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No. SPI 37/2564

May 17, 2021

Re: Management Discussion and Analysis for Q1/2021

To: President

The Stock Exchange of Thailand

Strategic Property Investors Company Limited as the REIT manager of Strategic Hospitality Extendable Freehold and Leasehold Real Estate Investment Trust or SHREIT (the "Trust") would like to clarify the performance of Q1/2021 of the Trust and its subsidiaries, reporting a net investment income 21.24 million Baht. This represents a decrease of 12.74 million Baht of the investment profit, or a decrease of 37.48 percent from Q1/2020 which reported a net investment income of 33.98 million Baht.

The key factors are as follows:

1. The Trust and its subsidiaries had a total income of 105.18 million Baht, increased 19.34 million Baht or 22.53 percent compared to the same period of last year which had total income of 85.84 million Baht. The most impact was from EURO currency fluctuates during the period. On the other hand, the operating performance of the hotels had been severely impacted by COVID-19, with government implemented lock-downs and restrictions on business, tourism and international and domestic flights making hospitality operations highly challenging in both Jakarta and Ho Chi Minh City. Given the Trust's hotels are highly dependent on foreign visitations and business mobility; the hotels will continue to face significant challenges in the near and medium term, with very limited visibility regarding financial performance. Main changes include:
 - The three-month of Q1/2021 no rental income was received. Rental income decreased by 54.84 million Baht or 100 percent from the same period of previous year which realized a Rental income of 54.84 million Baht, The Trust realized rental income only the first quarter 2020 due to the pandemic situation of COVID-19 that directly affected the performance of the hotels. The Trust did not realize receive rental income since March 2020 from the hotels in Vietnam and rental income since April 2020 from the hotel in Indonesia.
 - The three-month of Q1/2021 gain on exchange rate by amount 73.13 million Baht because the Long-term loans from financial institution in Euro depreciated against the US dollar which

made a increase in gain of 44.17 million Baht or 152.55 percent from the same period of last year which had gain on exchange rate of 28.96 million Baht

- The three-month of Q1/2021 other income of 32.05 million Baht, increased 30.02 million Baht or 1,478.83 percent compared to the same period of last year which had other income of 2.03 million Baht because the Trust has other incomes from temporary providing service to hotel visitors due to termination of lease agreements in Vietnam.
2. Total expenses of 83.94 million Baht, increased 32.08 million Baht or 61.85% compared to the same period of last year which had total expenses of 51.86 million Baht with the main causes as follow:
- The three-month of Q1/2021 finance costs of 22.39 million Baht, increased 0.92 million Baht or 4.26 percent from the same period of last year which had Finance cost of 21.47 million Baht due to changing in exchange rates and increased in loan interest rate.
 - The three-month of Q1/2021 other expenses of 46.70 million Baht, increased 33.82 million Baht or 262.60 percent from the same period of last year which had other expenses of 12.88 million Baht due to a non-cash unrealized loss on changes in the fair value of derivatives decreased 28.34 million Baht and other expenses increased 5.48 million Baht which partially has been increased to support hotel operation due to termination of lease agreements since May 2020.

Please be informed accordingly.

Yours Sincerely,

-Signed-

(Mr. Christophe Wybe Angelo Forsinetti)

Managing Director

Strategic Property Investors Company Limited

as the REIT Manager