

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Unitholders of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

I have reviewed the financial statements of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust ("the Trust"), which comprise the statement of financial position and detail of investments as at 30 June 2022, the statements of comprehensive income for the three-month and six-month periods the ended 30 June 2022, statement of changes in net assets and cash flows for the six-month period then ended, and condensed notes to the interim financial statements (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with the guidance of accounting practices for Property Fund, Real Estate Investment Trust, Infrastructure Fund, Infrastructure Investment Trust, which is determined by Association of Investment Management Companies and approved by the Securities and Exchange Commission. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on the interim financial information.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the guidance of accounting practices for Property Fund, Real Estate Investment Trust, Infrastructure Fund, Infrastructure Investment Trust, which is determined by Association of Investment Management Companies and approved by the Securities and Exchange Commission.

Ms. Kanyanat Sriratchachaval

Certified Public Accountant

Registration No. 6549

Grant Thornton Limited

Bangkok

10 August 2022

AIM COMMERCIAL GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST
STATEMENT OF FINANCIAL POSITION

		Baht	
		30 June 2022	31 December 2021
		(Unaudited but	
	Notes	Reviewed)	(Audited)
ASSETS			
Investment in properties at fair value	7, 18	2,823,086,780	2,823,086,780
Cash and cash equivalents	8	197,518,297	174,724,513
Receivables			
From rental and services	9	231,913,105	318,934,180
From interest		20,646	21,455
From revenue department		3,987,747	2,392,320
Deferred expenses	10	17,676,396	21,997,773
Other assets		2,365,265	2,978,366
TOTAL ASSETS		3,276,568,236	3,344,135,387
LIABILITIES			
Short-term loan from financial institution	11	40,000,000	40,000,000
Payables			
From interest		997,109	1,130,551
Others		33,909,588	65,245,224
Unearned income		338,722	-
Accrued expenses		12,042,256	41,943,891
Deposits and rental guarantee		67,693,717	67,821,798
Liabilities under lease	12	66,008,719	66,086,780
Long-term loan from financial institution	13	196,826,586	199,762,700
TOTAL LIABILITIES		417,816,697	481,990,944
NET ASSETS		2,858,751,539	2,862,144,443
NET ASSETS :			
Capital from unitholders			
288,000,000 units of Baht 9.83 each			
(31 December 2021: Baht 10.00 each)	14	2,831,040,000	2,880,000,000
Retained earnings (Deficit)	15	27,711,539	(17,855,557)
NET ASSETS		2,858,751,539	2,862,144,443
Net asset value per unit (Baht)		9.9262	9.9380
Number of units issued at the end of period (Units)		288,000,000	288,000,000

 () Director

AIM COMMERCIAL GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST
DETAILS OF INVESTMENTS

Details of investments classified by asset type

Type of investments/ Land title deed	Area (Rai-Ngan-Sq. Wah)	Location	Building no.	30 June 2022			31 December 2021		
				(Unaudited but Reviewed)			(Audited)		
				Cost	Fair value	Percentage	Cost	Fair value	Percentage
				(Baht)	(Baht)	(%)	(Baht)	(Baht)	(%)
Investments in properties									
Land Sub-Lease Agreement and/or Bulding and Movable Assets Sub-Lease Agreement - UD Town Project									
907490226	23-1-69.9	Pho Si Road, Mak Khaeng Subdistrict,	99/9	1,527,363,033	1,434,086,780	50.80	1,527,363,033	1,434,086,780	50.80
901608085	0-3-81.7	Mueang Udon Thani District, Udon Thani Province							
907608086									
Leasehold Rights of Lands, Building and Movable assets - Porto Chino Project									
120935	10-2-19.3	Rama 2 Road, Na Di Subdistrict, Mueang Samut	99/120-124	915,105,164	750,000,000	26.57	915,105,164	750,000,000	26.57
117043	3-1-55.8	Sakhon District Samut Sakhon Province							
117042	0-0-84.9								
Leasehold Rights for Buildings and Movable assets - 72 Courtyard Project									
-	-	Soi Sukhumvit 55 (Soi Thong Lor), Sukhumvit Road, Khlong Tan Nuea, Watthana, Bangkok	72	458,532,338	401,000,000	14.20	458,532,338	401,000,000	14.20
Ownership of Condominium for Commercial use									
988/1, 988/2, 988/3		Noble Solo Condominium	1	225,982,674	238,000,000	8.43	225,982,674	238,000,000	8.43
988/4, 988/5, 988/6		Soi Sukhumvit 55 (Soi Thong Lor), Sukhumvit Road, Khlong Tan Nuea, Watthana, Bangkok							
Total investments in properties				3,126,983,209	2,823,086,780	100.00	3,126,983,209	2,823,086,780	100.00

