

**Bualuang Office Leasehold Real Estate
Investment Trust**

Interim financial statements
For the period from 6 February 2018
(date of incorporation) to 31 March 2018
and
Independent auditor's report on review of
interim financial information

Independent Auditor's Report on Review of Interim Financial Information

To the Unitholders of Bualuang Office Leasehold Real Estate Investment Trust

I have reviewed the accompanying balance sheet, including detail of investments as at 31 March 2018, the statements of income, changes in net assets, cash flows and significant financial information for the period from 6 February 2018 (date of incorporation) to 31 March 2018, and condensed notes ("interim financial information") of Bualuang Office Leasehold Real Estate Investment Trust. The REIT manager is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". 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.

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 Thai Accounting Standard 34, "Interim Financial Reporting."

(Sujitra Masena)
Certified Public Accountant
Registration No. 8645

KPMG Phoomchai Audit Ltd.
Bangkok
14 May 2018

Bualuang Office Leasehold Real Estate Investment Trust

Balance sheet

		31 March 2018
	<i>Note</i>	(Unaudited)
		<i>(in thousand Baht)</i>
Assets		
Investments in leasehold properties at fair value		
(At cost: Baht 4,570 million)	6	4,569,853
Cash on hand and at financial institutions	5	212,815
Rental and service receivables	5, 7	49,776
Accrued income		8,543
Accrued interest income	5	326
Deferred expenses	8	2,571
Refundable value added tax		28,877
Other assets		1,719
Total assets		4,874,480
Liabilities		
	5	
Trade accounts payable		20,050
Other payables and accrued expenses		16,719
Rental and service income received in advance		74,682
Deposits from rental and services		108,531
Long-term borrowings	9	920,000
Other liabilities		1,718
Total liabilities		1,141,700
Net assets		3,732,780
Net assets		
Trust registered capital	10	3,688,000
Capital from unitholders	10	3,688,000
Profit for the period		44,780
Net assets		3,732,780
Net asset value per unit (<i>Baht</i>)		10.1214
Number of units issued at the end of period (<i>thousand units</i>)		368,800

The accompanying notes are an integral part of these financial statements.

Bualuang Office Leasehold Real Estate Investment Trust

Detail of investments (Unaudited)

31 March 2018

Type of investments	Areas held by the Trust	Cost	Fair value	Percentage of investments
<i>(in thousand Baht)</i>				
Investments in leasehold properties (Note 6)				
Leasehold rights on land, office buildings and its component parts under 2 projects				
1. True Tower 1 project				
<u>Location</u> 18, Ratchadapisek Road, Kwang Huai Khwang, Khet Huai Khwang Bangkok 10310				
Leasehold rights on land, office building and its component parts including leasable area, common areas and parking areas				
	63,615 sq.m.	2,721,859	2,721,859	
Tool, fixtures, equipment and utility systems				
		212,281	212,281	
		2,934,140	2,934,140	64.21
2. True Tower 2 project				
<u>Location</u> 1252, 1252/1 - 1252/3, Pattanakarn Road, Kwang Suan Luang, Khet Suan Luang, Bangkok 10250				
Leasehold rights on land, office building and its component parts including leasable area, common areas and parking areas				
	41,417 sq.m.	1,417,325	1,417,325	
Tool, fixtures, equipment and utility systems				
		218,388	218,388	
		1,635,713	1,635,713	35.79
Total investments in leasehold properties				
		4,569,853	4,569,853	100.00

The accompanying notes are an integral part of these financial statements.

Bualaug Office Leasehold Real Estate Investment Trust

Statement of income (Unaudited)

		For the period from 6 February 2018 to 31 March 2018 (in thousand Baht)
	<i>Note</i>	
<i>Investment income</i>	5	
Rental and service income		78,777
Interest income		326
Other income		2,659
Total income		81,762
<i>Expenses</i>		
Management fees	5, 11	1,949
Trustee fees	5, 11	1,267
Registrar fees	11	222
Property management fees	5, 11	4,734
Professional fees		223
Amortisation of deferred expenses		55
Costs of rental and services	5	21,776
Administration expenses		1,186
Finance costs	5	5,570
Total expenses		36,982
Net investment income		44,780
Net increase in net assets from operations		44,780

The accompanying notes are an integral part of these financial statements.

