fund's non-compliance with the material terms of the Utilities System Service Agreement and/or the Sub-Lease Agreement, Bangkok Airways PLC. shall proceed as follows without claiming remuneration from the Fund and/or the new sub-lessee of the Fund except for related expenses payable to third parties:

- (a) transfer the Airport Operating Licenses to the new sub-lessee and/or the Fund, if the Fund is permitted to operate the Samui Airport and as long as such license may be transferred, in order for the Fund and/or the new sub-lessee to be able to operate the Samui Airport;
 - (b) submit an application to terminate and/or return the Airport Operating Licenses in Bangkok Airways PLC.' name to the Department of Civil Aviation or other relevant authorities, in the event that it is necessary for the new sub-lessee and/or the Fund to apply for new airport operating licenses; and
 - (c) use its best efforts to provide assistance to the new sub-lessee and/or the Fund in order to obtain new airport operating licenses, provided that the new sub-lessee and/or the Fund shall be responsible for such related expenses.
8. During the period of 2 years after the Utilities System Service Agreement has been terminated prior to its expiry or the Sub-Lease Agreement has been terminated without renewal, not by reason of a breach by the Fund or non-compliance by the Fund with the material terms of the Utilities System Service Agreement and/or the Sub-Lease Agreement, Bangkok Airways PLC. shall provide assistance as necessary for the new sub-lessee and/or the Fund to continually operate the Samui Airport, as specified by the Department of Civil Aviation and/or other relevant authorities.
9. Bangkok Airways PLC. shall not sell, dispose, transfer or cause any encumbrance to the Leased Assets except in any of the following events:
- (a) mortgage of the Leased Assets to the Fund according to the Long Term Lease Agreement;
 - (b) an encumbrance or other obligation occurs (i) by operation of law; (ii) in the ordinary course of business prior to entering into the Long Term Lease Agreement; (iii) due to the addition, change of or replacement of the original Leased Assets; or (iv) which does not have a material adverse effect on Bangkok Airways PLC.' compliance with the Long Term Lease Agreement;
 - (c) transfer of the Leased Assets to its subsidiary (as defined in the Long Term Lease Agreement); provided that Bangkok Airways PLC. shall cause its subsidiary that will receive the transfer of the Leased Assets to enter into agreement with the Fund and agree to be obligated under the terms and conditions of the Long Term Lease Agreement, and Bangkok Airways PLC.

shall agree to guarantee the performance of its subsidiary under such agreement; or

(d) any other event for which Bangkok Airways PLC. obtains written consent from the Fund.

10. During the 20-year term commencing on the Lease Registration Date and including the date of admission of the listing of the Investment Units of the Fund to the Stock Exchange of Thailand, Bangkok Airways PLC. shall maintain its holding and shall cause its affiliate and/or its subsidiary to maintain the holding of the Investment Units in the Fund of not less than 25% of the total amount of units issued and offered for sale on the date of the execution of the Long Term Lease Agreement (provided that the amount shall not exceed the amount specified in the Notification of the SEC, including all future amendments theremade). Bangkok Airways PLC. shall not sell, dispose, transfer or create any encumbrance on such units and shall procure that its affiliate and/or subsidiary (as defined in the Undertaking Agreement) shall not sell, dispose or transfer any such units which may cause the total holding of the units in the Fund to be less than 25% of the total amount of units issued and offered for sale on the execution date of the Long Term Lease Agreement (provided that the amount shall not exceed the amount specified in the Notification of the SEC, including all future amendments theremade) or create any encumbrance on the units held in compliance with the Undertaking Agreement except in any of the following events:

(a) sale, disposition, or transfer of the units is made between Bangkok Airways PLC. and/or its affiliate and/or a subsidiary (as defined in the Undertaking Agreement);

(b) such encumbrance is created for the benefit of raising funds to undertake any activities as specified in the Long Term Lease Agreement; or

(c) any other event for which Bangkok Airways PLC. obtains written consent from the Fund.

For the purpose of this Clause:

“Affiliate” means

(a) a company in which Bangkok Airways PLC. holds at least 50% of the total number of voting shares of such company;

- (b) a company in which the company described in (a) holds at least 50% of the total number of voting shares of such company;
- (c) a company in which the company described in (b) holds at least 50% of the total number of voting shares of such company and all companies in which such company holds at least 50% of the total number of voting shares of the company;
- (d) a company in which Bangkok Airways PLC. or a company described in (a), (b) or (c), directly or indirectly, collectively hold at least 50% of the total number of voting shares of such company

“Subsidiary” means

- (a) a company in which Bangkok Airways PLC. holds at least 99.99% of the total number of voting shares of the company;
- (b) a company in which the company described in (a) holds at least 99.99% of the total number of voting shares of such company;
- (c) a company in which the company described in (b) holds at least 99.99 % of the total number of voting shares of such company and all companies in which such company holds at least 99.99 % of the total number of voting shares of the company;
- (d) a company in which Bangkok Airways PLC. or a company described in (a), (b) or (c), directly or indirectly, collectively hold at least 99.99% of the total number of voting shares of such company;

In any event, Bangkok Airways PLC. and/or the Connected Persons (as defined in this Prospectus) shall not hold the number of investment units exceeding the number of investment units specified in the Notification of the SEC, including all future amendments there made.

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|--|--|
| 2. Maintenance, Repair of the Leased Assets, Equipment and Machinery and the System, and | <p><u>Maintaining and repairing the Leased Assets, Equipment Machinery and Systems, to be prepared for and capable to support the anticipated number of passengers</u></p> <p>To maintain the Leased Assets in good condition or appropriate according to its purpose of use and be capable to support 2,000,000 departing passengers per year during the term of the Long Term Lease Agreement; Bangkok Airways PLC. shall be responsible for all repairs, whether usual, minor or necessary, for the benefit of the</p> |
|--|--|

Extension and/or Improvement and/or Alteration and/or Additional Construction on or in the Leased Assets

Leased Assets, Equipment, Machinery and Systems and maintain, restore, replace or proceed in any act at Bangkok Airways PLC.' expense.

Maintaining, restoring, replacing or proceeding in any act and repairing the Leased Assets, Equipment, Machinery and Systems to improve condition

The Fund shall give consent to Bangkok Airways PLC. to repair and maintain, restore, replace or proceed in any act which will result in improving the condition of the Leased Assets, Equipment, Machinery and Systems, to be capable of supporting over 2,000,000 departing passengers per year during the term of the Long Term Lease Agreement. After any such actions are completed, Bangkok Airways PLC. shall give consent to the Fund and/or the new sub-lessee to use such assets without cost during the term of the Long Term Lease Agreement. The Fund agrees to be responsible for costs and expenses which relate to the improved or new Leased Assets or Equipment, Machinery and Systems that enable Samui Airport to support capacity over 2,000,000 departing passengers per year.

Extension and/or improvement and/or alteration and/or additional construction

1. During the term of the Long Term Lease Agreement, the Fund acknowledges and agrees that Bangkok Airways PLC. is entitled to extend, improve, alter, or carry out additional construction on or in the Leased Assets, Equipment, Machinery and Systems as Bangkok Airways PLC. deems appropriate at its own cost. Such action must be for the benefit of increasing the Samui Airport operational capability as follows:
 - (a) the extension, improvement, alteration or additional construction of the runway in order to support an aircraft with weight and/or speed above the status at the execution date of the Long Term Lease Agreement or the extension, improvement, alteration or additional construction of the taxi way to support additional flights and/or additional benefits; or
 - (b) the extension, improvement, alteration or additional construction of new passenger terminals (other than the New Passenger Terminals) and/or supporting buildings and/or the procurement of Equipment, Machinery and Systems, to cause the Samui Airport to be capable of supporting over 2,000,000 departing passengers per year.
 - (c) the extension, improvement, alteration and/or additional construction of any structure which benefits and improves the condition of the Leased Assets; or

(d) any other case which Bangkok Airways PLC. and the Fund mutually agree upon.

2. Both parties agree that Bangkok Airways PLC. who acts and is responsible for the expenses shall have ownership and/or right to possess and/or right to use the extended, improved, altered or added Leased Assets. However, in the case that the Fund wishes to purchase, lease and/or benefit from such Leased Assets, Bangkok Airways PLC. agrees to provide the Fund with the right to purchase, lease and/or benefit from such asset(s) throughout the term of the Long Term Lease Agreement or the period as requested by the Fund, and shall have the price agreed upon by Bangkok Airways PLC. and the Fund as specified in the terms and conditions of the Long Term Agreement. However, in exercising its right hereunder, the Fund shall obtain the approval of the Unitholders (if specified in the prospectus) and shall comply with the relevant laws.

3. Bangkok Airways PLC.' Covenants and Consents

1. The Fund acknowledges and gives consent to Aeronautical Radio to maintain and operate the air traffic control tower located on the Leased Assets, and acknowledges and gives consent to Bangkok Aviation Fuel Services Public Company Limited to maintain and operate the fuel depot on the Leased Assets, without requiring compensation from Bangkok Airways PLC., Aeronautical Radio or Bangkok Aviation Fuel Services Public Company Limited.
2. The Fund acknowledges that Bangkok Airways PLC. has plans to demolish and improve certain parts of the Current Passenger Terminals. The Fund shall give consent to such action after the New Passenger Terminals have been constructed, landscaped and furnished, and are open for operation to support arriving and/or departing passengers, provided that Bangkok Airways PLC. shall give reasonable prior notice to the Fund of such plan as necessary and shall comply with the relevant laws. The demolition and improvement shall not affect the rental amount which the Fund is obligated to make or has made to Bangkok Airways PLC. according to the Long Term Lease Agreement.

4. Right of First Refusal

If at any time during the 17 year period commencing from the Lease Registration Date, Bangkok Airways PLC. or a Company Controlled by Bangkok Airways PLC. intends to dispose of, make payment, transfer and/or lease out the entire or a material part of the

following:

1. the Leased Assets, including immovable assets, buildings, constructions or movable assets used to operate the Samui Airport which is currently existing or exists in the future;
2. Immovable assets, building and structures, or movable assets used to operate the Sukhothai Airport and the Trad Airport;
3. Immovable assets, building and constructions or movable assets currently existing or to exist in the future which are used in connection with the operation of the Samui Airport, such as the commercial project located in and/or near the Samui Airport which is constructed to support the passengers of the Samui Airport, but shall not include other businesses not in connection with the operation of Samui Airport, such as hotels and/or hospitals owned by Bangkok Airways PLC. or a Company Controlled by Bangkok Airways PLC. ;

in any such event, Bangkok Airways PLC. agrees to and shall cause the Company Controlled by Bangkok Airways PLC. to agree to provide the Fund with the Right of First Refusal in purchasing and/or receiving ownership and/or receiving right to possess and/or leasehold right to the assets from Bangkok Airways PLC. and/or the Company Controlled by Bangkok Airways PLC.

5. Collateral

Throughout the term of the Long Term Lease Agreement, Bangkok Airways PLC. shall register a mortgage on the Leased Assets to the Fund in the amount equal to one hundred and ten percent of the total rental and remuneration for the Long Term Lease Agreement and any other altered amount according to the Mortgage Agreement to guarantee the obligations and performance of Bangkok Airways PLC. under the terms and conditions of the Long Term Lease Agreement and any damages which may occur due to breach of the Long Term Lease Agreement, including loss of income to the Fund if it is unable to use the Leased Assets to seek benefit according to the purpose of the Long Term Lease Agreement.

6. Insurance

1. Throughout the term of the Long Term Lease Agreement, Bangkok Airways PLC. shall maintain adequate and sufficient all risk insurance covering risks which may occur to the Leased Assets and name the Fund as beneficiary or assign or prepare for there to be assignment of right to receive benefit under the insurance

policy to the Fund. The insurance policy shall cover all risk, including terrorism risk. Bangkok Airways PLC. shall be responsible for the premium, expenses or any fees which occur or are related to preparation for assignment or the assignment of such right unless Bangkok Airways PLC. is not the sub-lessee under the Sub-Lease Agreement for reasons other than the Fund's non-compliance with the terms and conditions of the Sub-Lease Agreement.

2. In the event that the entirety of the Leased Assets is damaged to the extent that the Samui Airport is inoperable, Bangkok Airways PLC. shall reconstruct the damaged Leased Assets, which shall be completed within 2 years from the occurrence of damage and the Fund agrees to deliver the proceeds from insurance to Bangkok Airways PLC. to be used for reconstruction without delay. (However, the Fund shall not be liable to pay rental or other remuneration whatsoever to Bangkok Airways PLC. as a result of or during or after such reconstruction.)
3. Unless the parties agree otherwise, in the event that the Leased Assets are partially damaged for any reason, and a part of the Leased Assets can still be used for further operation of Samui Airport, the Long Term Lease Agreement shall continue to have effect in relation to the Leased Assets not damaged and still usable. Such assets shall remain the Leased Assets under the Long Term Lease Agreement. Bangkok Airways PLC. shall be obligated to repair the Leased Assets to their original condition at its own expense and the Fund shall deliver the proceeds from insurance to Bangkok Airways PLC. to be used for reconstruction to the original condition without delay.
4. In event that the amount of construction cost or other expenses relating to the construction and/or repair is higher than the amount of proceeds from insurance which the Fund received, Bangkok Airways PLC. shall be responsible for the amount exceeding the amount of compensation which the Fund received from the insurance company. The Fund has the right (but is not obligated) to advance payment the amount for which Bangkok Airways PLC. is liable to pay.

7. Assignment of Lease and Sub-lease

1. Throughout the term of the Long Term Lease Agreement, the Fund may not assign its rights and/or obligations under the Long Term Lease Agreement to any third party without prior written consent from Bangkok Airways PLC.. However, the Fund shall be entitled to assign its rights and/or obligations under the Long Term Lease Agreement to any third party without requiring prior written consent from Bangkok

Airways PLC. in any of the following events:

- (a) in the event that Bangkok Airways PLC. breaches or does not comply with the Long Term Lease Agreement or breaches its covenants contained in the Long Term Lease Agreement;
 - (b) If Bangkok Airways PLC. is in breach or does not comply with the terms of the Samui Airport Agreements;
 - (c) If the Utilities System Service Agreement is terminated prior to its expiry or if the Sub-Lease Agreement terminates without renewal by means other than a breach by the Fund or non-compliance by the Fund with the material terms of the Utilities System Service Agreement or the Sub-Lease Agreement; or
 - (d) If for any reason, the Samui Airport Agreements are not enforceable in accordance with the terms and conditions of the Samui Airport Agreements.
2. Throughout the term of the Long Term Lease Agreement, Bangkok Airways PLC. agrees that the Fund shall have the right to sublease out the Leased Assets to another party in the event that Bangkok Airways PLC. breaches the terms of the Long Term Lease Agreement or is not the sub-lessee or service receiver under the Samui Airport Agreements.

8. Taxation

Bangkok Airways PLC. shall be responsible for house and land tax, local development tax, stamp duties and fees in relation to this leasehold or the Leased Assets, currently enforced or to be enforced, during the term of the Long Term Lease Agreement. In event that the Fund deems necessary, the Fund shall have right (but is not obligated) to pay for such taxes or fees in advance, in which case Bangkok Airways PLC. agrees to repay the Fund immediately for the total amount upon written notice by the Fund.

9. Events of Default

1. In event that Bangkok Airways PLC. is in breach or does not comply with the terms as specified in the Long Term Lease Agreement, the Undertaking Agreement or the Samui Airport Agreements or breaches its representations and warranties under the Long Term Lease Agreement, the Undertaking Agreement or the Samui Airport Agreements and Bangkok Airways PLC. is unable to rectify and remedy such breach within 90 days from the date of receiving notification or

acknowledgement of such breach or within any other term as agreed upon by the parties (unless in the event of a force majeure). In any case, a default shall occur immediately if Bangkok Airways PLC. does not register the leasehold right to the Fund within the date indicated by the Fund unless in the event of a force majeure or in the event that non-compliance with the terms and conditions of the Long Term Lease Agreement is due to a breach by the Fund of its obligation as a party of the Long Term Lease Agreement.

2. In event that Bangkok Airways PLC. defaults in payment under any of its loan agreements, debt instruments or financial instruments, and such defaulted payments, in aggregate, exceed Baht 100,000,000 (One Hundred Million Baht) or Bangkok Airways PLC. is in breach of any of its loan agreements or other agreements with any third parties, under which the amount of the agreement(s), in aggregate, exceed 20 percent of shareholders' equity of Bangkok Airways PLC. as at the date that the default occurs and Bangkok Airways PLC. is unable to remedy such breach within 60 days from the date of acknowledgement or having any events deemed acknowledgement, unless Bangkok Airways PLC. can prove and has sound evidence in writing to satisfy the Fund that such default does not materially and adversely affect Bangkok Airways PLC.' financial status which may lead to bankruptcy and shall not affect the Fund's rights under the Long Term Lease Agreement.
3. In event that Bangkok Airways PLC. is subject to receivership, becomes bankrupt, is subject to any legal proceeding for liquidation, winding up or files a reorganization petition to the court or any other relevant government authority which the Fund deems to have effect on Bangkok Airways PLC. repayment of debt or Bangkok Airways PLC.' compliance with the Long Term Lease Agreement.
4. In event that Bangkok Airways PLC. ceases operation entirely or partially which causes the Fund or the new sub-lessee to be unable to recover material benefit from the Leased Assets.

10. Termination and Damages

1. The Fund shall be entitled to terminate the Long Term Lease Agreement by giving written notification to Bangkok Airways PLC. and/or claim for damages from Bangkok Airways PLC. in any event as specified in 1-4 above or in the event that the unitholders, including Bangkok Airways PLC. and its Connected Persons (as defined in the Long Term Lease Agreement) pass a resolution to dissolve the

Fund, subject to the following:

- (a) In event that the Fund exercises its right to terminate the Long Term Lease Agreement, Bangkok Airways PLC. shall return the rental payment received from the Fund in proportion to the remaining term of the Long Term Lease Agreement, including payment for damages and other expenses incurring from any events of default or dissolution to the Fund; and
- (b) In event that the Fund does not exercise its right to terminate the Long Term Lease Agreement, Bangkok Airways PLC. shall pay for damages and other expenses as a result of any events of default or dissolution to the Fund.

In either (a) or (b) above, Bangkok Airways PLC. agrees to transfer to the Fund the ownership of, and to do all acts and things necessary so that the Fund has the ownership of, the Equipment, Machinery and Systems procured by Bangkok Airways PLC. for the Fund to use and/or to procure benefits therefrom, and/or for the Fund to allow the sub-lessee of the Leased Assets to use, and/or to provide services to such sub-lessee up until the date of notification to Bangkok Airways PLC., without subject to any encumbrance and without any costs and expenses to the Fund.

- 2. Bangkok Airways PLC. shall be entitled to terminate the Long Term Lease Agreement by giving the Fund written notice and/or claiming damages from the Fund if the Fund does not deliver the Leased Assets to Bangkok Airways PLC. in their existing condition under the Long Term Lease Agreement at the expiry of its term or upon the termination, or the Fund is in breach of its material representations and warranties contained in the Long Term Lease Agreement and the Fund is unable to rectify and remedy such breach within 90 days from the date of receiving notification or acknowledgement of such breach or within any other time period as agreed upon by the parties. However, Bangkok Airways PLC. shall not be entitled to terminate the Long Term Lease Agreement in event that such breach or non-compliance by the Fund with the terms and conditions as specified in the Long Term Lease Agreement is due to non-compliance by Bangkok Airways PLC. as a party of the Long Term Lease Agreement or Samui Airport Agreements, unless in the event of force majeure.

3. The Long Term Lease Agreement shall be terminated immediately in the following events:
- (a) upon expiration of the Long Term Lease Agreement;
 - (b) when the parties mutually agree to terminate the Long Term Lease Agreement; or
 - (c) in the event that the Leased Assets are expropriated according to the regulations and laws regarding expropriation and other laws.

In event that the Long Term Lease Agreement is deemed to be terminated immediately according to (a) or (b), neither party shall be entitled to claim against the other for damages, expenses, and monies or any other benefits unless agreed upon otherwise.

In the event that the Long Term Lease Agreement is deemed to be terminated immediately according to (c), Bangkok Airways PLC. shall pay to the Fund the money received from the expropriation (if any) as return of rental for the term which the Fund has not benefited from the Leased Assets during the term of the Long Term Lease Agreement by calculating from the rental which the Fund has paid in advance according to the portion of the remaining term under the Long Term Lease Agreement. The amount of money which Bangkok Airways PLC. is obligated to return to the Fund shall not exceed the amount which Bangkok Airways PLC. received from the expropriation.

3.5 Seeking of Benefits from Asset

3.5.1 Seeking of Benefits from the Leased Assets of the Fund

The Fund seeks benefits from the Leased Assets by subleasing the Leased Assets to Bangkok Airways PLC., and Bangkok Airways PLC., as the sub-lessee, agrees to pay a monthly rental payment to the Fund in the amount equal to 0.275% of the amount of capital of the Fund as on the registration date of the Fund pursuant to the Sub-Lease.

In accordance with the Sub-Lease Agreement, the Fund intends to seek benefits by providing the utilities system in the Samui Airport and other systems to Bangkok Airways PLC., and Bangkok Airways PLC., as a service receiver, will pay the service fees to the Fund, which will be comprised of 2 parts:

- (1) a fixed service fee to be paid monthly to the Fund in the amount equal to 0.225% of the amount of capital of the Fund as on the registration date of the Fund and

(2) an additional service fee computed in accordance with the formula pursuant to the Utilities System Service Agreement. (Please see Section Summary of Preliminary Terms and Conditions under the Utilities System Service Agreement.)

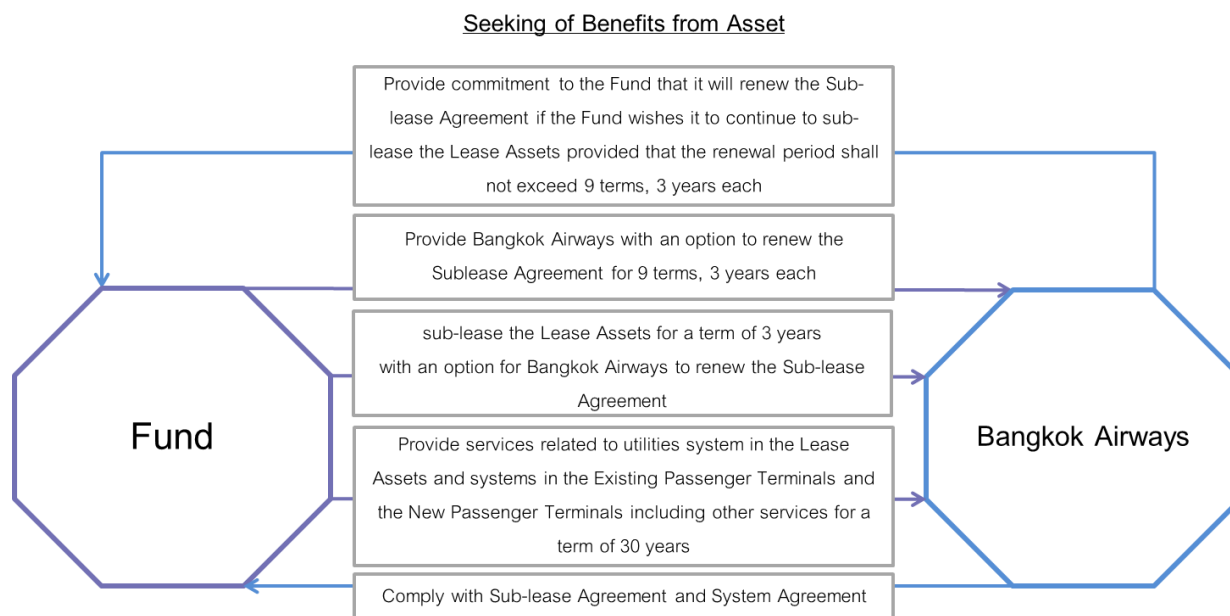
Under the Sub-Lease Agreement, the Fund grants an option to Bangkok Airways PLC. to require the Fund to renew the Sub-Lease Agreement if required by Bangkok Airways PLC. and Bangkok Airways PLC. will grant an option for the Fund to require Bangkok Airways PLC. to renew the Sub-Lease Agreement if required by the Fund under the material terms and conditions as described below.

However, in the event that the Sub-Lease Agreement is further renewed on each renewal date by Bangkok Airways PLC. or the Fund, both parties shall agree to the same terms and conditions under the Sub-Lease Agreement, including the rental under Sub- Lease Agreement as set forth below:

Renewal	Rental Under the Sub-Lease Agreement Upon each Renewal
No.1	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.2	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.3	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.4	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.5	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.6	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.7	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.8	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month
No.9	0.275% of the amount of capital of the Fund as on the registration date of the Fund per month

As collateral to guarantee the performance of Bangkok Airways PLC. under the Samui Airport Agreements throughout the term of such agreements and the Long Term Lease Agreement, Bangkok Airways PLC. will provide the collateral to the Fund as described below.

The structure of seeking of benefits, the option to renew the Sub-lease Agreement and providing collateral to the Fund are described in the diagram below.



Note: The above information is subject to terms and conditions as specified in the Fund Scheme and relevant agreement.