The accompanying notes form an integral part of these interim financial statements.

(Unaudited but Reviewed)

AIM COMMERCIAL GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED 30 JUNE

		Baht	
	Notes	2022	2021
INVESTMENT INCOME			
Rental and services income	6	84,173,822	90,623,781
Interest income	6	866,261	41,288
Other income		-	110,091
Total investment income		85,040,083	90,775,160
EXPENSES			
Operating expenses	6, 17.5	10,320,482	14,017,293
REIT Manager fee	6, 17.1	4,276,023	4,567,923
Trust's property management fee	6, 17.4	732,091	3,314,515
Amortization of deferred expenses		2,172,626	2,172,627
Trustee fee	6, 17.2	1,831,291	1,918,494
Professional fee		310,785	313,685
Registrar fee	17.3	203,052	257,083
Other expenses		710,209	631,381
Finanace cost		3,389,545	3,500,911
Allowance for expected credit loss	6	1,787,014	1,284,407
Total expenses		25,733,118	31,978,319
Net investment income		59,306,965	58,796,841
Increase in net assets from operations		59,306,965	58,796,841

The accompanying notes form an integral part of these interim financial statements.

(Unaudited but Reviewed)

AIM COMMERCIAL GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE

	Notes	Baht	
		2022	2021
INVESTMENT INCOME			
Rental and services income	6	156,931,978	185,555,946
Interest income	6	923,030	56,484
Other income		40,587	1,198,329
Total investment income		157,895,595	186,810,759
EXPENSES			
Operating expenses	6, 17.5	20,565,415	34,644,745
REIT Manager fee	6, 17.1	8,581,638	9,021,720
Trust's property management fee	6, 17.4	4,100,646	6,599,696
Amortization of deferred expenses		4,321,377	4,321,376
Trustee fee	6, 17.2	3,665,430	3,796,726
Professional fee		692,369	765,039
Registrar fee	17.3	419,075	511,340
Other expenses		867,988	924,897
Finanace cost		6,773,263	6,986,142
Allowance for expected credit loss	6	62,341,298	1,701,616
Total expenses		112,328,499	69,273,297
Net investment income		45,567,096	117,537,462
Net gain on investments			
Gain on investments in securities		-	23,377
Net gain on investments		-	23,377
Increase in net assets from operations		45,567,096	117,560,839

The accompanying notes form an integral part of these interim financial statements.

(Unaudited but Reviewed)

AIM COMMERCIAL GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST

STATEMENT OF CHANGES IN NET ASSETS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE

	Notes	Baht	
		2022	2021
Increase in net assets from operations for the period			
Net investment income		45,567,096	117,537,462
Gain on investments in securities		-	23,377
Increase in net assets from operations		45,567,096	117,560,839
Capital return on unitholders	14	(48,960,000)	-
Distributions to unitholders	16	-	(36,661,764)
Increase (decrease) in net assets during period		(3,392,904)	80,899,075
Net assets at the beginning of period		2,862,144,443	2,982,222,629
Net assets at the end of period		2,858,751,539	3,063,121,704

The accompanying notes form an integral part of these interim financial statements.