Bualuang Office Leasehold Real Estate Investment Trust
Statement of changes in net assets (Unaudited)

	<i>Note</i>	For the period from 6 February 2018 to 31 March 2018 <i>(in thousand Baht)</i>
<i>Increase in net assets from operations during period</i>		
Investment income		<u>44,780</u>
Increase in net assets from operations		<u>44,780</u>
<i>Increase in capital from unitholders</i>		
Investment trusts sold during period	<i>10</i>	<u>3,688,000</u>
Increase in capital from unitholders		<u>3,688,000</u>
Increase in net assets during period		3,732,780
Net assets as at 6 February 2018 (date of incorporation)		<u>-</u>
Net assets as at 31 March 2018		<u><u>3,732,780</u></u>

The accompanying notes are an integral part of these financial statements.

Bualuang Office Leasehold Real Estate Investment Trust
Statement of cash flows (Unaudited)

	<i>Note</i>	For the period from 6 February 2018 to 31 March 2018 <i>(in thousand Baht)</i>
<i>Cash flows from operating activities</i>		
Net increase in net assets from operations		44,780
<i>Adjustments to reconcile increase in net assets from operations to net cash used in operating activities</i>		
Purchases of investments in leasehold properties	6	(4,569,853)
Amortisation of deferred expenses	8	55
Increase in rental and service receivables		(49,776)
Increase in accrued income		(8,543)
Increase in refundable value added tax		(28,877)
Increase in other assets		(1,719)
Increase in trade accounts payable		20,050
Increase in other payables and accrued expenses		11,149
Increase in rental and service income received in advance		74,682
Increase in deposits from rental and services		108,531
Increase in other liabilities		1,718
Interest income		(326)
Finance costs		5,570
Net cash flows used in operating activities		<u>(4,392,559)</u>
<i>Cash flows from financing activities</i>		
Proceeds from issued of trust capital from unitholders	10	3,688,000
Proceeds from long-term loans	9	920,000
Payment for the trust unit issuance costs and offering the trust unit expenses	8	(2,626)
Net cash flows from financing activities		<u>4,605,374</u>
Net increase in cash on hand and at financial institutions		212,815
Cash on hand and at financials institutions as at 6 February 2018 (date of incorporation)		-
Cash on hand and at financial institutions as at 31 March 2018		<u>212,815</u>

The accompanying notes are an integral part of these financial statements.

Bualuang Office Leasehold Real Estate Investment Trust

Significant financial information

For the period from
6 February 2018
to 31 March 2018
(in Baht)

Information on operating results (per unit)

Net assets value as at 6 February 2018 (date of incorporation)	-
Income from investing activities	
Net investment income	0.1214
Total income from investing activities	0.1214
Add Increase in capital from unitholders	10.0000
Net assets value at the end of period	10.1214

Ratio of net decrease in net assets from operations

to average net assets during the period (%) **1.20**

Significant financial ratios and additional significant information

Net assets as at 31 March 2018 (in thousand Baht)	3,732,780
Ratio of total expenses to average net assets during the period (%)	0.99
Ratio of total investment income to average net assets during the period (%)	2.20
Ratio of weighted average investment purchases and sales during the period to average net assets during the period (%) *	122.80
Average net assets during the period (in thousand Baht)	3,721,515

* The value of investment purchases and sales during the period does not include cash at financial institutions and investments in cash at financial institutions, and are calculated by a weighted average basis over the accounting period.

The accompanying notes are an integral part of these financial statements.

