

24 September 2024

**Re:** Two-way communication report for the year 2024 of Luxury Real Estate Investment Fund (LUXF)

**To:** Unitholders of Luxury Real Estate Investment Fund (LUXF)

Eastspring Asset Management (Thailand) Company Limited (the “**Management Company**”) the management company of Luxury Real Estate Investment Fund (LUXF) (the “**Property Fund**”), has determined to arrange two-way communication and sending the annual report for the year 2024 to unitholders whose names appear in the unitholder register of the mutual fund on September 19, 2024, which is the date on which unitholders are entitled to receive the information.

In this regard, the Management Company would like to report related to the two-way communication for the year 2024, with the following details:

**Agenda 1 To acknowledge the significant management and the future management guideline of the Property Fund.**

The Management Company deems appropriate to propose the Meeting to acknowledge the matters, the details are as follows:

**1.1 The General Information of the Property Fund and the Property Currently Invested by Property Fund.**

<b>Name of the Fund</b>	Luxury Real Estate Investment Fund (LUXF)
<b>Registered Capital</b>	Baht 1,965 Million (One Billion nine hundred and sixty-five Million Baht)
<b>Par Value at the Initial Offering</b>	Baht 10.00
<b>Par Value as of 30 June 2024</b>	Baht 9.80

<b>Management Company</b>	Eastspring Asset Management (Thailand) Co., Ltd
<b>Trustee</b>	Kasikornbank Public Company Limited

**Main Assets of the Property Fund, Six Senses Yao Noi Project located at 56 Moo 5 Koh Yao Noi Sub-district, Koh Yao District, Phangnga Province.**

The Property Fund had invested in immovable property, the Six Sense Yao Noi project. The Property Fund had invested by transferring the ownership of such immovable property which comprises of land, building, and other assets to be used as the operational assets of the Six Sense Yao Noi project, from Pakao Hotel Company Limited since 26 May 2008 (the “**Project**” or “**Hotel**”). Currently, the Property Fund had procured the benefits from the property by leasing the property to Sustainable Luxury Hospitality (Thailand) Company Limited (“**SLH**”) for use as the operational assets of the hotel business and/or other related businesses i.e. restaurant, spa, etc. The lease term is for 3 years, and each of the parties shall have the right to renew the lease term for 3 years at 4 times (the “**Lease Agreement**”). The details are as follow:

<b>Lessor</b>	Luxury Real Estate Investment Fund
<b>Lessee</b>	Sustainable Luxury Hospitality (Thailand) Company Limited
<b>Lease Term</b>	3 years
<b>Renewal of Lease Term</b>	Each party shall have the right to renew the lease term for 3 years at 4 times, wherein every 3 years during the lease term, the Property Fund has the right to refuse renewal of the Lease Agreement if the income generated from Rent is lower than the average minimum income rate specified in the Lease Agreement.
<b>Rental Fee</b>	<ul style="list-style-type: none"> <li>● Fixed Rent At the rate of Baht 70 (Seventy) million per year for the first three years of the lease term and the fixed rent will be increased at the rate of 3 percent per year until the expiry of the lease term whereby the Fixed Rent of each month varies by seasonality.</li> <li>● Variable Rent At the rate prescribed in the Lease Agreement.</li> </ul>
<b>Lease Collateral</b>	Since the start of the lease and at the beginning of each year of the lease, the Lessee will put cash into the cash collateral account (Currently as investment units in Eastspring Treasury Money Fund (“ES-TM”) that are

	<p>currently held by SLH) to show the cash balances in the account with the amount not less than 70.00 million Baht. Such an amount will be used to pay both monthly Fixed Rent and quarterly Variable Rent. For all the remaining periods in each year, the Lessee must maintain a cash collateral account not less than 35.00 million Baht.</p> <p>Besides, the Management Company may allow the Lessee to change the collateral from cash to a bank guarantee or high-quality securities under the conditions set by the Management Company.</p>
<p><b>Latest appraisal</b> <b>As of 30 June 2024</b></p>	<p>Value 2,272 million baht</p> <p>By TAP Valuation Co.,Ltd.</p> <p>Income Approach</p>

## **1.2 Summary of significant events affecting the fund's performance in the past year**

In 2024, the tourism situation in Thailand returned to normal after the COVID-19 pandemic. The government has implemented tourism promotion measures to continuously stimulate the domestic tourism industry. International tourists, who are the main customers of Six Senses Yao Noi Hotel, have been traveling to the country more, resulting in better performance of the fund from rental income received from the hotel.

### **Management Company's Opinion**

The Management Company deems it is appropriate to propose the Meeting to acknowledge the details of the Property Fund management in a significant part to comply with regulations of the Office of the Securities and Exchange Commission.

