

PARK VENTURES



GOLDEN VENTURES
REIT

SATHORN SQUARE

Annual Report

- 30 September

2017

GOLDEN OPPORTUNITY

www.gvreit.com

Golden Ventures Leasehold Real Estate Investment Trust (GVREIT)



ARK VENTURES

Contents

2 Message from the Chairman

5 The REIT Manager's Management Discussion and Analysis

14 The REIT

16 The Trustee

18 REIT's Structure

19 REIT Manager

47 Trust Investment Policy

53 Significant Events Regarding Operations of Trust in that Fiscal Year

55 Details of the Invested Assets of the REIT

61 Details of Real Estate Invested or Distributed in the Fiscal Year

62 Borrowings Policy

68 Market Overview for Real Estate Industry of the Invested Properties

73 Information about the Revenue Guarantee and the Guarantor

74 Restrictions on the Allocation of Trust Units

76 Distribution Payment Policy

78 Social Responsibility

84 Fee & Expenses Payable by the REIT

85 Opinion of the Trustee

86 The Detail of REIT's Related Party Transactions

97 Independent Auditor's Report

101 Financial Statements

Message from the Chairman

2017 is the first twelve months' operation of Golden Ventures Leasehold Real Estate Investment Trust ("GVREIT"). GVREIT reported its total investment income of Baht 1,093 million, and its net investment income of Baht 699 million with its gross profit margin and its net investment income to total revenues of over 82.20%, and 63.96% respectively. During the past fiscal year, starting from October 2016 to September 2017, GVREIT made 4 distribution payments of Baht 0.7414 per unit trust to its unit holders, or a return of 92.69% in distribution payments to net adjusted profit. These achievements proved to be in line with its desired performance target, and also reflect its efficiency in the management of its real estate investments.

The overall economic conditions, both domestically and internationally, have shown their continued signs of recovery over the past year. This has resulted in a growing demand in office rental space in the Bangkok area. The unoccupied office space thereof has declined and vice versa their rental rate has surged, particularly for the Grade A office spaces in CBD locations which are well-managed and with easy access to public transportation, such as being close to BTS stations. The said qualifications of such Grade A buildings are the distinctive nature of GVREIT's invested properties, namely Park Ventures Ecoplex and Sathorn Square. Both developments also maintain high average occupancy rates of over 95%, whilst holding a strong position in continual upward rate adjustment. Both of our properties are modern Grade A office buildings with environmentally friendly characteristics. Being nature-friendly and green buildings empower a good image for our tenants, and hence our buildings are usually sought out by major corporations who always express their interest in renting our office spaces.

Under the current business environments, there are numerous new developers in the market who turn to invest in office rental developments. We, Univentures REIT Management Company Limited ("the Company"), as the REIT Manager, are fully aware of the present competitive market environment, and are ready to respond to the increasing supply of office rental spaces in the near future. We are confident that our current strategies such as our finest services to tenants, our best up keeping of the properties, our capability of rendering satisfaction to our tenants, and our preserved images of the leading Grade A office buildings in the country shall enhance GVREIT with its ongoing excellent business performance.

Lastly, as the Chairman of Univentures REIT Management Company Limited, I would like to express my appreciation to all our unit holders who participate in our GVREIT and have entrusted us with confidence. We, the Company, intend to perform our role and duties under good governance and maintain our acclaimed international management standards to assure the business sustainability of GVREIT, and provide stable returns to our unit holders as well as maintain an excellent image of high quality properties to create the greatest benefits for you into the future.



Chatrapee Tantixalerm

Chairman of the Board of Directors



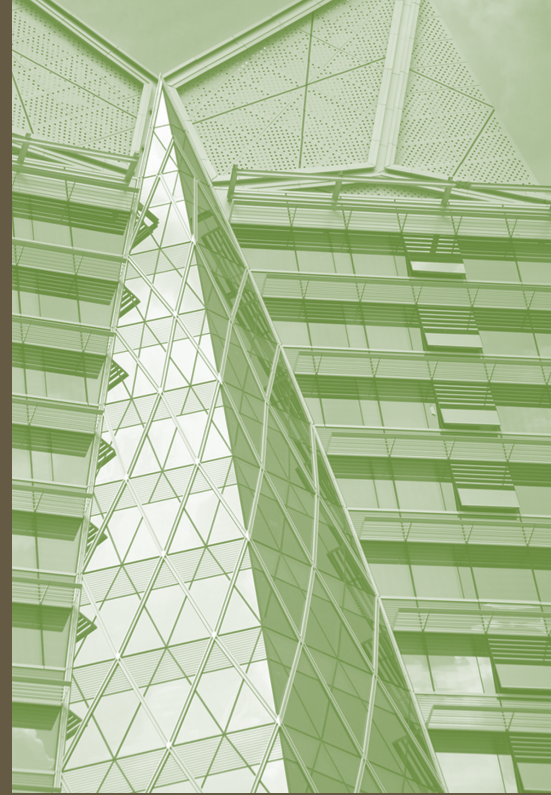
Managing the real estate investments to the best beneficial interest.

Selecting high quality assets for the forthcoming investments.

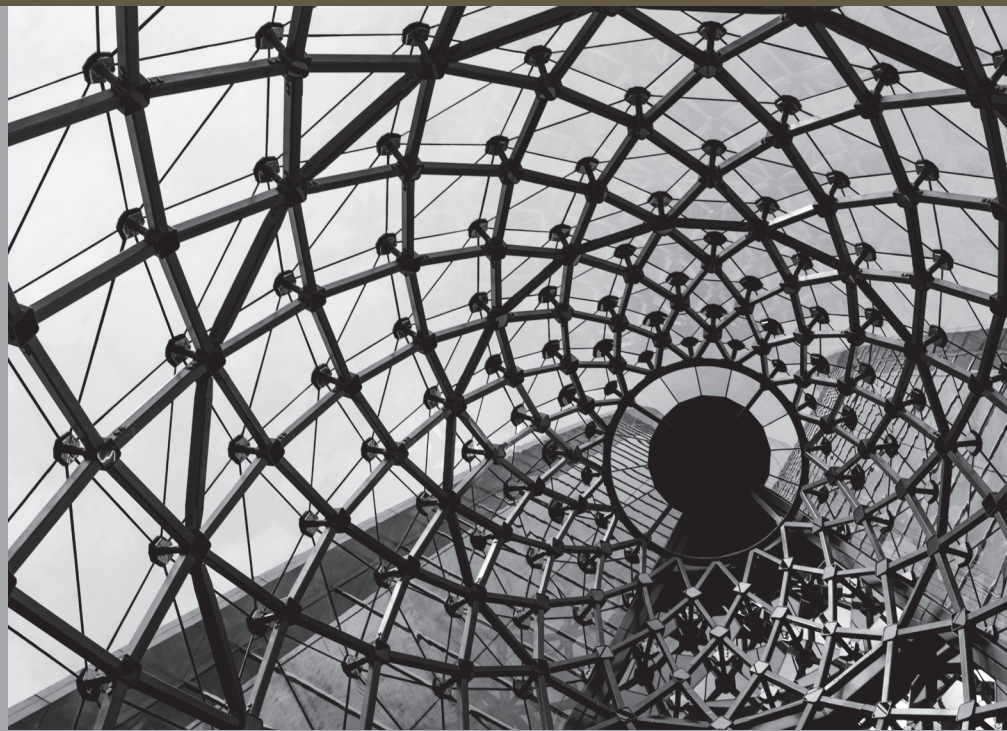
Creating higher returns for unit holders as our saying of “Golden Opportunity with GOLDEN VENTURES REIT”




GOLDEN VENTURES
REIT



USE CALORIES
LOSE NO
ELECTRICITY



REDUCE
REUSE &
RECYCLE

The REIT Manager's Management Discussion and Analysis

Financial Position and Operating Results of the REIT

Discussion on financial position and annual operating results covering its operating period from 1 October 2016 to 30 September 2017 in comparison to previous period. The REIT was established on 22 March 2016 and had 193 days of operation in the previous fiscal year.