3.5.2 Details of Sub-Lessee and Occupant under Samui Airport Contract

Name : Bangkok Airways Public Company Limited

Address : 99 Mu 14, Vibhavadirangsit Rd., Chom Phon, Chatuchak, Bangkok 10900, Thailand

Registration Number : 0107556000183

Telephone Number: +66 (2) 265 5678

Fax : +66 (2) 265 5522

Website : <http://www.Bangkokair.com/>

Impact after the change of Sub-Lessee and Occupant

If for any reason Bangkok Airways PLC. does not operate the Samui Airport, such as due to its failure to exercise its right to renew the Sub-Lease Agreement or failure to comply with the terms and conditions of the Sub-Lease Agreement, the Fund would need to seek a new party to enter into the new Samui Airport Agreements, either through private negotiation with, or open invitation for, the new party who has appropriate qualifications and skills in an airport management.

Although it cannot be guaranteed that the Fund will be able to secure an operator for Samui Airport in the future if such events as described above happen, the Management Company and Bangkok Airways PLC. have no reason to believe that there will be no interest in the management and operation of Samui Airport at all, when such opportunity becomes available to Thai and international operators, given the attractiveness of Samui Airport itself and recent activities in domestic and international airport management and operation business.

Currently, there are various domestic and international airport operators. Thai companies include Airport of Thailand Public Company Limited ("AOT"), Department of Civil Aviation, and Thai Airways. AOT is a company with experience in airport operation. It currently manages 6 airports in Thailand including Suvarnabhumi Airport.

The Department of Civil Aviation, which currently manages and operates 29 commercial airports located in various provinces in Thailand, has a policy to seek qualified operators for these airports. Both AOT and Thai Airways have also shown interest in bidding for the management and operation of these airports. International airport management and operation activities have been highly active, as illustrated by the new airport management and operations concessions won by various international operators in this region and worldwide.

3.5.3 Relationship with the Main Lessee which are Group of Individual Related to Management Company

There is no main lessee related to the Management Company.

3.5.4 Employment of the Property Operator

There is no employment for Property Operator by the Fund.

3.5.5 Information of the Sub-lessee in Case of Incapability to Operate Business of the Fund

Bangkok Airways PLC. has experience in operating an airport since 1989. Apart from operating the Samui Airport, Bangkok Airways PLC. is also an operator for Sukhothai Airport and Trad Airport. Bangkok Airways PLC., as an airline, has provided scheduled flight services in many routes since 1986, particularly routes from Samui Airport to other airports which have operated since 1989. Bangkok Airways PLC. is an experienced airline for leisure and tourism transportation by aircraft and has the capability to increase the number of new routes. The Management Company believes that such capability will support an increase in Samui Airport's income.

3.5.6 Revenue Guarantee

There is no revenue guarantee for this accounting period.

3.6 Financial Leverage

There is no financial leverage of the Fund.

4 Overview of Benefit from Real Estate Investment

Thai Economy in 2020 and the Outlook for 2021 ¹

Thai Economic Situation in 2020

Thailand's economy in the year 2020 was severely decelerated with the reduction of 6.1% from 4.0% growth in 2018 and 2.3% growth in 2019 due to the effect of the COVID-19 outbreak in Thailand and the world. To control the outbreak, the government has issued the Emergency Decree applicable to all areas of the Kingdom of Thailand from March 2020 and stipulated various measures, such as temporary closures of some types of establishments, application of 14-day quarantine to the persons coming from abroad, restriction of the transportation of the foreign tourists, and prohibition of overseas flight from landing on Thailand. Such events have severely affected gross domestic economy of Thailand and, therefore, the relevant government agencies have had to employ the measures to

¹ Thai economy in Q4 and whole year 2020, and outlook for 2021, National Economic and Social Development Council as of 15 February 2021.

assist the persons affected by the outbreak of COVID-19 such as measures on assisting the debtors of the Bank of Thailand² and the employers and employees of the Social Security Office.³

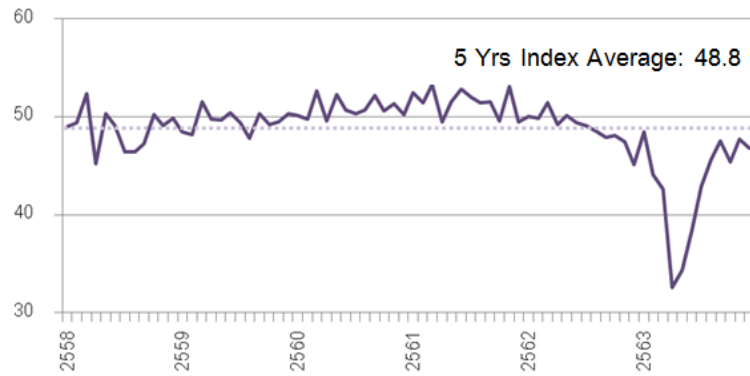
According to the impact of the pandemic on the collective economic status, the private sector has retarded its investment due to certain businesses have been affected or their tendencies remain highly uncertain of which the value was reduced from the previous year's by 8.4%, and this indicated the direction of deceleration of the business sector and was consistent with the business sentiment index which was reduced from 48.9% of the previous year to 43.1% and lower than the 5-year regressive index of 48.8%. Additionally, the private consumption was shrunk by 1.0% due to the reduced purchase power indicating the decelerating direction as well and this was consistent with the reduction of the consumer confidence index from 48.4% of the previous year to 42.1%. In this regard, the confidence index has gradually increased after the period in which Thailand has been able to control the COVID-19 pandemic before the new wave of the pandemic at the end of 2020.

The import and export values also reduced by 6.6% and 13.5%, respectively, compared with the previous year. However, to take remedial actions and stimulate the economy, the Ministry of Finance was empowered by the public sector to borrow the money under the Royal Decree to solve the problems, remedy, and recovery the economy and social affected by the COVID-19 outbreak in the year 2020, a total of 1 trillion Baht. In this year, the increase of the public sector's consumption and investment is increased by 5.7% and 0.8% respectively from the previous year. Additionally, the public sector has issued various measures to assist the affected persons and economic stimulating projects, e.g., the extension of taxation period, abatement of contributions payable by the employers and secured persons, Khon La Khrueng project lightening the financial burdens, Shop Di Mi Khuen Project stimulating the expenditure by providing tax allowance, Rao Thio Duai Kan Project to stimulate the tourism sector, and the Special Tourist VISA (STV) to attract the foreigner to visit Thailand, etc.

² Letter about supporting measures for the affected debtors in a situation impacts Thai economy, Bank of Thailand as of 28 February 2020.

³ Publication of the analyst meeting No. 3/2020, Bank of Thailand as of 14 October 2020.

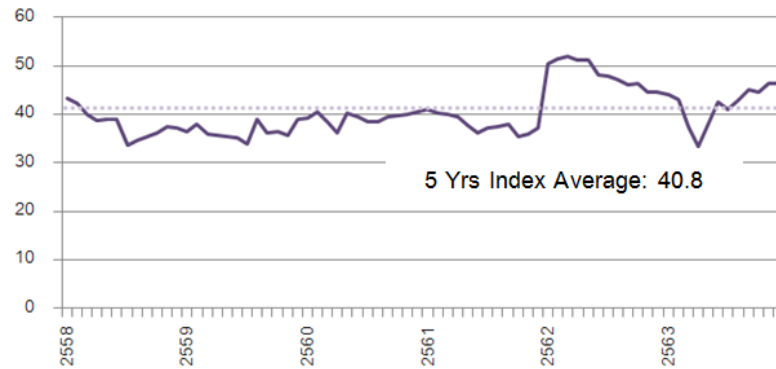
Business Sentiment Index



Source: Bank of Thailand

Remark: Index = 50 indicates that business sentiment remains stable.
 Index > 50 indicates that business sentiment has improved.
 Index < 50 indicates that business sentiment has worsened.

Consumer Confidence Index



Source: Ministry of Commerce

Remark: Index level approaches to 100 means consumers have confidence economic situation "good"
 Index level approaches to 0 means consumers have confidence economic situation "bad"

Situations and Estimation of Thai Economy in 2016 – 2021*

Change (percentage)	2016	2017	2018	2019	2020	2021*
Gross Domestic Product (GDP)	3.3	3.9	4.1	2.3	-6.1	2.5 – 3.5
Investment	2.8	0.9	3.8	2.0	-4.8	5.7
- Private investment	0.5	1.7	3.9	2.7	-8.4	3.8
- Government investment	9.5	-1.2	3.3	0.1	5.7	10.7
Private consumption	3.0	3.2	4.6	4.0	-1.0	2.0
Government Spending	2.2	0.5	1.8	1.7	0.8	5.1
Export of goods	0.1	9.8	7.7	-3.3	-6.6	5.8
Import of goods	-5.1	13.2	14.3	-5.6	-13.5	6.5

Remark: * Information estimated as 15 February 2021

Source: Office of the National Economic Development Board

Thai Economic Outlook in 2021

Thailand's economy for the year 2021 tended to be recovered from the low base in 2020 with a growth rate between 2.5 – 3.5%. The expansion of Thailand's economy, however, was restricted even if the vaccines have been developed by several manufactures, e.g., Pfizer, Moderna, Sinovac, and Astra Zeneca but the comprehensive vaccine development requires time. The vaccination in Thailand was expected to be commenced in the mid of 2021. Meanwhile, the new wave of outbreak from the end of 2020 led to the issuance of intensely strict measures applicable to certain areas which resulted in limitation for the recovery of the private sector's consumption and investment including the slow recovery of the tourism sector due to the low number of foreign tourists visiting Thailand. Nevertheless, it was expected that the consumption and investment of the public sector will continually grow from the previous year including the good tendency of exportation thanks to the progress of vaccine distribution of the developed countries. Also, the economy in this year is supported by the stimulating measures continually issued by the public sector and the new wave of the pandemic has been dealt with the new intense measures focusing on only the highly risky areas but the lockdown measure was not applied as the first wave, therefore, the collective economy tends to be affected less. Nonetheless, Thailand's economy remains to encounter the risks to be affected, e.g., the uncertainty of the pandemic and delay of vaccine distribution, the recovery of the tourism sector requires time,

drought, and more terrible financial status of households and businesses due to the increase of their debt levels during the period of the pandemic which is the significant concerns for domestic demand recovery.

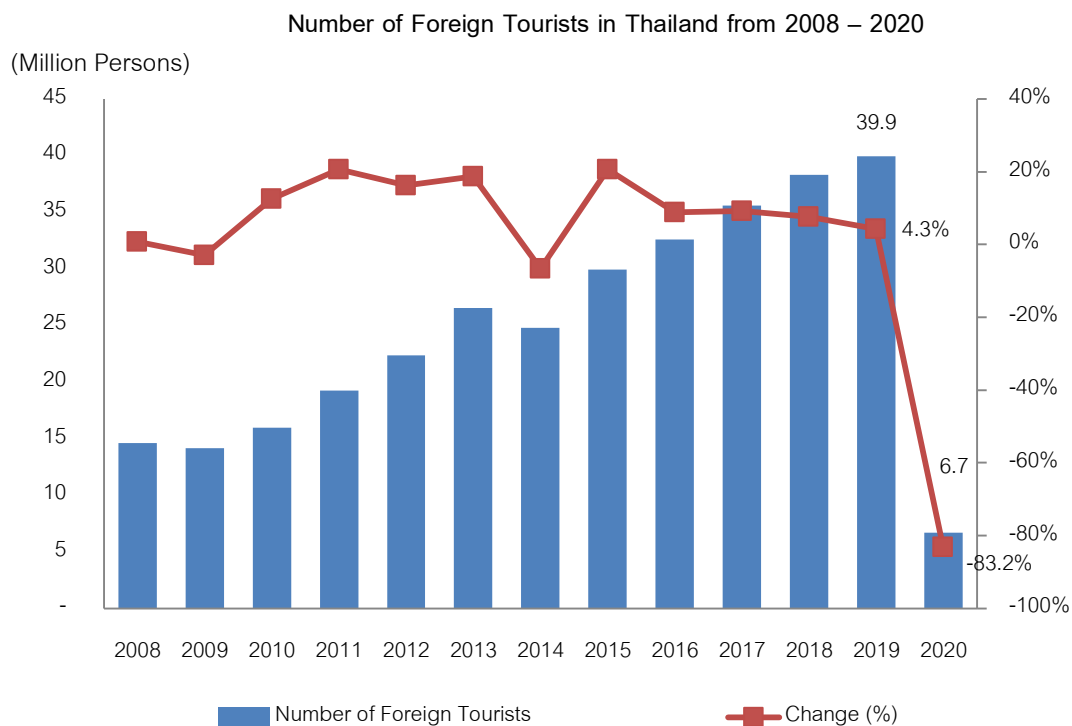
Tourism Situation of Thailand^{4, 5}

In 2020, the tourism sector was severely affected by the COVID-19 outbreak in Thailand and across the world resulting in the great reduction of the number of Thai and foreign tourists from March 2020 due to the various measures issued by the government to control, such as the temporary closures of certain establishments, quarantine measure against the persons coming from abroad, restriction of the travel of the foreign tourists, and prohibition of the overseas flights from landing on Thailand. Nevertheless, Thailand tends to have good control over the outbreak including its tourism stimulating measures such as Rao Thio Duai Kan and Special Tourist VISA (STV) to attract the foreigners to return to Thailand, etc. Nonetheless, the tendency of recovery of the business sector remains to encounter the restriction due to the second wave of the outbreak in Thailand at the end of the year and the 14-days quarantine after entering Thailand, therefore, the number of special tourists visiting Thailand via STV program was not much.

For the tourism sector in the year 2020, the number of tourists in Thailand is 6.7 million persons with a reduction of 83.2% compared with the previous year. The majority of tourists were from the neighboring countries in Asia, a total of 4.1 million persons or 60.6% of the foreign visitors in Thailand, a reduction of 86.4% compared with the previous year's, whilst the minimum reduction was found in the group of the European tourists, a total of 69.0% after comparing with the previous year's.

⁴ Source: *Statistics of foreign arrivals in Thailand 2020*, Tourism Authority of Thailand, as of 25 January 2021

⁵ Source: *Statistics of foreign arrivals in Thailand 2019*, Tourism Authority of Thailand, as of 23 January 2020



Source: Tourism Authority of Thailand

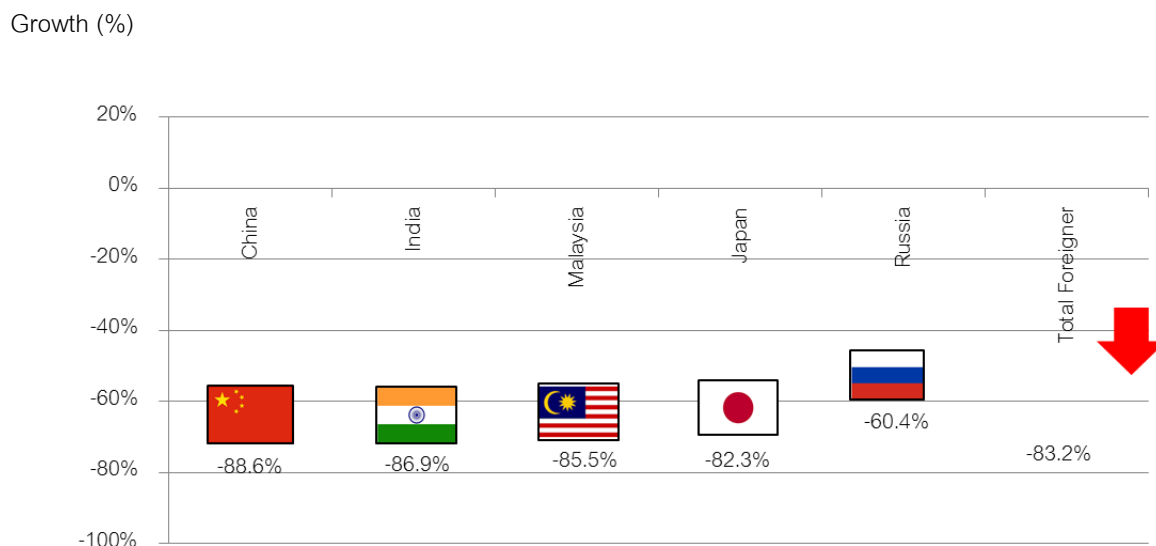
Total Number of Foreign Tourists in Thailand as Divided by Tourist Region 2019 and 2020

Continent	2019		2020		Change (%)
	Number (Persons)	Ratio (%)	Number (Persons)	Ratio (%)	
Asia	29,788,284	74.6%	4,061,161	60.6%	-86.4%
Europe	6,711,816	16.8%	2,078,979	31.0%	-69.0%
America	1,630,784	4.1%	318,426	4.8%	-80.5%
Oceania	884,536	2.2%	139,891	2.1%	-84.2%
Middle East	702,523	1.8%	79,674	1.2%	-88.7%
Africa	198,308	0.5%	24,265	0.4%	-87.8%
Total	39,916,251	100.0%	6,702,396	100.0%	-83.2%

Source: Tourism Authority of Thailand

For the foreigners visiting Thailand in the year 2020, a total number of above 1 million persons, they are only Chinese. The top 5 foreigners visiting Thailand (exclusive of Cambodia, Lao, Myanmar, and Vietnam) consists of the Chinese of 1.2 million persons, Malaysian and Russian of 0.6 million persons, Japanese and Indian of 0.3 million persons. The effect of the COVID-19 outbreak and restriction on entering Thailand led to a lower number of foreigners visiting Thailand.

Changes in the Number of Foreign Tourists of Major Country in Thailand in 2020



Source: Tourism Authority of Thailand

Tourism Authority of Thailand predicted that tourism in the year 2021⁶ will have to deal with 6.5 million foreign tourists, 3.0% reduction from 2020 because it was forecasted that the number of foreign tourists will be significantly recovered by the end of 2021 which is consistent with the progress of global vaccination. The first lot of vaccines was imported to Thailand from February 2021 and it was planned that a lot of vaccination will be conducted during Q3-Q4 of 2021. However, the 14-day quarantine provision applies and this means the restriction of the decision to enter into Thailand of the foreigners.

Overview of Tourism at Koh Samui⁷

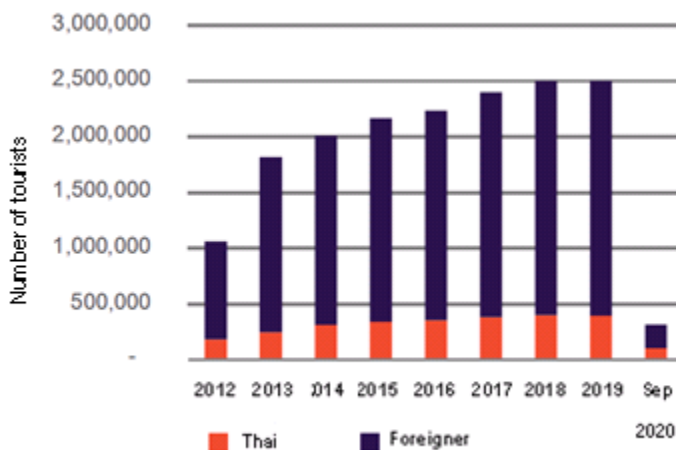
In 2020, the hotel sector of Koh Samui was affected by the COVID-19 pandemic due to the government's announcement of the emergency across the Kingdom of Thailand from March 26th, 2020, and the CAAT's notification of prohibition of flights from overseas from April to September 2020 while the Samui International Airport was temporarily closed from April 7th to May 14th, 2020. Even if the Samui International Airport was re-opened thereafter but the decrease in the number of passengers due to such event resulted in the great decrease of the number of flights from the mid of April 2020 after comparing with the same period of the previous year before the pandemic of COVID-19. These resulted from the decreased needs of travel during the period of such pandemic and the constraint issues,

⁶ Revision of Tourist Projection "Tourism Authority of Thailand drives numbers of the foreign tourists to 6.5 million persons", *Thansettakij Newspaper*, No. 3,659, pp. 21 – 22.

⁷ *Market Overview of Koh Samui, Q3 2020, Phoenix Property Development and Consultancy Co., Ltd., data as of 20 December 2020.*

e.g. 14-day quarantine requirement, and prohibition of overseas flights, the number of tourists was highly decreased from April to the end of the year 2020.

Guests at Accommodations in Koh Samui by Nationality, 2012 – Sep 2021



Source: Ministry of Tourism and Sports and Phoenix Property Development and Consultancy

The results of the aforementioned situations brought about a great decrease in the number of flights and clients to the Samui International Airport by 61.7% and 64.3% respectively, after comparing with the year 2020.

Statistics of users and flights arriving at Samui Airport in 2020



Number of passengers arriving at Samui Airport: 0.43 Million Persons



Number of flight arriving at Samui Airport: 5,485 Flights

Source: Bangkok Airways Public Company Limited

Upon the emergency announcement across the Kingdom from March 26th, 2020 onwards, the CAAT’s notification prohibiting air transportation from overseas effective from April to September 2020, and the pandemic existing in a lot of worldwide areas in 2020. Therefore, the international flights, e.g., Samui – Singapore, Samui – Hong Kohng, Samui – Chongqing, and Samui – Chengdu were ceased in such a period, including the decrease of domestic flight to be consistent with the needs of transportation to Koh Samui resulting in the significant decrease of flights of Samui Airport from April 2020 after comparing with the same period in the previous year before the situation of COVID-19 outbreak.

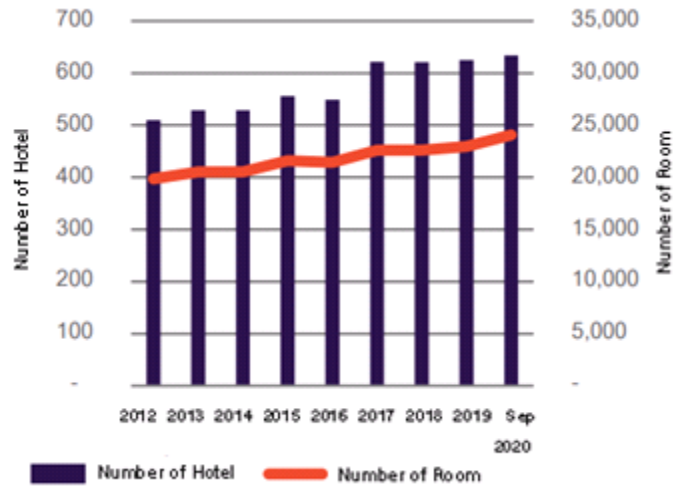
Monthly Number of Flight at Samui Airport, 2018 – 2020

Month	2018	2019	2020
January	1,398	1,359	1,338
February	1,341	1,328	1,212
March	1,362	1,265	940
April	1,300	1,204	52
May	1,174	1,102	45
June	1,140	1,058	147
July	1,332	1,278	214
August	1,490	1,414	207
September	1,107	1,056	304
October	1,108	1,060	357
November	1,007	914	291
December	1,291	1,287	378
Total	15,050	14,325	5,485

Source: Bangkok Airways Public Company Limited

In terms of supply in Koh Samui, total number of hotels, resorts, and other types of accommodations are 634 projects or the approximate number of supplies of 24,074 rooms. In the previous years, the room supplies were continually increased consistent with the period that the direct flight to China was available at Koh Samui Airport and the number of tourists visiting Koh Samui is higher.

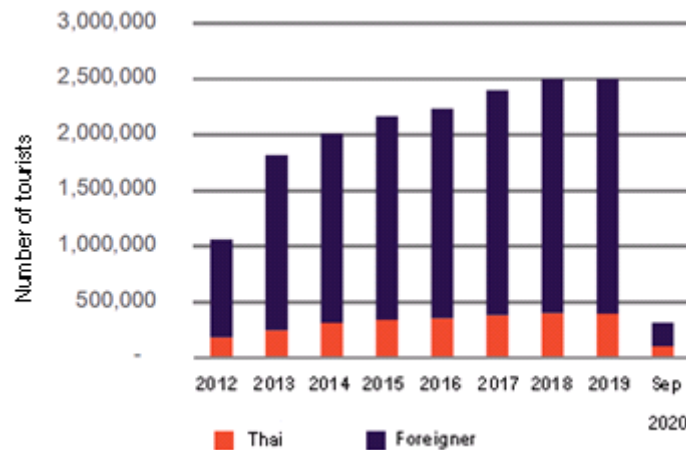
Number of Hotel Keys in Koh Samui, 2012 – Sep 2020



Source: Ministry of Tourism and Sports

The COVID-19 pandemic resulted in a lower number of tourists visiting Koh Samui and this affected the occupancy rate of the hotels in Koh Samui which was decreased to 22% in the first 9 months of 2020, which was a significant decrease when compared with the average occupancy rate of 74.4% in 2019. The great decrease of tourists caused the long-term closures of hotels because a sufficient rate of return could not be gained. Although some hotels remain open, the room rates were reduced by more than 50% of the normal rate before Covid-19.