### **Agenda 2 To Acknowledge the Financial Status and the Performance of the Property Fund in the Past Fiscal Year**

The Management Company deemed it appropriate to propose the Meeting to acknowledge the financial status and the performance of the Property Fund. The Management Company had provided a summary of the performance of Property Fund together with the significant details that occurred during the

period of 1 July 2023 to 30 June 2024 as the detail appeared in the Annual Report for the year 2024, the details as follows:

	For the year ended 30 June 2024 Unit: Baht
Investment Income	179,404,465
Total expense	27,492,577
Net Investment income	151,911,889
Items of net unrealized gains (losses) from investments	-11,730,048
Increase (decrease) in net assets from operations	140,181,840

	For the year ended 30 June 2024 Unit: Baht
Total Asset	2,504,384,152
Total Debt	76,626,521
Net Asset	2,427,757,631
Net Asset per Unit	12.3550
Total number of investment units sold (units)	196,500,000

According to the benefit of the investment distribution policy of the Property Fund which is prescribed in the prospectus for the offering of the investment unit of the Property Fund. The Property Fund has the policy to distribute the benefits to unitholders not exceeding twice a year, by distribution to the unitholders not less than 90 (ninety) percent of the net profit of the Property Fund (excluding the unrealized profits from the appraisal or reappraise the property or the leasehold property).

In this regard, the summary of the benefits distributed by the Property Fund in the past five years. The details are as follows:

	2024	2023	2022	2021	2020
Operating year	1 July 2023 – 30 June 2024	1 July 2022 – 30 June 2023	1 July 2021 – 30 June 2022	1 July 2020 – 30 June 2021	1 July 2019 – 30 June 2020
Benefits distribution per unit (Baht)	0.7500	0.5300	0.2400	0.085	0.1600
Percentage compare to initial offering price (%)	7.50%	5.30%	2.40%	0.85%	1.60%
Benefits distribution ratio compare to net profit (%)	96.45%	98.66%	99.68%	98.69%	30.65%

**Note**

1) Adjusted net profit means Adjustment of net profit according to the fund's comprehensive income statement with unrealized gain from valuation and the difference between rental in the statement of income and the actual rental income received under the lease agreement.

2) In November 2020, the fund has reduced capital by 0.2 baht per unit back to unitholders.

3) In case of the SEC changes dividend payment criteria, the management company will proceed accordingly.

**Management Company's Opinion**

The Management Company deems it is appropriate to propose the Meeting to acknowledge the financial status, the performance, and incapable to the distribution of the benefits of the Property Fund for the operating period of 1 July 2023 to 30 June 2024, to comply with regulations of the Office of the Securities and Exchange Commission. The details have appeared in the Annual report for the year 2024.

**Agenda 3 To acknowledge the appointment of the Property Fund's auditor and audit fee for auditing the financial statement**

The Management Company had appointed an auditor of the Property Fund and determine the audit fee for auditing the financial statement for the year 2025. The details are as follows:

### 3.1 Appointment of the Auditor

The Management Company has considered and deemed it is appropriate to notify the Meeting of the appointment of the Property Fund's auditor by the Management Company. The appointed auditor is approved and is following the criteria of the Office of the Securities and Exchange Commission. The Management has considered qualification and capability of the auditor with criteria regarding qualification, quality, performance efficiency, and independence of the auditor, having no conflict interest or conflict interest in taking a position of the Property Fund's auditor, as follows:

PV Audit Company Limited

1.	Rathaphat Limsakul	(Certified Public Company Accountant) No. 10508 and/or
2.	Prawit Viwanthananut	(Certified Public Company Accountant) No. 4917 and/or
3.	Thiridthong Thepmongkorn	(Certified Public Company Accountant) No. 3787 and/or
4.	Chutima Wongsaraphanchai	(Certified Public Company Accountant) No. 9622

Remark : Auditor No. 1, which is a key auditor , will be a auditor for the fund in 2024/25 for the forth year.

If she is aditor for the fund 7 accounting years, she must break to be a auditor for the fund at least 5 accounting years. In the event that the above auditors are unable to perform their duties, PV Audit Co. Ltd. will recruit auditors with authorized accountant on behalf of the above auditors.

### 3.2 Determination of Audit Fee

The Management Company has considered and deemed it is appropriate to propose the Meeting to acknowledge the determination of the audit fee of the Property Fund's auditor. The details are as follows:

Fiscal Year	1 July 2024 to 30 June 2025	1 July 2023 to 30 June 2024
Audit Fee (Baht)	300,000	300,000
Changing of Audit Fee	no change	

## **Management Company's Opinion**

The Management Company deems it is appropriate to propose the Meeting to acknowledge the appointment of The Property Fund's auditor and the audit fee as the Management Company proposed above. Thus, the aforesaid auditor is approved and to be following the criteria of the Office of the Securities and Exchange Commission and such audit fee is in line with the market rate which is charged to other persons in general.

In case unitholders have any questions, please send your questions to the management company from 24 September 2024 to 22 October 2024 by the following methods:

1. By email of Eastspring Asset Management (Thailand): [contactus.th@eastspring.com](mailto:contactus.th@eastspring.com)
2. By website: [www.eastspring.co.th/about-us/contact-us](http://www.eastspring.co.th/about-us/contact-us)
3. By registered mail to Luxury Property Fund (LUXF), Eastspring Asset Management (Thailand) Co., Ltd., 9th Floor, Mitrtown Office Tower, 944 Rama IV Road, WangMai, Pathumwan, Bangkok 10330

The management company will prepare a summary of unitholders' questions and publish the answers to unitholders within 14 days from the date the two-way communication is completed to the Stock Exchange of Thailand's information system and the management company's website.

Sincerely Yours,

Eastspring Asset Management (Thailand) Co., Ltd

Luxury Real Estate Investment Fund (LUXF)

Annual Report 2024  
Luxury Real Estate Investment Fund (LUXF)



Can be downloaded by scanning the QR Code  
or viewed in the Stock Exchange of Thailand's information system