

**Minutes of 2019 Annual General Meeting of Unitholders of
Sala @ Sathorn Property Fund (SSPF)
on Tuesday 22 October 2019 at 10.00 a.m.
at Renaissance Bangkok Ratchaprasong Hotel, Studio R2 room, 4th Floor
at No. 518/8, Ploenchit road, Lumpini, Pratumwan, Bangkok 10330**

Attendees:

Management Company

Mr. Jakkrapat Gumpanon

Chairman of the Meeting / Head of the Property
Fund Management Department, Alternative
Investment Division, Investment Group

Expert

Mr. Thiti Kumnerddee

Legal Advisor from Kompass Law Ltd.

Trustee

1 representative from Siam Commercial Bank Public Company Limited

Property Manager

1 representative from Plus Property Company Limited

Auditors

2 representatives from PV Audit Company Limited

The Meeting commenced at approximately 10.10 a.m.

Mr. Thiti Kumnerddee, Legal Advisor, assigned by the Chairman, informed the Meeting that, at this Meeting, there were 33 Unitholders, holding the aggregate number of 869,488 investment units, who attended the Meeting in person, and there were 34 Unitholders, holding the aggregate number of 126,195,277 investment units, who attended the Meeting by proxy. In total, there were 67 Unitholders who attended the Meeting in person and by proxy holding the aggregate number of 127,064,765 investment units, equivalent to 76.0867 percent of the total investment units sold, thus, the quorum was formed in accordance with the Notification of the SEC Office No. TorNor. 36/2562, RE: The Management of Property Fund and Section 129/2 of Securities and Exchange Act B.E. 2535. Hence, he declared the Meeting open.

Then, he thanked all Unitholders for attending the Meeting and thanked the representative of Siam Commercial Bank Public Company Limited, the Trustee of the Fund, who attend to witness the Meeting and introduced Mr. Jakkrapat Gumpanon, the Head of the Property Fund Management Department, Alternative Investment Division, Investment Group, a representative of Krungsri Asset Management Company Limited, the Management Company of the Fund, Mr. Prawit Viwanthananut and Miss Chompoonuch Saetae, representatives from PV Audit Company Limited, the Auditor of the Fund, and Miss Yoopayao Wongprated, a representative from Plus Property Company Limited, the Property

Manager of the Fund, all of whom attend the Meeting to provide information and explanation to the queries of unitholders. Additionally, in order to ensure that the Meeting were held transparently and in accordance with the law, the Management Company has requested a representative from Kompass Law Ltd., the legal adviser of the Fund, to act as an inspector of the Meeting. He informed the Meeting that, in this Meeting the information will be presented to the unitholders according to the agendas as specified in the invitation letter of this Meeting. The Management Company would present the details in each agenda. If any unitholder has an inquiry or suggestion other than the matter which was being considered, the unitholder was requested to inquire or to give opinion in other matters at the end of the Meeting. Then, the Chairman of the Meeting was invited to conduct the Meeting according to the agendas as follows:

Agenda 1 Chairman’s matters for acknowledgement (For Acknowledgement)

The Chairman informed the Meeting that, as the Capital Market Supervisory Board has issued the Notification of the Capital Market Supervisory Board No. TorNor. 36/2562 RE: the Management of Property Fund, dated 25 April 2019, where Clause 70 of such Notification prescribes that the Management Company must convene a unitholders’ meeting as annual meeting within 4 months after the end of each fiscal year of the Fund to report to the unitholders’ meeting to acknowledge at least the following matters:

- (1) Important matters in relation to management of the Fund and future management plan of the Fund;
- (2) Fund’s financial status and operating result of the Fund in the previous fiscal year where at least the audited financial statements and the auditor’s opinion must be presented;
- (3) Appointment of the Fund’s auditor and remuneration of auditor.

The convening of annual general meeting of unitholders according to the first paragraph must start for the fiscal year ending on or after 31 December 2018 but not later than 30 December 2019 and the Management Company must convene a unitholders’ meeting within 4 months after the end of each fiscal year.

As the fiscal year of the Fund ends on 30 June of every year, the Management Company has convened the 2019 Annual General Meeting of Unitholders as the first annual general meeting of unitholders of the Fund according to the rules prescribed by such notification.

