

18 March 2024

Subject: Report on Matters Related to Centara Hotels & Resorts Leasehold Property Fund (CTARAF) for the year 2024

To: Unitholders of Centara Hotels & Resorts Leasehold Property Fund (CTARAF)

Enclosure:

1. 2023 Annual Report in QR Code
(or download from <http://www.kasikornasset.com>)
2. Query Form
3. Postal Envelope of Business Reply Service

In reference to:

- (1) Notification of the Capital Market Supervisory Board No. TorNor. 29/2566 Re: Management of Property Fund (No. 5), dated 31 October 2023
- (2) Notification of the Capital Market Supervisory Board No. TorJor. 33/2566 Re: Rules, Conditions, and Procedures for Disclosure of Information of Mutual Fund and Real Estate Investment Trust or Infrastructure Trust (No. 12), dated 31 October 2023

((1)) and (2) collectively referred to as the “**Related Notifications**”
- (3) Letter No. NorRor.(Wor) 2/2566 Re: Submission of Notification regarding Mutual Fund, Real Estate Investment Trust and Infrastructure Trust, and the Preparation for the Procedures of Establishing Two-way Communication Channels with Unitholders and Trust Unitholders, dated 6 December 2023 (“**Preparation Letter**”)

The Related Notifications have canceled the requirement for holding Annual General Meeting and have changed the disclosure channels to two-way communication channels for disclosing matters related to the property fund to unitholders, whether by direct meetings with unitholders or any other means that allow the unitholders to ask additional questions, within 4 months from the end of the fiscal year of the property fund, as opposed to the previous requirement of disclosing at the Annual General Meeting.

In this regard, Kasikorn Asset Management Company Limited (the “**Management Company**”), as the management company of Centara Hotels & Resorts Leasehold Property Fund (CTARAF) (the “**Property Fund**”) would like to inform the unitholders on matters as specified in the Related Notifications and relevant laws as follows:

Item no. 1 **The management of the Property Fund on significant matters and the future managing plan**

The Management Company considered and deemed appropriate to inform the unitholders of the Property Fund of the following matters:

1.1 Details of general information of the Property Fund and main assets currently invested by the Property Fund

General Information of the Property Fund

Fund Name	Centara Hotels & Resorts Leasehold Property Fund
Abbreviation	CTARAF
Registered Capital	THB 3,200,000,000 (Three Billion Two Hundred Million Baht)
Par value per unit as of the commencement date of investment	THB 10.00
Par value as of 31 December 2023	THB 7.9701
Management Company	Kasikorn Asset Management Company Limited
Trustee	The Siam Commercial Bank Public Company Limited
Sub-lessee	Central Samui Hotel Management Company Limited
Real Estate Project Manager	Central Plaza Hotel Public Company Limited

Main Assets of the Property Fund

The Property Fund invested in the real estate i.e., the Centara Grand Beach Resort Samui Project (currently known as Centara Reserve Samui Hotel) situated at Chaweng Beach, No. 38/2 Moo 3, Tambon Borpud, Amphoe Koh Samui, Surat Thani Province, the details of which are as follows:

Main Asset	Centara Grand Beach Resort Samui Hotel (currently known as Centara Reserve Samui Hotel)
Nature of Investment	Leasehold right for the term of 30 years over the land, buildings and public utility system (hotel category) and the ownership over the furniture and equipment relevant to the hotel business operation
Price of Investment as of the Date of Registration	THB 3,200,000,000 (Three Billion Two Hundred Million Baht)
Nature of Return Earning	Long-term sub-lease to Central Samui Hotel Management Company Limited

Details of which are shown in the 2023 Annual Report (Section 2 Clause 2.4) in the Enclosure 1.