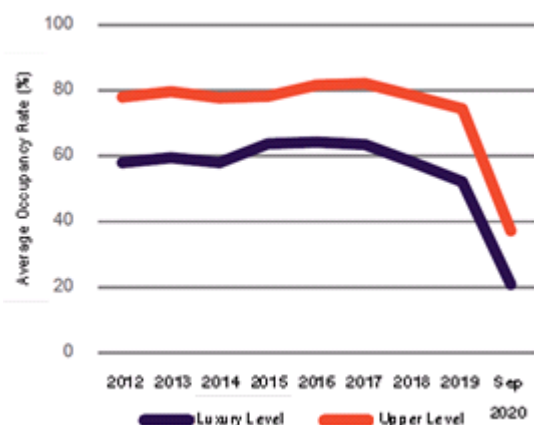
Average Occupancy Rate of Overall Hotel in Koh Samui, 2012 – Sep 2020



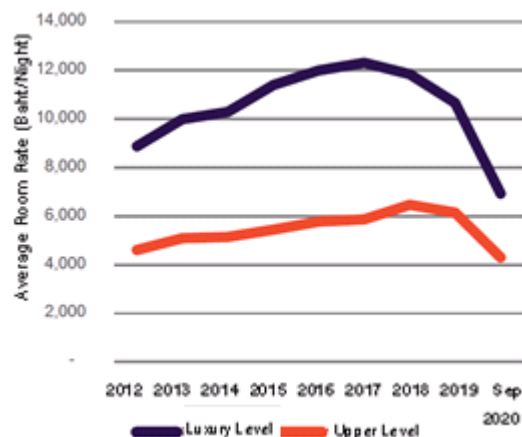
Source: Ministry of Tourism and Sports and Phoenix Property Development and Consultancy

It was discovered that the luxury hotels and the hotels in Koh Samui were affected in the parts of occupancy rate and room rates as the overall hotel market in Koh Samui. For the previous years, the supplies of luxury and high-end were continually increased and they have mainly relied on foreign visitors. The recovery of the hotels in this group requires time based on the government’s policy of country opening and vaccination of the foreign tourists.

Average Occupancy Rate of Luxury and Upper Level Hotel in Koh Samui, 2012 – Sep 2020



Average Room Rate of Luxury and Upper Level Hotel in Koh Samui, 2012 – Sep 2020



Note: Luxury Level is Hotel with average room rate above 10,000 Baht per night
 Upper Level is Hotel with average room rate in range of 5,000 - 10,000 Baht per night

Source: Phoenix Property Development and Consultancy

In 2021, the tourism of Koh Samui has tended to be collectively recovered as the overall situation of Thailand's tourism resulted from the progress of vaccination in Thailand and foreign countries and related criteria applicable to foreign travelers because a lot of luxury and high-end hotels in Koh Samui have mainly relied on the highly affordable tourists.

Marketing Policy and the Competition to the Asset of the Fund

Samui Airport Property Fund (Leasehold) is the only the Fund that invests in airport property leasehold in Thailand that provides airport services with priority on serving domestic and international tourists because the airport is located in one of the top coastal tourism provinces of Thailand.

- Defined by the Tourism Authority of Thailand (TAT), Koh Samui is a premier island destination in the Gulf of Thailand.
- Bo Phut is ranked as one of the top twenty five most popular destination in Asia by TripAdvisor
- Koh Samui is ranked as one of the top twenty most popular destination in Thailand by Culture Trip

The increase of reputation and popularity of Koh Samui as a tourist destination has led to the increased number of tourists and flights aimed at accommodating increasing demand.

Passenger terminals are environmentally – friendly buildings constructed with consideration to the environmental conditions of Koh Samui. Focus was placed on designs that blend into the natural environment with construction materials consisting of coconut trees and open buildings used to give a natural atmosphere most consistent with Koh Samui. As a result, Koh Samui received awards for being one of the top ten airports for eight

consecutive years from 2006–2013 by Smart Travel Asia. Passenger buildings can currently accommodate about 2.6 million people and 31,000 flights annually⁸

5 Risk Factors

1. General Risks

The operating and financial performance of the Fund and its investments is influenced by a variety of general economic and business conditions, including the level of inflation, interest rates and exchange rates, costs of commodities and government fiscal, monetary and regulatory policies. Deterioration in general economic conditions including a decrease in consumer demand may have a material adverse effect on the operating results and financial condition of the Fund. The Investment Units may be traded on the SET at a price that is higher or lower than the Offering Price. The price at which the Investment Units are traded on the SET may be affected by various external factors over which the Fund has no control. Such external factors include movements or changes in international stock exchanges, domestic and international interest rates and exchange rates, domestic and international economic conditions, general operating and business risks, fluctuations in the commodities markets, regulations, taxation, and other governmental policies. No assurance can be given that the price of the Investment Units will not be materially adversely affected by the changes in these external factors.

2. Risks Associated with the Initial Sub-lessee

(1) Contractual Risks

(a) Termination or Non-revalidation of the Samui Airport Agreements

Pursuant to the structure of the Project, Bangkok Airways PLC. will lease to the Fund the Leased Assets for a term of 30 years in accordance with the Long Term Lease Agreement and the Fund will lease-back the Leased Assets to Bangkok Airways PLC. for the operation of the Samui Airport in accordance with the Sub-Lease Agreement for an initial term of 3 years. The Fund will also provide Bangkok Airways PLC. with utilities systems in the Samui Airport and Current and New Passenger Terminals for a term of 30 years in accordance with the Utilities System Service Agreement. Under the Sub-Lease Agreement, each party shall have the right to require the other party to renew the

⁸ Source: Website of Bangkok Airways Public Company Limited.

Sub-Lease Agreement for no more than 9 terms of 3 years each. To guarantee the performance of Bangkok Airway under the Samui Airport Agreements, Bangkok Airways PLC. shall provide the Fund with certain collateral as described in Subject "Seeking of Benefits from the Leased Assets of the Fund". Such collateral shall be no less than 12 monthly rental payments under the Sub-Lease Agreement and 12 monthly payments of the Fixed Service Fee under the Utilities System Service Agreement (the "Collateralized Amount") and shall comprise (a) provision and delivery of a letter of guarantee issued by a Thai commercial bank and/or deposit cash as a security to the bank account of the Fund and/or (b) provision of a pledge of shares and/or other securities aggregating a total amount and/or total value equal to the Collateralized Amount. In case of (b), the pledge of shares and/or other securities shall have an aggregate value of no less than 120% of the Collateralized Amount on the last business day of each quarter of each year. In addition, Bangkok Airway must procure the registration of a mortgage of the Leased Land, Runway, Parking Apron and the Construction on the Leased Land in favor of the Fund to secure Bangkok Airways PLC.' performance under the Long Term Lease Agreement and the Samui Airport Agreements.

The rental and service fees received by the Fund from Bangkok Airways PLC. pursuant to the Samui Airport Agreements will be the sole source of revenue for the Fund. If there is a default under either of the Samui Airport Agreements, the Fund may terminate the Samui Airport Agreements and find a replacement party to enter into the Samui Airport Agreements to operate the Samui Airport. Until such time as the Fund is able to secure a replacement party and successfully negotiate new Samui Airport Agreements with another party, the Fund's recourse for payments due under the Samui Airport Agreements will be through enforcement of the Collateral. However, if the Fund is not able to exercise its rights in relation to the Collateral on a timely basis or unable to secure a licensed operator in a timely manner or fails to negotiate the terms of new Samui Airport Agreements with another party on terms that are favorable to the Fund, in any such event, the revenue stream generated by the Fund may be interrupted or decreased, which would have a material adverse effect on the financial results of the Fund.

(b) Procedure and Term of Collateral Enforcement

Bangkok Airways PLC. shall provide the Fund with the Collateral as specified in this Prospectus. The enforcement of such Collateral may be a time consuming process depending on the type of collateral and the number of pending cases in the court, the details of which are set out below. The

enforcement of a letter of guarantee issued by a commercial bank typically requires a notice to the issuing bank. Court action is not required to enforce a letter of guarantee. To exercise its rights pursuant to a pledge of shares or other securities, the Fund would need to provide up to 30 days prior notice to Bangkok Airways PLC. of its intent to exercise its rights pursuant to the pledge. Following such notice, the pledged shares or securities would be sold through public auction and the proceeds from such sale would be used to compensate the Fund for its damage. Court action is not required to exercise such rights. Generally, the process of enforcement of a pledge of shares (between the period of sending notice to the share registrar and the public auction) would take approximately 3-5 months. In order to enforce its rights under the Mortgage, the Fund would need to bring a claim in court for damages and request the court to enforce the Mortgage by public auction. The proceeds from such auction would be used to compensate the Fund's damage. Generally, the legal procedure of bringing a complaint and enforcing a mortgage may take time, as the court will consider precedent cases previously submitted to the court. Upon the court's judgment, the mortgaged assets will be sold by public auction, which requires additional procedures and time spent. Therefore, in the event that the Fund needs to exercise its rights under the Mortgage, proceeds from the sale of the mortgaged assets would not be immediately available, which may have an adverse effect on the financial results of the Fund. Further, there is a risk that, depending on the value of the Leased Assets at the time, the proceeds from the Mortgage may not cover the full amount of the Funds damage.

(c) The Fund's Option to Renew the Sub-Lease Agreement

Under the Sub-Lease Agreement, the Fund has the option to require Bangkok Airways PLC. to renew the Sub-Lease Agreement for no more than 9 terms of 3 years each (the "Fund's Option to Renew"), under certain conditions. The Fund's legal advisor has given its opinion to the Fund that the Fund's Option to Renew should be legally valid and enforceable in accordance with its terms, although there is no specific provision of Thai Civil and Commercial Code that prohibits or permits the entry into such an arrangement. In addition, there is no precedent of the Thai Supreme Court relating to this matter.

(2) Licensing Risks

According to regulation set forth by Department of Civil Aviation the license to operate Samui Airport is Airport Establishment license and certificate of public airport operation. In addition, Aviation

Business license is a license granted permission to operate commercial for air transportation. Details of current licenses and certificate is prescribed in other important information, subject: progress of license renewal for establishment of airport and issuance of public airport certificate.

The termination or non-revalidation of Bangkok Airways PLC.' Airport Incorporation License or either of its Airline Licenses would adversely affect or make impossible Bangkok Airways PLC.' ability to meet its obligations under the Samui Airport Agreements. If the Airport Incorporation License is not revalidated, Bangkok Airways PLC. would not be permitted to operate the Samui Airport. As Bangkok Airways PLC. has recognized in the past approximately 55% of its revenue from its Samui routes, the closure of the Samui Airport would have a material adverse effect on Bangkok Airways PLC.' revenues. In addition, as approximately 95% of its total revenue arises from its airline business, the loss of its Airline Licenses would have a material adverse effect on Bangkok Airways PLC.' revenues and its ability to meet its obligations under the Samui Airport Agreements.

The inability of Bangkok Airways PLC.' to meet its obligations under the Samui Airport Agreements would constitute an event of default, and the Fund would have the option to terminate the Samui Airport Agreements. However, until such time as the Fund is able to secure a replacement operator for Samui Airport and successfully negotiate new Samui Airport Agreements with another party, the Fund's recourse for payments due under the Samui Airport Agreements will be through exercising its rights under the law and in relation to the collateral discussed above. However, if the Fund is not able to exercise its rights in relation to the collateral on a timely basis, or secure a licensed operator in a timely manner, or negotiate the terms of new Samui Airport Agreements with another party on terms that are favorable to the Fund, in any such event, the revenue stream generated by the Fund may be interrupted or decreased, which would have a material adverse effect on the financial results of the Fund.

(3) Cost of Fuel

Fuel is one of the major operating costs for an airline's business. Fluctuation of fuel prices will affect Bangkok Airways PLC.' operations. Oil prices normally depend on demand and supply in the world market as well as international politics such as those among Middle East countries, other large oil producers and major oil users. There can be no assurance that increases in the price of fuel could be off-set by higher fares.

(4) Accidents or Incidents Involving Aircraft

Bangkok Airways PLC. is exposed to potential catastrophic losses in the event that any of its aircraft is lost or involved in an accident, terrorist incident or other catastrophe. Such accidents or incidents may result in injury or loss of human life, damage to infrastructure or aircraft and short or long term closure of part or all of Samui Airport and may have an ongoing impact on passenger traffic levels. Although Bangkok Airways PLC. believes it currently maintains liability insurance in amounts and of the type generally consistent with industry practice, there can be no assurance that the amount of such coverage will be adequate in the event of an accident. Substantial claims resulting from an accident in excess of Bangkok Airways PLC.' related insurance coverage would adversely affect Bangkok Airways PLC.' business. Moreover, any future aircraft accidents or incidents, even if fully insured, may create a public perception that Bangkok Airways PLC. is less safe or reliable than other airlines, which could adversely affect Bangkok Airways PLC.' business.

3. Replacement of the Airport Operator

If the Samui Airport Agreements are terminated or not renewed, or if Bangkok Airways PLC. Airport Incorporation License is revoked or not re-validated, the Fund would need to secure a replacement operator for Samui Airport. A prospective airport operator for the Samui Airport would need to apply for a new Airport Incorporation License, as such process is described as mentioned above. The Fund's legal advisor has given its opinion to the Fund that under the current interpretation by the Department of Civil Aviation, any Thai company or foreign entity with appropriate qualifications may apply for a new Airport Incorporation License; provided, however, in order for a foreign entity to operate in Thailand, it must operate through a domestic company whose majority of shares are owned by a Thai party, and comply with all other relevant regulatory requirements.

Currently, there are various existing Thai entities that have been approved under Thai law to operate an airport in Thailand, including the Airport of Thailand Public Company Limited, a public company listed on the Stock Exchange of Thailand, and the Department of Civil Aviation, which currently manages and operates 26 commercial airports located in various provinces in Thailand.

However, there is no guaranty that either of these operators would agree to operate Samui Airport under similar terms as the Samui Airport Agreements, or at all. Further, there is no guaranty that the Department of

Civil Aviation would grant a new airport incorporation license to operate Samui Airport to any of these operators or another prospective operator which has not previously operated an airport in Thailand or abroad.

A significant delay in securing a replacement licensed operator may have a material adverse impact on the financial results of the Fund. During such time, the Fund's recourse for payments due under the Samui Airport Agreements will be through exercising its rights under the law and in relation to the collateral; however, in the event that the Fund is not able to exercise its rights in relation to the collateral on a timely basis, the revenue stream generated by the Fund may be interrupted or decreased for a period of time, which would have a material adverse effect on the financial results of the Fund.

4. Majority of Samui Airport's Fees Generated by Bangkok Airways PLC.

Bangkok Airways PLC., as an airline operator, is presently responsible for the majority of flights that arrive at and depart from Samui Airport. Accordingly, the performance of Bangkok Airways PLC. as an airline operator has the potential to influence the performance of Samui Airport. In the event that the number of flights arriving at and departing from Samui Airport decreases for any reason, and Samui Airport is not able to stimulate the market such that the number of flights is replaced by other airline operators, the amount of the Additional Service Fee due under the Utilities System Service Agreement would decrease, as such fee is dependant on the number of flights that arrive at and depart from the Samui Airport and the number of passengers that depart from Samui Airport. A decrease in the amount of the Additional Service Fee would have an adverse effect on the financial results of the Fund.

5. Competition from a Second Airport and Other Tourist Destinations

Although there are no definitive plans for a second airport on Samui Island, there have been news reports in the past that a second airport may be constructed to support the expected growth in number of travelers. An additional airport may draw passengers away from Samui Airport, adversely affecting Samui Airport's market share. Additionally, although tourism levels in Samui have steadily increased over in the past, the number of passengers coming to Samui may vary as a result of decreased levels of tourism in Thailand, or a change in the perception of the attractiveness, affordability and accessibility of Samui and competing tourist destinations in Thailand and South-East Asia. There can be no assurance that tourism levels, and therefore the number of passengers using the Samui Airport, in the future will match or exceed current levels.

The principal factor affecting Bangkok Airways PLC.' results of operations and business, and thereby its ability to meet its obligations under the Samui Airport Agreements, is the number of passengers flying on its airline. The number of passengers may vary as a result of factors beyond Bangkok Airways PLC.' control, including the level of tourism in Thailand. There can be no assurance that tourism levels, and therefore the number of passengers using Bangkok Airways PLC.' airline, in the future will match or exceed current levels. A decrease in Bangkok Airways PLC.' revenue from airline passengers may affect its ability to make payments due to the Fund under the Samui Airport Agreements, which may have a materially adverse effect on the financial results of the Fund.

6. Insurance

Pursuant to the Samui Airport Agreements, Bangkok Airways PLC. shall maintain all-risk insurance for the Leased Assets, including insurance which will cover risks relating to consequences of war perils and terrorist acts, and name the Fund as beneficiary under such insurance. However, if Bangkok Airways PLC. is exposed to incidents not covered by its insurance policies, or damage exceeds such coverage, in such event, Bangkok Airways PLC.' financial condition would be materially affected, which may have a materially adverse effect on the financial results of the Fund.

7. Risks Applicable to the Operation of an Airport and an Airline

There are a number of factors that affect the operation of an airport and an airline. These and other factors could significantly affect revenues of Bangkok Airways PLC. or significantly increase Bangkok Airways PLC.' operating costs, which in turn could affect Bangkok Airways PLC.' ability to meet the rental and service fees due to the Fund pursuant to the Samui Airport Agreements. Upon an Event of Default, the Fund's recourse for payments due under the Samui Airport Agreements will be through exercising its rights under the law and in relation to the collateral; however, if the Fund is not able to exercise its rights in relation to the collateral on a timely basis, the revenue stream generated by the Fund may be interrupted or decreased, which would have a material adverse impact on the financial results of the Fund. Accordingly, the following factors applicable to the operation of an airline and airport may affect returns on an investment in the Fund.

(1) Regulatory and Other Public Policy Changes

A substantial portion of an airport's revenue is generated from regulated activities. There is a risk that Bangkok Airways PLC.' revenues could be adversely affected by increased economic regulation of the Samui Airport or Bangkok Airways PLC.' airline operation and/or the application of existing regulations, for example, through a reduction in price caps on passenger service charges or an increase in the number of services which are subject to regulation. For example, the amount that Bangkok Airways PLC. may charge for passenger service charges and landing and parking fees are currently capped by the Department of Civil Aviation. If such amounts are reduced by the Department of Civil Aviation, Bangkok Airways PLC.' financial results may be affected. There is also a risk for airport operators that economic regulation is introduced on activities or services which currently are not regulated. Revenues of an airline would also be affected by changes to government aviation policy, including route licensing, security, immigration, airport safety development, together with changes in tax, duty and other regulatory regimes which affect the retail operation of airports and an airline. The failure of an airline or airport to comply with existing or new regulations could subject such airline or airport to monetary penalties or revocation of its licenses to operate its airports and airline, or both. However, a change in regulatory and other public policy would be subject to the constitutional law and the relevant laws.

(2) Passenger and Aircraft Movements

The key drivers of airport revenue are passenger traffic, and the number of aircraft movements and size of aircraft. The number of passengers using an airport may be affected by a number of factors, including general economic conditions, demographic changes, changes in taste or fashion, overall airline costs (including fuel costs), strike, industrial action in the aviation sector, the number of airlines using the airport, mergers among airlines, competition from other airports, competition from other types of transport, competition between airlines, competition from alternative destinations, the price of airline tickets, currency exchange rates, mix of domestic and international passengers, terrorist acts and sovereign and political risk. An airline's passenger revenue is generated through charges levied for the use of airport infrastructure, with charges typically levied on the basis of total aircraft weight and passenger volumes. Such revenue is therefore dependent on the number of aircraft movements, aircraft type (having different weights) and number of passengers using the airport.

(3) Operational Risk

The operation of an airport is a complex undertaking and involves many risks, which include the effect of poor weather, variable aircraft movements, traffic congestion and reliance on technical equipment. The importance of these factors could increase over time, possibly driven by increases to the overall level of passenger traffic. These and other factors could affect revenues of Bangkok Airways PLC., which in turn could affect Bangkok Airways PLC.' ability to meet the rental and service payments due the Fund under the Samui Airport Agreements.

(4) Environmental Risks

The operation of an airport has substantial environmental impacts, such as noise pollution, poor visual impact and effects on flora and fauna. The improvement, modification or expansion of Samui Airport, any of which may cause an environmental impact, may raise protests by community and environmental groups which may be successful in attracting publicity and persuading the government to take action. Changes in environmental and planning regulations may prevent or restrict further development of Samui Airport or result in increased capital and operational expenditure of Bangkok Airways PLC.. There is a risk that affected private parties may attempt to limit the activities of Samui Airport, its hours of operation or its impact on the surrounding community through political pressure, litigation or through direct action.

(5) Terrorism

International aviation has been subject from time to time to terrorist actions. Airport and airline operations include anti-terrorism measures, some of which (such as passenger search or hold baggage screening) may have an effect on passenger flows. An increase in perceived terrorism risk may lead to heightened security measures resulting in higher costs for Samui Airport and the airline (which may or may not be recoverable through Bangkok Airways PLC.' passenger service charges). There is a risk that major terrorism events may lead to a temporary cessation of flights to some (or all) destinations throughout Thailand and the world. Such events may also lead to a reduction in propensity to travel, which may apply to limited destinations or globally. Terrorism events may also lead to further increases in insurance costs or in reduced insurance availability.

It is also a possibility that Samui Airport, or an aircraft on the ground at Samui Airport, may be subject to a terrorist attack. In either case, there is a risk of damage to airport and airline assets and possible suspension of operations of Samui Airport and the airline.

8. A Change in Accounting Standards or Relevant Laws

The Fund's performance may be affected by new or amended accounting standards, which is a factor that the Fund cannot control or predict. Amendments to laws, announcements, rules regulations, policies and/or orders of the relevant state authorities are also unpredictable; therefore, the Fund is unable to evaluate the effect of such changes and is unable to assure that such changes will not affect the performance of the Fund.

9. Ability to Pay Dividends from the Fund

The payment of dividends by the Fund will be determined by the performance of the Fund. The Fund's performance will depend on Bangkok Airways PLC.' ability to satisfy the rental and service fees under the Samui Airport Agreements, and upon a default under the Samui Airport Agreements, the Fund's ability to exercise its rights in relation to the Collateral in a timely manner upon the termination event. Therefore, there is a risk that investors will not receive a dividend as forecasted herein or that the Fund will be able to maintain or increase dividends in following years.

10. The Fund's Net Asset Value may not correlate to Actual Value upon Liquidation or Dissolution

The net asset value of the Fund as stated herein is based upon the Appraisal Reports of the Leased Assets, and such value may not be the actual value which the Fund would receive if it were liquidated or dissolved.

11. Lack of Liquidity

As the Fund will be a closed-end fund listed on the SET, the liquidity of the Investment Units will be assessed by the frequency and volume of trading of such Investment Units in the SET, which is based upon the volume of bid and offer. The volume of the bid and offer of the Investment Units depends upon many factors beyond the Fund's control, such as market demand. Therefore, there is a risk that the Investment Units may be illiquid.

12. Decrease of value of the long term leasehold right

The Fund invests in leasehold rights in immovable properties. Upon the expiration of the term of the leasehold right of immovable properties to be invested by the Fund, the value of leasehold right of such immovable properties may reduce down to zero Baht. This Fund does not make any capital reserve for repayment of

investment in the leasehold right of immovable properties made to the unitholders when the Fund is dissolved but may repay the investment, either partially or wholly, to the unitholders by reducing the authorized capital of the Fund prior to Fund dissolution.

6 Legal Conflict

The Fund has no lawsuit, conflict in Arbitrator or any other legal dispute which relate significantly to business of the Fund and which the Management Company believe that it will have severe impacts to the business, financial status and operation result including operation trend in the future of the company.

7 Other Important Information

Renewal progress of Samui Aerodrome License and Public Aerodrome Operating License of Samui Airport

According to the sublease agreement for the land and buildings between the Samui Airport Property Fund (Leasehold) ("the lessor") and Bangkok Airways Public Company Limited ("the sub-lessee"), the sub-lessee of Samui Airport, is responsible for maintaining the Airport Operating Licenses including aerodrome license, Airline Operating License and any other related licenses considered necessary for the operation of Samui Airport and an aviation business. The existing Aerodrome license expired on 31 January 2009 and the sub-lessee submitted an application to renew the license on 26 May 2008. On 29 October 2018, the Civil Aviation Authority of Thailand approved the renewal of the Aerodrome license. The renewed license becoming perpetual, except for being withdrawal, is no longer required to renew in the future.

In addition, on 20 August 2010, the sub-lessee submitted an application for a Public Aerodrome Operating License of Samui Airport according to regulations, and has constantly followed up on progress. At the same time, the government agencies have issued new laws and regulations related to airport operations such as the announcement from the Department of Civil Aviation regarding the criteria to proceed the application form of Station Manager License. In 2014, the sub-lessee sent its personnel to take the test and received Station Manager License, and also prepared the Aerodrome Manual which includes the airport safety manual (SMS-Safety Management System), in order to comply with the law. All faults of the aerodrome were fixed. However, the Public Aerodrome Operation license requires Aerodrome License. Therefore, the sub-lessee must have the aerodrome license in order to start any progress. In addition, the official government committees are continuously sent to inspect Samui Airport every year. According to the Aviation Act B.E. 2497 (including any amendment) and regulations of the ministry concerning, unless receive notification from the Department of Civil Aviation otherwise, the sub-lessee may carry on operating Samui Airport.

Regarding the progress of renewal of Public Aerodrome Operating License of Samui Airport, the Company will follow up and notify for further advance.

Progress of the request for adjustment of maximum flight number

Bangkok Airways PCL, as the Koh Samui Airport sub-lessee and administrator, is in the progress of the request for the adjustment of the maximum flight number of Koh Samui Airport from the current rate of 50 flights per day to above 70 flights per day which is currently in the stage of environmental impact assessment.

8 Unit and Unitholders Information

8.1 Unit

The fund has registered capital as of 31 December 2020, equal to 1,050,000,000 units with a value of 9.6927 baht per unit. The funds received from unitholders are 950,000,000 units with a value of 9.6927 baht per unit.