1. Overview of the REIT's Operating Results

(1) Investment Income

In 2017 the REIT had a total investment income of Baht 1,093 million which increased of Baht 553 million or 102.55% from last year. It is the result of 193 days of operation in the last period. Total investment income comprised of rental and service income of Baht 1,082 million, or 98.97% of its total investment income. Interest income totaled Baht 1 million, and other income was Baht 10 million.

Investment Income (Unit: Baht)	1 October 2016 to 30 September 2017	22 March 2016 to 30 September 2016	Change
	Amount	Amount	%
Rental and Service Income	1,081,558,692	533,644,447	102.67
Interest Income	1,379,590	3,991,248	(65.43)
Other Income	9,882,650	1,907,841	418.00
Total Investment Income	1,092,820,932	539,543,536	102.55

The operating results of its two A-Grade CBD office buildings, namely Park Ventures Ecoplex (excluding the premises of the Okura Prestige Bangkok Hotel) and Sathorn Square which are the Core Properties invested by the REIT, are as follows:

Park Ventures Ecoplex (excluding the premises of the Okura Prestige Bangkok Hotel) had an average occupancy rate in Q4/2017 of 99% and an average rental rate for Q4/2017 of Baht 981 per sq. meter per month, which continuously increased than the rate as of the Core Properties investment date.

Park Ventures Ecoplex	Q2/2016 ⁽¹⁾	Q4/2016	Q4/2017
Average Occupancy Rate (%)	100	100	99
Average Rental Rate (Baht/Sq. Meter/Month)	949	961	981
Net Leasable Area (Sq. Meter) ⁽²⁾	26,315	26,311	27,476

Note : ⁽¹⁾ Q2/2016 Started on 22 March 2016 which is the date of the REIT's incorporation. The REIT invested in the Core Properties on 30 March 2016.

⁽²⁾ Adjusted of office space to accommodate the requirements of a tenant.

Sathorn Square had an average occupancy rate in Q4/2017 of 96% and an average rental rate for Q4/2017 of Baht 786 per sq. meter per month, which continuously increased than the rate as of the Core Properties investment date.

Sathorn Square	Q2/2016 ⁽¹⁾	Q4/2016	Q4/2017
Average Occupancy Rate (%)	94	95	96
Average Rental Rate (Baht/Sq. Meter/Month)	761	765	786
Net Leasable Area (Sq. Meter)(2)	73,253	73,253	73,124

Note : ⁽¹⁾ Q2/2016 Started on 22 March 2016 which is the date of the REIT's incorporation. The REIT invested in the Core Properties on 30 March 2016.

⁽²⁾ Adjusted of office space to accommodate the requirements of a tenant.

(2) Expenses of the REIT

In 2017, the REIT had total expenses of Baht 394 million which increased of Baht 191 million or 93.68% from last year, due to 193 days⁽¹⁾ of operation in the last period. Total expenses mostly incurred from the cost of rental and services of Baht 195 million, or 49.40% of its total expenses. The REIT also had Baht 30 million in amortization of deferred expenses, or 7.62% of its total expenses, which are the expenses, related to the establishment of the REIT, and is amortized over a period of 5 years.

The REIT had:

- Management fee payable to Univentures REIT Management Company Limited, which acts as the REIT Manager,
- Trustee fee payable to Kasikorn Asset Management Company Limited, which acts as the Trustee,
- Registrar fee payable to Thailand Securities Depository Company, which acts as the Securities Registrar,
- Property management fee payable to North Sathorn Realty Company Limited, which acts as the Property Manager, and
- Professional fee payable to KPMG Phoomchai Audit Limited, which acts as the Auditor, and Knight Frank Chartered (Thailand) Company Limited, which acts as the Property Appraiser.

All the fees payable by the REIT were within the limit set as the prescribed percentage of the Total Asset Value of the REIT's Initial Core Investment Assets as set forth in the REIT's Prospectus.

The REIT had Baht 74 million in financing cost, or 18.70% of its total expenses, comprising of interest expenses on its Baht 2,000 million loans from a commercial bank and a Special Financial Institution (SFI).

Expenses (Unit: Baht)	1 October 2016 to 30 September 2017	22 March 2016 to 30 September 2016	Change
	Amount	Amount	%
Cost of Rental and Services	194,568,186	101,624,412	91.46
Management Fee	18,035,520	9,545,166	88.95
Trustee Fee	8,501,059	4,513,139	88.36
Registrar Fee	2,669,106	1,446,941	84.47
Property Management Fee	60,866,940	29,605,248	105.60
Professional Fee	2,082,453	1,059,515	96.55
Administration Expenses	3,481,157	1,280,907	171.77
Amortization of Deferred Expenses	30,024,407	15,883,326	89.03
Finance Cost	73,643,886	38,399,661	91.78
Total Expenses	393,872,714	203,358,315	93.68

(3) Net Investment Income

In 2017, the REIT had net investment income of Baht 699 million which increased of Baht 363 million or 107.91% from last year and had net increase in net assets from operations of Baht 647 million which increased of Baht 403 million or 165% from last year. However, the REIT had net unrealised loss on investments in leasehold properties of Baht 51 million, represented a decrease in the fair value of such leasehold rights from its fair value on 30 September 2016. As of the fiscal ending of 30 September 2017 the investments in leasehold properties at fair value was at Baht 9,756 million.