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

Note	Contents
1	Description of Bualuang Office Leasehold Real Estate Investment Trust
2	Basis of preparation of the interim financial statements
3	Distribution policy
4	Significant accounting policies
5	Related parties
6	Investments in leasehold properties
7	Rental and service receivables
8	Deferred expenses
9	Long-term borrowings
10	Unitholders' trust
11	Expenses
12	Information on investment purchase and sale transactions
13	Segment information
14	Commitments

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language interim financial statements, and were authorised for issue by the authorised director of the REIT manager on 14 May 2018.

1 Description of Bualuang Office Leasehold Real Estate Investment Trust

Bualuang Office 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 (“the Act”) in accordance with the Trust Deed signed on 6 February 2018 between BBL Asset Management Company Limited as the Trust Settlor and Krung Thai Asset Management Public Company Limited as the Trustee. On 6 February 2018, the Trust was established as a specific closed-end real estate investment trust with an indefinite term. The Trust’s objectives are to raise funds from investors and use funds to invest in the major leasehold properties by lease and/ or sublease under 2 projects as follows:

1.1 True Tower 1 Project, descriptions of investment were as follows:

Location	18, Ratchadapisek Road, Kwang Huai Khwang, Khet Huai Khwang, Bangkok 10310
Ownership	The land and building are owned by True Properties Company Limited
Gross floor area	63,615 sq.m.
Net leasable area	37,315 sq.m.
Type of investment	1. Leasehold rights over the land (all) 2. Leasehold rights over building and its component parts (all) which located on land above 3. Freehold rights over tools, fixtures, equipment and utility systems
Investment period	30 years (ended on 7 February 2048)

1.2 True Tower 2 Project, descriptions of investment were as follows:

Location	1252, 1252/1 - 1252/3, Pattanakarn Road, Kwang Suan Luang, Ket Suan Luang, Bangkok 10250
Ownership	The land and building are owned by True Properties Company Limited
Gross floor area	41,417 sq.m.
Net leasable area	25,072 sq.m.
Type of investment	1. Leasehold rights over the land (all) 2. Leasehold rights over building and its component parts (all) which located on land above 3. Freehold rights over tools, fixtures, equipment and utility systems
Investment period	30 years (ended on 7 February 2048)

On 27 February 2018, the Stock Exchange of Thailand approved the listing of the Trust’s units and permitted their trading from 28 February 2018 onwards.

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

The Trust is managed by BBL Asset Management Company Limited (“the REIT Manager”), Krung Thai Asset Management Public Company Limited acts as the Trustee and True Properties Company Limited acts as the Property Manager.

As at 31 March 2018, the Trust’s major unitholder is True Properties Company Limited, which holds 15.18%.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (“TAS”) No. 34 (revised 2017) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission. In addition, the interim financial statements have been prepared in accordance with TAS No. 106 “*Accounting for Investment Companies*”.

The Trust has adopted all the revised TFRS that are effective for annual periods beginning on or after 1 January 2018.

In addition to the above revised TFRS, The FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Trust has not early adopted this standard in preparing these interim financial statements.

TFRS 15 *Revenue from Contracts with Customers* establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue - Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

REIT manager is presently considering the potential impact of adopting and initially applying TFRS 15 *Revenue from Contracts with Customers* on the financial statements of the Trust.

(b) Functional and Presentation currency

The financial statements are prepared and presented in Thai Baht, which is the Trust’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the interim financial statements to the nearest thousand Baht unless otherwise stated.

(c) Use of judgments and estimates

The preparation of interim financial statements in conformity with TFRS requires the REIT manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

3 Distribution policy

The Trust has policy to pay distributions to unitholders at least 2 times per year as follows:

- 1) The REIT manager shall pay distributions to unitholders that, in aggregate, amount to not less than 90% of adjusted net profit for the fiscal year which will pay within 90 days from the fiscal year or accounting period that had paid distributions or any other rates set by the Thai Securities and Exchange Commission.