(Unaudited but Reviewed)

AIM COMMERCIAL GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE

	Baht	
	2022	2021
Cash flows from operating activities		
Increase in net assets from operations	45,567,096	117,560,839
Adjustments to reconcile increase in net assets from operations to net cash provided by (used in) operating activities :		
Sales of investment in securities	-	68,672,744
Finance cost	6,773,263	6,986,142
Decrease (increase) in receivables from rental and services	23,875,191	(97,536,573)
Decrease (increase) in receivables from interest	809	(19,980)
Decrease (increase) in receivables from Revenue Department	(1,595,427)	224,552
Increase in deferred revenue	-	(254,000)
Increase in unearn revenue	338,722	-
Decrease in deferred expenses	4,321,377	4,321,376
Decrease (increase) in other assets	613,101	(618,963)
Increase (decrease) in other payables	(31,335,636)	11,669,717
Increase (decrease) in accrued expenses	(29,901,635)	16,320,717
Decrease in deposits and rental guarantee	(128,081)	(3,450,557)
Repayment of liabilities under lease	(1,670,212)	(1,590,694)
Gain from investments in securities	-	(23,377)
Allowance for expected credit losses	62,341,298	1,701,616
Interest income	804,586	-
Net cash flows provided from operating activities	80,004,452	123,963,559
Cash flows from financing activities		
Distribution to unitholders	-	(36,661,764)
Capital return on unitholders	(48,960,000)	-
Interest paid	(4,823,468)	(5,991,677)
Repayment for long-term loan form financial institution	(3,427,200)	(4,000,000)
Net cash flows used in financing activities	(57,210,668)	(46,653,441)
Net increase in cash and cash at banks for the period	22,793,784	77,310,118
Cash and cash at banks at the beginning of period	174,724,513	70,986,060
Cash and cash at banks at the end of period	197,518,297	148,296,178

The accompanying notes form an integral part of these interim financial statements.

AIM COMMERCIAL GROWTH FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST
CONDENSEN NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2022 (Unaudited but Reviewed)

1. NATURE OF BUSINESS

AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust (“the Trust”) is a real estate investment trust established under the Trust for Transaction in Capital Market Act, B.E. 2550 in accordance with the Trust Deed signed on 3 July 2019 between AIM Real Estate Management Company Limited as the Trust Settlor and SCB Asset Management Company Limited as the Trustee. The Trust was established as a specific closed-end real estate investment trust with an indefinite term. The Trust’s objectives are to mobilize funds raised from investors and loans from financial institutions to invest in the freehold or leasehold right of the immovable assets (including sub-leasehold right of immovable assets) and movable assets which are component parts and equipment of aforesaid immovable assets.

The Stock Exchange of Thailand (“SET”) approved the listing of the Trust’s investment trusts and permitted their trading from 12 July 2019 onwards.

AIM Real Estate Management Company Limited acts as REIT Manager, SCB Asset Management Company Limited acts as Trustee and there are Property managers of each Project as follows :

A) Udon Plaza Co., Ltd.	For UD Town Project
B) Chetchot Co., Ltd.	For 72 Courtyard Project
C) D-Land Property Co., Ltd.	For Porto Chino Project
D) Noble Development Public Co., Ltd.	For Noble Solo Project

As a result, the World Health Organization declared the outbreak of novel coronavirus (COVID-19) as a pandemic, which continues to spread globally. It may lead to early termination, breach or renewal of certain existing lease contracts as well as affect new contract signing, and rental income in the coming periods. REIT manager is considering its impact on the leasing market, performing relevant assessments and taking proactive measures for remediation.

2. DISTRIBUTION POLICY

The Trust has a policy to pay distributions to unitholders as follows:

REIT Manager shall distribute to the Trust's unitholders at least 90 % of the adjusted net profit for the accounting period, comprising the year-end distribution and the interim distribution (if any). REIT Manager shall pay distributions to the Trust's unitholders not more than 4 times in each accounting period, except in the event of a capital increase, when the Trust may pay more than 4 distributions in an accounting period in the best interests of the unitholders holding trust units prior to the capital increase (the distribution shall be begun to make in the first accounting period that the Trust has sufficient profits).