Appraised Value Using Income Approach Valuation Method	2017 Appraised Value (Unit: Million Baht)	2016 Appraised Value (Unit: Million Baht)
Independent Appraisers	Knight Frank Chartered (Thailand) Co., Ltd.	Grand Asset Advisory Co., Ltd.
Appraisal Date	30 September 2017	12 September 2016
Park Ventures Ecoplex	3,119	2,935
Sathorn Square	6,637	6,879
Total Appraised Value	9,756	9,814

Net Investment Income (Unit: Baht)	1 October 2016 to 30 September 2017	22 March 2016 to 30 September 2016	Change
	Amount	Amount	%
Investment Income	1,092,820,932	539,543,536	102.55
Expenses	393,872,714	203,358,315	93.68
Net Investment Income	698,948,218	336,185,221	107.91
Net realised gain from sale of investments in securities	2,910,414	-	-
Net realised loss from sale and write-off of investments in leasehold properties	(7,133,988)	-	-
Net Unrealised Gain on Investments in Securities	3,269,889	35,947	8,996.42
Net Unrealised Loss on Investments in Leasehold Properties	(50,664,712)	(91,941,779)	(44.89)
Net Increase in Net Assets from Operations	647,329,821	244,279,389	165.00

2. Financial Position of the REIT

(1) Assets

As of 30 September 2017, the REIT had total assets of Baht 10,562 million, raised of Baht 24 million or 0.23% from 30 September 2016, which the significant items were:

- Investments in leasehold properties at fair value totaled Baht 9,756 million, showing a decline of Baht 58 million or 0.59% from its fair value as of 30 September 2016. The fair value appraisal was appraised by the independent appraisers using an income approach valuation technique.
- Investments in securities at fair value totaled Baht 521 million, increased of Baht 271 million or 108.46%, representing investments in fixed income funds.
- Deferred expenses of Baht 104 million were expenses related to the establishment of the REIT, and are amortized over a period of 5 years.

Assets (Unit: Baht)	Ending 30 September 2017	Ending 30 September 2016	Change
	Amount	Amount	%
Investments in Leasehold Properties at Fair Value	9,756,000,000	9,814,000,000	(0.59)
Investments in Securities at Fair Value	521,216,250	250,035,947	108.46
Cash on Hand and at Banks	134,653,154	113,575,029	18.56
Rental and Service Receivables	20,237,667	13,180,617	53.54
Accrued Interest Income	471,237	564,424	(16.51)
Prepaid Expenses	23,077,593	27,081,033	(14.78)
Deferred Expenses	104,303,950	134,328,357	(22.35)
Refundable Value Added Tax	5,360	182,757,556	(100.00)
Other Assets	1,548,840	2,055,636	(24.65)
Total Assets	10,561,514,051	10,537,578,599	0.23

(2) Liabilities

As of 30 September 2017, the REIT had total liabilities of Baht 2,346 million, raised of Baht 32 million or 1.40% from 30 September 2016, of which the significant items were:

- Baht 2,000 Long-term loans, which accounted for 85.26% of total liabilities, represented lending from a commercial bank and a Special Financial Institution (SFI).
- Deposits from rental and services of Baht 272 million, accounted for 11.60% of total liabilities, including tenant's security deposits for lease and services.

Liabilities (Unit: Baht)	Ending 30 September 2017	Ending 30 September 2016	Change
	Amount	Amount	%
Trade Accounts Payable	15,619,085	17,199,637	(9.19)
Other Accounts Payable & Accrued Expenses	36,942,043	29,859,478	23.72
Rental and Service Income Received in Advance	14,294,972	8,576,347	66.68
Deposits from Rental and Services	272,115,769	251,608,252	8.15
Long-Term Loans	2,000,000,000	2,000,000,000	-
Other Liabilities	6,858,732	6,311,696	8.67
Total Liabilities	2,345,830,601	2,313,555,410	1.40

(3) Net Assets

As of 30 September 2017, the REIT had Baht 8,216 million net assets which decreased of Baht 8 million or 0.10% from 30 September 2016. The REIT had net asset value per unit of Baht 10.0830, showing a decrease from Baht 10.0933 as of 30 September 2016.

3. Cash Flow Analysis

As of 30 September 2017, the REIT had Baht 135 million in cash on hand and at banks, derived mainly from:

- (1) The REIT had net cash flows from operating activities of Baht 743 million which resulted from the increase in net assets from operations of Baht 647 million and the decrease of Baht 183 million in refundable value added tax.
- (2) The REIT had net cash flows used in financing activities of Baht 722 million contributed from Baht 554 million distribution to unitholders and Baht 102 million of reduction of paid-in capital distributed to unitholders.

Cash Flows (Unit: Baht)	Ending 30 September 2017
	Amount
Net Cash Flows from Operating Activities	743,120,859
Net Cash Flows Used in Financing Activities	(722,042,734)
Net Increase in Cash on Hand and at Banks	21,078,125
Cash on Hand and at Banks at the Beginning of the Year / Period	133,575,029
Cash on Hand and at Banks at the End of the Year / Period	134,653,154

4. Financial Ratios

(1) Profitability Ratio

As of 30 September 2017, The REIT had a gross profit margin, a net profit margin, and a return to unit holders of 82.20%, 63.96%, and 7.88%, respectively.

Financial Ratios	Ending 30 September 2017	Ending 30 September 2016
Gross Profit Margin (%)	82.20	81.16
Net Profit Margin (%)	63.96	62.31
Return to Unit Holders (%)	7.88	2.97

(2) Efficiency Ratio

As of 30 September 2017, The REIT's efficiency in managing its assets showed up in its return on assets and total assets turnover ratios which were 6.62% and 0.1024 time, respectively.

Financial Ratios	Ending 30 September 2017	Ending 30 September 2016
Return on Assets (%)	6.62	3.19
Total Assets Turnover (Times)	0.1024	0.0506

(3) Liquidity Ratio

As of 30 September 2017, The REIT had a current ratio of 9.5124 times, a quick ratio of 9.1783 times, and an account receivable turnover of 53.4768 times.

Financial Ratios	Ending 30 September 2017	Ending 30 September 2016
Current Ratio (Times)	9.5124	6.5619
Quick Ratio (Times)	9.1783	6.0930
Account Receivable Turnover (Times)	53.4768	40.4871

(4) Debt Covenant

The REIT must maintain the financial covenants required under the long-term loan agreements. The REIT Manager has the opinion that the REIT has duly complied with its financial covenants as set forth in such long-term loan agreements. The details are summarized as follows:

Financial Ratios	Financial Covenants	Ending 30 September 2017	Ending 30 September 2016
Loan to Total Asset (%)	Less than 30%	18.94	18.98
Funded Interest Bearing Debt to EBITDA (Times) ⁽¹⁾	Less than 5.5 Times	2.49	2.71

Note : ⁽¹⁾ Annual average ratio

5. The REIT's Returns

In 2017, the REIT made a distribution payment of Baht 0.7414 per unit trust to its unit holders.

The REIT distribution rate for the year ended 30 September 2017 was at 7.51% of par value, and 5.01% of the market value of the unit trust as at 29 September 2017.