8.1.1 Unit Information

Fund Registered	:	10,500,000,000 Baht
Paid-in Capital From Unitholders	:	9,500,000,000 Baht
Par Value Per Unit	:	10.00 Baht
Number of Investment Units		950,000,000 Unit
Type of Investment	:	The leasehold right of the immovable properties
First Offering Price of the Units	:	10.00 Baht
Fund Registered at 31 December 2020	:	10,177,335,000 Baht
Paid-in Capital From Unitholders at 31 December 2020	:	9,208,065,000 Baht
Par Value Per Unit at 31 December 2020	:	11.7260 Baht

8.1.2 Share Price Information

Close Price at 30 December 2020	:	12.80 Baht
Highest Price 2020 at 20 January 2020	:	23.80 Baht
Lowest Price 2020 at 24 March 2020	:	11.10 Baht
Market Capitalization at 30 December 2020	:	12,160 Million Baht
Average Daily Trading Volume*	:	11.58 Million Baht

Annual Trading Volume* : 2,813.42 Million Baht

Net Assets at beginning of year (Bring Forward at 31 Dec 2019) : 12,766 Million Baht

Net Assets at end of year (31 Dec 2020) : 11,140 Million Baht

Remark : *Information from Automated Order Matching

8.1.3 Share Class of the Fund

The Fund has no policy to classify share class

8.1.4 Details of the Capital Reduction of Investment Units of the Fund

No	Book closing date	Date of Distribution from Capital Reduction	Authorized capital before decreasing value of investment units		Capital Reduction		Authorized capital after decreasing value of investment units	
			Authorized capital (Baht)	Value per unit (Baht)	Authorized capital (Baht)	Value per unit (Baht)	Authorized capital (Baht)	Value per unit (Baht)
1	27 May 2010	11 Jun 2010	9,500,000,000	10.0000	266,000,000.00	0.2800	9,234,000,000.00	9.7200
2	25 Aug 2010	9 Sep 2010	9,234,000,000	9.7200	25,935,000.04*	0.0273	9,208,064,999.96	9.6927

* Fractions is from an actual amount of money returning to unitholders

The Management Company has preceded the above investment units value decreasing due to the values of the leasehold right of the property invested reduced based upon the last review of appraisal.

8.2 Issuance of Asset which is a Bond of the Fund

The Fund has no policy to issue asset which is a bond of the Fund.

8.3 Unitholders Information

Top Ten Major Shareholders as of 3 March 2021

NO.	Unitholders -Name	No. of Unit held	%of total
1.	BANGKOK AIRWAYS COMPANY LIMITED	285,289,700	30.03
2.	KIATNAKIN BANK PUBLIC COMPANY LIMITED	94,997,176	10.00
3.	ALLIANZ AYUDHYA ASSURANCE PUBLIC COMPANY LIMITED	44,339,200	4.67
4.	SOCIAL SECURITY OFFICE	35,256,300	3.71
5.	LAND AND HOUSES BANK PUBLIC COMPANY LIMITED	16,404,600	1.73
6.	K Property Infrastructure Flexible Fund	16,122,000	1.70
7.	TMB EASTSPRING Property and Infrastructure Income Plus Flexible Fund	15,903,700	1.67
8.	MR. PRASERT PRASARTTONGOSOTH	11,453,400	1.21
9.	PRINCIPAL PROPERTY INCOME FUND	11,395,400	1.20
10.	FOOD AND STORE COMPANY LIMITED	11,000,000	1.16

8.4 Remuneration of the Fund

Dividend Payment Policy

The Project has a policy to pay dividends to unitholders not more than four times a year.

- (1) In case that the Fund has net profits in any accounting period, the Management Company shall pay dividends to unitholders not less than ninety percent of the annual net profits, exclusive of profit which has not yet incurred from the appraisal or the appraisal audit of immovable properties or leasehold right of immovable properties of such accounting period;
- (2) In case the Fund has its retained earnings in any accounting year, the Management Company may pay dividend to the unitholders from such retained earnings. In this regard, the net profit and retained earnings mentioned above is exclusive of the item of expense reserved or the investment in the amount as deemed appropriate for the property of the Fund;

The payment of dividend under (1) must not result in more Fund's accumulated deficit. In the accounting period where there is the dividend payment.

With regard to the dividend payment under (1) and (2), the Management Company shall make payment within 90 days as from the accounting period where there is the dividend payment but it must not exceed 30 days from the day following the date of closure of the register of unitholders for dividend payment, except where there is a necessary cause which prevents the dividend payment during such period the Management Company shall give a written notification thereof to the unitholders.

Additional Conditions

In the consideration of dividend payment, if the dividends per investment unit to be paid during the year is lower than or equal to Baht 0.10, the Management Company reserves the right not to pay the dividends at such time whereby such dividends shall be brought forward for payment with the dividends to be paid in the next period.

Decrease of Capital of the Fund

In the event of that the Fund has excess liquidity in any or several cases as follows, the Management Company shall dispose of the excess liquidity mentioned above to the investment unit holders by reducing the authorized capital of the Fund

- (1) The Management Company has disposed properties or leasehold right of properties.
- (2) The values of the properties or the leasehold right of immovable properties as invested or made available by the Fund reduce based upon the appraisal or review of the immovable property appraisal.
- (3) The Fund has accounting items which are deferred expenses as gradually amortized.

History of Dividend Payment and Capital Reduction

Record of Dividend Payment

<i>Year*</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>
(1) Dividend per unit (THB)	1.4700	1.5000	1.3800	1.3700	0.7200
(2) Allocation from capital reduction (THB per unit)	0	0	0	0	0
Total remuneration per unit (1)+(2)	1.4700	1.5000	1.3800	1.3700	0.7200
(3) Percentage comparing to IPO**					
(3.1) Dividend payment rate	14.70%	15.00%	13.80%	13.70%	7.20%
(3.2) Capital allocation percentage	0.00%	0.00%	0.00%	0.00%	0.00%
Total remuneration per unit (3.1)+(3.2)	14.70%	15.00%	13.80%	13.70%	7.20%

Remark: * Calculate based on operating year of the investment asset

** Calculate from dividend yield and repayment from capital decrease in the year, divided with IPO per unit of the Fund.

9. Management Structure

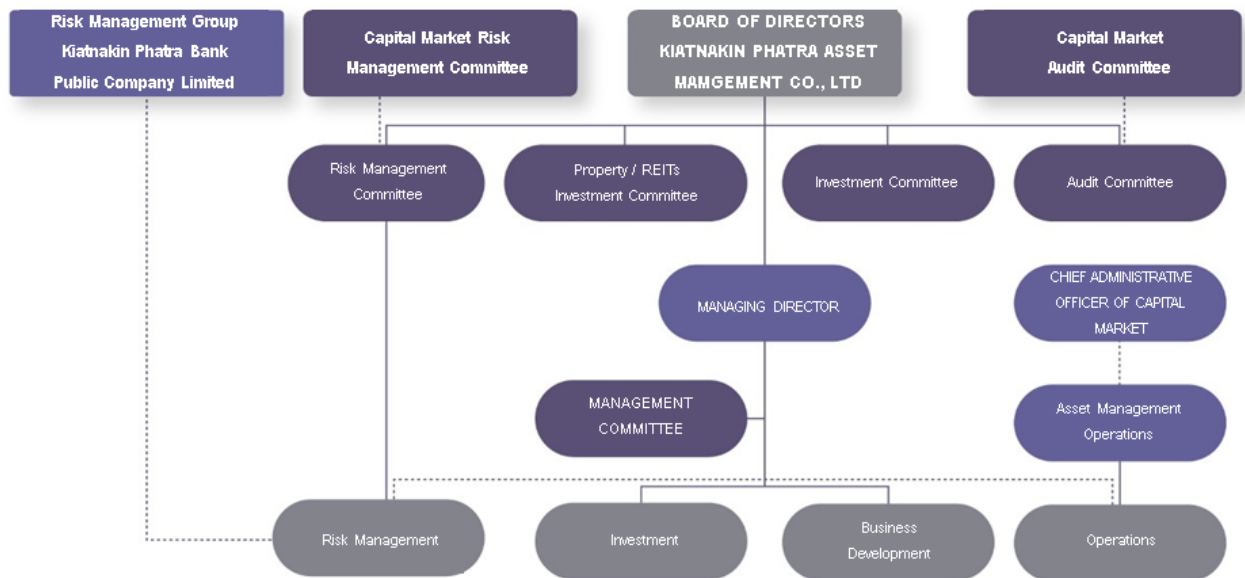
9.1 Management Company Information

Name:	Kiatnakin Phatra Asset Management Co., Ltd.
Address:	19th Floor, Muang Thai-Phatra Complex Building Tower A 252/25, Ratchadaphisek Road, Huaykwang Subdistrict Huaykwang District, Bangkok 10310
Registration Number:	015547001471
Telephone Number:	+66 (2) 305 9800
Fax:	+66 (2) 305 9803
Website:	https://am.kkpfpg.com

Major Shareholders

KKP Capital Public Company Limited 99.99%

Organization Charts



Board of Directors

Mr. Aphinant Klewpatinond	Chairman
Mr. Yuthapol Laplamool	Director and Managing Director
Mr. Pipat Luengnaruemitchai	Director
Mrs. Kulnan Tsanhaiwo	Director
Mr. Anugul Pitichaichan	Director

Management

Mr. Yuthapol Laplamool	Managing Director
Ms. Alisa Kumpolpunth	Assistant Managing Director
Mrs. Natachuta Guptarak	Assistant Managing Director
Ms. Tippawan Lamopas	Assistant Managing Director
Mrs. Jiraporn Parksupo	Vice President
Mr. Kasidit Thongplew	Vice President

Fund Manager

Dr. Natkawin Jiamchoatpatanakul

Educational Background

- Doctor of Philosophy in Management Science (Real Estate Investment and Finance), Shinawatra University
- Master of Science in International Real Estate Management, Northumbria University at Newcastle
- Master of Art in Business and Managerial Economics, Chulalongkorn University
- Certificate of Director Accreditation Program (DAP 160/2019), Thai Institute of Directors
- Certificate of Boardroom Success through Financing & Investment (BFI 7/2019), Thai Institute of Directors
- Certificate in Hotel Real Estate Investment and Asset Management, Cornell University
- Certificate in Corporate Finance, Columbia University
- Certificate of Real Estate Lifecycle, RICS, the United Kingdom
- Certificate of Real Estate Investment and Finance, Asia Pacific Real Estate Association, Singapore

Work experience

- Property Fund Manager, Phatra Asset Management Co., Ltd.
- Former Research and Consultancy Manager, Knight Frank Chartered (Thailand) Co., Ltd.
- Former Researcher, CB Richard Ellis (Thailand) Co., Ltd.

Responsibility

- Property Fund Management

Mr. Yuthapol Laplamool, CFA

Educational Background

- Bachelor of Science in Business Administration, California State University, Los Angeles
- CFA charterholder

Work experience

- Assistant Managing Director, Head of Private Fund Department, Phatra Securities PCL

Responsibility

- Manage property funds, Equity Funds

Ms. Kawisara Thisadrondilok

Educational Background

- Master of International Business, LaTrobe University, Melbourne, Australia.

Work experience

- Property Fund Manager, Phatra Asset Management Co., Ltd.
- Assistant Property Fund Manager, Phatra Asset Management Co., Ltd.

Responsibility

- Property Fund Management

Ms. Praripat Vilamas

Educational Background

- MBA, Assumption University

Work experience

- Property Fund Manager, Phatra Asset Management Co., Ltd.
- Assistant Property Fund Manager, Phatra Asset Management Co., Ltd.
- Project Consultant, Real Estate Lending, Kiatnakin Bank Plc.

Responsibility

- Property Fund Management

Liquidity Manager

Mr. Ratapon Khattiyasu Wong, CFA, FRM

Educational Background

- MSc Investment Management, Cass Business School
- BE Computer Engineering, Chulalongkorn University
- CFA Charterholder
- Certified FRM

Work experience

- VP/Fund Manager, Phatra Asset Management
- Senior Fund Manager, TMBAM Eastspring
- Investment Manager, Kasikohmbank

Responsibility

- Manage fixed income funds
- Manage FX and rates derivatives

Mr. Risa Siriwat, CFA

Educational Background

- MBA, National Institute of Development Administration (NIDA) (Honors)
- CFA Charterholder

Work experience

- Fund Manager, Phatra Asset Management
- Investment Analyst, Allianz Ayudhya Life Assurance

Responsibility

- Manage Fixed Income Fund
- Manage Foreign exchange rate hedging position
- Analyze and review credit of Bond issuers

Mr. Chawanat Phaisanwongdee

Educational Background

- Bachelor of Business Administration in Finance, Mahidol University International College
- CFA Level 1

Work experience

- Fund Manager, Phatra Asset Management Co., Ltd.
- Assistant Fund Manager, TMB Asset Management. Co., Ltd.

Responsibility

- Manage money market fund and fixed income fund
- Manage foreign exposure hedging position
- Analyze and review creditworthiness of bond issuers

Rights, Duties and Responsibilities of the Management Company

- (1) To strictly manage the assets of the Fund in accordance with the Securities and Exchange Act, the objectives, investment criteria and restrictions, the Project as approved, including the commitments between the unitholders of the Fund and the Management Company.
- (2) To cause to be prepared the commitments between the unitholders and the Management Company, and execute various agreements in the name of the Fund under the scope of law.
- (3) To deliver, distribute and make available the updated prospectus and details of the Project the Management Company shall make available the prospectus's part of details of the Project at all offices of the Management Company for inspection of the public and provide copy of the same upon request of unitholders. In case that the Investment Units of the Fund are listed securities on the Stock Exchange of Thailand, if there is an amendment of the Project, the Management Company shall give notification of such amendment to the Stock Exchange of Thailand within 10 Business Days from the day following the date the amendment of the Project is approved by the Office of SEC or there is a resolution to amend the Project, as the case may be, until the dissolution of the Fund.
- (4) To appoint the Trustee of the Fund who has qualifications according to the notification of the Office of SEC regarding qualifications of trustees of property funds.
- (5) To separate assets of the Fund from assets of the Management Company, and to deposit assets of the Fund with the Trustee.
- (6) To generate income and benefits of the Fund and deposit such income and benefits with the Trustee.
- (7) To appoint advisors of the Fund (if any) to give advice concerning the purchase or lease of immovable properties or improvement, alteration, restoration or expansion of immovable properties or invested assets or seeking of benefits therefrom for the purpose of management of the Fund. The Management Company will notify and deliver a copy of the Agreement for Appointment of Advisor (if any) to the Trustee within 5 Business Days from the date of such agreement.
- (8) To appoint the fund manager who shall be responsible for the investment management in or acquisition of immovable properties or leasehold right in immovable properties of the Fund. The fund manager appointed must be approved by the Office of SEC.

- (9) To appoint the liquidity provider who shall be responsible for the investment management in the liquid assets of the Fund. The liquidity provider appointed must be approved by the Office of SEC.
- (10) To appoint the Investment Unit Registrar (which may be the Management Company) and to cause a register of unitholders to be prepared according to the rules and procedures prescribed by the SEC.
- (11) To appoint the Property Administrator who shall be responsible for the efficient administration of the immovable properties of the Fund and notify the Office of SEC of the appointment of the Property Administrator together with a certification that such person has the correct and full qualifications as prescribed by the Office of SEC within 15 days from the date of appointment of the Property Administrator.
- (12) To appoint the Appraisal Firm to conduct Appraisal and review according to the rules prescribed by the SEC in order to conduct Appraisal or review Appraisal of immovable properties or leasehold right in immovable properties and notify and submit a copy of the appraisal report together with the relevant documentary evidence to the Trustee immediately and to the Office of SEC within 15 days from the date of receipt of the appraisal report, except for the report of the review of appraisal which shall be submitted to the Trustee only.
- (13) To appoint the Auditor of the Fund who has qualifications and does not possess prohibited characteristics according to the notification of the Office of SEC regarding rules for approval of auditors, and notify the Office of SEC of such appointment.
- (14) To deliver a summary of significant information concerning the purchase, lease, disposal or transfer of leasehold rights in immovable properties of the Fund to the unitholders and the Office of SEC within 15 days from the date of such purchase, lease, disposal or transfer of leasehold rights, and provide such significant information openly at all offices of the Management Company and the head office of the Trustee within 15 days from the date of purchase, lease, disposal or transfer of leasehold rights so that the unitholders may examine the same. Such summary shall have material substance according to the notification of the SEC.

In case that the Investment Units of the Fund have been approved to be listed securities on the Stock Exchange of Thailand, the Management Company may deliver the summary of significant information under the preceding paragraph to the Stock Exchange of Thailand instead of taking the action stipulated in the preceding paragraph within the Business Day following the date of purchase, lease, disposal or transfer of the leasehold rights of immovable properties of the Fund or within such other period prescribed by the Stock Exchange of Thailand.

- (15) To calculate the asset value, net asset value and unit value of the Fund as at the last day of June and December completely within 45 days from the last Business Day of June and December, as the case may be, and cause the Trustee to verify such calculation and announce the same in at least one daily newspaper, and post the same at an open place at all offices of the Management Company and the head office of the Trustee, unless relaxation is given by the Office of SEC in case where necessary and reasonable.

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- (16) To announce and disclose the occurrence of any circumstance or change after the date of calculation of the asset value, net asset value and unit value of the Fund which materially affects the value of immovable properties subsequent to the verification of calculation by the Trustee.
 - (17) To prepare a financial statement of the Fund in accordance with the accounting standards specifically for the investment business, and to prepare a report of the Fund at the end of every financial year, and deliver such report to every unitholder whose name appears in the register of unitholders and the Office of SEC within 4 months from the end of financial year. Such statement shall at least have the particulars prescribed by the SEC.
 - (18) To increase and decrease capital of the Fund according to the part "Capital Increase and Capital Decrease of the Fund".
 - (19) To file lawsuit or defend in civil or criminal case on behalf of the Fund, and to appoint representative to take such action.
 - (20) To attend a meeting and vote concerning the assets, rights or any benefit in respect of the securities held by the Fund to the extent as necessary for the benefits of unitholders.
 - (21) To change or amend the Project or the management procedures according to the part "Amendment of the Fund Management Project or Change of Management Procedures".
 - (22) To proceed with the dissolution of the Fund according to the part "Dissolution of the Fund Management Project".
 - (23) To appoint a liquidator, in case of the dissolution of the Fund, in order to collect and distribute assets to the unitholders of the Fund and perform other duties as necessary for the completion of liquidation, and notify the Trustee of the same.
 - (24) To be entitled to receive remuneration for the management of the Project at the rate specified in the approved Project.
 - (25) To check or cause to be checked whether there is any person or any of the Same Group of Persons holding the investment units exceeding one-third of fully paid-up investment units, the Management Company shall do as follows. If the fact appears to the Management Company that there is any person or any of the Same Group of Persons holding the investment units exceeding one-third of fully paid-up investment units, the Management Company shall do as follows:
 - (1) To report to the Office of the SEC within 5 business days as from the date on which the Management Company has known or should have known such matter;
 - (2) In seeking request for the unitholders' resolution for any matter, the Management Company shall not include the votes of the persons or the Same Group of Persons in the part exceeding one-third of fully paid-up investment units in the votes for resolution;
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(3) Not to pay dividends to the persons or the Same Group of Persons in the part exceeding one-third of fully paid-up investment units;

(4) To notify the persons or the Same Group of Persons to dispose of the investment in the part exceeding one-third of fully paid-up investment units.

In the case where any person or any of the Same Group of Persons holding the investment units exceeding one-third of fully paid-up investment units are either person as follows:-

- (a) Government Pension Fund, Social Security Fund, Provident Fund, or mutual fund for general investors;
- (b) Juristic persons as established under Thai laws not subject to corporate income tax payment;
- (c) Any other person so relaxed by the Office of the SEC as necessary and appropriate;

The Management Company shall do as follows:

- (1) To report to the Office of the SEC within 5 business days as from the date on which the Management Company has known or should have known such matter;
 - (2) To request for resolution for any matter given by the unitholders, the Management Company shall not include the votes of the persons or the Same Group of Persons as exempted under Articles (a), (b), and (c) in the part exceeding 50 percent of fully paid-up investment units in the votes for resolution;
 - (3) Not to pay dividends to the persons or the Same Group of Persons in the part exceeding 50 percent of fully paid-up investment units;
 - (4) To notify the persons or the Same Group of Persons as exempted under Articles (a), (b), and (c) in the part exceeding 50 percent of fully paid-up investment units.
- (26) To do other acts in order to achieve the objectives of the Project for the benefits of the unitholders as specified in the Project which are not contrary to Thai laws and the notifications of the SEC and Office of SEC and other relevant laws.

9.2 Property Operator

- None

9.3 Trustee

Trustee Information

Name :	Bangkok Bank PCL
Address :	333 Silom Road, Silom, Bangrak, Bangkok 10500 Thailand
Telephone Number:	+66 (2) 626 4530
Fax :	+66 (2) 626 4545-6
Website:	www.Bangkokbank.com/en/Business-Banking/Securities-Services/Mutual-Funds-Supervisor

Major Shareholders

NO.	Unitholders -Name	No.of Unit held	%of total
1.	Thai NVDR Company Limited	446,751,213	23.40
2.	SOCIAL SECURITY OFFICE	88,839,700	4.65
3.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	45,240,755	2.37
4.	UOB KAY HIAN (HONG KOHNG) LIMITED - Client Account	43,684,720	2.29
5.	STATE STREET EUROPE LIMITED	38,662,790	2.03
6.	BANGKOK INSURANCE PUBLIC COMPANY LIMITED	34,287,030	1.80
7.	THE BANK OF NEW YORK MELLON	32,591,898	1.71
8.	BNY MELLON NOMINEES LIMITED	29,341,517	1.54
9.	STATE STREET BANK AND TRUST COMPANY	25,690,400	1.35
10.	MORGAN STANLEY & CO. INTERNATIONAL PLC	25,526,933	1.34

Duties and Responsibilities of Trustee

Article 1 Management Company agrees to appoint the Trustee to be responsible for supervising benefits of the mutual fund as assigned by the Management Company. The Trustee agrees to perform the duty of supervising benefits of the mutual fund. Rights, duties, and responsibilities under the specified scope are as follows;

- (1) To be entitled to receive remuneration for the performance of duties as Trustee at the rate specified in the Agreement for Appointment of Trustee which has been executed with the Management Company.