The adjusted net profit means the net profit adjusted by the following items:

- (1) Deduction of unrealized gain from appraisal or appraisal review of assets of the Trust including adjustment of other items as prescribed by the Securities and Exchange Commission to reflect the cash position of the Trust.
- (2) Deduction of the provision for payment for debt from borrowing or obligation arising from borrowing of the Trust under the limit stated in the registration statement and prospectus or annual report as the case may be.
- (3) If the Trust has accumulated profit that is based on the adjusted annual net profit of the Trust, in accordance with the above information for any accounting period, REIT Manager may pay distributions to Trust's unitholders from such retained earnings.
- (4) If the Trust has accumulated losses, REIT Manager will not make any distributions to the Trust's unitholders.

With respect to distribution payment, if the amount of the distribution per unit to be paid is lower or equivalent to Baht 0.10, REIT Manager reserves the right not to pay a distribution at that time and to carry forward such distribution to be paid together with the following distribution.

3. BASIS OF INTERIM FINANCIAL STATEMENTS PREPARATION

The interim financial statements are for the three-month and six-month periods ended 30 June 2022. They have been prepared in accordance with the guidance of accounting practices for Property Fund, Real Estate Investment Trust, Infrastructure Fund, Infrastructure Investment Trust, which is determined by Association of Investment Management Companies and approved by the Securities and Exchange Commission ("Accounting Guidelines"). For the areas not covered by the accounting guidelines, the Trust applies the requirements in the accordance with Thai Financial Reporting Standards issued by the Federation of Accounting Professions which effective on the financial reporting period of the interim financial information and are presented in Thai Baht, which do not include all of the information required in annual financial statements in accordance with Thai Financial Reporting Standards, and should be read in conjunction with the financial statements for the year ended 31 December 2021.

The interim financial statements are prepared in Thai language. The translation of these financial statements into other language should conform to the Thai financial report.

4. SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared using the same accounting policies used in the preparation of the financial statements of the Trust for the year ended 31 December 2021, except for the adoption of the new and revised Thai Financial Reporting Standards, interpretations and guidance that become effective for the preparation financial statements for the period beginning on or after 1 January 2022.

The Trust has initially applied revised TFRS that are effective for annual periods beginning on or after 1 January 2022 and has not early adopted TFRS which are not yet effective. The application has no material impact on the Trust's financial statements.

5. ESTIMATES

When preparing the interim financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management, and will seldom equal the estimated results. The judgments, estimates and assumptions applied in the interim financial statements, are the same as those applied in the annual financial statements for the year ended 31 December 2021.

6. TRANSACTIONS WITH RELATED COMPANIES

Related parties of the Trust comprise individuals or enterprises that own voting interest of at least 10% in the Trust, control, or are controlled by, the Trust, whether directly or indirectly, or which are under common control with the Trust.

They also include REIT Manager, Trustee and their related parties and included associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Trust that gives them significant influence over the Trust, key management personnel and directors of REIT Manager with authority in planning and directing the Trust's operations.

The relationships of related parties are as follows:

Related parties	Relationship
AIM Real Estate Management Company Limited	REIT Manager
D-Land Property Co., Ltd.	Property Manager of Porto Chino Project
Chetchot Co., Ltd.	Property Manager of 72 Courtyard Project
Udon Plaza Co., Ltd.	Property Manager of UD Town Project
Noble Development Public Co., Ltd.	Property Manager of Noble Solo Project
SCB Asset Management Company Limited	Trustee

Related parties	Relationship
The Siam Commercial Bank Public Company Limited	Parent company of Trustee
Bar Toro (Thailand) Company Limited	Related Company of Property Manager
Membership Company Limited	Related Company of Property Manager

Significant transactions with related companies for the three-month and six-month periods ended 30 June 2022 and 2021 consist of:

		Baht	
		For the three-month period Ended 30 June	
	Transfer Pricing Policy	2022	2021
Rental and services income	Contract price	57,923,208	59,833,771
Interest income	Market rate	823,347	16,647
REIT Manager fee	As detailed in Note 17	4,276,023	4,567,923
Trustee fee	As detailed in Note 17	1,831,291	1,918,494
Trust's property management fee	As detailed in Note 17	732,091	3,314,515
Operating expenses	As detailed in Note 17	9,942,641	13,642,707
Loss from expected credit loss		1,607,134	-