Historical Record of the Distribution Payments for the Fiscal Year 2017

Operating Period	Distribution Payment (per unit)	Payment Date	Type
1 October - 31 December 2016	0.1887	9 March 2017	Cash
1 January - 31 March 2017	0.1997	14 June 2017	Cash
1 April - 30 June 2017	0.1980	8 September 2017	Cash
1 October 2016- 30 September 2017	0.1550	25 December 2017	Cash

Disclosure of Distribution Payments for the Fiscal Year 2017

	Year 2017	Year 2016
(1) Distribution Payment Per Unit (Baht)	0.7414	0.2998
(2) Distribution on Reduction of Capital Per Unit (Baht)	-	0.1250
Total Distributions Per Unit (1) + (2) (Baht)	0.7414	0.4248
Distribution Rate to the Initial Public Offering Price of the Unit Trust (Baht 10.00 Per Unit) As at 22 March 2016 (%)	7.41	4.25
Distribution Rate to par value (Baht 9.875 Per Unit as at 30 September 2017 (%) and Baht 10.00 Per Unit as at 30 September 2016 (%))	7.51	4.25
Distribution Rate to the Market Value of the Unit Trust (Baht 14.80 Per Unit As at 29 September 2017 (%) and Baht 14.70 Per Unit As at 30 September 2016 (%))	5.01	2.89

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The REIT

Main Points of the REIT

REIT Name	Golden Ventures Leasehold Real Estate Investment Trust
Short Name	Golden Ventures REIT
Abbreviation	GVREIT
REIT Manager	Univentures REIT Management Company Limited
Property Manager	North Sathorn Realty Company Limited
Trustee	Kasikorn Asset Management Company Limited
Term of the REIT	Indefinite
Leasehold Period	Around 24 years from the registration date of the leasehold ending on 5 September 2041
Type of the REIT	Unit trust is not redeemable
Paid-up Capital	Baht 8,046,150,000

Objective of the REIT

Golden Ventures Leasehold Real Estate Investment Trust (“GVREIT” or the “REIT”) was established under the Trust for Transactions in Capital Market Act, B.E. 2550, on 22 March 2016, with Kasikorn Asset Management Company Limited acting as its Trustee and Univentures REIT Management Company Limited (“the Company”) acting as its REIT Manager. The REIT was being the listed security on The Stock Exchange of Thailand on 4 April 2016.

The REIT was established under the Trust for Transactions in Capital Market Act and notifications issued by the Securities and Exchange Commission with the objective of launching the public offering of units of trust certificate representing the rights of the holder as a beneficiary of a Real Estate Investment Trust (REIT) and to register such units as listed security in the Stock Exchange of Thailand.

The REIT invested the offering proceeds of the REIT in its Core Properties and having the Company acting as the REIT Manager, together with North Sathorn Realty Company Limited being the Property Manager. Such Core Properties shall be rented out for benefits in terms of rental fees in accordance with the notified rules as prescribed by the Securities and Exchange Commission or any of the agencies which are authorized to prescribe relevant notifications that shall govern such benefits.

The REIT’s revenue shall come from benefits and income generated from real estate such as rental fees. The Company shall manage the REIT under the supervision of the Trustee whereas the Trustee shall supervise and control the Company to operate its business in accordance with the Trust Deed and the rules prescribed in the Trust for Transactions in Capital Market Act and other related Notices issued by the Securities and Exchange Commission, the Securities and Exchange Commission Office, and the Stock Exchange. Indeed, the REIT shall not act in the manner which may exploit its trust fund by using it to directly conduct or operate any business, and shall not lease or rent its real estate to any party where there is reasonable doubt that it may use its real estate to perform any business act which is illegal or immoral.

The REIT used the public offering proceeds of Baht 8,148 million, raised from individual investors and juristic persons, and Baht 2,000 million from long term borrowings, as well as Baht 160 million from rental deposits (accounts to 68% of the total amount of rental deposits) to invest in Park Ventures Ecoplex (excluding the premises of the Okura Prestige Bangkok Hotel) and Sathorn Square (the “Core Investment Assets”), of which the total asset value of its aggregated investments is Baht 9,906 million. In addition, the REIT also applied the fund to pay for expenses incurred from the issuance and the public offering of units of trust certificate.

List of the First 10 Trust Unit Holders as at the Closing Date of the Share Register Book (29 September 2017)

Trust Unit Holders	Number of the Units	Trust Unit Holding Proportion (%)
Golden Land Property Development Public Company Limited	184,500,000	22.64%
Krungthai-AXA Life Insurance Public Company Limited	55,700,000	6.84%
Thai Life Insurance Public Company Limited	55,511,300	6.81%
Allianz Ayudhya Assurance Public Company Limited	50,000,000	6.14%
Bangkok Life Assurance Public Company Limited	44,094,000	5.41%
Southeast Life Insurance Public Company Limited	39,965,000	4.90%
Government Savings Bank	35,000,000	4.30%
K Property Sector Fund	25,282,700	3.10%
SCB Life Assurance Public Company Limited	20,922,200	2.57%
SCB Income Plus Fund	20,548,700	2.52%
Total First 10 Trust Unit Holders	531,523,900	65.23%
Other Trust Unit Holders	283,276,100	34.77%
Total	814,800,000	100%

The Trustee

General Information

Name :	Kasikorn Asset Management Company Limited
Address :	400/22, Kasikornbank Building, 6th and 12th Floor, Phahon Yothin Avenue, Samsen Nai, Phaya Thai, Bangkok, 10400
Type of Business :	Asset Management Company and Trustee
Telephone :	0-2673-3999
Facsimile :	0-2673-7809
Homepage :	www.kasikornasset.com

Relevant Licenses

The Trustee received its trustee license from the Security Exchange Commission Office in September 2013.

Duties and Responsibilities of the Trustee

The Trustee has its duties to administer the REIT with professional integrity of honesty, caution, and expertise. It shall equitably treat beneficiaries with intention to provide them with maximum benefits, while performing its duties efficiently and independently in accordance with the Trust Deed, relevant laws, and additional commitments (if any) to investors. The Trustee has the main duties as prescribed in the Trust deed which are:

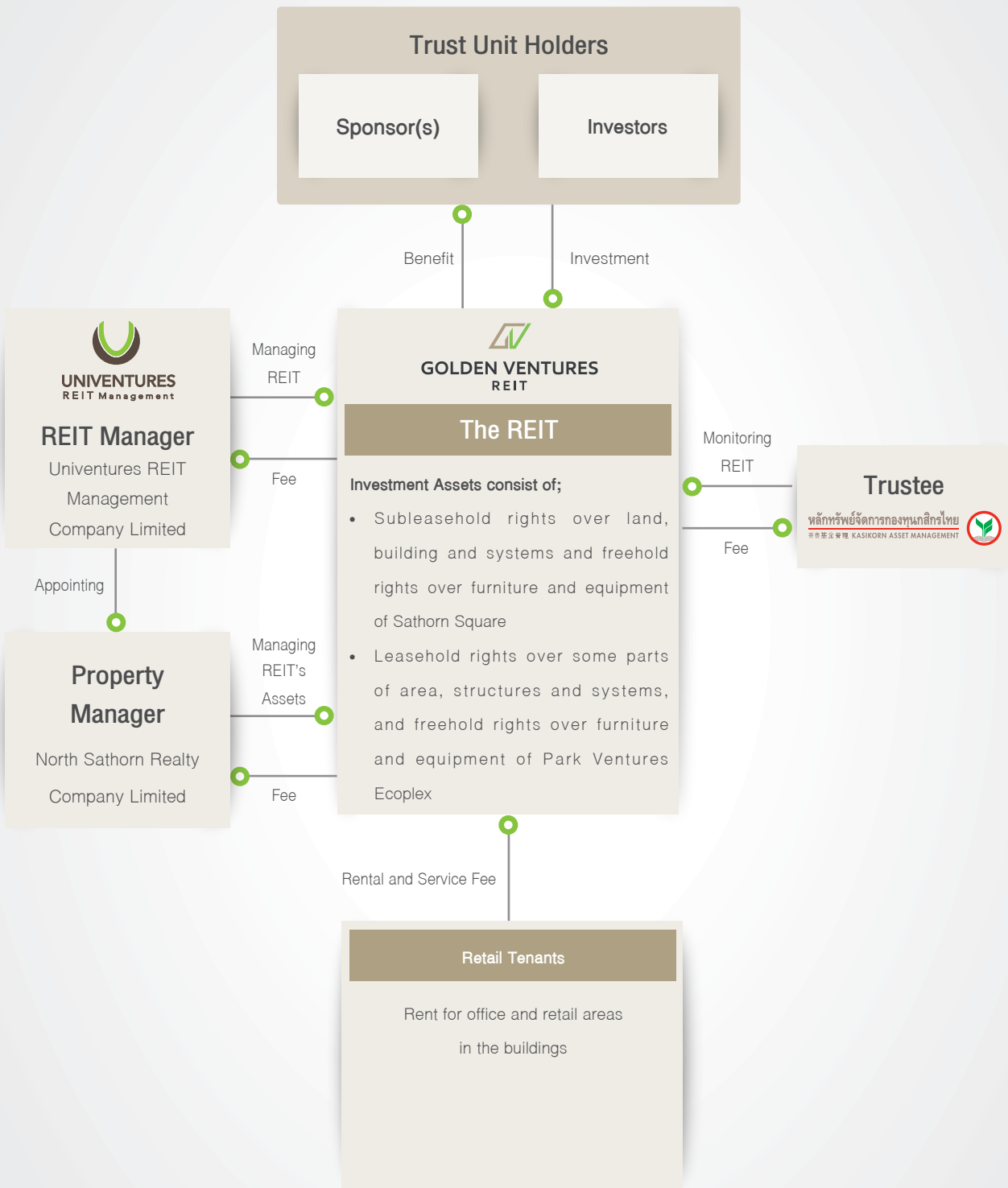
1. Monitor, supervise, and review that the REIT Manager manages the REIT according to the Trust Deed and relevant laws.
2. In an event that the REIT Manager acts or refrains from any action and such action or inaction causes damage to the REIT, or the REIT Manager fails to perform its duties as prescribed in the agreements and under applicable laws, the Trustee shall report to the Security Exchange Commission Office, and shall resolve, restrain, or remedy any damage incurred, as deemed appropriate.
3. Attend all unit holder meetings. If a resolution of a unit holder meeting is requested, the Trustee shall answer questions and provide opinions on the REIT operations whether or not such operations are performed according to the Trust Deed or relevant laws. The Trustee shall also oppose and inform unit holders if such operations cannot be carried out, or if such operations are not in compliance with the Trust Deed or applicable laws.
4. In an event that the REIT Manager fails to perform its duties, the Trustee shall administer the REIT as necessary to prevent, restrain, or limit any occurrence of severe damage that may impair the benefits of the REIT or unit holders in general. The Trustee is also empowered to find a new REIT manager.
5. Prepare its report to be submitted to unit holders together with the REIT's annual report, and express its opinions on the REIT Manager's performance in managing the REIT, as well as the compliance of the REIT Manager's work with the conditions as prescribed in the Trust Deed.

Additionally, unit holders can find the detailed information on the Trustee's scope of duties and responsibilities in the Trust Deed.

Trustee Fee

For the entire contract period of the Trust Deed, the Trustee shall receive its trustee fee and custodian fee which shall be at the rate of no more than 0.3% of the Net Asset Value (NAV) of the REIT with a minimum fee limit being set at Baht 8 million per annum. (In the event of a capital increase, as the work and the duties of the Trustee shall also increase, the minimum limit may be raised)

REIT's Structure



REIT Manager

Details of REIT Manager

1. REIT Manager Information

Univentures REIT Management Company Limited (“The Company”) which acts as the REIT Manager is a publicly listed company founded on 9 January 2015 with a registered and paid-up capital of Baht 10,000,000 comprising of 1,000,000 common shares at a par value of Baht 10 per share.

Summary of the Company’s important information

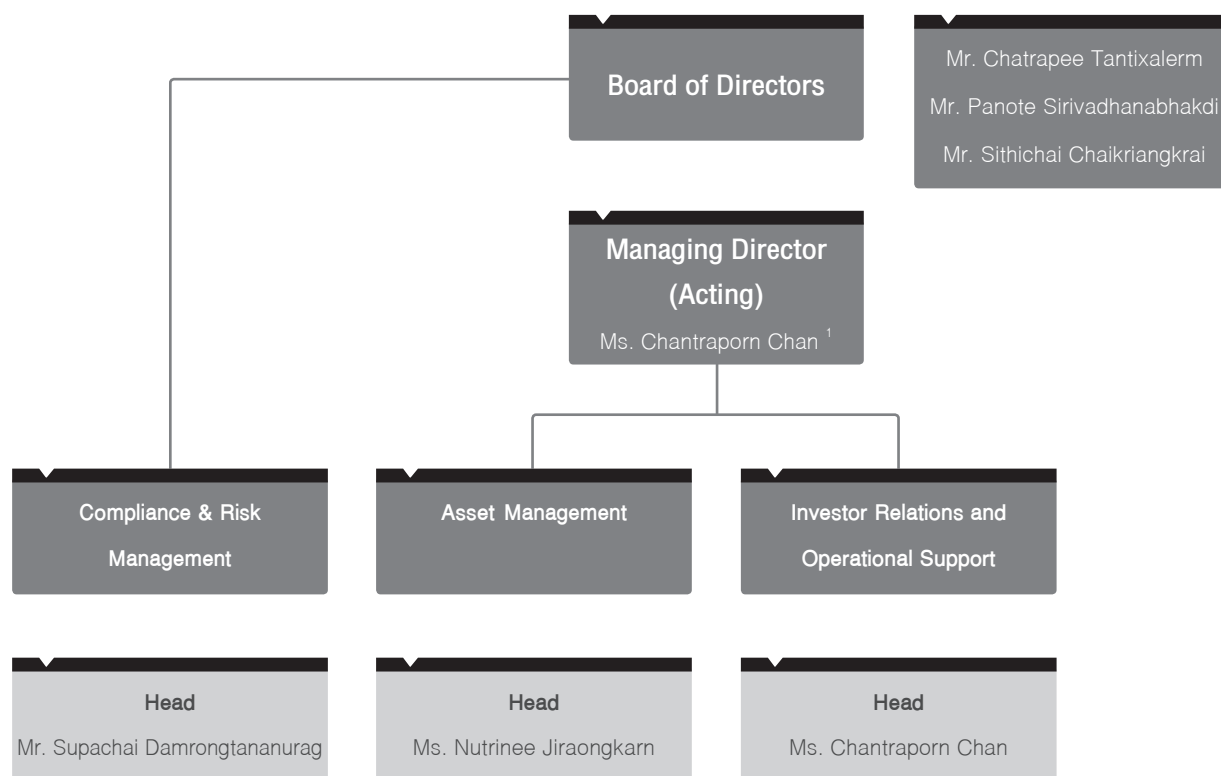
Company Name	Univentures REIT Management Company Limited
Company Registration Number	0105558004214
Date of Incorporation	9 January 2015
Company Address	57 Park Ventures Ecoplex, 22nd Floor, Wireless Road, Lumpini, Patumwan, Bangkok Telephone: 02-643-7620 Facimile: 02-643-7625 E-mail: uvrm@univentures.co.th
Registered Capital	Baht 10,000,000 (Consisting of 1,000,000 common shares with a par value of Baht 10 per share)
Nature and Scope of Business	Acting as the Trust Manager of Golden Ventures Leasehold Real Estate Investment Trust
Major shareholders (Share Holding Position)	Univentures Public Company Limited (99.997%)
Directors	1. Mr. Panote Sirivadhanabhakdi (Executive Director) 2. Mr. Sithichai Chaikriangkrai (Executive Director) 3. Mr. Chatrapee Tantixalerm (Independent Director)
Authorised Signatory	Joint signature of two of the above mentioned directors affixing the company seal
Fiscal Year	Ending 30 September of each year (Change fiscal year to ending 30 September from ending 31 December)