- (2) Strictly perform duties and supervise the Management Company to perform duties according to provisions under Section 125 of Securities and Exchange Act B.E.2535 and approved requirements of Mutual Fund Management Project ("Project"), including obligations made with investment unit holders and Notifications of the SEC Office and notify the Management Company if the Management Company fails to perform duties according to such requirements
- (3) To prepare and submit a report to the Office of SEC in case that the Management Company does or omits to do any act that causes damage to the Fund or fails to perform its duties under Section 125 of the Securities and Exchange Act B.E. 2535 within 5 days from the date on which the Trustee is aware of such circumstance.
- (4) To take deposit and keep custody of the assets of the Fund by separating the assets of the Fund from the assets of the Trustee and the assets of other clients under the supervision of the Trustee, and to supervise the withdrawal of assets of the Fund as mutually agreed between the Management Company and the Trustee.
- (5) To complete the inspection of the immovable properties of the Fund according to the timeframe as follows:
 - (a) Within thirty days from the date of receiving a notice of possession of immovable properties from the Management Company.
 - (b) Every one year after the last completion of inspection by the Trustee.
- (6) To correctly, completely and truthfully, record the condition of immovable properties as inspected by the Trustee within thirty days from the commencement date of inspection of such immovable properties.
- (7) To notify the Management Company within five Business Days from the date the Trustee has found that the immovable properties of the Fund has a material defect.
- (8) To notify the Management Company to conduct a new Appraisal of the immovable properties or leasehold rights in immovable properties immediately when the Trustee is of the view that any circumstance or change has occurred which has a material effect to the value of the immovable properties of the Fund.
- (9) To verify that the purchase, lease, disposal or transfer of leasehold rights of the immovable properties of the Fund is in compliance with the Project and the criteria prescribed by the SEC.
- (10) Consider and approve methods of disposal or methods of property leasehold transfer of the mutual fund based on rules and conditions announced and stipulated by the SEC Office

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- (11) To give approval where the Management Company has taken insurance against loss in order to cover any potential damage to the immovable properties of the Fund sufficiently and appropriately, whereby the Fund shall be designated as the beneficiary.
- (12) To express opinion concerning operations of the Fund in a report of the Fund.
- (13) In case that the assets to be invested are immovable properties, the Trustee shall keep the land title deeds or documents evidencing the ownership thereof, insurance policies, any other documents concerning the immovable properties, including the documents related to the seeking of benefits therefrom. In case that the assets to be invested are leasehold rights in immovable properties, the Trustee shall keep the documents evidencing the leasehold rights in such immovable properties, any other document concerning the leasehold rights in immovable properties, including the documents related to the seeking of benefits therefrom such as lease agreements or agreement for transfer of leasehold rights in immovable properties etc., with the exception of assets which, by their nature, cannot be kept by the Trustee, or unless otherwise agreed between the Management Company and the Trustee.
- (14) To accept delivery or deliver the documents evidencing the ownership as mentioned above in connection with the purchase, lease, disposal or transfer of immovable properties by the Fund, and to accept delivery or deliver the documents evidencing the leasehold rights in such immovable properties in connection with the purchase, lease, disposal or transfer of immovable properties by the Fund, in compliance with the Fund Management Project and notifications of the SEC.
- (15) To verify the calculation of asset value, net asset value, unit value as calculated by the Management Company, in case the Trustee is of the view that such calculation is correct according the rules and methods prescribed by the SEC.
- (16) To prepare and submit the following reports and documents to the Management Company:
- (a) Details concerning receipt and payment from a cash account, bank deposit, at the end of every Business Day on which the Stock Exchange of Thailand and commercial banks open for business in Thailand ("Business Day"), include accrued interest (if any)
 - (b) Report concerning the investment capital of the Fund according to the type and status of securities at the end of every Business Day.
 - (c) Report on the details of creditors for securities buying prices and debtors for securities selling prices (if any).
 - (d) Report on change of storage location of property title document and agreement based on the period specified by the Management Company
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- (e) Other reports relating to mutual fund management as mutually agreed in contracts or as announced by SEC laws stipulating duties that the Trustee has to perform
 - (f) Report the transfer receipt and/or asset delivery of the mutual fund, including price of assets (in case there is information from the Management Company) within 10 days from the date of transaction
- (17) For the purpose of calculation and preparation of the reports under (14) and (15), the Trustee shall use information obtained from the Management Company or any person designated by the Management Company.
- (18) To file a lawsuit in the name of the Fund against the Management Company to require its performance of duties and/or to file a lawsuit for a compensation for damage from the Management Company for the interest of all the unitholders or upon receipt of instruction from the Office of SEC. The expenses incurred in connection with the lawsuit may be charged by the Trustee out of the assets of the Fund.
- (19) In case that the Management Company has appointed a liquidator in order to dissolve the fund, the Trustee shall proceed as follows:
- (a) Upon receipt of a notice of appointment of the liquidator from the Management Company, to deliver all accounts and other documents of the Fund to the liquidator within 5 Business Days from the date of dissolution of the Fund.
 - (b) To supervise the deposit of the assets of the Fund until completion of the liquidation. The trustee will receive trustee fee in accordance with trustee agreement.
 - (c) To cause the liquidator to comply with Section 130 of the Securities and Exchange Act B.E. 2535. In case that the liquidator does or omits to do any act under such provision, the Trustee shall report the same to the Office of SEC without delay.
 - (d) To distribute money and/or other assets to unitholders according to the ratio of unitholding of the Fund according to the register upon receipt of an instruction from the liquidator, as the case may be.
- (20) To supervise the receipt of cash deposit and keep the assets of the Fund, receive proceeds from the operations of the Fund and deposit the same in the savings account and/or account of the assets of the Fund according to the instruction of the Management Company.
- (21) Receive payment from selling investment units in case of sale of additional investment units or capital increase from the Management Company for depositing in the deposit account of the mutual fund according to orders of the Management Company

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- (22) Pay expenses of the mutual fund according to orders of the Management Company which includes any assets and benefits to registrar in case there is dividend payout or capital decrease of the mutual fund or any other matters
- (23) Obtain or pay cash or dividend as notification from the Management Company, and receive relating payment documents
- (24) To perform other duties as prescribed by the SEC or the Office of SEC as duties of trustees.
- (25) Provide an approval to the Management Company to determine the fair price of investment in order to calculate the net asset value of the mutual fund in case the price for calculating the asset value is not appropriate to the situation at that time or in case it is other assets other than those specified in the Notification of the SEC Office
- (26) Consider and approve loan transactions with any concerned persons in case no market price is determined for such loans or other prices are used which are not in accordance with market price under rules and conditions determined by the Notification of the SEC Office
- (27) Verify the results of vote counting for resolution on amendment of investment unit holders' projects if it appears that such resolution of investment unit holders is not over 60% of the investment unit sold of the project. The Management Company is responsible for submitting documents and evidence relating to the request for resolution and vote counting for resolution to the Trustee.
- (28) Supervise and retain the number of investment unit holders of the mutual fund when being notified by the Management Company to be in accordance with projects and SEC laws and/or Notifications of the SEC and/or Notifications of the Capital Market Supervisory Board and/or Notifications of the SEC Office. In case the number of investment unit holders is not in accordance with those specified in projects or such requirements and the Management Company fails to perform actions according to such notifications and projects, the Trustee shall prepare a report and submit it to the SEC Office.
- (29) Prepare accounting and certify the correctness of assets of the deposited mutual fund, including prepare the account showing income and expenses of assets of the mutual fund
- (30) Supervise, collect and monitor assets or maintain rights in assets of the mutual fund for benefits of attending the meeting of security holders, receipt of dividend, receipt of interest, investment unit and/or any other assets, security subscription, change of asset value, and receipt of other benefits that the mutual fund should obtain, including receive or make payment based on such rights and inform the Management Company in written immediately in case it is necessary to protect the loss of existing rights relating to securities or assets or there is any changes affecting the asset holding of the mutual fund
- (31) Provide the delivery, receipt of delivery, change, purchase based on rights, sale, payment, transfer, deposit/withdrawal of assets, securities or assets of the mutual fund, including make payment and
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receive payment of such securities fee. However, it shall be in accordance with orders of the Management Company by inspecting the completeness and correctness of securities and assets prior to the operations.

Article 2 For the benefit of maintenance and payment that is the cash of the mutual fund under this agreement, the Management Company assigns the Trustee to open a deposit account in type of savings with the headquarters of Bangkok Bank (Public) Company Limited in the account name of “Samui Airport Leasehold Property Fund” or other names as agreed (“Deposit Account with Trustee”) and the Management Company shall authorize the Trustee to solely deposit and withdraw money from such deposit account.

However, in case the Management Company deposits cash of the mutual fund in other accounts or other commercial banks other than those specified in the previous paragraph, the Trustee shall subrogate such account with the consent of the Management Company to be a sole authorized person to withdraw such deposit. However, this is for the benefit of duty performance under this agreement.

Address of Custody of Assets of the Fund

The Management Company shall keep the documents of right in the immovable properties invested by the Fund, namely, land title deeds or certificates of utilization, and contracts of sale of immovable property, lease agreements or agreements for transfer of leasehold right in immovable property, insurance policies or any other material documents that the Fund deems appropriate, at the office of the Trustee of the Fund, except for the assets which by nature cannot be kept at the Trustee.

Name :	Bangkok Bank PCL
Address :	333 Silom Road, Silom, Bangrak, Bangkok 10500 Thailand
Telephone Number:	+66 (2) 626 4530
Fax :	+66 (2) 626 4545-6
Website:	www.Bangkokbank.com/en/Business-Banking/Securities-Services/Mutual-Funds-Supervisor

Conditions for Replacement of Trustee

The Management Company, as the agent of the Fund, may replace the Trustee upon the occurrence of any of the following events with approval of the Office of SEC:

- (1) Upon expiry of the term and/or condition stipulated in the Project or when the liquidator has registered the dissolution of the Fund with the Office of SEC.
- (2) When either party terminates the Agreement for Appointment of Trustee by giving a written notice of such termination to the other party not less than 90 days prior to the effective date of the termination of the Agreement for Appointment of Trustee.
- (3) In case that either party is in breach of agreement or acts in violation of any condition of the agreement, whether intentionally or by gross negligence, either party may terminate the agreement by giving prior written notice of such termination to the other party for a period not less than 30 days as from the date such party knows or has a reason to know of the breach of agreement or violation of any condition stipulated in the Agreement for Appointment of Trustee. If the Trustee is in breach of agreement or acts in violation of any condition in the agreement, whether intentionally or by gross negligence, the Trustee shall be responsible for the expenses and damages to the Management Company and/or the Fund, including the expenses incurred from the fact that the Management Company must communicate with another person in connection with the replacement of the Trustee. If the Management Company is in breach of agreement or acts in violation of any condition in the Agreement for Appointment of Trustee, whether intentionally or by gross negligence, the Management Company shall be responsible to the Trustee for the expenses and/or damages incurred or suffered by the Trustee.
- (4) In case the unitholders of the Fund pass a resolution by their majority votes representing more than one-half of the total number of Investment Units sold to request the Management Company to replace the Trustee at any time during the term of the Fund, by giving written notice of such termination to the other party not less than 90 days. In holding a unitholders' meeting in order to obtain the above resolution, the unitholders or proxy representing the Investment Units in aggregate not less than 25 per cent of the total number of Investment Units sold of the Fund attending the meeting will constitute a quorum.
- (5) In case that the Trustee lacks any qualification under the notifications of the Office of SEC regarding the qualifications of trustees of property funds as amended (if any), the Management Company shall give written notification to the Trustee to make a rectification within 15 days from the day following the date on which the Management Company is aware or has a reason to be aware or knows from its inspection of such disqualification or the date on which such disqualification appears from the inspection of the Office of SEC. The Management Company shall also notify such rectification to the Office of SEC within 3 Business Days following the date the rectification is completed. In case that the Trustee fails to make the rectification within such prescribed period, the Management Company shall seek permission to replace the Trustee from the Office of SEC within 15 days from

the day following the expiry date of rectification period. When permission is obtained from the Office of SEC, the Management Company shall appoint a new Trustee in place of the former Trustee immediately unless otherwise instructed by the Office of SEC. The Trustee must continue to perform the duties of trustee until the completion of the appointment of the new Trustee. During the process of seeking a new Trustee, the Trustee shall remain eligible for the fee at the same rate until the completion of the appointment of the new Trustee and until the new Trustee may perform its duties.

- (6) In case that the Trustee unduly discloses any information relating to the management of the Fund or any information relating to the management of the Fund in a manner that causes or may cause damage to the Fund or the Management Company or incurs any other benefit to the Trustee or incurs any benefit to other person as a result of such undue disclosure, the Management Company may terminate the agreement by giving prior written notice of such termination not less than 15 days. The Trustee must be responsible to the Management Company and/or the Fund for any expenses and damages including expenses incurred because the Management Company must contact and/or procure other person in connection with the performance of duties as a new trustee, or any other expenses incurred or which may be incurred to other person in connection with the replacement of Trustee.
- (7) In case there is a change in the condition of the Fund Management Project or an amendment to the Securities Law or announcements of any government authority or notifications of SEC or Office of SEC or in any other case which shall cause the Management Company and the Trustee to be unable to agree on the amendment of the Agreement for Appointment of Trustee in compliance therewith because such change imposes more duty to the Trustee and the Trustee no longer wishes to accept such duty, the Trustee shall have the right to terminate the agreement by giving prior written notice of such termination not less than 90 days.
- (8) When any person proposes or files a petition to the court or any other relevant government authority in connection with the Trustee of the Fund
 - (a) for the dissolution of its business or any other similar purpose, or
 - (b) for the reorganization, composition or relaxation of debt payment, management of properties, liquidation, winding up, or any other similar request under the current or future laws or under various regulations.
- (9) When a government authority or agency has the opinion concerning the performance of the Trustee that the Trustee is at fault or has committed gross negligence and gives a notice thereof to the Management Company or makes an announcement in general.

In all cases, the replacement of the Trustee shall require prior permission of the Office of SEC. The Management Company shall appoint a new trustee upon approval of the Office of SEC, whereby the former Trustee shall perform its duties until the completion of the appointment of the new Trustee.

Since the Securities and Exchange Act B.E. 2535 provides that the funds must have a trustee, in case that the Trustee is discharged from its duties under 8.2 : Conditions for Replacement of Trustee, that Trustee must continue to fully perform the duties of trustee for the Fund until the completion of transfer of all assets and documentary evidence to the new Trustee or as instructed by the Management Company or the Office of SEC, as well as do any other necessary arrangements for the proper and complete transfer of all assets and documents to the new Trustee within reasonable time to ensure continuous performance of duties. In case that the Agreement for Appointment of Trustee comes to an end because of a notice of termination by the Trustee, if the Management Company is unable to seek a new Trustee to take over the work within the date of termination, the Trustee shall continue to perform the duties under the Agreement for Appointment of Trustee until a new Trustee is appointed. The former Trustee shall be entitled to a fee from the Fund proportionately to the period of its performance of duties until the date the Trustee ceases to perform its duties as trustee, including any expenses as actually incurred and/or any damage incurred or which may be incurred as a result of the performance of duties as trustee as from the date of termination of the agreement until a new Trustee is appointed by the Management Company and may perform such duties.

In case the Trustee ceases to perform its duties, the Trustee shall compile and transfer all assets and documentary evidence of the Fund to the new Trustee or take other action as ordered by the Management Company or the Office of SEC, as well as do any necessary act for the due completion of all assets and documents within 15 Business Days from the day the Trustee ceases to perform its duties.

9.4 Investment Committee

The Management Company set up Property / REITs Investment Committee to take charge of managing Property Funds and Real Estate Investment Trusts. The Committee members are as follows:

- | | |
|------------------------------------|-----------|
| 1. Mr. Yuthapol Laplamool | Chairman |
| 2. Mrs. Natachuta Guptarak | Committee |
| 3. Mrs. Chutimas Sivamard | Committee |
| 4. Mr. Natkawin Jiamchoatpatanakul | Committee |

Roles and Responsibilities of the Investment Committee

Property / REITs Investment Committee has roles and responsibilities to take charge of managing Property Funds and Real Estate Investment Trusts as well as determining any management rules, regulations and/or criteria includes:

1. Monitor and evaluate performances of the Property Funds and Real Estate Investment Trusts

2. Determine any management rules, regulations and/or criteria, and provide consultation regarding management of the investment assets of the Property Funds and Real Estate Investment Trusts
3. Consider and approve income distributions of the Property Funds and Real Estate Investment Trusts
4. Consider a selection of the investment properties which the Property Funds and Real Estate Investment Trusts intend to invest, acquire, lease, sublease, rent, dispose, assign, and receive assets or leasehold rights of assets.
5. Consider and approve a selection of the property manager and any service provider of the Property Funds and Real Estate Investment Trusts
6. Consider and approve types of insurance and insurable values, and monitor renewal of the insurance policies
7. Consider loan terms and conditions of the Real Estate Investment Trusts
8. Consider and approve a securities universe and asset allocation of the Property Funds and Real Estate Investment Trusts subject to consultation with the Equity and Fixed Income fund managers.
9. Execute any in accordance with approval of the unitholders

9.5 Fund's Auditor, Registrar of the Fund and Appraisal Company Information

9.5.1 The Fund's Auditor

Name : EY OFFICE COMPANY LIMITED

Address: 33rd Floor, Lake Rajada Office Complex 193/136-137 Rajadapisek Road Klongtoey,
Bangkok 10110 Thailand

Telephone Number : +66 (2) 264 0777

Fax: +66 (2) 264 0789

9.5.2 Registrar of the Fund

Name: Kiatnakin Phatra Asset Management Co., Ltd.

Address: 19th Floor, Muang Thai-Phatra Complex Building Tower A
252/25, Ratchadaphisek Road, Huaykwang Subdistrict
Huaykwang District, Bangkok 10310

Registration Number: 015547001471

Telephone Number: +66 (2) 305 9800

Fax: +66 (2) 305 9803-4

9.5.3 Appraisal Company

Name :	Siam Appraisal and Services Co., Ltd.
Address :	44, Rungrojthanakul Bldg., Ratchadapisak Road, Huaykwang Sub-District, Huaykwang District, Bangkok 10320
Telephone Number :	02 643 9889
Fax :	02 643 1996-7

9.5.4 Advisor

- None

10 Corporate Governance

10.1 Corporate Governance Policy

Kiatnakin Phatra Financial Group commits to live up to good reputation and loyalty granted by clients, business partners, colleagues, shareholders, related agencies and general public. We, the Board of Directors, the Managements, and employees of Kiatnakin Phatra Financial Group, hold on the principle of offering our clients with high standard services, integrity, ethics, and moral for utmost benefits of all and our society as a whole.

We believe and comply with business laws, practices and regulations. We strive to operate our business with the highest level of sincerity and honesty. We set policies, business plan, strategies, operation, performance evaluation including risk management measures to ensure transparency and accountability in order to achieve our goals efficiently.

The Management Company believes that good corporate governance will enhance efficient management system which is transparent and of accountability and fair to all related parties, creating credibility and competitive potential to business groups, adhering to morality and social responsibility which will construct the stability and robust foundation to our business groups in a long term.

10.2 Sub-Committee

The structure of committee of the Management Company relating to property mutual fund management and trust for property investment consists of 3 committees as follows;

1. Board of Directors

The list of Board of Directors is shown in "Management Structure", Board of Directors Section.

Duties and Responsibilities of Board of Director

Establish policies, and goals, monitor duty performance according to laws, objectives, regulations of the Management Company and concerned external agencies by providing provisions on ethics and code of conduct, corporate governance policies, and risk management supervising system, consider the appointment and approve roles and duties of sub-committees, supervise the Management to report and provide processes to report data so that the Board will receive information from the Management sufficiently and perform actions based on authorities, duties and responsibilities perfectly

2. Management Committee

The list of Steering Committee is shown in “Management Structure”, Board of Executives Section.

Duties and Responsibilities of Steering Committee

Management Committee has roles, duties, and responsibilities for assisting the management of the company performed by the managing director to be smooth and effective. Policies and procedures may be established which are appropriate to business operations, laws, rules, and conditions if the Steering Committee is assigned by the managing director. However, roles, duties, and responsibilities of Steering Committee include;

1. Consider the business plans that are consistent with direction and goal of the Company in order to present them to the Board of Directors and Capital Market Steering Committee
2. Conduct any business of the Company according to the approved business plans
3. Approve investment, procurement, and expenses of the Company according to the approved business plans and estimates of the Company's income and expenses
4. Supervise business operation of the Company according to risk management approaches, including risk on strategies, credit, market, investment, liquidity, operation, reputation, and laws which are approved by the Risk Management Committee
5. Supervise executives and employees of the Company to comply with business operation approaches and code of conduct
6. Revise occasionally to ensure that the Company's business operations provide sufficient control measures
7. Review and give opinions on businesses and report monthly profit and loss of the Company
8. Appoint sub-committees to assign them to perform actions on behalf of the Steering Committee
9. Perform other duties assigned by managing director occasionally

3. Property / REITs Investment Committee

The list of Property / REITs Investment Committee is shown in "Management Structure", Investment Committee Section.

10.3 Meeting of the Board

The Property / REITs Investment Committee schedule to hold a meeting at least once a quarter or more as appropriate.

10.4 Control of Internal Information

The Capital Market Group has a policy that prohibits all employees from using important information which should not be disclosed to the public for their own interest or other's. The "important information" is the information that investors may undertake as an important factors in making decision for the investment, or the information which is believed to influence security price of the issuer.

The person who have access to the confidential or the information that should not be disclosed shall not use or disclose the said information except the information legally related to the business operation of the Capital Market Group. The Capital Market Group prevents the use of sensitive information that should not be misused, by limiting the access, limiting and following the communication between Investment Banking and Sales Department, Research and Security Trading of the Capital Market. Furthermore, the Capital Market, in addition to the criminal and civil penalty, also impose the penalty policy including the dismissal in case of where the employee misuse the confidential or participate in security trading basing on the internal information.

10.5 Consideration on Investment and management

The Management Company will concentrate on investment by way of acceptance of transfer of ownership and/or leasehold right in immovable properties.

The Management Company will primarily concentrate on investment in or possession of existing airports (if permitted by laws) and/or existing immovable properties which are used as airports and/or buildings and/or constructions in and/or related to the airports which Bangkok Airways and/or the Connected Persons have ownership and/or possession right.

Within the 17 year period from the Lease Registration Date of the Long Term Lease Agreement, in event that Bangkok Airways or the Company Controlled by Bangkok Airways (as defined in the Undertaking Agreement) intends to dispose of, make payment, transfer and/or lease out the entire or a material part of the following:

- (a) the Leased Assets, including immovable assets and/or buildings and constructions and/or movable assets used to operate the Samui Airport which currently exists or will exist in the future;
- (b) Immovable assets and/or building and structures and/or movable assets used to operate the Sukhothai Airport and the Trad Airport; or
- (c) Immovable assets and/or building and constructions and/or movable assets which currently exist or will exist in the future which are used in connection with the operation of Samui Airport, including the commercial project located in and/or near the Samui Airport which is constructed to support the passengers of the Samui Airport, but shall not cover other business not used in connection with the operation of the Samui Airport, such as, hotels and/or hospitals owned by Bangkok Airways or the Company Controlled by Bangkok Airways (as defined in the Undertaking Agreement);

in any such event, Bangkok Airways agrees to and shall cause the Company Controlled by Bangkok Airways (as defined in the Undertaking Agreement) to agree to provide the Fund with the Right of First Refusal in purchasing and/or receiving ownership and/or receiving right to possess and/or leasehold right to the assets from Bangkok Airways and/or the Company Controlled by Bangkok Airways (as defined in the Undertaking Agreement).

The Fund's right to exercise its Right of First Refusal to purchase and/or receive transfer of ownership, right to possess and/or lease out the assets as specified in (a), (b) and/or (c) from Bangkok Airways or the Company Controlled by Bangkok Airways (as defined in the Undertaking Agreement) is subject to a resolution of the unitholders' meeting passed by a majority of the unitholders representing the total number of Investment Units sold of the Fund provided that the calculation of (1) number of the votes and (2) basis for calculating votes shall exclude Investment Units held by Bangkok Airways and/or its Connected Party (ies).

In holding a unitholders' meeting in order to obtain the above resolution, the unitholders or proxy representing the Investment Units in aggregate not less than 25 per cent of the total number of Investment Units sold of the Fund attending the meeting will constitute a quorum.

The Fund will seek benefits therefrom by way of lease and/or disposal of such properties and/or by any other means as permitted by the Securities Law, at the price and under the terms or conditions that are suitable and most beneficial to the Fund and the unitholders.

The Fund's future investments may include investments in projects under construction and/or other securities and/or the seeking of benefits by any other means as prescribed in the notifications of the SEC, notifications of the Office of SEC and other relevant notifications currently in force, and the amendments thereto.

10.6 Selection of Property Operator

The Sub-lessee and Property Operator is the same person, therefore, the Fund did not select additional Property Operator.

10.7 Monitoring on Performance of Property Operator/Asset Operator

The Fund Manager may authorize the power of management to the Property Operator and oversee such management under the accepted internal audit standard including monitor the operation result to ensure the compliance to the fiscal budget of the Fund, mainly, to maintain the interest of unitholders.

In addition to the operation result administrated by the Fund Manager, the Asset Operator shall oversee to ensure that the asset of the Fund remained in the due condition, including seeking benefit and apply for an adequate insurance which is in accordance with the disclosure in the Fund.

10.8 Monitoring on Interest of the Fund

In management and the monitoring on interest of the Fund, the Management Company has duties and responsibilities to proceed and manage the Fund in accordance to the security law including applicable duties and responsibilities such as to manage the Fund as set forth in the project approved by the SEC. and the obligations between the Management Company and unitholders including to perform the duties as set out in Section 125 and other applicable regulations set out in the Security and Stock Exchange Act. B.E. 2535 strictly, and to perform other tasks to achieve the Fund's goal and to maintain the interest of unitholders to the extend of the duties and responsibilities of the Fund Management Company. However, such duties shall not against securities and/or other relating law. In addition, the Management Company shall provide to have an investigation on the conditions of assets pursuant to the regulations and provisions of the SEC.

The Fund receives rental rate from the sub-lessee as follows.

- Fixed rent - to be paid within 7 business days from the last day in each month
- Floating rent - to be paid within 15 business days from the last day in each month

10.9 Compensation of the Management Company

The Management Company shall receive management fee from the Fund on monthly basis. The compensation is calculated by the Management Company and certified by the interest manager under the following rates.

	Ceiling Rate	Current Rate
Management fee	Not exceeding 1.00% per year (excluded VAT, specific business tax or any other similar tax)	Not exceeding 0.266% per year of the net value of assets of the Fund (excluded VAT)

10.10 Information Disclosure/Information to the Unitholders

The Management Company shall comply to the security law, notification, regulations, rules, orders or the circular letter as amended or issued by the Capital Market Commission and/or SEC. and/or the Stock Exchange of Thailand regarding the disclosure of information and/or information to the unitholders strictly for the following circumstances.

1. The Management Company will calculate and disclose the asset value, net asset value and investment unit value as of the last day of June and December within 45 days from the last day of June and December, as the case may be or within the extended time as permitted by the SEC.

The Management Company shall disclose at least one daily newspaper, and post the notification in the conspicuous place of all Management Company's office and head office of the interest manager, including disclose the types and locations of the property in which the Fund derives from investment.

2. The Management Company shall prepare and disclose the financial statement (quarterly and annually), annual report, report of major events that may affect the asset value, financial status or operation result of the Fund and other events as stipulated by the Capital Market Commission and/or the SEC and/or the Stock Exchange of Thailand (as the case may be).

10.11 The Meeting of Unitholders

Convening General Meeting

The Management Company shall hold the annual general meeting of investment unit holders within four months from the date ending the accounting period of the mutual fund in order to report at least the following matters to the Meeting of Investment Unit Holders for acknowledgement.

- (1) Management of mutual fund in significant matters and approaches on mutual fund management in the future
- (2) Financial status and operating results of the mutual fund in the previous accounting period by at least presenting the audited financial statements with opinions expressed by auditors
- (3) Appointment of auditors of mutual fund and audit fee

Convening Extraordinary Meeting

The Management Company shall hold the extraordinary meeting of investment unit holders in one of the following cases;

- (1) When the Management Company deems appropriate to convene the meeting of investment unit holders for the benefits of mutual fund management
- (2) When investment unit holders holding the total investment unit amounting to not less than 10% of the total number of investment unit sold of the mutual fund subscribe their names to a notice requesting the Management Company to convene a meeting of investment unit holders by expressly specifying reasons of the request for convening the meeting

In case an event under Paragraph One (2) occurs, the Management Company shall hold an extraordinary meeting of investment unit holders within 45 days from the date of receiving such notice of investment unit holders.