		Baht	
		For the six-month period Ended 30 June	
	Transfer Pricing Policy	2022	2021
Rental and services income	Contract price	102,969,012	119,424,110
Interest income	Market rate	840,767	29,456
REIT Manager fee	As detailed in Note 17	8,581,638	9,021,720
Trustee fee	As detailed in Note 17	3,665,430	3,796,726
Trust's property management fee	As detailed in Note 17	4,100,646	6,599,696
Operating expenses	As detailed in Note 17	19,885,283	33,952,454
Loss from expected credit loss		61,971,209	-

As at 30 June 2022 and 31 December 2021, the Trust has the following significant outstanding balances with its related parties as follows:

	Baht	
	30 June 2022	31 December 2021
<u>Transactions with related parties</u>		
Cash and cash equivalents	111,141,243	73,135,295
Receivables from rental and services	199,546,825	286,331,278
Receivables from interest	1,190	979
Other payables	28,939,523	61,179,911
Accrued expenses	11,627,256	41,598,891
Deposit and rental guarantee	28,006,757	26,400,506

7. INVESTMENT IN PROPERTIES

The outstanding balances of investment in properties as at 30 June 2022 and 31 December 2021 are as follows:

	Baht			
	30 June 2022		31 December 2021	
	Cost	Fair value	Cost	Fair value
UD Town Project	1,527,363,033	1,434,086,780	1,527,363,033	1,434,086,780
72 Courtyard Project	915,105,164	750,000,000	915,105,164	750,000,000
Porto Chino Project	458,532,338	401,000,000	458,532,338	401,000,000
Noble Solo Project	225,982,674	238,000,000	225,982,674	238,000,000
Total	<u>3,126,983,209</u>	<u>2,823,086,780</u>	<u>3,126,983,209</u>	<u>2,823,086,780</u>

Information of investment in properties

As at 30 June 2022, the Trust lease and/or sublease agreements acquired investment in properties which consists of

a) UD Town Project

Located on Mak Khaeng Sub-district Mueang Udon Thani District Udon Thanni Province, the total areas of land is approximately 45,313 square meters, total usable area approximately 48,765 square meters. The REIT invested in (i) land sublease and leasehold right to building and system for a period of 20 years and 10 months since 5 July 2019 (ii) leasehold right to land and sublease building and system for a period of 4 years since 5 July 2019 with a total land area of 45,271 square meters and total usable area approximately 45,279 square meters.

b) 72 Courtyard Project

Located on Sukhumvit 55 road (Soi Thong Lor) Sukhumvit road, Klong Tan Nuea Sub-district, Wattana District, Bangkok, total area is approximately 1 rai 0 ngan 53 square wah total usable area is approximately 5,019 square meters. The REIT invested leasehold right to building system of 72 Courtyard Project including facilities and parts of the land and building is period of 13 years since 5 July 2019 with total usable area approximately 5,019 square meters.

c) Porto Chino Project

Located on Rama 2 road Na Di Sub-district Mueang Samut Sakhon District Samut Sakhon Province, the total area 15 rai 1 ngan 60 square wah, total usable area of approximately 43,814 square meters. The REIT invested leasehold right to land building and other asset as part of the land building and utilities system for a period approximately 30 years since 5 July 2019 and total area 14 rai 0 ngan 60 square wah usable area approximately 33,694 square meters.

d) Noble Solo Project

The Trust has ownership of the condominium of Noble Solo project for commercial purpose located on Klong Tan Nuea Sub-district, Wattana District, Bangkok, total area is approximately 1,424 square meters.

The Trust has mortgaged its land and/or buildings and the conditional assignment of proceed claims under the rental agreement with the term of longer than 3 years (only Noble Solo Project and Porto Chino Project) as collateral against credit facilities received from financial institution as described in Notes 11 and 13.

8. CASH AND CASH EQUIVALENTS

As at 30 June 2022 and 31 December 2021, the Trust has the details of cash and cash equivalents as follows:

	30 June 2022		31 December 2021	
	Interest rate		Interest rate	
	(%)	Baht	(%)	Baht
Cash at Banks				
Savings accounts	0.05 - 0.10	172,418,436	0.05 - 0.10	149,670,291
Fixed deposit account 3 months	0.38	25,099,861	0.38	25,054,222
Total		<u>197,518,297</u>		<u>174,724,513</u>

As at 30 June 2022 and 31 December 2021, the Trust's deposit of Baht 10 million. The restricted for usage from the pledge as collaterals for loan from a commercial bank as described in Note 13.