However, the REIT manager may consider to reserve money for major renovation following the propose plan by Property Manager that, in aggregate, amount not more than 5% revenue from operation for the fiscal year. In this regard, the REIT manager will consider the necessary, the sufficiency of investments for major renovation including other financing activities such as short-term borrowings etc.

The adjusted net profit means the net profit not including the unrealised gain from the appraisal or verification of the appraisal of the Trust's asset and deduct with the reserve for repayments of borrowings or commitment incurred from obtaining borrowings by the Trust.

- 2) In case where the Trust has accumulated losses, the REIT manager shall not to pay any distributions to the unitholders.

In considering the payment of interim distributions, the determination of the distribution rate will depend on judgment of REIT manager. If the value of interim distribution per unit to be paid quarterly or year-end are lower than or equal to Baht 0.10, the REIT manager reserves the rights not to pay distribution at that time and to carry such distribution forward for payment together with the next distribution payment.

4 Significant accounting policies

(a) Measurement of investments

Investments are recognised as assets at cost on the date which the Trust has rights on investments. The cost of investments comprises the purchase prices and all direct expenses paid by the Trust in order to acquire such investments.

Investments in leasehold properties

Investments in leasehold properties are measured at fair value with no depreciation charge.

The REIT manager measured fair value at the first reporting date after the acquisition of the leasehold rights based on the cost of investments, and will remeasure them at subsequent reporting dates at fair value, using the appraisal value assessed by an independent appraiser approved pursuant to the Notification of the Securities and Exchange Commission concerning the granting of approval of valuation companies and principle valuers for public use. Valuation will be made when economic conditions change, but at least every two years, commencing from the date of the full appraisal were made. In addition, the valuation will be annually reviewed after the latest valuation date.

The REIT manager will not appoint same valuer to appraise the leased property for more than two consecutive times.

Any gains or losses on valuation of investments in leasehold properties (if any) are presented as net unrealised gains or losses in the statement of income.

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

(b) *Cash on hand and at financial institutions*

Cash on hand and at financial institutions in the statement of cash flows comprise cash balances and call deposits.

(c) *Rental and service receivables*

Rental and service receivables are stated at their invoice value less allowance for doubtful accounts.

The recognised revenue which is not yet due under the operating lease agreements has been presented under the caption of “Rental and service receivables” at the end of reporting period.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(d) *Unbilled trade receivables*

Unbilled trade receivables are stated at cost plus margin recognised up to the reporting date less progress billings and allowance for doubtful accounts. Cost includes all expenditure directly related to rendering of rental and service.

(e) *Deferred expenses*

Deferred expenses comprise the trust unit issuance and offering expenses as incurred which consisted of underwriting fees and other directly related expenses. Deferred expenses are amortised as an expense over a period of 5 years on a straight line basis.

(f) *Other payables and accrued expenses*

Other payables and accrued expenses are stated at cost.

(g) *Income received in advance*

Income received in advance represents the amount of billings rendered to customers in excess of income recognised, as well as the amount of advance billing for customers’ work, for which the Company had not rendered the service under the conditions stipulated in the contracts. Income received in advance is stated at cost.

(h) *Provisions*

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

(i) *Interest-bearing liabilities*

Interest-bearing liabilities are stated at cost.

(j) *Revenue*

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

Rental and service income

Rental income is recognised as revenue in the statement of income on a straight line basis over the term of the lease. Service income is recognised when services are rendered to customers at the rate stipulated under the agreement. The recognised revenue which is not yet due under the operating lease agreements has been presented under the caption of “Rental and service receivables” at the end of reporting period.

Interest income

Interest income is recognised in statement of income as it accrues.

(k) Finance costs

Interest expenses and similar costs are charged to the statement of income base on the effective interest rate for the period in which they are incurred.

(l) Expenses

Other expenses

Other expenses are recognised in the statement of income in the period in which they are incurred.

(m) Income tax

The Trust has no corporate income tax liability since it is not the juristic entity in accordance with section 39 of the Revenue Code.