Convening General Meeting and Extraordinary Meeting of Investment Unit Holders

Rules on convening general meeting and extraordinary meeting of investment unit holders are as follows;

- (1) The Management Company shall convene the meeting of investment unit holders based on the following rules;
 - (A) Prepare a notice of meeting with sufficient details for decisions of investment unit holders which shall contain at least information on meeting procedures and resolution voting, including agenda and matters to be presented to the Meeting with details as appropriate by expressly specifying as to the matters to be set forth to the meeting for information; approval, or consideration, as the case may be, including opinion of the board of directors on said matters. However, in case the resolution of investment unit holders is requested, it shall include opinions relating to affects that investment unit holders may receive from voting on such resolution.

- (B) Submit a notice of meeting to investment unit holders in advance prior to the date of the meeting according to the period as follows;
 - 1. 14 days in case the meeting of investment unit holders has the agenda required the resolution of investment unit holders by votes of not less than three-fourths of the number of investment unit of investment unit holders attending the meeting and entitled to vote
 - 2. 7 days in other cases other than Item 1
 - (C) The notice of meeting shall be announced in at least one local daily newspaper for not less than 3 days prior to the date of the meeting.
- (2) In the meeting of investment unit holders, the quorum shall be in accordance with the following rules;
- (A) In the meeting of investment unit holders, there shall be investment unit holders present at the meeting in a number not less than 25 or not less than one half of the total number of investment unit holders and the total investment units shall not less than one-third of the total number of investment unit of the mutual fund to constitute a quorum.
 - (B) In the event at any meeting of investment unit holders, upon the lapse of 1 hour from the time fixed for the meeting commencement, number of the investment unit holders present is insufficient to form a quorum under (A); if such meeting is convened because the investment unit holders have requested under the extraordinary meeting (2), such meeting shall be cancelled; if the meeting of investment unit holders is convened and it is not because the investment unit holders have requested under the extraordinary meeting (2), it shall be reconvened and the notice of meeting shall be sent to the investment unit holders not less than 7 days in advance prior to the date of the meeting. In the subsequent meeting, no quorum is required.
- (3) To conduct the meeting shall be in accordance with the following rules;
- (A) To conduct the meeting shall be in accordance with agendas specified in the notice of meeting, unless the Meeting passes the resolution to change the order of the agenda with the vote of not less than two-thirds of the number of investment unit holders present
 - (B) Upon completion of consideration under (A), the investment unit holders holding investment unit amounting to not less than one-third of the total number of sold investment unit may request the Meeting to consider other matters in addition to those specified in the notice of meeting.

- (C) In the case where the Meeting has not completed the consideration of matters according to the order of the agenda under (A) or the consideration of matters proposed by investment unit holders under (B), as the case may be, and it is necessary to postpone the consideration, the Meeting shall determine a venue, date, and time for the next meeting. The Management Company shall submit a notice of meeting specifying the venue, date, time and agenda of the meeting to the investment unit holders not less than 7 days in advance of the date of the meeting. Besides, the notice of meeting shall also be announced in a newspaper for not less than 3 days prior to the date of the meeting.

Regarding the abovementioned meeting of investment unit holders, the Management Company shall assign the Trustee to attend such meeting by submitting a notice of meeting containing details similar to a notice of meeting of investment unit holders to the Trustee and investment unit holders.

10.12 Nomination and Appointment of High Level Executive Officers

- None

10.13 Compensation of the Auditors

In the previous accounting year, the Fund paid 990,000 Baht to EY Office Co., Ltd. as an audit fee.

10.14 Compliance with Corporate Governance in Other Matters (if any)

Kiatnakin Phatra Asset Management Company Limited ("Company") as an Investment Manager is aware of duty of managing investments for the best benefits of customers and investment unit holder, According to such duty, the Company believes that enterprises invested by the Company have strategies, good corporate governance, and social and environmental responsibilities, leading to great and sustainable returns of customers and investment unit holders.

The Company is committed to complying with the Investment Governance Code issued by the Securities and Exchange Commission which is consistent with and appropriate to the fiduciary duty, roles and responsibilities of the Company as follows;

1. Provide clear written Investment Governance Policy
2. Provide sufficient protection and management for conflict of interest for the best benefits of customers

3. Provide the process of decision-making and closely and actively monitor invested companies on the matter of strategy, good corporate governance, social and environmental responsibility of invested companies, which are a part of decision-making and monitoring
4. Increase the level for monitoring invested companies in case the monitoring under Item 3 is not sufficient
5. Provide disclosure of policy on voting rights and result of voting to customers
6. Cooperate with other investors as appropriate for effective I Code compliance

Disclose Investment Governance Policy and Investment Governance Code Compliance on the website and in the annual report (if any) according to related practices

11 Corporate Social Responsibility

In this accounting year, the Fund did not set a budget for corporate social and environmental responsibility activities. However, the management company as the part of the Kiatnakin Phatra Financial Group has participated in the following activities:

Kiatnakin Phatra Financial Business Group has contributed in support of the medication provided to the COVID-19 patients by granting the money for the purchase of medical devices, a total of 550,000 Baht, to 11 public hospitals in Bangkok and other provinces. The region and branch managers of Kiatnakin Phatra Bank working in the local areas acted as the representative of the Bank in remitting the donation money and giving thanks and encouragement to the medical staffs dedicating themselves to the public in coping with the crisis of the COVID-19. The activities were arranged from April 23rd – 30th, 2020.



Kiatnakin Phatra Financial Business Group, with the cooperation of Kiatnakin Foundation and the member of People Development for National Development with Kiatnakin Project, i.e., The Young Buddhists Association of Thailand under the Royal Patronage, have provided the 1,800 aid packages to the peoples in Phasi Charoen District to mitigate the troubles due to the impact of the COVID-19 outbreak. This activity purposes to lay down the measure to strictly reduce the congestion and prevent the spread of such virus, e.g., physical distancing practice, body

temperature screening, wearing the mask, and washing hands with alcohol gel, where the activities were arranged in April 17th – 22nd, 2020.



On May 27th, 2020, the Kiatnakin Phatra Financial Business Group cooperated with the Big Tress Project to grant Personal Protective Equipment (PPE) which are disposable, face masks, disinfection incubators, and other items to the hospitals located in 4 regions of the countries, a total value of 125,000 Baht, to support the operations in gain the safety of the medical staff who have to expose to the patients during the outbreak of the COVID-19, including to reduce the volume of infected garbage because the reusable PPE could be reused for 20 times. Additionally, the Kiatnakin Phatra Financial Business Group has encouraged Thai peoples to provide encouragement by donations to the Medical Association of Thailand under the Royal Patronage to distribute the assistance to the lacking hospital. The donation can be made by transferring the amount to the Saving Account, Account No. 20-0012928-8, Kiatnakin Phatra Bank, so the entire donated sum will be subsequently remitted to the Medical Association of Thailand.



On June 20th, 2020, the Kiatnakin Phatra Financial Business Group provided support to the Project of Granting the Scholarships to the Children and Welfares to the members of The Economic Reporters Association for the year 2020, a total of 100,000 Baht, where the President of the Association, Executive Board, and the representative of the supporting organizations attended the event held at The Economic Reporters Association, Chang Building.



Bangkok Airways PCL, as the sub-lessee and client under the Koh Samui Airport Agreement, engages the policies and operations indicating its responsibility for the social and environments, e.g., the construction of a 3-story building of Wat Buntharikaram School, participation in the activities concerning tree plantation, forest and water resource conservation glorifying the Homeland’s Mother, participation in the activities of environmental management, cleaning the coasts, under the Surat Thani sea resource and coast rehabilitation project, including giving the rice, dried foods, and snacks to the public health volunteers of the village and the students of Wat Buntharikaram School, Bang Rak School, and Wat Plai Laem School, giving the foods to the villagers around the Koh Samui Airport, and funding to assist the workers affected by the COVID-19 in the Koh Samui areas. Additionally, the design passenger building constructed in the Koh Samui Airport emphasized the harmony with the surrounding nature, built from the materials made from coconut trees, and open-air building, to create an atmosphere maximally similar to the Koh Samui pattern.



The Asset Management Company as a part of Capital Market Business Group of the Kiatnakin Phatra Financial Group which is committed to taking a stand against corruption in any form by adhering to the Guidelines for Business Conduct, Anti-Corruption Policy and regulations according to Thai laws on anti-corruption which is to be strictly followed. The Asset Management Company has announced its intention to be part of Thailand’s Private Sector Collective Action Coalition against Corruption (CAC) with support from the government and the Office of National Anti-Corruption Commission. At present, the Company has been certified as full members of the CAC since October 3, 2014.

The Asset Management Company has continually implemented an anti-corruption program as follows:

- The Anti-Corruption Policy of the Capital Market Business Group has been issued for all directors, executives and employees as a guideline to perform their duties in a transparent manner, paving the way to building a sustainable organization. The Anti-Corruption policy forbids bribes, payoffs or payments of any kind to any person, government official or entity for the purpose of improperly obtaining or retaining business or influencing consideration of any business activity. Special rules may apply to payments or gifts (including entertainment) to officers, directors, employees or other affiliates of government-owned or controlled entities. Furthermore, no director, executive, employee or member of their families may, directly or indirectly, accept or receive gifts, frequent or excessive entertainment, or any similar form of consideration that is of more than nominal value from any person or entity with which the Kiatnakin Phatra Financial Group does, or seeks to do, business.
- The Kiatnakin Phatra Financial Group communicates the Anti-Corruption Policy and clarifies the role of employees where they have seen suspicious actions related to corruption. The Group will not demote or take disciplinary action against any person who has refused to be involved in a corruption scheme even though it may have made the Company lose a business opportunity. The Kiatnakin Phatra Financial Group also distributes information on its Anti-Corruption Policy to employees through annual training courses for all employees and orientation training courses for new employees on the Anti-Corruption Policy together with an assessment form for understanding by new employees.

The Kiatnakin Phatra Financial Group also communicated and sought co-operation from directors, executives and employees of the Group during the New Year festival to adhere to the Gift Policy so that the Group's operation followed its intent of providing services with good corporate governance and was rigorously against all types of corruption.

12 Internal Control and Risk Management

The capital market business group has in place an internal control system for protecting and maintaining the information and assets of the capital market business group, customers and shareholders in order to ensure that business activities are approved and properly implemented as well as to ensure accurate and factually-correct reporting with the system in control of management and accounting under the responsibility of each work section in the capital market business group.

Every transaction requires the approval of an appropriately-ranked executive. Employees responsible for the procurement or management of assets for the capital market business group or assigned with the authority to create debts on behalf of the capital market business group are required to carry out their duties with care and caution to

avoid actions that exceed their authority. More importantly, every employee must always remember to conduct business in accordance with their assigned duties.

All transactions are required to be properly recorded and reported in accounts, which also include reports of travel expenses and recreational expenses. In addition, every report must be made accurately and out of honesty, and total cooperation has to be provided to internal and independent auditors.

Internal audit supervisors and work operation supervisors hold the opinion that the company has in place a sufficient internal control system with appropriate oversight of appropriate implementation of the aforementioned system as well as on compliance with related laws and regulations.

Mrs. Orawan Techawatanasirikul is an auditor, holding license no. 4807, from EY Office Co., Ltd., an auditor of the Fund for year 2020. She expressed his opinion on the audit and financial statement that as of 31 December 2020, operation result, changes of net assets, cash flow and important financial information for the ending year of Samui Airport Property Fund (Leasehold), are correct and reasonable in accordance with material clause of standards of financial reports.

Head of Internal Audit

Ms. Vitchaya Bunjoungmanee

Vice President

Head of Capital Market General Audit

Head of Compliance

Mr. Gun Klinsong

Assistant Vice President

Law and Regulatory Compliance - Private Client

13 Prevention of Conflict of Interest

13.1 Related transactions Between the Fund, Management Company and Related/Connected Person to the Management Company in the Previous Accounting Year.

Details of the Transactions	List	Relation with the Fund
Management Fee	Kiatnakin Phatra	Management Company
Registrar Fee	Asset Management Co., Ltd.	

13.2 Related transactions Between the Fund, Benefit Administrator and Related/Connected Person to the Benefit Administrator that may have Conflict of Interest in the Previous Accounting Year.

Details of the Transactions	List	Relation with the Fund
Trustee Fee	Bangkok Bank PCL	Trustee

13.3 Details of Return Receiving by the Management Company for Samui Airport Property Fund (Leasehold) Due to the Use of Other Person's Service (soft commission)

There is no return receiving by the Management Company for Samui Airport Property Fund (Leasehold) due to the Use of Other Person's Service (Soft Commission) for the period from 1 January 2020 up to 31 December 2020

14 Significant Financial Information

As at 31 December 2020

Summary of Audit report and financial statement during past 3 years

Financial statements	Auditor	Office
2020	Mrs. Orawan Techawatanasirikul	EY Office Co., Ltd.,
2019	Mrs. Orawan Techawatanasirikul	EY Office Co., Ltd.,
2018	Mrs. Orawan Techawatanasirikul	EY Office Co., Ltd.,

The following financial statements reviewed by the certified auditor include the auditor's opinion for the financial period ended at 31 December 2020:

"The auditor expressed the opinion that the financial statement indicating the mutual fund's financial status as of December 31st, 2020, the performance of the change in net assets, cash flow, and important financial information for the year ended on the same date are appropriately accurate in the subject matter under the Financial Report Standard."

14.1 Balance Sheet (as of 31 December 2020)

(Unit : Baht)

Items	1 January 2020 - 31 December 2020	1 January 2019 - 31 December 2019
Assets		
Investments in leasehold rights to properties at fair value (at cost: Baht 9,301.36 million)	10,934,000,000	12,423,000,000
Investments in securities at fair value (at cost: 2020: Baht 114 million, 2019: Baht 280 million)	114,110,438	280,405,322
Cash at banks	79,871,722	10,621,693
Accounts receivable		
from return on leasehold rights to properties	47,500,000	114,742,620
from interest	53,674	7,267
Other assets	30,380,264	53,061
Total assets	11,205,916,098	12,049,237,308
Liabilities		
Accrued expenses	4,332,709	4,642,014
Deposits received from customer	47,500,000	47,500,000
Other liabilities	14,304,582	33,227,136
Total liabilities	66,137,291	85,307,569
Net assets	11,139,778,807	12,766,472,371
Net assets		
Fund registered 1,050,000,000 units of Baht 9.6927 each	10,177,335,000	10,177,335,000
Paid-in capital from unitholders 950,000,000 units of Baht 9.6927 each	9,208,065,000	9,208,065,000
Retained earnings	1,931,713,807	3,558,407,371
Net assets	11,139,778,807	12,766,472,371
Net asset value per unit	11.7260	13.4383

14.2 Statement of Income for the year ended 31 December 2020

(Unit : Baht)

Items	1 January 2020 - 31 December 2020	1 January 2019 - 31 December 2019
Investment income		
Income from investments in leasehold rights to properties	759,098,100	1,393,932,000
Other income	2,717,855	5,270,260
Total income	761,815,955	1,399,202,260
Expenses		
Management fee	33,736,234	36,545,360
Trustee's fee	4,248,736	4,602,517
Registrar fee	6,341,397	6,869,429
Professional fees	1,556,568	2,855,345
Other expenses	17,788,824	38,766,617
Total expenses	63,671,759	89,639,268
Net investment income	698,144,196	1,309,562,992
Realised and unrealised gains on investments		
Net realised gain on investments	499	(718)
Net unrealised gains on investments	(1,488,838,259)	842,035,228
Total realised and unrealised gains on investments	(1,488,837,760)	842,034,510
Increase in net assets resulting from operations	(790,693,564)	2,151,597,502

14.3 Statement of cash flows for the year ended 31 December 2020

(Unit : Baht)

Items	1 January 2020 - 31 December 2020	1 January 2019 - 31 December 2019
Cash flows from operating activities		
Increase in net assets resulting from operations	(790,693,564)	2,151,597,502
Adjustments to reconcile the increase in net assets resulting from operations to net cash provided by (paid from) operating activities		
Purchases of investments in securities	(1,013,269,035)	(2,258,035,387)
Sales of investments in securities	1,180,968,591	2,323,646,819
Net sales (purchases) of investments in securities	167,699,556	65,611,432
Written-off of account receivable	-	-
Increase in account receivable from return on leasehold rights to properties	67,242,620	1,660,120
Decrease (increase) in accounts receivable from interest	39,195	(85,602)
Decrease (increase) in other assets	41	(30,327,244)
Increase in accrued expenses	(247,724)	(61,581)
Increase in other liabilities	(18,922,554)	(37,993,289)
Amortisation of discounts on investments	(1,242,432)	(4,829,697)
Net realised gains on investments	(499)	718
Net unrealised gains on investments	1,488,838,259	(842,035,228)
Net cash from operating activities	912,712,898	1,303,537,131
Cash flows from financing activities		
Distributions to unitholders	(836,000,000)	(1,311,000,000)
Net cash used in financing activities	(836,000,000)	(1,311,000,000)
Net increase (decrease) in cash at bank	76,712,898	(7,462,869)
Cash at bank at beginning of year	3,158,824	10,621,693
Cash at bank at end of year	79,871,722	3,158,824

14.4 Significant Financial Ratio

Significant financial ratio	1 January 2020 - 31 December 2020	1 January 2019 - 31 December 2019
Net assets - end of year (Baht)	11,139,778,807	12,766,472,371
Ratio of total expenses to average net assets during year (%)	0.54	0.70
Ratio of total investment income to average net assets during year (%)	6.45	10.94
Ratio of weighted average investment turnover to average net assets during year (%)*	0.14	0.69
Average net assets during year (Baht)	11,818,766,019	12,789,303,547

* Investment trading transactions exclude cash at banks and investments in promissory notes, and must be real purchases or sales of investments which exclude purchases under resale agreements or sales under repurchase agreement.

15 Management Discussion and Analysis (MD&A) by the Management Company/Fund Manager

15.1 Analysis on the Previous Performance

For the performance of the mutual fund for the accounting period, the fund earned the revenue from the leasehold right of the investment property of 761.82 million Baht, 45.55% reduced from the previous year. This resulted from the impact of the COVID-19 outbreak across Thailand and the world leading to the greatly lower number of Thai and foreign tourists from March 2020 due to the government's measures, such as the closure of certain types of establishments, temporarily prohibition of overseas flights from landing in Thailand, and 14-day quarantine provision after arriving in Thailand. In 2020, the number of travelers and flights to Koh Samui dropped to 0.43 mill persons (64.3% decrease compared with last year) and to 5,845 flights (61.7% decrease compared with last year).

Even if the public sector has issued stimulating measures for tourism during the outbreak period such as Rao Thio Duai Kan and Special Tourist VISA (STV) to attract the foreigners to visit Thailand, etc. Nevertheless, the tendency of recovery of the tourism sector has been restricted due to the 2nd wave of the pandemic in Thailand at the end of the year. However, to support the long – term growth after the post-pandemic rehabilitation, Bangkok Airways PCL, as the fund's sub-lessee, has requested for approval of an increase of maximum flight number of the Koh Samui Airport from 50 flights per day to above 70 flights per days which is currently in the stage of environmental impact assessment.

In 2020, the total mutual fund's expense was 63.67 million Baht, 28.97% lower than the previous year's. The main cause was the reduction of the expense of specific business tax according to the reduction of the fund's revenue. Also, the mutual fund has lower other expenses calculated from the net asset value consisting of the

management fee, trustee fee, and registrar fee, a total of 44.33 million Baht, 7.69% lower than the previous year's. This year, the fund's expense was approximately 8.36% of the mutual fund's revenue.

In this year, the fund earned the net revenue from the investments of 698.14 million Baht, 46.69% reduced, and the fund's asset value was reduced by 1,488.84 million Baht due to the shorter period of leasehold right and revised valuation assumptions of the income approach to be consistent with the impact of the COVID-19 outbreak. This resulted in the reduction of the fund's net asset value from its operation of 790.69 million Baht or 136.75% when compared to last year.

15.2 Overview of Significant Operation and Changes

As shown in the table below, Fund Manager is of the opinion that the overall operation of 2020 affected by Covid-19 pandemic which impacted performance and fair value of the investment asset of the fund. Nevertheless, net asset value and revenue of the investment asset may increase when such pandemic situation is recovered.

Key Financial Ratio	2020	2019	2018	2017
Net asset at the end of the year (Baht)	11,139,778,807	12,766,472,371	11,925,874,869	11,936,366,903
Net asset value (Baht per unit)	11.7260	13.4383	12.5535	12.5646
Ratio of total expense to the average net asset value during period (percent)	0.54	0.70	1.74	0.38
Ratio of income from investments includes the average net asset value during the period (percent)	6.45	10.94	12.16	12.58
Average net asset value during the period (Baht)	11,818,766,019	12,789,303,547	12,225,500,910	11,953,866,955

Note: According to the financial statement of the Fund as of 31 December 2020 and report of the auditors.

15.3 Profitability

On profitability as measured by net investment income, i.e., total revenue generated less operating expenses and excluding realized and unrealized gains on investments, it was found that the profit ratio from activities equaled 91.6 percent, which increased from 93.6 percent compared to previous year. The major reason is an impact of Covid-19 pandemic that caused a revenue reduction. Even expense of the fund also dropped, such reduced amount is less than that of revenue.

Since the Fund is the only airport property fund in Thailand, there is none of the fitting comparison in the industry. However, when comparing with the market overall of the Property Funds and Real Estate Investment Trusts listed on the Stock Exchange of Thailand (SET), we found that the average operating profit margin ranges between 60 and 80 percent in the typical situation. Because the Samui Airport Leasehold Property Fund does not incur expenses at the Property Level, those are the liabilities of the lessee and service recipients of the Fund. Thus, the Fund has expenses only at the Fund Level, which implies higher operating margin than other typical Property Funds.

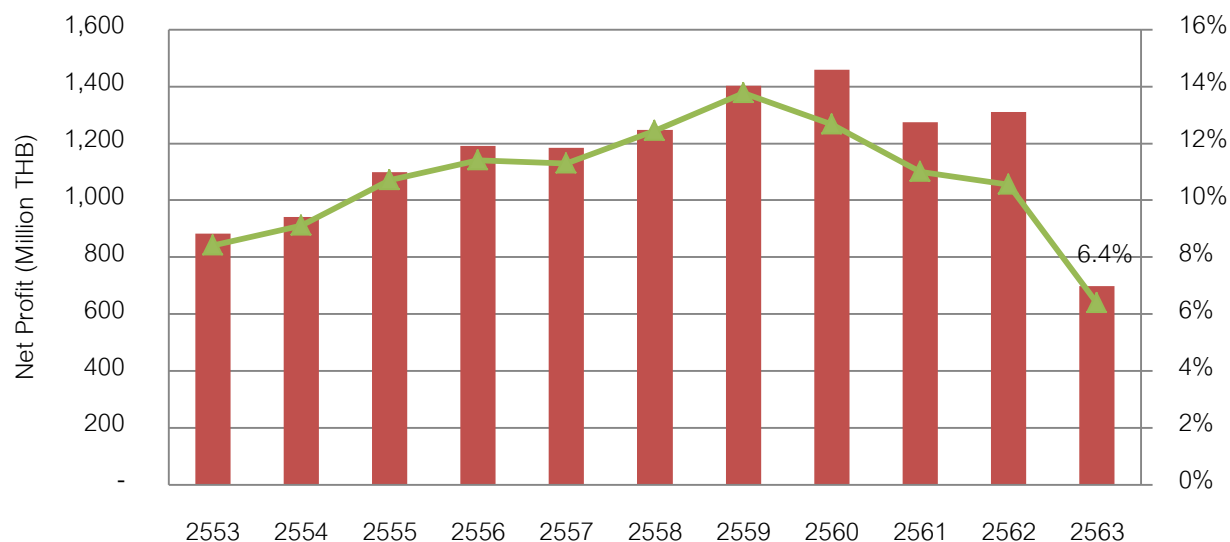
15.4 Asset Management Ability

As below table, the appraisal value of the leasehold rights of Samui Airport in 2020, dropped by 11.99 percent due to effect of Covid-19 pandemic to appraised value via income approach conducted by the independent appraiser. Key change of the valuation is an assumption that estimates a required time of 2 – 3 years for the Samui Airport to recover and have a performance similar to that in 2019 (pre-Covid year).

Appraisal value of the Samui Airport Property Fund (Leasehold) as of 31 December					
Date of appraisal	2016	2017	2018	2019	2020
Appraisal Value (Million Baht)	10,184	11,521	11,581	12,423	10,934
Change (%)	1.56%	13.13%	0.52%	7.27%	-11.99%

The graph as shown below exhibits the rate of return on asset (ROA) which provides that Samui Airport is able to generate gradual and continuous increase of income according to the past years, except in the latest year, it decreased to 6.4 percent in 2020 from 10.5 percent in 2019.

In 2020, return on assets (ROA) dropped to 6.4 percent due to the impact of Covid-19 pandemic toward revenue of the fund.



15.5 Solvency

The Fund has no obligations with interest bearing debt from loans in this accounting period. The liabilities shown in the financial statement for ending year as of 31 December 2020 were mainly a security received from sub-lessee and occupant under the Samui Airport Agreement amounting 47.5 million Baht, and other liabilities of 14.3 million Baht, consisting of withholding tax on dividends and account payable of specific business tax which is not yet due.