9. RECEIVABLES FROM RENTAL AND SERVICES

The outstanding balances of receivables from rental and services are aged on the basis of due dates, as follows:

	Baht	
	30 June 2022	31 December 2021
<u>Aged on the basis of due dates</u>		
Not yet due	186,508,361	6,166,752
Overdue :		
Less than 3 months	9,592,745	67,745,290
3 - 6 months	2,576,334	65,194,177
6 - 12 months	85,036,163	122,668,467
More than 12 months	8,166,027	57,159,494
Total	291,879,630	318,934,180
<u>Less</u> Allowance for expected credit losses	(59,966,525)	-
Net	231,913,105	318,934,180

As a result, the World Health Organization declared the outbreak of novel coronavirus (COVID-19) as a pandemic, which continues to spread globally. The consequence of the COVID-19 has adversely affected the Trust's operating results. The Trust has entered into memorandum with some lessees about the conditions of discount on outstanding debt and rental payment instalments as follows:

- 1) The discount on outstanding debt and rental payment for the Porto Chino Project for outstanding debt as at 31 December 2021 in the amount of Baht 46.67 million which repay by allowing the Trust to expand lease the Lands and buildings of the Porto Chino Project for a period of 5 years, in this case it is considered to be the partial payment of outstanding debt, amounting to Baht 32.00 million. In addition, the Trust give discount on remaining outstanding debt amounting to Baht 14.67 million. In addition, the outstanding debt since 1 January 2022 the Trust made agreement of repayment in 36 installments, the first payment in the first quarter of 2023.
- 2) The discount on outstanding debt and rental payment for the UD Town Project for outstanding debt as at 31 December 2021 in the amount of Baht 78.96 million. The Trust give discount on outstanding debt amounting to Baht 44.92 million. In addition, the Trust prepare a memorandum of agreement on remaining outstanding debt amounting to Baht 34.04 million. It will be first payment in 2nd quarter of 2022 and finished within 2nd quarter of 2025. In addition, the outstanding debt since 1 January 2022 the Trust made agreement of repayment in 36 installments, the first payment in the first quarter of 2023.
- 3) The rental payment for the 72 Courtyard Project for outstanding debt as at 31 January 2022 in the amount of Baht 95.69 million. The Trust prepare a memorandum of agreement by the first payment will be on 1 March 2022 and finished within 31 January 2024.

As at 30 June 2022, receivables balance under all installment plan are as follows:

	Baht
Due within 1 year	63,155,666
Over 1 year but not more than 5 years	119,855,424
Total	<u>183,011,090</u>

10. DEFERRED EXPENSE

	Baht	
	30 June 2022	31 December 2021
Deferred expenses – beginning of period/year	21,997,773	30,712,151
<u>Less</u> Amortised during the period/year	<u>(4,321,377)</u>	<u>(8,714,378)</u>
Deferred expenses – end of period/year	<u>17,676,396</u>	<u>21,997,773</u>

11. SHORT-TERM LOAN FROM FINANCIAL INSTITUTION

	Baht	
	30 June 2022	31 December 2021
Short-term loan – beginning of period/year	40,000,000	40,000,000
<u>Add</u> Increase during the period/year	40,000,000	80,000,000
<u>Less</u> Repayment in during period/year	<u>(40,000,000)</u>	<u>(80,000,000)</u>
Short-term loan – ending of period/year	<u>40,000,000</u>	<u>40,000,000</u>

During the year 2021, the Trust has issued promissory note to financial institution of Baht 80 million. The loan is repayable with 4th quarter of 2021 and 2nd quarter of 2022 which it has an interest rate of MLR minus certain rates per annum.

During the year 2022, the Trust has issued promissory note to financial institution of Baht 40 million. The loan is repayable with 4th quarter of 2022 which it has an interest rate of MLR minus certain rates per annum.