2. Shareholding Structure of the REIT Manager

No.	Shareholder Name	Number of Shares	As % of the Paid-Up Capital
1	Univentures Public Company Limited	999,970	99.997
2	Univentures Consulting Company Limited	15	0.0015
3	Univentures Asset Management Company Limited	15	0.0015
	Total	100,000	100

3. The Company's Organizational Structure

As of 30 September 2017, the organizational chart of the Company, as the REIT Manager, comprises the following Board of Directors and the management:



Note : Ms. Chantraporn Chan (Head of Investor relations and operational support) was appointed as acting Managing Director which replacing the resignation of Mr. Urasate Navanugraha with effect from 1 September 2017 until a new Managing Director is duly appointed.

Directors Information



01

Mr. Chatrapee Tantixalerm

**Chairman of the Board and
Independent Director**

Education & Training

- MBA Finance, SASIN

Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP 48/2005)
- Corporate Governance for Capital Market Intermediaries (CGI 2/2015)

Work Experience

Position Held

- July 2015 - Present
Chairman of the Board of Director / Independent Director
Univentures REIT Management Company Limited
- August 2015 - Present
Deputy Chairman / Chief Executive Officer
Talis Asset Management Company Limited
- September 2009 - Present
Independent Director / Chairman of the Audit Committee /
Corporate Strategy Committee
TSFC Securities Public Company Limited
- March 2012 - June 2015
Director / Deputy Chairman
Association of Investment Committee (AIMC)
- December 2015 - June 2015
Director / Chief Executive Officer
Krungsri Asset Management Company Limited
- August 2011 - September 2014
Executive Board Member
International Chamber of Commerce Thailand (ICC)
- November 2008 - May 2010
Independent Director
Minor Corporation Public Company Limited



02

Mr. Panote Sirivadhanabhakdi**Director and Executive Director****Education & Training**

- Master of Science in Analysis, Design and Management of Information System, The London School of Economics and Political Science, UK

Thai Institute of Directors (IOD)

- Directors Certification Program (DCP 46/2004)
- Directors Accreditation Program (DAP 10/2004)
- Finance for Non-Finance Directors (FND 10/2004)

Work Experience**Current Position**

- July 2015 - Present
Director / Executive Director
Univentures REIT Management Company Limited
- December 2012 - Present
Vice Chairman of the Board of Director / Chairman of the Executive Committee / Member of the Compensation and Nominating Committee
Golden Land Property Development Public Company Limited
- July 2007 - Present
Vice Chairman of the Board of Director / Chairman of the Board of Executive Directors / Member of the Remuneration and Nomination Committee / Member of the Corporate Governance Committee
Univentures Public Company Limited

- November 2005 - Present
Director / Executive Director Berli Jucker Public Company Limited
- March 2013 - Present
Director Frasers Centrepoint Limited
- October 2013 - Present
Group Chief Executive Officer Frasers Centrepoint Limited
- January 2017 - Present
Director / Executive director
TICON Industrial Connection Public Company Limited
- October 2017 - Present
Director Siridamrongdham Company Limited
- June 2017 - Present
Director One Bangkok Holdings Company Limited
- May 2017 - Present
Director Sub Somboon Property Plus Company Limited
- January 2017 - Present
Director Fah Parthan Pandinthong Company Limited
- November 2016 - Present
Director Vadhanabhakdi Company Limited
- January 2016 - Present
Director Kasemsubbhakdi Company Limited
- August 2015 - Present
Director Quantum Capital Development Company Limited
- May 2015 - Present
Director TCC Holdings (2519) Company Limited
- December 2014 - Present
Director Lakeview Golf And Yacht Club Company Limited
- October 2014 - Present
Director Kasemsubvadhana Company Limited
- March 2014 - Present
Director Tonic International Company Limited
- November 2013 - Present
Director TCC Assets (Thailand) Company Limited
- June 2013 - Present
Director Kasem Subsiri Company Limited
- December 2012 - Present
Director SMJC Development Company Limited
- December 2011 - Present
Director TCC Exhibition and Convention Center Company Limited
- December 2011 - Present
Director TCC Trade and Convention Center Company Limited
- May 2011 - Present
Director N.C.C.Exhibition Organizer Company Limited
- May 2011 - Present
Director N.C.C.Image Company Limited
- May 2011 - Present
Director F&B International Company Limited
- April 2011 - Present
Director N.C.C. Management and Development Company Limited