Return Earning from the Real Estate invested by the Property Fund

Income Earning	Sub-lease of the assets for hotel business operation
Sub-lessee	Central Samui Hotel Management Company Limited
Real Estate Project Manager	Central Plaza Hotel Public Company Limited
Key Summary of Sub-lease	
- Objective of the Lease	Sub-lessee shall proceed with any action in relation to the assets for hotel business operation
- Term of Lease	1 January 2018 – 25 September 2038
- Nature of Income	Fixed-rate rental fee, in the amount of THB 168 million in the first year, consecutively increasing at the rate of 3% every 3-year period
- Obligation and Cost in relation to the Asset Maintenance	Sub-lessee

1.2 Management guideline of the Property Fund in the future

From the recovery of Thailand tourism in 2023, where the number of international tourist arrivals increased considerably, accordingly it has increased the portion of hotel international guests significantly. The revenue generated from international guests has accounted for more than 94% in 2023 which is remarkably greater than 62% in 2022 as aligned with the hotel operating strategies.

For 2024, it is focused on the international market, as well as on growing the average daily rate (ADR) and to balance high occupancy while gaining the market throughout the year. The strategies of sublessee for 2024 including the sales and marketing strategies and the operation strategies are as follows:

Strategy for sales and marketing

- 1) Improve strategies for each distribution channels by increasing sales from digital platform, especially focusing on chr.com (direct website) and growing dynamic rates to align with hotel customer behaviors; meanwhile, for wholesales channel, mainly aim to improve the ADR according to the demands in different periods.
- 2) Mainly target towards international guests demand by expecting an increase in the number of guests from China, Indian free individual traveler segments, and Russian beneficial to the free-stay visa and from German guests, which are guests with long stays and long lead time, making inventory management more effective.

- 3) Continue to capture demands from group travelers (e.g. MICE tourism and executive level), both domestic and international, as well as social events (e.g. weddings) during low seasons to maintain high occupancy throughout the year.

Strategy for Operation

- 1) Introduce new equipment for water activities and water sports, mainly to attract family guests and to facilitate guests with a variety of activities.
- 2) Improve dining experiences by implementing various marketing strategies, including adding special or seasonal menus, and aiming to be recognized as award-winning restaurants to increase awareness and attract local residents nearby.
- 3) Introduce additional spa facilities and materials to enhance facial rejuvenation experiences, initiate a spa option for kids, and implement sales strategies to attract long-stay guests, group travelers, and guests from nearby resorts.

From the mentioned strategies, the hotel expects an increase in average daily rate (ADR) in 2024 by approximately 11%-13% compared to ADR in 2023.

Opinions of the Management Company

It is deemed appropriate to inform the unitholders to acknowledge details of the management of the Property Fund on significant matters and the future managing plan of the Property Fund in order to comply with the Notification of the Capital Market Supervisory Board No. TorNor. 36/2562 (2019) Re: Management of Property Fund (as amended) and the Notification of the Capital Market Supervisory Board No. TorJor. 20/2561 (2018) Re: Rules, Conditions, and Procedures for Disclosure of Information of Mutual Fund and Real Estate Investment Trust or Infrastructure Trust (as amended), which requires the reporting of such matters of the Property Fund to the unitholders.

Item no. 2 The financial status and operation results of the Property Fund during the accounting period from 1 January 2023 to 31 December 2023

The Management Company has prepared the summary of financial status and operation results of the Property Fund for the year 2023 for the accounting period from 1 January 2023 to 31 December 2023. Such details are in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 20/2561 (2018) Re: Rules, Conditions and Procedures for Disclosure of Information of Mutual Funds and Real Estate Investment Trusts or Infrastructure Trusts (as amended) including the financial statements and the profit and loss statements at the end of the accounting period of the Property Fund (ended on 31 December of every

year) according to generally accepted accounting principles, which have been audited by EY Office Limited, the details of which appear in the 2023 Annual Report (Section 4 Clause 13.2) in the **Enclosure 1** which has been delivered to the unitholders together with this report.