The Trust has used the same secured assets as long-term loan as described in Note 13.

12. LIABILITIES UNDER LEASES

Movement of liabilities under financial lease for the six-month period ended 30 June 2022 and for the year ended 31 December 2021 are as follows:

	Baht	
	30 June 2022	31 December 2021
Liabilities under leases – beginning of period/year	66,086,780	67,923,622
<u>Less</u> Repayment during period/year	(1,670,212)	(5,097,093)
<u>Add</u> Deferred interest expense during period/year	1,592,151	3,260,251
Liabilities under leases – end of period/year	<u>66,008,719</u>	<u>66,086,780</u>

13. LONG-TERM LOAN FROM FINANCIAL INSTITUTION

	Baht	
	30 June 2022	31 December 2021
Due within 1 year	24,000,000	12,000,000
Due over than 1 year	177,161,600	192,588,800
Total	201,161,600	204,588,800
<u>Less</u> Deferred loan contract fees period/year	(4,335,014)	(4,826,100)
Total Long-term loans from bank	<u>196,826,586</u>	<u>199,762,700</u>

Movement of long-term loan from financial institution for the six-month period ended 30 June 2022 and for the year ended 31 December 2021 are as follows:

	Baht	
	30 June 2022	31 December 2021
Long-term loans from financial institution – beginning of period/year	204,588,800	210,000,000
<u>Less</u> Repayment during period/year	(3,427,200)	(5,411,200)
<u>Less</u> Deferred loan contract fees period/year	(4,335,014)	(4,826,100)
Long-term loans from financial institution – end of period/year	<u>196,826,586</u>	<u>199,762,700</u>

On 28 November 2019, the Trust has drawn down long-term loans from a financial institution, amounting to Baht 210 million for investment in property. The loan principal will be paid within 9 years and interest will be paid every month, with interest rate at MLR minus certain rates per annum and the principal will be started repayment within 3rd quarter of 2020. The loans are secured by the followings:

- 1) Secured by mortgaging its land and/or buildings of The Noble Solo Project as described in Note 7.
- 2) The transferring right to withdrawn in bank account and conditional assignment of proceed claims under the rental agreement with the term of longer than 3 years (only Noble Solo Project and Porto Chino Project).
- 3) Conditional assignment of insurance claims and endorsement to entitle the lender as the beneficiary and joined insured (only Noble Solo Project and Porto Chino Project).

The loan agreements contain several covenants which, among other things, require the Trust to maintain interest bearing debt to total assets ratio (Debt to Total Assets Ratio) and interest bearing debt to profit from operations before interest expense and finance cost, tax, depreciation, amortisation and non-cash expenses ratio (Debt to EBITDA Ratio) at the rate prescribed in the agreement.

During the year 2021, the Trust entered the additional memorandum with the financial institution to receive the repayment between 3rd quarter of 2021 to 2nd quarter of 2022 and finished within 3rd quarter of 2029. The interest rate is during MLR-0.50% - MLR-3.25%.

14. CAPITAL RETURN ON UNITHOLDERS

Movements of the trust units and capital from trust unitholders during the six-month period ended 30 June 2022 are as follows:

	Unit	Value per unit	(Unit: Baht) Capital amount
Capital at the beginning of period	288,000,000	10.00	2,880,000,000
Reduction of trust unit value	-	(0.17)	(48,960,000)
Capital at the end of period	288,000,000	9.83	2,831,040,000

On 28 February 2022, At the Board of Directors Meeting of REIT Manager No. 2/2022, the Board of Directors approved the capital reduction at the rate of Baht 0.07 per unit, amounting to Baht 20.16 million, without any change in the number of units which paid from capital reduction to the unitholder on 28 March 2022. The capital reduction is in accordance with the Trust established agreement.

On 13 May 2022, At the Board of Directors Meeting of REIT Manager No. 4/2022, the Board of Directors approved the capital reduction at the rate of Baht 0.10 per unit, amounting to Baht 28.80 million, without any change in the number of units which paid from capital reduction to the unitholder on 10 June 2022. The capital reduction is in accordance with the Trust established agreement.