(n) Distribution to unitholders

A decrease in retained earnings is recognised at the date a distribution is declared.

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Trust if the Trust has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Trust and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with other related parties were as follows:

Name of parties	Country of incorporation	Nature of relationships	Nature of transactions
True Properties Company Limited	Thailand	Property manager Major unitholder holding 15.18% of trust units issued and paid-up	Entered into leasehold rights agreements over land, building and its component parts (<i>Note 6</i>) Receive property management fees from the Trust

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

Name of parties	Country of incorporation	Nature of relationships	Nature of transactions
BBL Management Company Limited	Thailand	REIT manager	Receive management fees from the Trust
Krung Thai Asset Management Public Company Limited	Thailand	Trustee of the Trust	Receive trustee fees from the Trust
Bangkok Bank Public Company Limited	Thailand	Parent company of REIT manager	Depository service Grant loan to the trust
Charoen Pokphand Group Company Limited	Thailand	Ultimate parent company of property manager	Rental and service income
Bakehouse Company Limited	Thailand	Affiliated company of property manager	Rental and service income
BFKT (Thailand) Company Limited	Thailand	Affiliated company of property manager	Rental and service income
Charoen Pokphand Foods Public Company Limited	Thailand	Affiliated company of property manager	Rental and service income
Cineplex Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
CP All Public Company Limited	Thailand	Affiliated company of property manager	Rental and service income
Real Move Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Corporation Public Company Limited	Thailand	Affiliated company of property manager	Rental and service income
True Digital & Media Platform Company Limited	Thailand	Affiliated company of property manager	Rental and service income
True Digital Park Company Limited	Thailand	Affiliated company of property manager	Rental and service income
True Digital Plus Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Distribution & Sales Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True GS Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Internet Corporation Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Internet Data Center Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Leasing Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Lifestyle Retail Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Move Company Limited	Thailand	Affiliated company of property manager	Rental and service income
True Move H Universal Communication Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

Name of parties	Country of incorporation	Nature of relationships	Nature of transactions
True Multimedia Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True Visions Group Co., Ltd.	Thailand	Affiliated company of property manager	Rental and service income
True4U Station Company Limited	Thailand	Affiliated company of property manager	Rental and service income

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing Policies
Rental and service income	Market prices which are subject to location, lease space, lease form, lease period and type of lease
Interest income/interest expense	Interest rate based on the rate as announced by the financial institution
Other income	The rate being charged by other parties in the same business
Costs of rental and services	Market prices
Management fees	Contractually agreed prices
Trustee fees	Contractually agreed prices
Property management fees	Contractually agreed prices
Bank charges	Market prices
Investments in leasehold properties	Contractually agreed prices

Significant transactions for the period from 6 February 2018 to 31 March 2018 with related parties were as follows:

	For the period from 6 February 2018 to 31 March 2018 (in thousand Baht)
Revenue	
Rental and service income	
Real Move Co., Ltd.	4,287
True Corporation Public Company Limited	25,850
True Distribution & Sales Co., Ltd.	4,585
True Internet Corporation Co., Ltd.	14,358
True Internet Data Center Co., Ltd.	4,402
True Visions Group Co., Ltd.	3,812
Other related parties	12,638
Total	69,932
Interest income	
Bangkok Bank Public Company Limited	326
Other income	
Other related parties	2,491
Expenses	
Costs of rental and services	
True Properties Company Limited	14,443