No unitholder gave opinion or had any inquiry, accordingly, the Meeting acknowledged as informed by the Chairman.

Agenda 2 To acknowledge the report of the Fund’s operation and course of action for future management of the Fund (For Acknowledgement)

The Chairman reported the Fund’s operation and course of action for future management of the Fund to the Meeting as follows:

2.1 Market conditions of office buildings for rent

Although many parties' concerns that there is a possibility of oversupply in the office building market in Bangkok in the future, the business operators have continuously launched new office building projects in the past 2nd quarter. Moreover, some of the Grade A office building projects that were recently launched in the central business district (CBD) in the past quarter offer rental prices as high as 1,500-1,600 Baht per square meter. It is anticipated that the average rent in Bangkok will continue to increase in the second half of 2019 and in the future. The details are as follows:

Supply The business operators continue to launch new office building projects which results in a total of 8.72 million square meters of office space in Bangkok as of Q2/2019 and additional 159,065 square meters of office space which are being constructed will be completed in the latter half of 2019.

Demand As of Q2/2019, the office space being rent is approximately 8.332 million square meters while the occupancy rates of Grade A office spaces in CBD stood at 94.7 percent and Grade B office spaces was at 96.3 percent. The occupancy rates of Grade A and B office space outside the CBD was at 96.2 and 95.1 percent, respectively. The occupancy rate of office space outside of CBD was higher as the factor which the lessee considered when leasing an office changed from the location in CBD to other infrastructure such as electric train. Some offices which located in Bangna close to the train station have occupancy rate as high as 90 percent which shows that the occupancy rate of office building in surrounding areas has an increasing trend as the electric train commencing their service.

Rental Rate The rental rates of the Bangkok's office building have continuously increased at the rate of 3-5 percent and will still continue to increase because there are less available spaces. The average rent of Grade A office buildings in the CBD is approximately 1,087 Baht per square meter per month. The rent of Grade B office buildings in the CBD is approximately 950 Baht per square meter per month. The average rent of Grade A office buildings outside the CBD is approximately 936 Baht per square meter per month. The rent of Grade B office buildings outside the CBD is approximately 570 Baht per square meter per month.

2.2 Fund operations and guidelines for future operations

At present, the Fund has lease out the space in @Sathorn Building to 7 lessees. The building has a total lease space of 15,551 square meters. The available space is 1,965 square meters and the average rent is approximately 565 Baht per square meter per month. The number 1 major tenant is Prudential Life Assurance (Thailand) Public Company Limited who lease a total of 7,861 square meters (8 floors), equivalent to 44.88 percent of total space, and the number 2 major tenant is Government Savings Bank who lease a total of 4,053 square meters (5 floors), equivalent to 23.14 percent of total space.

For asset management in the last year of the lease term of major tenants, the Management Company will conduct research on conditions of the real estate market of office buildings for rent to determine guidelines for and negotiate and bargain on the conditions for the renewal of the lease agreements which will expire in August 2021 with the existing tenant in advance. At present, the major tenant has already submitted an offer for lease renewal to the Fund. However, as the Fund cannot accept such offer, the negotiation was postponed. It was expected that the negotiation on lease renewal will resume in 2020.

Then, the Chairman informed the Meeting that, agenda 2 is for acknowledgement, accordingly, there is no passing of resolution.

Agenda 3 To acknowledge the financial status, operating result and financial statement for fiscal year ending on 30 June 2019 which has been audited and given opinion by the auditor (For Acknowledgement)

The Chairman reported the financial status, the operating result and the financial statements for fiscal year ending on 30 June 2019 which has been audited and given opinion by the auditor which can be summarized as follows:

3.1 The financial status and the performance of the Fund

According to the balance sheets for fiscal year ending on 30 June 2019, the Fund's total assets were 1,948,168,275.39 Baht, the total liabilities were 42,219,162.25 Baht and the net assets were 1,905,949,113.14 Baht or equivalent to the asset value per unit of 11.4128 Baht. Currently, the Fund has the total investment units sold at the year-end in number of 167,000,000 units. According to the profit and loss statements for fiscal year ending on 30 June 2019, the Fund's total income was 142,481,036.12 Baht, total expenses were 57,574,345.90 Baht, net investment income was 84,906,690.22 Baht and net gain from investment was 10,002,574.05 and the net assets from operating result increased in the amount of 94,909,264.27 Baht. For the statement of cashflow for fiscal year ending on 30 June 2019, the net cash from operating activities was 79,773,550.84 Baht, net cash used in financing activities (Dividend paid) was 76,202,100.81 Baht, net increase in cash and cash equivalents were 3,571,450.03 Baht. In addition, at the beginning of fiscal year, Fund's cash and cash equivalents were 34,879,845.50 Baht, and at the end of fiscal year, Fund's cash and cash equivalents were 38,451,295.53 Baht. The details are specified in the financial statements for fiscal year ending on 30 June 2019 which was sent to the unitholders together with the meeting invitation letter.

3.2 Important Financial Information

3.2.1 Information of Securities Price as of 30 June 2019

Closing Price	9.75	Baht / Investment Unit
Market Capitalization	1,628,250,000	Baht
Trading Value	59,575.70	Baht / Day
Investment Unit Value	11.4128	Baht / Investment Unit
Net Asset Value (NAV)	1,905,949,113.14	Baht

3.2.2 Record of Dividend Payment

The Fund has declared dividend payment 7 times with the latest dividend payment for fiscal year ending on 30 June 2019 in September 2019 at the rate of 0.463 Baht per investment unit, equivalent to 91 percent of the adjusted profit of the Fund which is in compliance with the Notification of Capital Market Supervisory Board No. 36/2562 Re: the Management of Property Fund, dated 25 April 2019, which prescribed that the Management Company shall pay dividend to the unitholders not less than 90 percent of the Fund's adjusted profit.

3.2.3 Fund's Direct Expenses

Expense	Amount (Baht)
Cost of Rental and Service	45,169,871.21
Management Fee	4,797,487.19
Trustee Fee	422,178.89
Registrar Fee	959,497.40
Property Management Fee	5,418,041.45
Professional Fee (Auditor's Fee)	415,600.00
Other Expense	391,669.76
Total	57,574,375.90

Then, the Chairman informed the Meeting that, agenda 3 is for acknowledgement, accordingly, there is no passing of resolution.

Agenda 4 To acknowledge the appointment of the Fund's auditor and auditing expense for fiscal year ending on 30 June 2020 (For Acknowledgement)

The Chairman informed the Meeting that the Management Company appointed auditors of PV Audit Company Limited as the auditors of the Fund for fiscal year ending on 30 June 2020 where the details of the auditors and remuneration are as follows:

Auditor	1. Mr. Prawit Viwanthananut CPA Registration No. 4917
	2. Mr. Thirdthong Thepmongkorn CPA Registration No. 3787
	3. Miss Chompoonuch Saetae CPA Registration No. 8382
	4. Mr. Udom Thanuratpong CPA Registration No. 8501
	5. Miss Chutima Wongsaraphanchai CPA Registration No. 9622
Location	100/19, 14 th Floor Vongvanij B Building, Rama 9 Road, Huai Khwang, Bangkok 10310
Remuneration	410,000 Baht
Other expenses	Actual amount paid

As the Notification of Capital Market Supervisory Board No. TorJor. 20/2561 re: the Rules, Conditions and Method of Disclosure of Information of Property Fund and Trust invested in Real Estate or Infrastructure, dated 19 February 2018, was announced and such notification requires that the Fund prepare and disclosure financial statement reviewed by the auditor every quarter in addition to the annual financial statement, thus, the remuneration of the auditor for fiscal year ending on 30 June 2020 was increased from 300,000 Baht which is the remuneration for the fiscal year ending on 30 June 2018 to be 410,000 Baht. However, such remuneration is relatively low in comparison to the remuneration of auditor of other property funds.

Then, the Chairman informed the Meeting that, agenda 4 is for acknowledgement, accordingly, there is no passing of resolution.

Agenda 5: To consider other business

The Chairman gave an opportunity to the Meeting to inquire regarding the Fund's operation and other matters which were not specified in the agendas.

The Chairman answered the questions from Miss Duangkhae Laohakultham, unitholder, that, at present, the Fund has already entered into a lease agreement for the first floor of the building with the Government Savings Bank, but the leased facility is being decorated. The Fund began realizing the service charge revenue and will start realizing the rental income in November 2019. With respect to utilization of the remaining spaces, in the past the Fund had a policy to rent out the whole floor to one tenant. However, at present, the Fund has a plan to allocate the spaces to two tenants to facilitate the tenant seeking process.