Operation result (unit : Baht)	For the year ended 31 December 2023
Investment Income	183,067,989
Expenses	7,127,233
Net Investment Income	176,940,756
Net Unrealized Profit (Loss) from Investment	(174,505,571)
Increase in Net Asset from Operation	2,435,185
Items (unit : Baht)	For the year ended 31 December 2023
Total Assets	1,731,581,611
Total Liabilities	1,019,042
Net Assets	1,730,562,569
Net Asset Value per Unit	5.4080
Outstanding Investment Units (unit)	320,000,000

In respect of the operation guideline in relation to anti-corruption, Kasikorn Asset Management Company Limited, as the Management Company, has signed the Declaration of Intent in View of Establishing Thailand's Private Sector Collective Action Coalition against Corruption powered by Thai Institute of Directors (IOD), Thai Chamber of Commerce, the International Chamber of Commerce of Thailand, the Thai Listed Companies Association, the Thai Bankers Association, the Federation of Thai Capital Market Organizations and the Federation of Thai Industries which aim to encourage anti-corruption practices broadly. In addition, the Management Company has received the certificate certifying the membership of Thailand's Private Sector Collective Action Coalition against Corruption (CAC) since 4 October 2013 and has determined all forms of anti-corruption measures, including the prohibition of taking or offering bribes and incentives, in the code of conduct for the employees, which must be strictly complied by all of the directors and employees. Furthermore, in 2013, the board of directors of the Management Company approved the anti-corruption policy, which includes bribe and incentive, gift and benefit, donation for charity and grant financial support for political activities and participation.

Opinions of the Management Company

It is deemed appropriate to inform the unitholders to acknowledge the financial status and operation results of the Property Fund for the accounting period from 1 January 2023 to 31 December 2023, which have been audited by the certified public auditor in accordance with the Notification of the Capital Market Supervisory

Board No. TorNor. 36/2562 (2019) Re: Management of Property Fund (as amended) and the Notification of the Capital Market Supervisory Board No. TorJor. 20/2561 (2018) Re: Rules, Conditions and Procedures for Disclosure of Information of Mutual Funds and Real Estate Investment Trusts or Infrastructure Trusts (as amended), which requires the reporting of such matters of the Property Fund to the unitholders.

Item no. 3 The appointment of the auditor of the Property Fund and the audit fee for the year 2024

The Management Company has appointed auditors of the Property Fund and determined the audit fees for the financial statements of the year 2024, the details of which are as follows:

3.1 Appointment of the auditors

The Management Company has appointed auditors of the Property Fund and determined the audit fees for the financial statements of the year 2024, the details of which are as follows:

The appointment of the auditors

The Management Company has appointed auditors of the Property Fund, who were approved and have the qualifications without any prohibited qualifications pursuant to the Notification of the Office of the Securities and Exchange Commission No. SorChor. 39/2553 (2010) Re: Approval in relation to the Auditors in Capital Market (as amended). In this regard, the Management Company has considered the qualifications and capability of the auditors based on the criteria on qualification, quality of the auditors, work performance, and the independency of the auditors with no relations nor conflict of interest in a manner that may affect the duty of auditors of the Property Fund. The names of the auditors are as follow:

EY Office Limited

	<u>Name-Surname</u>	<u>Number of year(s) being an auditor</u>	<u>License</u>
1.	Mr. Wichart Lokatekrawee	6	Certified Public Accountant No. 4451, and/or
2.	Ms. Kamontip Lertwitworatep	-	Certified Public Accountant No. 4377 and/or
3.	Ms. Satida Ratananurak	-	Certified Public Accountant No. 4753; and/or
4.	Ms. Siriwan Nitdamrong	-	Certified Public Accountant No. 5906

Any of the above-mentioned auditors is determined to audit and provide an opinion on the financial statements of the Property Fund. In case that any one of the said auditors cannot perform the duties, EY Office Limited shall procure other certified public accountant from EY Office Limited to be responsible for auditing and providing opinions on the financial statements of the Property Fund instead.