15.6 Liquidity and Capital Adequacy

Sources and uses of the funds:

For an accounting year of 2020, net assets of the Fund resulting from operations decrease 790.69 million Baht. In this period, amount of net unrealized losses on investments from operating activities is 1,488.84 million Baht, and net investment income is 698.14 million Baht.

In such accounting period, the Fund distributes to unitholders in total amount of 836.00 million Baht. Hence, the net cash at bank increased 76.71 million Baht in this period and remained 79.87 million Baht as at 31 December 2020. The Fund Manager believed that such amount of the cash is in the proper level and sufficient to the future operation since the Fund regularly receives cash flow from the income from investments in leasehold rights to properties. Because the expense of the Fund is relatively low, it is unnecessary to reserve cash at high amount for the future expenses.

Capital Expenditure:

Throughout the period of long-term contract, the sub-lessee and the occupant under the Samui Airport Agreement or Bangkok Airways Plc. agrees to operate and maintain the overall conditions of the leased assets and Samui Airport to be in good and proper condition for being a Samui Airport, as well as to attract the passengers and other airlines to use the service. Such expense is under responsibility of Bangkok Airways, therefore, the Fund has no expenses occurred thereof.

15.7 Fund Return

The Fund distributes dividend to the unitholders on quarterly basis in each operating period as follows:

Operation year	2016	2017	2018	2019	2020
1 January - 31 March	0.4000	0.4100	0.4100	0.3850	0.3000
1 April - 30 June	0.3350	0.3450	0.3500	0.3500	0.1400
1 July - 30 September	0.3950	0.4000	0.3100	0.3350	0.1400
1 October - 31 December	0.3400	0.3450	0.3100	0.3000	0.1400
Total annual dividends (Baht)	1.4700	1.5000	1.3800	1.3700	0.7200

15.8 Forward Looking Statement

Thailand's economy for the year 2021 tended to be recovered from the low base in 2020 with a growth rate of 2.5 – 3.5%. The expansion of Thailand's economy was restricted even if the vaccines have been developed from several manufacturers, e.g., Pfizer, Moderna, Sinovac, and Astra Zeneca but the comprehensive vaccine development requires time. The vaccination in Thailand was expected to be commenced at the mid of 2021. Meanwhile, the new wave of outbreak from the end of 2020 led to the issuance of intensely strict measures applicable to certain areas which resulted in recovery constraints in the consumption and investment of the private sector including the recovery of the tourism sector because of the low number of foreign tourists visiting Thailand. In 2021, the positive factors, e.g., stimulating measures continually issued by the public sector and the new wave of pandemic having been dealt with by the new intense measures focusing on the highly risky areas but the lockdown measure was not applied, yield the economic recovery.

Tourism Authority of Thailand predicted that tourism in the year 2021 will have to deal with 6.5 million foreign tourists, 3.0% reduced from 2020 because it was predicted that the number of foreign tourists will be significantly recovered by the end of 2021 which is consistent with the progress of global vaccination. The first lot of vaccines was

imported to Thailand from February 2021 and it was planned that a lot of vaccination will be conducted during Q3-Q4 of 2021. However, the 14-day quarantine provision applies and this means the restriction of the decision to enter into Thailand of the foreigners.

In 2021, the tourism of Koh Samui has tended to be collectively rehabilitated as the situation of Thailand's tourism resulted from the progress of vaccination in Thailand and foreign countries and related criteria applicable to foreign travelers because a lot of luxury and high-end hotels in Koh Samui have relied on the highly affordable tourists. Additionally, Koh Samui has been well-known and ranked by global tourism organizations and Bangkok Airways PCL, the main airway of Koh Samui Airport, has been accepted, and the number of clients and flights tends to be well rehabilitated. Additionally, Bangkok Airways PCL is in the progress of the request for the adjustment of the maximum flight number of Koh Samui Airport to above 70 flights per day from 50 flights per day to support the growth of Koh Samui's tourism market, and, therefore, the Koh Samui Airport is not restricted in the part of long-term growth.

In conclusion, the fund manager deems that the 2021 fund's performance is expected to be recovered from the relief of the COVID-19 outbreak according to the progress of vaccine manufacturing and vaccination in Thailand and overseas. In this regard, the rehabilitation will significantly arise at the end of 2021 which is the period expected that Thailand will plan to vaccinate a lot of peoples and is the high season for tourism.

16 Review of Trustee



Opinion of Mutual Fund Supervisor

February 24, 2021

TO: The unit-holders of the Samui Airport Property Fund (Lease hold)

We, Bangkok Bank Public Company Limited, were the Mutual Fund Supervisor of the Samui Airport Property Fund (Lease hold) which was under the management of Kiatnakin Phatra Asset Management during January 1, 2020 to December 31, 2020

In our opinion, Kiatnakin Phatra Asset Management had reasonably performed their functions as specified in their project and in conformity with the general guidelines of the Securities and Exchange Act B.E.2535

(Nardrudee Leethochawalit)

Bangkok Bank Public Company Limited

On Behalf of Fund Supervisor

Attachment : Audit report and financial statements

Samui Airport Property Fund (Leasehold)
Report and financial statements
31 December 2020



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Independent Auditor's Report

To the Unitholders of Samui Airport Property Fund (Leasehold)

Opinion

I have audited the accompanying financial statements of Samui Airport Property Fund (Leasehold) (the Fund), which comprise the statement of finance position, including the details of investments as at 31 December 2020, 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 Samui Airport Property Fund (Leasehold) as at 31 December 2020, 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 Fund in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Emphasis of Matter

Without expressing a qualified opinion on the aforementioned financial statements, I draw attention to the following notes to the financial statements.

1. I draw attention to Note 7 to the financial statements related to investments in leasehold right to properties. As the Royal Decrees issued under the Revenue Code relating to the revocation of the value added tax and specific business tax exemptions for property funds became effective on 24 May 2017, the Fund was required to remit taxes on income received under the Sub-Lease Agreement and Utilities System Service Agreement. The Fund's management believed that the Fund was obligated to collect and remit output tax on service income under the Utilities System Service Agreement to the Revenue Department. Subsequently, on 4 October 2018, the related government agency ruled that the Fund was not liable for value added tax because the income from rental and service fees under the Sub-Lease Agreement and Utilities System Service Agreement was subject to specific business tax. The ruling resulted in lower projected income of the Fund, and a decrease of Baht 322 million in the fair value of the Fund's investments in leasehold rights to properties as at 31 December 2018. Moreover, the Fund is obligated to remit specific business tax of Baht 56 million, and write off related receivables amounting to Baht 111 million. The Fund recorded these impacts in the accounts for the year 2018. The Fund already paid such specific business tax in 2019.

The Fund had already submitted a request for a waiver of tax penalties and surcharges to the related government agencies. On 17 April 2020, the Fund received a waiver of value added tax penalties, but the request for a waiver from specific business tax penalties is still being considered by the relevant government agencies. The Fund's management, taking into account the opinion of its legal counsel, believes that the Fund is likely to be granted a waiver from specific business tax penalties and surcharges as a result of submission of the wrong type of tax return, as the Fund did not have any intention to avoid tax and is willing to pay the taxes related to this transaction.

However, there is an uncertainty related to the outcome of the request for a waiver from specific business tax penalties and surcharges made to the related government agencies and the outcome depends on the future decisions of the related government agencies.



2. I draw attention to Note 1.2 to the financial statements. The COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries, especially the tourism industry and related industries.

This situation significantly affects the Fund's business activities in terms of income from investments in leasehold rights to properties and the fair value of investments in leasehold rights to properties. This is significantly impacting the Fund's financial position, operating results, and cash flows at present, and is expected to do so in the future.

The Fund's management has continuously monitored the ongoing developments and assessed the financial impact in respect of the fair value of investments in leasehold rights to properties in which the Fund recorded the impact in the financial statement for the year ended 31 December 2020.

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 matters and how audit procedures respond for each matter are described below.



Revenue recognition

The Fund recognises income from investments in leasehold rights to properties in accordance with accounting policy and details, as disclosed its policies in Note 5.1 and 18 to the financial statements. The amount of such income recognised by the Fund is significant and the calculation of revenue is based on number of passengers and flights, as specified in the Sub-Lease Agreement and Utilities System Service Agreement, which have been impacted by economic condition, and other external factors. I therefore determined revenue recognition as a key audit matter by focusing on the amount and timing of revenue recognition.

I have examined the revenue recognition from investments in leasehold rights to properties by

- Assessing and testing the Fund's internal controls related to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Requested confirmation for the number of passengers and flights and tested calculation to assess whether revenue recognition was consistent with the conditions specified in the Sub-Lease Agreement and Utilities System Service Agreement, and whether it was in compliance with the Fund's policy.
- Reviewing credit notes that the Fund issued after the period-end.
- Performing analytical procedures on disaggregated data of revenue transactions throughout the period.

Valuation of investments in leasehold rights to properties

As discussed in Note 7 to the financial statements, the Fund had significant balance of investments in leasehold rights to properties presented at their fair value in the statement of financial position as at 31 December 2020. These investments are not traded on an active market and a comparable quoted price for the same or similar investments on an inactive market cannot be found. The Management Company therefore determined the fair value of these investments based on the value appraised by an independent appraiser using the income approach. As the Management Company is required to exercise significant judgement with respect to the estimation of future operating results and the determination of a discount rate and key assumptions.



I gained an understanding of the calculation of the fair value of investments in leasehold rights to properties by making enquiry of responsible executives. I considered the extent and objectives of the assessment of fair value made by the independent appraiser and assessed the techniques and models used by the independent appraiser to measure the fair value, as specified in the appraisal report prepared by the appraiser. I also considered the consistency of the application of such techniques and models. I reviewed the data and key assumptions used in the measurement of fair value, by comparing past estimates of operating results with the Fund's actual operating results, and tested the calculation of the fair value made based on the above models and assumptions. Moreover, I reviewed the disclosure of information related to the measurement of the fair value of investments in properties in the Notes to financial statements.

Other Information

The Fund's Management is responsible for the other information. The other information comprise the information included in annual report of the Fund, but does not include the financial statements and my auditor's report thereon. The annual report of the Fund 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 Fund, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of the Fund's Management for the Financial Statements

The Fund's Management is responsible for the preparation and fair presentation of the financial statements in accordance with applicable Accounting Guidance, and for such internal control as the Fund's Management 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 Fund's Management is responsible for assessing the Fund'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 Fund's Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund's Management.



- Conclude on the appropriateness of the Fund's Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund'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 Fund 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 the Fund's Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

From the matters communicated with those charged with governance, 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.

A handwritten signature in black ink, appearing to read 'Orawan T.', with a stylized flourish at the end.

Orawan Techawatanasirikul
Certified Public Accountant (Thailand) No. 4807

EY Office Limited
Bangkok: 24 February 2021

Samui Airport Property Fund (Leasehold)**Statement of financial position****As at 31 December 2020**

	Note	2020	(Unit: Baht) 2019
Assets			
Investments in leasehold rights to properties at fair value (at cost: Baht 9,301.36 million)	7	10,934,000,000	12,423,000,000
Investments at fair value through profit or loss (at cost: 2020: Baht 114 million, 2019: Baht 280 million)	8	114,110,438	280,405,322
Cash and cash equivalents	9, 18	79,871,722	3,158,824
Account receivable from return on leasehold rights to properties	10, 18	47,500,000	114,742,620
Interest receivable		53,674	92,869
Other assets	7	30,380,264	30,380,305
Total assets		<u>11,205,916,098</u>	<u>12,851,779,940</u>
Liabilities			
Accrued expenses	18	4,332,709	4,580,433
Deposits received from customer	7, 11, 18	47,500,000	47,500,000
Other liabilities		14,304,582	33,227,136
Total liabilities		<u>66,137,291</u>	<u>85,307,569</u>
Net assets		<u>11,139,778,807</u>	<u>12,766,472,371</u>
Net assets			
Fund registered 1,050,000,000 units of Baht 9.6927 each		<u>10,177,335,000</u>	<u>10,177,335,000</u>
Paid-in capital from unitholders 950,000,000 units of Baht 9.6927 each		9,208,065,000	9,208,065,000
Retained earnings	12	<u>1,931,713,807</u>	<u>3,558,407,371</u>
Net assets		<u>11,139,778,807</u>	<u>12,766,472,371</u>
Net asset value per unit		11.7260	13.4383
Number of units issued - end of year (units)		950,000,000	950,000,000

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



(Mr. Natkawin Jiamchoatpatanakul)

Fund Manager

Samui Airport Property Fund (Leasehold)
Details of investments
As at 31 December 2020

Details of investments classified by asset classes

Type of investments	2020		2019		Percentage of investment of investment (Percent)
	Cost (Baht)	Fair value (Baht)	Cost (Baht)	Fair value (Baht)	
Investments in leasehold rights to properties					
Leasehold rights on land, runway, parking apron and construction on leased land of Samui Airport. Such land is located in Tambon BorPhud, Amphoe Koh Samui, Surat Thani Province with approximate area of 449-3-83.8 rai, and comprises of land under 29 title deeds and 19 Nor.Sor. 3 Gor. papers and related acquisition costs	9,301,358,900	10,934,000,000	9,301,358,900	12,423,000,000	97.79
Total investments in leasehold rights to properties	9,301,358,900	10,934,000,000	9,301,358,900	12,423,000,000	97.79

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



(Mr. Natkwin Jiamchoatpatanakul)

Fund Manager

Samui Airport Property Fund (Leasehold)
Details of investments (continued)
As at 31 December 2020

Details of investments classified by asset classes

Type of investments	Maturity date	Interest rate (Percent)	2020			2019			Percentage of investment (Percent)
			Par value (Baht)	Cost (Baht)	Fair value (Baht)	Percentage of investment (Percent)	Par value (Baht)	Cost (Baht)	
Investments in securities									
Fixed deposit									
Kasikorn Bank Public Company Limited* (Note 7)	12 Sep 2021	0.20	33,860,149	33,860,149	33,860,149	0.31	-	-	-
Kasikorn Bank Public Company Limited* (Note 7)	12 Sep 2020	0.90	-	-	-	-	33,860,149	33,860,149	0.27
Bond									
Bank of Thailand Bonds (CB21304A)	4 Mar 2021	0.30	40,000,000	39,975,725	39,979,457	0.36	-	-	-
Bank of Thailand Bonds (LB22DA)	17 Dec 2022	0.33	39,000,000	40,070,208	40,270,832	0.36	-	-	-
Bank of Thailand Bonds (CB20102B)	2 Jan 2020	1.10	-	-	-	-	33,000,000	32,999,005	0.26
Bank of Thailand Bonds (CB20130A)	30 Jan 2020	1.24	-	-	-	-	55,000,000	54,945,867	0.43
Bank of Thailand Bonds (CB20130B)	30 Jan 2020	1.11	-	-	-	-	2,000,000	1,998,246	0.02
Bank of Thailand Bonds (CB20227A)	27 Feb 2020	1.27	-	-	-	-	70,000,000	69,866,345	0.55
Bank of Thailand Bonds (CB20312A)	12 Mar 2020	1.16	-	-	-	-	47,000,000	46,839,188	0.37
Bank of Thailand Bonds (CB20430A)	30 Apr 2020	1.17	-	-	-	-	40,000,000	39,853,907	0.31
Total investments in securities				113,906,082	114,110,438	1.03		280,362,707	280,405,322
Total investments				9,415,264,982	11,048,110,438	100.00		9,581,721,607	12,703,405,322

* Pledged right to receive bank deposits as collateral for issuance of bank guarantees

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

(Mr. Naitkwin Jiamchoatpatanaku)
Fund Manager

Samui Airport Property Fund (Leasehold)**Statement of comprehensive income**

For the year ended 31 December 2020

		(Unit: Baht)	
	Note	2020	2019
Investment income			
Income from investments in leasehold rights to properties	18	759,098,100	1,393,932,000
Other income		2,717,855	5,270,260
Total income		<u>761,815,955</u>	<u>1,399,202,260</u>
Expenses			
Management fee	14, 18	33,736,234	36,545,360
Trustee's fee	15, 18	4,248,736	4,602,517
Registrar fee	16, 18	6,341,397	6,869,429
Professional fees		1,556,568	2,855,345
Other expenses	7, 17	17,788,824	38,766,617
Total expenses		<u>63,671,759</u>	<u>89,639,268</u>
Net profit on investment		<u>698,144,196</u>	<u>1,309,562,992</u>
Net gains (losses) on investments			
Net gains (losses) on investments		499	(718)
Net unrealised gains (losses) from change in fair value of investments	7	<u>(1,488,838,259)</u>	<u>842,035,228</u>
Total gains (losses) on investments		<u>(1,488,837,760)</u>	<u>842,034,510</u>
Increase (decrease) in net assets resulting from operations		<u>(790,693,564)</u>	<u>2,151,597,502</u>

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



(Mr. Natkawin Jiamchoatpatanakul)

Fund Manager

Samui Airport Property Fund (Leasehold)

Statement of changes in net assets

For the year ended 31 December 2020

		(Unit: Baht)	
	Note	2020	2019
Increase (decrease) in net assets resulting from operations during the year			
Net profit on investment		698,144,196	1,309,562,992
Net gains (losses) on investments		(1,488,837,760)	842,034,510
Increase (decrease) in net assets resulting from operations		<u>(790,693,564)</u>	<u>2,151,597,502</u>
Distributions to unitholders during the year	13	<u>(836,000,000)</u>	<u>(1,311,000,000)</u>
Increase (decrease) in net assets during the year		<u>(1,626,693,564)</u>	<u>840,597,502</u>
Net assets - beginning of year		<u>12,766,472,371</u>	<u>11,925,874,869</u>
Net assets - end of year		<u><u>11,139,778,807</u></u>	<u><u>12,766,472,371</u></u>

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



(Mr. Natkawin Jiamchoatpatanakul)

Fund Manager

Samui Airport Property Fund (Leasehold)**Statement of cash flows**

For the year ended 31 December 2020

	(Unit: Baht)	
	2020	2019
Cash flows from operating activities		
Increase (decrease) in net assets resulting from operations	(790,693,564)	2,151,597,502
Adjustments to reconcile the increase (decrease) in net assets resulting from operations to net cash provided by (paid from) operating activities		
Purchases of investments in securities	(1,013,269,035)	(2,258,035,387)
Sales of investments in securities	1,180,968,591	2,323,646,819
Net sales of investments in securities	167,699,556	65,611,432
Decrease in account receivable from return on leasehold rights to properties	67,242,620	1,660,120
Decrease (Increase) in interest receivable	39,195	(85,602)
Decrease (increase) in other assets	41	(30,327,244)
Decrease in accrued expenses	(247,724)	(61,581)
Decrease in other liabilities	(18,922,554)	(37,993,289)
Amortisation of discounts on investments	(1,242,432)	(4,829,697)
Net (gains) losses on investments	(499)	718
Net unrealised (gains) losses from change in fair value of investments	1,488,838,259	(842,035,228)
Net cash from operating activities	912,712,898	1,303,537,131
Cash flows from financing activities		
Distributions to unitholders	(836,000,000)	(1,311,000,000)
Net cash used in financing activities	(836,000,000)	(1,311,000,000)
Net increase (decrease) in cash and cash equivalents	76,712,898	(7,462,869)
Cash and cash equivalents at beginning of year	3,158,824	10,621,693
Cash and cash equivalents at end of year (Note 9)	79,871,722	3,158,824

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



(Mr. Natkawin Jiamchoatpatanakul)

Fund Manager

Samui Airport Property Fund (Leasehold)**Notes to financial statements****For the year ended 31 December 2020****1. General information****1.1 Description of Samui Airport Property Fund (Leasehold)**

Samui Airport Property Fund (Leasehold) ("the Fund") is a closed-end property fund and a specified property fund with the properties to be bought and/or sold detailed in the Fund's prospectus. The Fund was established and registered as a fund with capital of Baht 10,500 million on 22 November 2006 with no project life stipulated. The Fund had received Baht 9,500 million from sales of investment units as of the registration date of the Fund. The project mobilises funds from the public and general investors, with the main objective of utilising the proceeds from such mobilisation to purchase, lease and/or sublease immovable properties, and for seeking benefits from the immovable properties it invested in or possesses by way of letting, subletting transfer and/or disposal. The Fund also engages in the improvement, modification, construction and development of the capacity of those immovable properties by obtaining or accepting transfers of construction permits and/or applying for other permits and/or by any other pertinent or necessary acts for the benefit of the immovable properties within the scope that the Fund may act under the regulations of the Office of the Securities and Exchange Commission and other relevant notifications, and with a view to generate income and returns for the Fund and the unitholders. This may include investment in other properties and/or other securities and/or deriving of benefit by other means as prescribed by the Securities Law and/or other relevant laws.

On 24 November 2006 the Stock Exchange of Thailand approved the listing of the Fund's units and permitted their trading in the Stock Exchange of Thailand on 24 November 2006.

The Fund is managed by Kiatnakin Phara Asset Management Company Limited (formerly know as "Phatra Asset Management Company Limited") ("the Management Company") and its trustee is Bangkok Bank Public Company Limited.

As at 31 December 2020 ad 2019, the Fund's major unitholder is Bangkok Airways Public Company Limited which holds 30.03% of the Fund units issued.

1.2 Coronavirus disease 2019 Pandemic

The COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries, especially the tourism industry and related industries.

This situation significantly affects the Fund's business activities in terms of income from investments in leasehold rights to properties and the fair value of investments in leasehold rights to properties. This is significantly impacting the Fund's financial position, operating results, and cash flows at present, and is expected to do so in the future. The Fund's management has continuously monitored the ongoing developments and assessed the financial impact in respect of the fair value of investments in leasehold rights to properties in which the Fund recorded the impact of change in fair value of investment in the financial statement for the year ended 31 December 2020.

2. Dividend policy

The Fund has a policy to pay dividends to unitholders not more than 4 times a year.

- 1) If the Fund has a net profit in any accounting period, the Management Company is to pay to unitholders as dividends not less than 90% of that net profit, excluding unrealised gains from the appraisals or reviews of the value of properties or leasehold rights to properties.
- 2) In case that the Fund has retained earnings in any accounting year, the Management Company may pay dividends to unitholders from such retained earnings. In this regard, the aforementioned net profit and retained earnings is exclusive of the item of expense reserved or the investment in the amount as deemed appropriate for the property of the Fund during that accounting period.

The payment of dividend under 1) must not result in an increase in the Fund's accumulated deficit in the accounting period when the dividend payment is made.

The Management Company is to make the dividend payments under 1) and 2) within 90 days from the end of the accounting period to which the dividend payment relates, and no more than 30 days from the day following the date of closing the unitholders' register, unless necessary circumstances mean the Fund is unable to make the dividend payment within such timeframe. In such cases, the Management Company are to notify the unitholders in writing.

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

3. Basis of preparation

The financial statements have been 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 statutory financial statements of the Fund. The financial statements in English language have been translated from the Thai language financial statements.

3. The Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts effective in the current year

Prior to the current year, the Fund prepared its financial statements in accordance with Thai financial reporting standards enunciated under the Accounting Professions Act B.E. 2547 (TFRSs) and in accordance with the basis and format specified in Accounting Standard No.106 "Accounting for Investment Business". However, as TFRSs related to financial instruments are effective for accounting periods beginning on or after 1 January 2020, TAS 106 "Accounting for Investment Business" is cancelled. The Association of Investment Management Companies has, therefore, issued the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts ("the Accounting Guidance"), which has been approved by the Securities and Exchange Commission of Thailand ("SEC"), to be adopted by property funds, real estate investment trusts, infrastructure funds and infrastructure trusts established under the SEC's regulations.

The Accounting Guidance stipulates that an entity adopting the guidance not refer to other financial reporting standards promulgated by the Federation of Accounting Professions of Thailand ("TFAC") in respect of matters covered by the Accounting Guidance, while for those matters not covered by the Accounting Guidance, the entity is to follow the financial reporting standards issued by TFAC that are effective in that financial reporting period.

The Accounting Guidance stipulates rules regarding the classification and measurement of various transactions and balances, including investment properties, leases, consolidated financial statements, revenue and expenses, as well as financial instruments. It requires all financial assets to be measured at fair value through profit or loss and that the costs attributable to issuing equity be deducted from owners' equity. In addition, the Accounting Guidance specifies the components of the financial statements and their presentation format, as well as the notes to the financial statements. The Accounting Guidance contains certain different requirements from those of the previous financial reporting standards that the entity had adopted. Upon initial application, the entity can either adopt the change retrospectively, or adjust the cumulative effect of the change against retained earnings on the initial application date, with no requirement to restate the comparative information. In addition, any costs of issuing equity previously recorded as deferred expense and being amortised over a period of not longer than 5 years, in accordance with TAS 106, can continue to be amortised over the remaining period.

The adoption of the new Accounting Guidance in this period has no significant impact on the Fund's financial statements, except as follows:

- The Fund is not required to present certain financial information, such as financial ratios, in the format previously prescribed by TAS 106.
- Financial liabilities are classified and measured at amortised cost. Interest expense is calculated based on the effective interest rate.

The Fund recognised the effect of initially applying these standards as an adjustment as at 1 January 2020. Therefore, the comparative information was not restated. Changes in accounting policies due to the adoption of the Accounting Guidance has no impact on the Fund's retained earnings as at 1 January 2020.