- February 2010 - Present
Director North Park Real Estate Company Limited
- January 2010 - Present
Director North Park Golf and Sports Club Company Limited
- December 2009 - Present
Director The Cha-Am Yacht Club Hotel Company Limited
- May 2009 - Present
Director Nong Khai Country Golf Club Company Limited
- August 2008 - Present
Director Terragro Fertilizer Company Limited
- March 2008 - Present
Director Norm Company Limited
- 2008 - Present
Vice Chairman of the Board of Director
Sura Bangyikhan Company Limited
- July 2007 - Present
Director Adelfos Company Limited
- May 2007 - Present
Director Eastern Seaboard Industrial
Estate (Rayong) Company Limited
- February 2007 - Present
Director Thai Beverage Public Company Limited
- September 2006 - Present
Director Cristalla Company Limited
- August 2006 - Present
Director Plantheon Company Limited
- March 2004 - Present
Director Beer Thip Brewery (1991) Company Limited
- August 2001 - Present
Director T.C.C. Technology Company Limited
- June 2011 - May 2013
Director Wattanapat Trading Company Limited
- April 2011 - May 2012
Director Bangpa-In Paper Mill Industry Company Limited
- April 2010 - November 2012
Director TCCL 1 Company Limited
- January 2010 - November 2012
Director ACK Realty Company Limited
- October 2010 - March 2011
Director Thippatana Arcade Company Limited
- June 2010 - June 2011
Director T.C.C. Commercial Property Management
Company Limited
- June 2009 - July 2013
Director Prideeprapa Company Limited
- June 2008 - September 2015
Director Thip Sugar Nakhonsawan Company Limited
- April 2008 - September 2015
Director Thip Kampangpetch Bio Energy Company Limited
- April 2008 - September 2015
Director Thip Sukhothai Bio Energy Company Limited
- January 2008 - September 2015
Director Thip Sukhothai Bio Refinery Company Limited
- November 2008 - August 2014
Director TCC Corporation Company Limited
- July 2008 - August 2014
Director TCC Land Retail Company Limited
- November 2008 - May 2013
Director TCC Real Estate Development Company Limited
- November 2007 - April 2017
Director Paksong Capital Company Limited
- October 2007 - July 2013
Director TCC Asset World Corporation Company Limited
- July 2007 - February 2017
Director TCC Land Development Company Limited
- November 2006 - April 2016
Director Siriwana Company Limited
- August 2006 - September 2015
Director Thip Sugar Kamphaengphet Company Limited
- August 2006 - September 2015
Director The Suphanburi Sugar Industry Company Limited
- December 2005 - August 2014
Director TCC Land Company Limited
- August 2004 - April 2013
Director Golden Wealth Company Limited

Past Experience

- April 2007 - July 2017
Director / Executive Director
Siam Food Products Public Company Limited
- July 2013 - September 2016
Chief Executive Officer Univentures Public Company Limited
- March 2011 - July 2013
Director Oishi Group Public Company Limited
- December 2013 - September 2015
Director Thip Sukhothai Bio-Tech Company Limited
- December 2013 - September 2015
Director Thip Suphanburi Bio Energy Company Limited
- August 2012 - September 2017
Director TCC Phumipat Company Limited
- September 2011 - September 2015
Director Thip Nakhonsawan Bio Energy Company Limited
- September 2011 - September 2015
Director Thip Sugar Sukhothai Company Limited



03

Mr. Sithichai Chaikriangkrai

Director and Executive Director

Education & Training

- Master Degree in Accounting
(First Class Honours)
Thammasat University
- Mini MBA,
Leadership Management,
Kasetsart University

Thai Institute of Directors (IOD)

- DCP Refresher Course (2/2006)
- Director Certification Program
(DCP 26/2003)

Work Experience

Position Held

- July 2015 - Present
Director / Executive Director
Univentures REIT Management Company Limited
- March 2016 - Present
Director / Executive Director /
Member of the Corporate Governance Committee
Big C Supercenter Public Company Limited
- August 2013 - Present
Director
Frasers Centrepoint Limited
- February 2013 - Present
Director
Fraser and Neave, Limited
- December 2012 - Present
Director / Executive Director
Golden Land Property Development Public Company Limited
- October 2011 - Present
Director / Vice Chairman of the Executive Committee No. 1
Sermsook Public Company Limited
- May 2010 - Present
Director and Senior Executive Vice President
Thai Beverage Public Company Limited
- July 2007 - Present
Director/ Executive Director
Univentures Public Company Limited
- April 2007 - Present
Director / Executive Director
Siam Food Products Public Company Limited
- January 2006 - Present
Director / Vice Chairman of the Executive Committee No. 2
Oishi Group Public Company Limited
- December 2001- Present
Director / Executive Director
Berli Jucker Public Company Limited

Names and Information of Executives

01

Ms. Chantraporn Chan
Acting Managing Director and
Head of Investor Relations and
Operational Support

Education & Training

- BA (Finance),
University of the Thai Chamber
of Commerce

Work Experience

Position Held

- 1 September 2017 until a new Managing Director is duly appointed
Acting Managing Director,
Univentures REIT Management Company Limited
- December 2015 - Present
Head of Investor Relations and Operational Support,
Univentures REIT Management Company Limited
- November 2006 - November 2015
Assistant Vice President: Finance,
Pacific Star International (Thailand) Company Limited

02

Mr. Urasate Navanugraha
Managing Director
(Resignation from 1 September 2017)

Education & Training

- MBA (Finance),
University of Maryland at College Park
- MS (Construction),
University of Maryland at College Park

Work Experience

Position Held

- October 2015 - Present
Managing Director,
Univentures REIT Management Company Limited
- August 2015- September 2015
Senior Vice President: Business Development,
Univentures Public Company Limited
- September 2014 - July 2015
Chief of Business Development,
Kasemsubsiri Company Limited
- January 2007 - September 2007
Senior Vice President: Investment & Development,
Pacific Star International (Thailand) Company Limited

03

Mr. Supachai Damrongtanurag
Head of Compliance &
Risk Management

Education & Training

- MBA
(Accounting for planning and control),
Kasetsart University

Work Experience

Position Held

- October 2015 - Present
Head of Compliance & Risk Management,
Univentures REIT Management Company Limited
- October 2014 - September 2015
Senior Internal Audit Manager,
Univentures Public Company Limited
- July 2012 - October 2014
Internal Audit Division Manager,
Premier Fission Capital Company Limited
- June 2005 - June 2552
Senior Internal Auditor,
True Corporation Public Company Limited

04

Ms. Nutrinee Jiraongkarn
Head of Asset Management

Education & Training

- MS
(Real Estate Business),
Thammasat university

Work Experience

Position Held

- February 2017 - Present
Head of Asset Management,
Univentures REIT Management Company Limited
- June 2012 - January 2017
Assistant Vice President,
Land and House Fund Management Company Limited
- October 2011 - May 2012
Senior Credit Analyst,
Ocean Life Insurance Public Company Limited

Scope of Duties and Authorisation of the Board of Directors of the REIT Manager

The Company's Board of Directors is the key authority for approval of the Company's vision, mission, strategies, directions, and policies in relation to operations and business plans, both for the short-term and long-term. It also oversees financial strategies, risk management, organizational overview, corporate governance, as well as corporate operational assessment and employee performance evaluation relating to their tasks as the REIT Manager. The REIT Manager has its duties to efficiently manage the REIT set forth in the policies and business plan, according to the scope prescribed by the REIT Management Agreement, the Trust Deed, Registration Statement, Prospectus, the Company's Memorandum and Articles of Association, the Resolution of the Company's Board of Directors, and the Resolution of the Meetings of the Unit Holders, as well as relevant laws. The REIT Manager shall perform their duties with the objective to maximize the beneficial interest of the REIT and the unit holders of the REIT.