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

	For the period from 6 February 2018 to 31 March 2018 (in thousand Baht)
Management fees	
BBL Asset Management Company Limited	<u>1,949</u>
Trustee fees	
Krung Thai Asset Management Company Limited	<u>1,267</u>
Property management fees	
True Properties Company Limited	<u>4,734</u>
Finance costs	
Bangkok Bank Public Company Limited	<u>5,570</u>
Balances as at 31 March 2018 with related parties were as follows:	
	31 March 2018 (in thousand Baht)
<i>Rental and service receivables</i>	
<i>Rental and service receivables</i>	
Charoen Pokphand Group Company Limited	3,172
True Corporation Public Company Limited	15,508
True Internet Corporation Co., Ltd.	9,193
True Internet Data Center Co., Ltd.	3,647
Other related parties	17,077
	<u>48,597</u>
<i>Accrued income under operating lease</i>	
Other related parties	843
	<u>843</u>
Total	<u>49,440</u>
<i>Cash at financial institution</i>	
Bangkok Bank Public Company Limited	<u>203</u>
<i>Accrued interest income</i>	
Bangkok Bank Public Company Limited	<u>326</u>
<i>Trade accounts payable</i>	
True Properties Company Limited	<u>14,035</u>
<i>Other payables and accrued expenses</i>	
BBL Asset Management Company Limited	1,949
Krung Thai Asset Management Company Limited	1,267
Total	<u>3,216</u>

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

	31 March 2018 (in thousand Baht)
<i>Rental and service income received in advance</i>	
Real Move Co., Ltd.	4,404
True Corporation Public Company Limited	28,543
True Distribution & Sales Co., Ltd.	4,809
True Internet Corporation Co., Ltd.	14,508
True Internet Data Center Co., Ltd.	4,103
True Visions Group Co., Ltd.	4,173
Other related parties	13,529
Total	74,069
<i>Deposits from rental and services</i>	
Real Move Co., Ltd.	6,606
True Corporation Public Company Limited	45,474
True Distribution & Sales Co., Ltd.	7,213
True GS Co., Ltd.	3,890
True Internet Corporation Co., Ltd.	21,449
True Internet Data Center Co., Ltd.	5,852
True Visions Group Co., Ltd.	6,169
Other related parties	11,878
Total	108,531
<i>Long-term borrowings</i>	
Bangkok Bank Public Company Limited	920,000
<i>Other liabilities</i>	
Other related parties	1,709

6 Investments in leasehold properties

On 6 February 2018, the Trust has entered into leasehold rights agreement over land, building and its component parts (“leased assets”) of True Tower 1 project together with purchase of freehold rights over tools, fixtures, equipment and utilities system as described in note 1 to the interim financial statement with True Properties Company Limited. The Trust paid for the total investment cost in the amount of Baht 2,934 million, for the leased assets in the amount of Baht 2,722 million and for purchase of freehold rights over tools, fixtures, equipment and utilities system in the amount of Baht 212 million.

The Trust has already registered the leasehold rights with Department of Land on 8 February 2018.

On 6 February 2018, the Trust has entered into leasehold rights agreement over land, building and its component parts (“leased assets”) of True Tower 2 project together with purchase of freehold rights over tools, fixtures, equipment and utilities system as described in note 1 to the interim financial statement with True Properties Company Limited. The Trust paid for the total investment cost in the amount of Baht 1,636 million, for the leased assets in the amount of Baht 1,417 million and for purchase of freehold rights over tools, fixtures, equipment and utilities system in the amount of Baht 219 million.

The Trust has already registered the leasehold rights with Department of Land on 8 February 2018.

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

7 Rental and service receivables

	<i>Note</i>	31 March 2018 <i>(in thousand Baht)</i>
<i>Rental and service receivables</i>		
Related parties	5	48,597
Other parties		336
Total		48,933
<i>Accrued income under operating lease</i>		
Related parties	5	843
Total		843
Grand total		49,776

Aging analyses for rental and service receivables were as follows:

	<i>Note</i>	31 March 2018 <i>(in thousand Baht)</i>
Related parties		
Within credit terms		48,597
	5	48,597
Other parties		
Within credit terms		336
		336
Total		48,933
Accrued income under operating lease		843
Grand total		49,776

The normal credit terms granted for rental and service receivables of the Trust range from 15 days to 60 days.

8 Deferred expenses

The trust unit issuance and offering expenses are recognised as deferred expenses and amortised as an expense over a period of 5 years on a straight line basis.