15. RETAINED EARNINGS (DEFICIT)

	Baht	
	For the six-month period ended 30 June 2022	For the year ended 31 December 2021
Retained earnings (deficit) at the beginning of period/year	(17,855,557)	102,222,629
<u>Add</u> Increase in net assets resulting from operations	45,567,096	233,166,671
Gains on investments in securities	-	23,377
Unrealised loss on change in fair value of investments in properties	-	(296,446,469)
<u>Less</u> Distribution to unitholders	-	(56,821,765)
Retained earnings (deficit) at the end of period/year	<u>27,711,539</u>	<u>(17,855,557)</u>

16. DISTRIBUTIONS TO UNITHOLDERS

Distribution paid during the six-month period ended 30 June 2021, as follows:

Approved date	The operation for the period	Per unit	(Unit: Baht) Total
27 February 2021	Retained earnings from 1 October 2020 to 31 December 2020	0.1273	36,661,764
			<u>36,661,764</u>

17. EXPENSES

1) REIT Manager fee

REIT Manager is entitled to REIT Manager's fee (exclusive of value added tax or any other similar taxes) from the Trust, as detailed below:

- (1) A base fee, paid monthly and calculated at a rate not exceeding 0.75% per annum on the Trust's total asset value, as specified in the agreement.
- (2) An acquisition fee which is calculated at a rate not exceeding 3.00% on the total asset value acquired by the Trust in each period and a disposal fee which is calculated at a rate not exceeding 3.00% on lower of the total asset value disposed by the Trust in each period and the appraisal value assessed by an independent appraiser approved by the Securities and Exchange Commission.

2) Trustee's fee

The Trustee is entitled to monthly remuneration at a rate not exceeding 1.00% per annum (exclusive of value added tax or any other similar taxes) of the Trust's total asset value, as calculated by the REIT Manager and verified by the Trustee.

3) Registrar's fee

Operating expenses of the Trust Unit Registrar is monthly charged based on actual cost incurred.

4) Trust's property management fee

REIT Manager is entitled to Trust's property management fee (exclusive of value added tax or any other similar taxes) from the Trust, as detailed below:

- (1) A property management fee, paid monthly and calculated at a rate not exceeding 3.00% per annum on the Trust's net revenue from rental and service.
- (2) An incentive fee, paid monthly and calculated at a rate not exceeding 3.00% per annum on profit from operation of core assets of the Trust.
- (3) A commission fee from renewal of the rental and service agreement by retail tenants and provision of new retail tenants for vacant units, calculated not exceeding 1 month rental and service fee as specified in the rental and services agreement receivable from retail tenants.

5) Operating expenses

Operating expenses of the Trust include common area fee, insurance expense and property tax.

18. 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 market participants at the measurement date.

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

- Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 unobservable inputs for the asset or liability.

There was no transfer between such levels during the period.

The following table presents assets that are measured at fair value as at 30 June 2022 as follows:

	Baht		
	Level 2	Level 3	Total
<u>Assets</u>			
Investment in properties	-	2,823,086,780	2,823,086,780
Total	-	2,823,086,780	2,823,086,780

19. COMMITMENTS

As at 30 June 2022, the Trust has the following commitments:

- 19.1 Commitment for fees payment to counterparties under the terms and conditions as described in Note 17.
- 19.2 Commitments under three service and property management agreements of Baht 37 million for the period of 1 year and that service rate will increase by 1.50% per annum on July of the next year.

20. EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors Meeting of REIT Manager No. 5/2022 held on 10 August 2022, the Board of Directors passed resolutions as follow:

- 1) Approving the capital reduction at the rate of Baht 0.03 per unit, amounting to Baht 8.64 million which will be repaid to the unitholder on 7 September 2022. The capital reduction is in accordance with the Trust established agreement.
- 2) Approving the appropriation of distribution from operating income for the period from 1 April 2022 to 30 June 2022 of Baht 0.09 per unit, amounting to Baht 25.92 million. The distribution will be paid on 7 September 2022.

21. APPROVAL OF FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by REIT Manager's Board of Directors on 10 August 2022.