3.2 Determination of Audit Fees

The Management Company has determined the audit fees for the auditors of the Property Fund for the year 2024, the details of which are as follow:

Type of Fees	Fee (Baht)		
	2023 (1 January – 31 December)	2024 (1 January – 31 December)	% change
Audit Fee	475,000.00	518,000.00	+9.05
Other Fees	0.00	0.00	-
Total Fees	475,000.00	518,000.00	+9.05

Opinions of the Management Company

It is deemed appropriate to inform the unitholders to acknowledge the appointment of the auditors of the Property Fund and the audit fees as informed by the Management Company to be in accordance with the Notification of the Capital Market Supervisory Board No. TorNor. 36/2562 (2019) Re: Management of Property Fund (as amended) and the Notification of the Capital Market Supervisory Board No. TorJor. 20/2561 (2018) Re: Rules, Conditions and Procedures for Disclosure of Information of Mutual Funds and Real Estate Investment Trusts or Infrastructure Trusts (as amended), which requires the reporting of such matters to the unitholders for acknowledgement. In this regard, the aforementioned auditors were approved in accordance with the Notification of the Office of the Securities and Exchange Commission No. SorChor. 39/2553 (2010) Re: Approval of the Auditors in Capital Market (as amended) and such audit fee is in line with the market price typically charged by the auditors for providing audit services to other individuals.

In this regard, the Management Company would like to inform that if the unitholders wish to seek further information or ask additional questions regarding the aforementioned matters, the unitholders can submit questions **from today until 18 April 2024** through email, call center or by using the Query Form through the following channels:

- 1) **Email : KA_CTARAF_2024@kasikornasset.com**
- 2) **Call Center : 02-673-3999**
- 3) **Query Form** as appeared in the Enclosure 2: deliver the completed Query Form to the Management Company by using Postal Envelope of Business Reply Service as appeared in the Enclosure 3 or submit them to the following address:

Address of Centara Hotels & Resorts Leasehold
Property Fund (CTARAF)
Kasikorn Asset Management Company Limited

400/22 KASIKORNBANK Building, 6th Floor
Phahon Yothin Road, Samsen Nai Sub-District
Phaya Thai District, Bangkok 10400

The Management Company will disclose the summary of questions and answers through the information disclosure system of the Stock Exchange of Thailand and the Management Company's website www.kasikornasset.com by 2 May 2024.

Sincerely Yours,

Kasikorn Asset Management Company Limited
Centara Hotels & Resorts Leasehold Property Fund (CTARAF)

สิ่งที่ส่งมาด้วย 1

Enclosure 1

รายงานประจำปี 2566

ท่านผู้ถือหน่วยลงทุนสามารถดาวน์โหลดรายงานประจำปี 2566 ของ กองทุนรวมได้ที่เว็บไซต์ <http://www.kasikornasset.com> หรือโดยการ สแกนรหัสคิวอาร์ (QR-Code) ตามที่ปรากฏนี้



รายงานประจำปี 2566

2023 Annual Report

Unitholders can download 2023 Annual Report of the Property Fund via the website: <http://www.kasikornasset.com> or by scanning the QR-Code provided herein.



2023 Annual Report

Query Form

(Report on Matters Related to Centara Hotels & Resorts Leasehold Property Fund (CTARAF) for the Year 2024)

Date _____

To Kasikorn Asset Management Company Limited
as the Management Company of Centara Hotels & Resorts Leasehold Property Fund

I/We _____ being a unitholder of Centara Hotels & Resorts Leasehold Property Fund, holding the total number of _____ units, unitholder's identification number _____, have additional questions regarding the Report on Matters Related to Centara Hotels & Resorts Leasehold Property Fund for the year 2024, as follows:

Item no. 1 The management of the Property Fund on significant matters and the future managing plan

Question

Item no. 2 The financial status and operation results of the Property Fund during the accounting period from 1 January 2023 to 31 December 2023

Question

Item no. 3 The appointment of the auditor of the Property Fund and the audit fee for the year 2024

Question

Item no. 4 Others

Question

signed _____
(_____)

Please deliver this document to the Management Company within 18 April 2024.