Movement of deferred expenses for the period from 6 February 2018 to 31 March 2018 was as follows:

	<i>(in thousand Baht)</i>
As at 6 February 2018	-
Increases	2,626
Amortisation	(55)
As at 31 March 2018	2,571

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

9 Long-term borrowings

	Interest rate (% per annum)	31 March 2018 (in thousand Baht)
Borrowings from financial institutions	4.25	<u><u>920,000</u></u>

Movement of borrowings for the period from 6 February 2018 to 31 March 2018 was as follows:

	(in thousand Baht)
As at 6 February 2018	-
Increase	<u>920,000</u>
As at 31 March 2018	<u><u>920,000</u></u>

On 8 February 2018, the Trust borrowed loans of Baht 920 million from Bangkok Bank Public Company Limited (“the bank”). The principal is payable due at the term of agreements for a period of 10 years. The loan bears interest at MLR-2 to MLR-1 per annum. The principle and interest are semi-annually payable. The borrowings were secured by the followings:

- 1) Leasehold rights of True Tower 1 building.
- 2) Rights of received all rental and service income.
- 3) Insurances including all risk insurances and business interruption insurances in which identified the bank as beneficiary together with the borrower.

Under the borrowing agreement, the Trust must maintain financial conditions which stipulated in the borrowing agreement such as maintenance interest bearing debt to operating profit before interest expenses and financial costs, income tax, depreciation, amortisation adjust by non-cash items (Interest Bearing Debt to EBITDA ratio) to be not more than 4 times etc.

As at 31 March 2018, the Trust had unutilised credit facilities amounting to Baht 250 million.

10 Unitholders’ trust

On 6 February 2018, Bualuang Asset Management Company Limited, as the Trust Settlor and REIT manager established the Bualuang office Leasehold Real Estate Investment Trust with a registered capital of Baht 3,688 million, consisting of 368.8 million units with a par value of Baht 10 each. The Trust called up payment for all of these trust units and notified the Office of the Securities and Exchange Commission of these called-up capital funds.

11 Expenses

(a) Management fees

The REIT manager will receive a monthly REIT management fees at a rate not exceed 0.50% per annum of total assets value (excluded value added tax, specific business tax or any other similar tax) but not less than Baht 8 million per year.

(b) Trustee fees

The Trustee of the Trust will receive a monthly trustee fees at a rate not exceed 0.50% per annum of total assets value (excluded value added tax, specific business tax or any other similar tax) but not less than Baht 4 million per year.

Bualuang Office Leasehold Real Estate Investment Trust

Notes to the interim financial statements

For the period from 6 February 2018 (date of incorporation) to 31 March 2018 (Unaudited)

(c) Registrar fees

The registrar fees are calculated annually at a rate not exceed 0.05% per annum of the Trust's registered capital or other rate that set by the Trust's registrar.

(d) Property management fees

The Property Manager will receive remuneration under the Property Management Agreements which is summarised as follows:

(1) Base fees

At a rate of not exceed 3% of operating income by individual project.

(2) Incentive fees

At a rate of not exceed 10% of adjusted gross profit.

(3) Service fees for agreement arrangement

At a rate not exceed 3 months of rental and/ or service income for entering into new rental service contract or extending the original contract and investing in leased assets according to the term of the agreement for a periods of 3 years and variable depending on the term of agreement.

12 Information on investment purchase and sale transactions

The Trust purchase investments during the period by excluding investments in cash at financial institutions for the period from 6 February 2018 (date of incorporation) to 31 March 2018, totaling Baht 4,570 million which is 122.80% of the average net asset values during the period.

13 Segments information

The Trust main business is investing in properties and leasehold rights, seeking the benefits from properties, and properties for rent. The Trust has only one geographical segment because they operate only in Thailand.

14 Commitments

The Trust is committed to pay service charges and fees to counterparties under the terms and conditions as specified in note 11 to interim financial statements.