The impacts on the statements of financial position as at 1 January 2020 from changes in accounting policies due to the adoption of the Accounting Guidance are presented as follows:

(Unit: Million Baht)

	31 December 2019	The impacts of Accounting Guidance	1 January 2020
Statement of financial position			
Deposits received from customer	48	(20)	28
Deferred income	-	20	20

5. Significant accounting policies

5.1 Revenue and expense recognition

Income from investments in leasehold rights to properties are recognised as revenue on an accrual basis, at the amount stipulated under the lease agreement.

Interest income is recognised on an accrual basis based on the effective rate method.

Premiums or discounts on debt instruments are amortised evenly throughout the remaining term of the debt instruments, using the effective rate method, and included as part of interest income.

Expenses are recorded on an accrual basis.

5.2 Measurement of investment value

Investments are recognised as assets at cost on the date the rights in the investments are received by the Fund. They are subsequently measured at fair value with unrealised gains or losses on measurement to fair value recognised in profit or loss in each period. The cost of investments comprises the purchase price and all direct expenses incurred by the Fund in their acquisition.

Investments in leasehold rights to properties

Investments in leasehold rights to properties are stated at fair value with no depreciation charge. The Management Company measured their fair value as at the first balance sheet date at the acquisition cost of the investments. At subsequent balance sheet dates they are presented at fair value, using the appraisal value assessed by an independent appraiser approved by Thai Valuer Association and The Valuers Association of Thailand (Pursuant to the Notification of the Office of the Securities and Exchange Commission concerning the granting of approval of valuation companies and principle valuers for public use). Valuation will be made when economic conditions change, but at least every two years, commencing from the date of the appraisal made for the purposes of purchasing or leasing the properties. In addition, the valuation will be reviewed within one year after the latest valuation date.

Gains or losses on valuation of investments in leasehold rights to properties (if any) are presented as net unrealised gains or losses from change in fair value of investments in the statement of comprehensive income.

Investments in securities

Investments in marketable debt securities which can be freely traded on an open market are presented at their fair value, based on the latest yield rate quoted by the Thai Bond Market Association as of the date on which the investments are valued. The fair value of investments which cannot be freely traded on an open market is based on the yield rate as quoted by a market maker which the fund manager considers to be the nearest equivalent to fair value. Gains or losses from the valuation of investments are recorded as net unrealised gains or losses from change in fair value of investments in the statement of comprehensive income. To determine the cost of investments which are disposed of, the average method is used.

Investments in cash at banks, bills of exchange and non-transferable promissory notes are presented using the sum of principal and accrued interest as of the date on which the investment is valued to determine fair value. Accrued interest is separately presented in the statement of financial position as "interest receivable".

5.3 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.

5.4 Account receivable from return on leasehold right to properties

Account receivable from return on leasehold right to properties are stated at the net realisable value, which the Management Company considers to be the nearest equivalent to fair value.

5.5 Related party transactions

Related parties of the Fund comprise enterprises and individuals who directly or indirectly own a voting interest of at least 10% in the Fund or individual management personnel who are responsible for the management of the Fund, determining its policies or making decisions as to how to achieve the Fund's objectives, together with their spouses and dependents.

In addition, related parties include enterprises and individuals that control or are controlled by the Fund or significantly influence or are significantly influenced by the Fund.

5.6 Distribution to unitholders

Decreases in retained earnings are recognised as at the date a cash dividend is declared.

5.7 Income tax

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

5.8 Provisions

Provisions are recognised when the Fund 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.

5.9 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 Fund apply 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 relevant the Accounting Guidance for Property Funds, Real Estate Investment Trust, 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 Fund measure 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 categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable 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 such as estimates of future cash flows

At the end of each reporting period, the Fund determine 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.

5.10 Financial instruments

Classification and measurement of financial assets

Financial assets are measured at fair value through profit or loss.

Classification and measurement of financial liabilities

Financial liabilities are classified and measured at amortised cost using the EIR method.

6. 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's 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. Significant judgments and estimates are as follows:

Fair value of assets

The Fund measures its investments in leasehold rights to properties at the end of reporting period at fair value based on the value as assessed by an independent appraiser. Fair value is the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. The Fund considers such fair value is appropriate. However, the actual returns to be received by the Fund on such investments in leasehold rights to properties from the Sub-Leased Agreement could differ depending upon the conditions in the Sub-Leased Agreement and those in the futures.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

7. Investments in leasehold rights to properties

	(Unit: Thousand Baht)	
	2020	2019
Investments in leasehold rights to properties		
- beginning of year	12,423,000	11,581,000
Unrealised gains (losses) on investments	<u>(1,489,000)</u>	<u>842,000</u>
Investments in leasehold rights to properties		
- end of year	<u>10,934,000</u>	<u>12,423,000</u>

- 1) The Fund invested in long-term leasehold rights in assets, which include the land, runway, parking apron and construction on leased land which are currently being used for Samui Airport, by entering into a long-term lease agreement with Bangkok Airways Public Company Limited. This long-term lease agreement has a term of 30 years terminated on 23 November 2036 and the Fund paid the lease costs for the entire lease period, totaling Baht 9,300 million (the price stated in the agreement, which is lower than the value appraised by independent appraisers), on the registration date of the lease. In addition, Bangkok Airways Public Company Limited arranged for registration of the mortgage of leased assets totaling Baht 20,900 million to guarantee its performance under the aforesaid long-term lease agreement, in accordance with conditions specified in the long-term lease agreement.

The Fund intends to seek benefits from such investments by entering into a Sub-Lease Agreement with Bangkok Airways Public Company Limited to sublease the aforesaid leased assets for a term of 3 years, with an option to require Bangkok Airways Public Company Limited to renew for a further 9 periods of 3 years each. Simultaneously, the Fund entered into Utilities System Service Agreement with Bangkok Airways Public Company Limited, which has a term of 30 years. In addition, Bangkok Airways Public Company Limited has to either, or both arrange for a bank guarantee issued by a commercial bank in Thailand and/or deposit cash as security in the bank account of the Fund and/or pledge of listed securities and/or other securities of which the aggregate value is equal to 12 months of sub-lease fee as specified in Sub-Lease Agreement plus the fixed service fee specified in Utilities System Service Agreement or totaling Baht 570 million. If listed securities and/or other securities are pledged, collateral value is not to be less than 120% of the pledge facility throughout the pledge period.

In accordance with the Sub-Lease Agreement and Utilities System Service Agreement, Bangkok Airways Public Company Limited pledged 36 million common shares of Bangkok Dusit Medical Services Public Company Limited with fair value of Baht 753 million as at 31 December 2020 (132.10% of the pledge facility), as collateral (2019: 36 million common shares of Bangkok Dusit Medical Services Public Company Limited with fair value of Baht 936 million, 164.21% of the pledge facility).

In addition, Bangkok Airways Public Company Limited paid the rental deposit amounting to Baht 26.1 million to the Fund in accordance with Sub-Lease Agreement and paid the service deposit amounting to Baht 21.4 million to the Fund in accordance with Utilities System Service Agreement, totaling Baht 47.5 million.

During the year 2019, the Fund hired an independent appraiser to appraise the fair value of the leasehold rights to properties, using the income approach. The independent appraiser assessed the fair value as at 31 December 2019 to be Baht 12,423 million, under the report dated 25 April 2019. The Fund has adjusted the investments in leasehold rights to properties to their fair value of Baht 12,423 million, and recognised net unrealised gain on investments amounting to Baht 842 million in the statement of comprehensive income for the year ended 31 December 2019.

During the year 2020, the Fund hired an independent appraiser to appraise the fair value of the leasehold rights to properties, using the income approach. However, due to the COVID-19 pandemic situation, the independent appraiser reappraised the fair value as at 31 December 2020 to be Baht 10,934 million, under the letter to clarify revised appraisal value, dated 25 January 2021. The Fund adjusted the investments in leasehold rights to properties to their fair value of Baht 10,934 million, and recognised net unrealised loss on investments amounting to Baht 1,489 million in the statement of comprehensive income for the year ended 31 December 2020.

The independent appraiser appraised the fair value of leasehold rights to properties with the assessment taking into account the benefits derived from the properties in accordance with the terms of the Sub-Lease Agreement and Utilities System Service Agreement in determining the assumptions applied, such as the stipulation fixed rental rate and income sharing ratio.

Key assumptions used in the valuation are summarised below:

31 December 2020		
Key assumptions	Assumptions	Result to fair value where as an increase in assumption value
Increase rate of number of departure passengers per annum (%)	2.21	Increase in fair value
Increase rate of number of flights per annum (%)	3.05	Increase in fair value
Discount rate (%)	10.50	Decrease in fair value
31 December 2019		
Key assumptions	Assumptions	Result to fair value where as an increase in assumption value
Increase rate of number of departure passengers per annum (%)	3.10	Increase in fair value
Increase rate of number of flights per annum (%)	4.11	Increase in fair value
Discount rate (%)	11.00	Decrease in fair value

- 2) Under Royal Decrees No. 608, No. 609 and No. 610, regarding the termination of the value added tax, specific business tax and stamp duty exemptions granted for property funds set up under the Securities and Exchange Act, effective from 24 May 2017 property funds are required to pay value added tax, specific business tax and stamp duty.

The Fund has income from investments in leasehold rights to properties, as stipulated in the Sub-Lease Agreement and the Utilities System Service Agreement between the Fund and Bangkok Airways Public Company Limited ("sublessee"). These consist of sub-lease fees, fixed service fees and additional service fees. The Fund charges output VAT on such service fees to the sublessee since 24 May 2017 and has submitted output VAT, which already received, to the Revenue Department. However, in 2017, the sublessee had not made payment of certain service fees and output VAT. The Fund recorded such receivables as a part of account receivable from return on leasehold rights to properties.

In addition, the Fund's management is of the opinion that the Fund is obligated to collect output tax from the sublessee on service income under the Utilities System Service Agreement and remit the tax to the Revenue Department for compliance purposes. However, at that time it was still unclear which type of tax applies to the Sub-Lease Agreement and the Utilities System Service Agreement between the Fund and the sublessee. The management of the Fund and the sublessee therefore jointly consulted with the related government agency, to obtain clarification regarding the tax obligation.

The Fund's management expected that the uncertainty relating to interpretation and a decision of the tax obligation may be interpreted and considered under three scenarios as follows:

- a. If the tax obligation relating to service fees is consider to be applicable to value added tax, and the Fund can collect from the counterparty, service recipient subject to value added tax, and there will be no impact on the Fund's projected profit and the fair value of investments in leasehold rights to properties.
- b. If the tax obligation relating to service fees is consider to be applicable to value added tax, but cannot be collected from the counterparty, then the Fund's expenses will increase by not more than 7% per annum of service fees, as stipulated in the Utilities System Service Agreement, resulting in a decrease in the fair value of the Fund's investments in leasehold rights to properties.

- c. If the tax obligation is considered to be applicable to specific business tax, the Fund's expenses will increase by not more than 3.3% of the sub-lease fees and service fees per annum as stipulated in the Sub-Lease Agreement and the Utilities System Service Agreement, resulting in a decrease in the fair value of the Fund's investments in leasehold rights to properties.

Subsequently, on 4 October 2018, the related government agency issued a ruling specifying that the transaction undertaken under the lease agreement showed that counterparties genuinely intended not to transfer ownership of the property to the Fund, and therefore, the transaction was not meet the criteria to be rental of property under Section 537 of the Civil and Commercial Code. However, the fact that the sublessee received money from the Fund under the agreement means the transaction is lending, which was the true intention of the counterparties. Consequently, the payment made by the sublessee to the Fund is considered repayment of loan principal and interest payment and the transaction is subject to specific business tax on the interest income and exempted from value added tax.

This ruling impacts the Fund as follows:

1. The projected income of the Fund is reduced, and the fair value of the Fund's investments in leasehold rights to properties decreased by Baht 322 million, with an independent appraiser reappraising the fair value at Baht 11,581 million, according to a report dated 7 November 2018 (the fair value was previously appraised at Baht 11,903 million, according to a report dated 28 March 2018). The Fund has adjusted its investment in leasehold rights to properties to its fair value of Baht 11,581 million as at 31 December 2018, and recognised the difference of Baht 322 million in the income statement for the year ended 31 December 2018.
2. The Fund is obligated to remit specific business tax amounting to Baht 56 million from the effective date of the Royal Decrees to 4 October 2018. The Fund recorded the accrued specific business tax as other liabilities in the balance sheet as at 31 December 2018. The Fund already paid specific business tax on 5 April 2019.
3. In 2018, the Fund recorded the write-off of related receivables of Baht 111 million and the reversal of undue output tax of Baht 16 million, and recorded a payable of Baht 1.5 million for the output tax paid by the sublessee on the fixed service fees for May 2017.
4. The Fund may not receive a refund of the VAT that was remitted from May 2017 to July 2018, amounting to Baht 95 million.

5. The Fund may be at a risk of having to pay tax penalties and surcharges to the related government agency for submission of incorrect types of tax returns. The maximum penalty is two times of the tax amounts specified in items 2 and 4 above, and a surcharge at a rate of 1.5% per month.

On 8 November 2018 the Fund submitted a request for a VAT refund, and for a waiver from tax penalties and surcharges, to the related government agency. On 21 November 2018, the Fund submitted a letter to the related government agencies, seeking an approval for retroactive registration for specific business tax, refund for VAT paid by misapprehending, and extension of due date for the filing of specific business tax returns. The Fund received the approval for the registration of special business tax on 22 November 2018. However, the Fund has not recorded contingent assets with respect to the refund of output tax of Baht 95 million remitted to the Revenue Department, and will not do so until it is certain that the Fund will receive the VAT refund.

Subsequently, on 17 October 2019, the Fund placed bank guarantees, amounting to Baht 33.86 million, with the related government agency as collateral for a request for a reduction of the specific business tax penalty and surcharge.

The Fund's management and external legal counsel considered such event to be a direct impact of Royal Decrees No. 608, No. 609 and No. 610 issued under the Revenue Code regarding tax exemptions. As a result, from 24 May 2017 onwards, the Fund is required to pay value added tax, specific business tax and stamp duty, from which the Fund was previously exempted. The sublessee and the Fund have been submitting matters for tax consultation and discussing relevant guidelines with the related government agency. On 17 April 2020, the Fund received a waiver of value added tax penalties from the government agency, but the request for a waiver from specific business tax penalties is still being considered by the relevant government agencies. The Fund's management, taking into account the opinion of external legal counsel, believes that the Fund should be able to get a waiver of tax penalties and surcharges for specific business tax regarding submission of incorrect types of tax returns, as the Fund did not have any intention to avoid tax, and is willing to pay taxes related to this transaction. The Fund therefore has not recorded a provision for tax penalties and surcharges for specific business tax as the contingent liabilities in the account. The outcome cannot be determined at this time and is dependent on future decisions to be made by the relevant government agencies.

3) On 22 May 2019, the Royal Gazette announced the Revenue Code Amendment Act (No. 52) B.E. 2562, relating to the change to collection of income tax from mutual funds, effective from 20 August 2019. As a result, the Fund is subject to income tax at the rate of 15% on income under Section 40(4)(a) of the Revenue Code from 20 August 2019 onwards. However, a ruling dated 4 October 2018 deemed the Fund's transactions to be lending transactions, and thus interest income from these transactions might be considered income under the above Section. Therefore, to seek clarification on such tax obligation, the Fund submitted a request for consultation regarding this matter to the related government agency.

On 7 November 2019, the related government agency issued a specific ruling that, if the agreements between the Fund and Bangkok Airways Public Company Limited meet the criteria of debt instruments and the agreements were made before 20 August 2019 (the effective date), returns derived from the agreements are entitled to tax exemption under Section 13 of the Revenue Code Amendment Act (No.52) B.E. 2562. However, withholding tax amounting to Baht 30.33 million was deducted from the Fund's income for August and September 2019 and the Fund requested refunds of these amounts on 20 December 2019. This withholding tax is presented under other assets in the statement of financial position as at 31 December 2020 and 2019. The net realisable value of this withholding tax is dependent on the result of tax audit by the relevant government agency.

8. Investments at fair value through profit or loss

Movement of investments at fair value through profit or loss during the years ended 31 December 2020 and 2019 are summarised below.

	(Unit: Thousand Baht)	
	2563	2562
Investments at beginning of the year	280,405	341,153
Increase during the year	1,013,269	2,258,035
Decrease during the year	(1,180,969)	(2,323,647)
Amortisation of discount on investments	1,242	4,830
Realised gains (losses) on investment	1	(1)
Gains on change in fair value	162	35
Investments at end of the year	<u>114,110</u>	<u>280,405</u>

9. Cash and cash equivalents

As at 31 December 2020 and 2019, the Fund has the following cash and cash equivalents.

Bank	Principal (Thousand Baht)		Interest rate per annum (Percent)	
	2020	2019	2020	2019
Bangkok Bank Plc.				
Savings account	79,781	3,158	0.125	0.375 - 0.50
Kasikorn Bank Plc.				
Saving account	91	1	0.05	0.22
Total	<u>79,872</u>	<u>3,159</u>		

10. Account receivable from return on leasehold rights to properties

The outstanding balance of account receivable from return on leasehold rights to properties as at 31 December 2020 and 2019 is aged, based on due date, as follow:

	(Unit: Thousand Baht)	
	2020	2019
Aged on the basis of due dates		
Not yet due	47,500	114,743
Total	<u>47,500</u>	<u>114,743</u>

11. Deposits received from customer

The outstanding balances of deposits received from customer are consisted of the followings:

	(Unit: Thousand Baht)
	2020
Deposits received from customer	28,312
Deferred income	19,188
Total	<u>47,500</u>

12. Retained earnings

	(Unit: Thousand Baht)	
	2563	2562
Retained earnings at the beginning of year	3,558,407	2,717,810
Net investment income	698,144	1,309,563
Net gains (losses) on investments	1	(1)
Unrealised gains (losses) from change in fair value of investments	(1,488,838)	842,035
Distribution to unitholders	(836,000)	(1,311,000)
Retained earnings at the end of year	<u>1,931,714</u>	<u>3,558,407</u>

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13. Distributions to unitholders

During the years, the Fund paid dividends to its unitholders as follows:

Declared date	For the operations period	Per unit	Total
		(Baht)	(Thousand Baht)
21 February 2020	1 October 2019 - 31 December 2019 and retained earnings	0.3000	285,000
21 May 2020	Retained earnings	0.3000	285,000
21 August 2020	1 April 2020 - 30 June 2020 and retained earnings	0.1400	133,000
19 November 2020	1 July 2020 - 30 September 2020 and retained earnings	0.1400	133,000
Total dividends for 2020		0.8800	836,000
6 February 2019	1 October 2018 - 31 December 2018 and retained earnings	0.3100	294,500
14 May 2019	1 January 2019 - 31 March 2019	0.3850	365,750
18 July 2019	1 April 2019 - 30 June 2019 and retained earnings	0.3500	332,500
21 November 2019	1 July 2019 - 30 September 2019	0.3350	318,250
Total dividends for 2019		1.3800	1,311,000

14. Management fee

A management fee is charged at a rate of 0.266% per annum of the Fund's net assets (the rate excludes value added tax, specific business tax and any other taxes). This is calculated and charged to the Fund's account on a monthly basis.

15. Trustee's fee

A trustee's fee is charged at a rate of 0.0335% per annum of the Fund's net assets (the rate excludes value added tax, specific business tax and any other taxes). This is calculated and charged to the Fund's account on a monthly basis. The minimum charge is Baht 250,000 per annum.

16. Registrar fee

A registrar fee is charged at a rate of 0.05% per annum of the Fund's net assets (the rate excludes value added tax, specific business tax and any other taxes). This is calculated and charged to the Fund's account on a monthly basis.

17. Other expenses

Other expenses include expenses incurred specifically for Samui Airport Property Fund (Leasehold) such as bank charges and various expenses which are incurred legally and in accordance with regulations. Such expenses are charged to the Fund as they are actually paid.

18. Related party transactions

The relationship between the Fund and its related parties are summarised below.

Name of related parties	Relationship
Kiatnakin Phatra Asset Management Company Limited (formerly known as "Phatra Asset Management Company Limited")	Management Company
Bangkok Bank Public Company Limited	Trustee
Bangkok Airways Public Company Limited	Sublessee/Major unitholder

During the years, the Fund had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Fund and those related parties.

	(Unit: Thousand Baht)		
	2020	2019	Pricing policy
Kiatnakin Phatra Asset Management Company Limited (formerly known as "Phatra Asset Management Company Limited")			
Management fee	33,736	36,545	As stated in Note 14
Registrar fee	6,341	6,869	As stated in Note 16
Bangkok Bank Public Company Limited			
Trustee's fee	4,249	4,603	As stated in Note 15
Bangkok Airways Public Company Limited			
Income from investments in leasehold rights to properties	759,099	1,393,932	The basis stated in the agreement
Dividends paid	251,055	393,700	As declared

The Fund and Bangkok Airways Public Company Limited entered into a Sub-Lease Agreement and Utilities System Service Agreement, as discussed in Note 7 to the financial statements, whereby sub-lease fee and service fee are payable as detailed:

Sub-lease fee - Baht 26.13 million per month.

Service fees comprise fixed service fee and additional service fee as follows:

- fixed service fee is charged at a rate of Baht 21.38 million per month.
- additional service fee is charged at the rate stipulated in the agreement and computed from the number of passengers and the number of flights in each month, less the sub-lease fee and the fixed service fee.

The balances of the accounts as at 31 December 2020 and 2019 between the Fund and those related companies are as follows:

	(Unit: Thousand Baht)	
	2020	2019
Kiatnakin Phatra Asset Management Company Limited (formerly known as “Phatra Asset Management Company Limited”)		
Accrued management fee	2,696	3,101
Accrued registrar fee	507	583
Bangkok Bank Public Company Limited		
Cash at bank	79,781	3,158
Accrued trustee's fee	340	390
Bangkok Airways Public Company Limited		
Account receivable from return on leasehold rights to properties	47,500	114,743
Deposits received from customer	47,500	47,500

19. Investment trading information

The Fund's investment trading transactions during the year 2020, excluding bank deposits, amounted to Baht 2,194 million (2019: Baht 4,548 million) which is 18.57% (2019: 35.56%) of the average net assets during the year.

20. Commitments

20.1 The Fund is committed to pay various fees to counterparties under the terms and conditions described in Notes 14 to 16 to the financial statements.

20.2 As at 31 December 2020 and 2019, there were outstanding bank guarantees of Baht 33.86 million issued by a bank on behalf of the Fund in respect of a request for a reduction of the specific business tax penalty and surcharge, as described in Note 7 to the financial statements.

21. Segment information

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

2.2 Fair value hierarchy

As at 31 December 2020 and 2019, the Fund had the following financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in leasehold right to properties	-	-	10,934	10,934
Investments in securities				
Fixed deposits	34	-	-	34
Bonds	-	80	-	80

(Unit: Million Baht)

	31 December 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in leasehold right to properties	-	-	12,423	12,423
Investments in securities				
Fixed deposits	34	-	-	34
Bonds	-	246	-	246

During the current year, there were no transfers within the fair value hierarchy.

23. Financial instruments

23.1 Financial risk management objectives and policies

The Fund's financial instruments principally comprise investments in securities, cash and cash equivalents, account receivable from return on leasehold rights to properties, accrued expenses and deposits received from customer. The financial risks associated with these financial instruments and how they are managed is described below

Credit risk

The Fund is exposed to credit risk primarily with respect to account receivable from return on leasehold rights to properties. The Fund manages the risk by requiring the placement of deposit guarantees and collateral as stipulated in the Sub-Lease Agreement and Utilities System Service Agreement. In addition, Bangkok Airways Public Company Limited has arranged for registration of the mortgage of lease assets totaling Baht 20,900 million to the Fund, and therefore the Fund does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of account receivable from return on leasehold rights to properties as stated in the statement of financial position.

Interest rate risk

The Fund's exposure to interest rate risk relates primarily to its investments in debt securities and cash at banks. However, since most of the Fund's financial assets classified as short-term and bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2020 and 2019 classified by type of interest rates are summarised in the table below, with those financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

31 December 2020					
	Fixed interest rates within 1 - 2 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets					
Investments in securities	114	-	-	114	0.20 - 0.33
Cash and cash equivalents	-	80	-	80	0.05 - 0.125
Account receivable from return on leasehold rights to properties	-	-	48	48	-
Total	114	80	48	242	
Financial liabilities					
Accrued expenses	-	-	4	4	-
Deposits received from customer	-	-	48	48	-
Total	-	-	52	52	

(Unit: Million Baht)

31 December 2019					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets					
Investments in securities	280	-	-	280	0.90 - 1.27
Cash and cash equivalents	-	3	-	3	0.22 - 0.50
Account receivable from return on leasehold rights to properties	-	-	115	115	-
Total	280	3	115	398	
Financial liabilities					
Accrued expenses	-	-	5	5	-
Deposits received from customer	-	-	48	48	-
Total	-	-	53	53	

Foreign currency risk

As at 31 December 2020 and 2019, the Fund has no financial assets and liabilities in foreign currency.

23.2 Fair values of financial instruments

Since the majority of the Fund's financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

24. Capital management

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

25. Event after the reporting period

On 17 February 2021, the meeting of the Investment Committee approved the payment of a dividend of Baht 0.14 per unit to the unitholders from retained earnings, a total of Baht 133 million, which is to be paid on 16 March 2021.

26. Approval of financial statements

These financial statements were authorised for issue by the authorised director of the Management Company on 24 February 2021.