The Chairman answered the questions from Mr. Teerapol Weerapanchai, unitholder, that the new Grade A office buildings in the central business district (CBD) with high rent as indicated in the meeting invitation are Park Ventures Ecoplex and Gaysorn Tower. Such high rent ranging from approximately 1,200-1,800 Baht per square meter are due to the fact that they are big, newly constructed office buildings located in downtown with more up-to-date internal systems, as compared to other Grade A office buildings while

other Grade A office buildings located outside the CBD has an actual rental rate of approximately 950 baht per square meter.

The Chairman answered the questions from Mr. Mongkol Jinta-arak, unitholder, that the Fund's @Sathorn Building is an office building outside the CBD, currently classified as Grade B+ office building. The Management Company has been trying to improve the building's grade periodically, particularly after the construction of BTS Sueksa Witthaya Station locating near the building has been initiated which resulting in several interested parties making offers to purchase the building from the Fund. Presently, the building's offering rental rate starts at approximately 700 baht per square meter. The reason that the Fund has not been able to materially increase the rental rate is partly because the rental rate for major tenant is approximately 500 baht per square meter which is relatively low because the major tenant has made office space lease agreement with the Fund since 2009, and at the time, it was necessary for the Fund to seek major tenant to attract other tenants, which gave them high bargaining power and able to lease the space at a relatively low rental rate. Nonetheless, the Fund has a plan to negotiate a rent increase before the current lease agreements expire in 2021. Previously, the major tenant negotiated renewal of the lease agreement with the Fund by offering a renewal for a term of six years with an increase in rent by 10 percent from the current rate. However, the Management Company opined that the offered rental rate was not appropriate, and therefore, has not agreed to renew the lease agreement. The Management Company will conduct research on market conditions of office building for rent and negotiate with the major tenant again in 2020. The Management Company believes that it can reach an agreement with the major tenant on renewal of the lease. With regard to rent payable by the Government Savings Bank, the Fund's major unitholder, the Management Company leased out the space to the bank at the same rental rate offered to other general tenants, without any privileges given to the bank as unitholder. The Government Savings Bank is required to comply with relevant rules of the Bank of Thailand, and the Management Company is also required to comply with relevant rules of the Office of the Securities and Exchange Commission. Therefore, it is assured that the rental rate is determined appropriately and fairly, and does not cause benefit transfer.

The Chairman answered the questions from Mr. Teerapol Weerapanchai, unitholder, that in the past, many parties contacted to purchase the Fund's @Sathorn Building, but the offered purchase price were equivalent to the current property value where the new BTS station has not been constructed near the building. In addition, many of those who contacted to purchase the property were real estate agents who wanted to purchase the property before selling it out, not investors who wish to actually purchase the property, and they could not place deposit or bear the costs of unitholders' meeting arrangements to approve the sale of property.

The Chairman answered the questions from a proxy that the office space lease agreements between the Fund and major tenant was made since 2009, with a lease term of nine years and a provision prescribing rent increase upon the lapse of 6-year rental period. The current average rent is approximately 551 baht per square meter. With regard to the restriction of the Fund's investment unit holding, as the Government Savings Bank is a special unitholder which is able to hold more investment units than general unitholders and had held the investment units before the regulations on unit holding restriction applicable to

the Government Savings Bank became effective, the Government Savings Bank is able to hold more than 50 percent of the total investment units sold. The properties purchase offer that the Fund received from All Corporation Co., Ltd. in the past was approximately 1.7 billion baht, which is a relatively low price.

The Chairman answered the questions from Miss Duangkhae Laohakultham, unitholder, that at present, a property fund cannot increase its registered capital for investment in a new real property. If the property fund wishes to invest in a new property, it is required to convert the Fund into a real estate investment trust (REIT). The Management Company is currently studying whether the rules applicable to REIT are clear and appropriate. Moreover, the Fund must consider the suitability of the new property in which the Fund will make additional investment before making a decision to proceed.

There was no additional inquiry of any Unitholder, and no other business to be considered, therefore, the Chairman declared the Meeting closed at approximately 10.50 a.m.



(Mr. Jakkrapat Gumpanon)
Chairman of the Meeting