In addition, the Company's Board of Directors also has an important governance role in supervising the compliance of the operational regulations and the conflict of interest disclosure prescribed by the Securities and Exchange Commission Office, the Stock Exchange of Thailand, and other relevant authorities. The scope of duties and authorisation of the Company's Board of Directors are as follows:

- (1) Perform its duties according to applicable laws, the Company's Memorandum and Articles of Association, the Resolution of the Company's Board of Directors, and the Resolution of the Meetings of the Unit Holders, while abiding by the required qualities of the "duty of loyalty", the "duty of care", as well as accountability and ethics.
- (2) Manage the business of the Company and the REIT under the supervision of the Trustee, as well as set long-term strategies and business plannings, appropriate organizational structure, and corporate governance for instance the REIT's investments, the REIT's performance, annual budget plan, and the REIT's business plan, and review risk factors which may impact the REIT's beneficial interest, operational performances of business units, together with review of transactions which may cause any conflict of interest, etc.
- (3) Supervise and provide needed advice to the Company's executives and employees so that they can well perform their work duties in compliance with relevant agreements and contracts, as well as rules and regulations governing the roles and duties of the REIT Manager.
- (4) Continuously supervise and monitor the Company's performances in the capacity of the REIT Manager, as well as provide necessary advice to assure that the Company's actions are in accordance with the work targets while being capable of promptly and appropriately tackling potential problems and obstacles.
- (5) Review, supervise and provide necessary advice to assure that the Company maintains a sufficient internal control system, as well as efficiently and effectively perform its duties as the REIT Manager.
- (6) Review, supervise and duly act to assure that important policies and business plans related to the roles and the duties as the REIT Manager are regular reviewed, assessed, and updated and are in line with prevailing business conditions.
- (7) Review, supervise and assess work performances of the Company's executives, which also include appointments of Managing Directors, providing necessary advice to assure that the Company's management shall perform its duties as assigned according to the rules, regulations and obligations set forth in various contracts and agreements to the best of its ability for the benefits of the REIT.

- (8) Review, supervise and assess work performances of the Property Manager, as well as providing necessary advice to assure that the Property Manager shall perform its duties as assigned according to the rules, regulations and obligations set forth in various contracts and agreements to the best of its ability for the benefits of the REIT.
- (9) The Board of Directors may empower any one or more of its board members or any other person or more to act or perform any acts on behalf of the Board. However, this empowerment shall not include the granting of a power of attorney or the appointment of a Sub-Attorney which allows the empowered board members or any assignees of their powers to authorise transactions of which they are the counter party thereto or are considered related parties transactions or represent conflicting interests with the REIT.
- (10) Review, approve, and authorize the following:
 - (a) Transactions between the REIT and related parties to the REIT Manager and to the Trustee, as well as the arrangement of relevant authorisation to be processed for the approval for the undertaking thereof from the Meetings of the Unit Holders.
 - (b) Transactions which represent conflicting interests between the REIT and the Trustee.
 - (c) Selection of the Property Manager.
 - (d) Selection of any external auditor, financial advisor, independent financial advisor, or any other consultants, etc.
 - (e) The reviewed and audited financial statements of the REIT.
 - (f) The REIT's annual budget, business and operational plans which are required to be approved by the Board under the operational system and internal control system guidelines prescribed herein.
 - (h) Extraordinary expenses or special investments outside the annual budget of which related business units shall process relevant approval requests.
 - (i) Expenses charged to the REIT by the Property Manager.
- (11) Review, approve, and authorise investment decisions, and disposals of the REIT's Core Properties, or the management of the REIT with regards to activities such as Asset Management, Compliance & Risk Management to assure that they are in compliance with the Trust Deed, Registration Statements, Prospectus, and applicable laws as well as other relevant notifications.

According to the above mentioned duties and authorities, the Company shall hold the meetings of the Board of Directors to review, acknowledge, and authorise the following matters which are relevant to the Company's operations:

- (1) Matters which require the Board of Directors' acknowledgement:
 - (a) Operational results of the Company and the REIT.
 - (b) Implementations of business plan and marketing plan set by the Company regarding the REIT's earnings, as well as any relevant problems and obstacles, together with potential solutions provided by the Property Manager.
 - (c) Guidelines for risk mitigation or factors which may impact the REIT's operations.
 - (d) Work performances of the Company's business units namely Asset Management, Compliance & Risk Management, and Investor Relations and Operational Support, as well as problems and obstacles occurring at work, as well as potential solutions.
 - (e) Weakness in the Company's internal control system and operational system regarding its actions and duties as the REIT Manager, as well as problem rectification, and follow-up.

- (2) Matters which require the Board of Directors' approval:
- (a) Formulation of long-term strategies and business plans, setting up an appropriate organizational structure, supervision of business policies, risk factors which may impact the REIT's beneficial interest.
 - (b) Draft of the REIT's annual budget, annual business plans, business strategies for the year as set by the Company as the REIT Manager with assistance of the Property Manager.
 - (c) Practice guidelines on dispute and complaint handling relating to the REIT's business operations which must be reviewed by the Board of Directors.
 - (d) Connected transactions and any transactions which may cause conflicts of interest to the REIT's business operations.
 - (e) Any other matters which need to be considered or approved by the Meetings of the Units Holders.
 - (f) Any other important matters relevant to the Company and the REIT's business operations.

Independent Director

The Company has one independent director, which is not less than one-third of the total number of directors on the Board. As the Company acts as the REIT Manager, the selection criteria for the Company's independent director require that such director shall at least possess the following qualifications:

- (1) Holding shares not exceeding 1(one) % of the total number of shares with voting rights of the total voting right shares in the Company, its parent company, subsidiary, affiliated company, major shareholder, controlling person, or its related party, including shares held by related persons of such independent director as set forth in Section 258 of the Securities and Exchange Act.
- (2) Neither being, nor having been an executive director, employee, staff, advisor with regular monthly salary, or a controlling person of the Company, its parent company, subsidiary, affiliated company, same-level subsidiary company, or its related party, unless the foregoing status has ended not less than 2 (two) years prior to the date of his/her appointment as an independent director. This shall include any benefits or interest in a like manner thereto.
- (3) Has no business relationship with the Company, its parent company, its subsidiary, its affiliated company, or a juristic person that may be a related party, in a manner that may obstruct his/her exercise of independent discretion, and not being or having previously been a major shareholder, a director who is not an independent director, or an executive of an entity who has a business relationship with the Company, the parent company, a subsidiary, an affiliated company or a juristic person that may be a related party, unless the foregoing status has ended not less than 2 (two) years prior to the date of his/her appointment as an independent director.
- (4) Not being a person related by blood or legal registration as father, mother, spouse, sibling, son/daughter or spouse of son/daughter of any of the Company's executives, major shareholders, controlling person, or an individual who will be nominated as an executive or controlling person of the Company and its subsidiary.
- (5) Neither being, nor having been an auditor of the Company, its parent company, subsidiary, affiliated company, or a juristic person that may be a related party, and not being a significant shareholder, a director who is not an independent director, an executive or a managing partner to the audit office

which the auditors of the Company, its parent company, subsidiary, affiliated company, or a juristic person which may be a related party thereto are associated, unless the foregoing status has ended not less than 2 (two) years prior to the date of his/her appointment as an independent director.

- (6) Neither being, nor having been a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding Baht 2 (two) million in service fee per year by the Company, its parent company, subsidiary, affiliated company, or a juristic person that may be related party. In the event that such professional service provider is a juristic entity, this shall be inclusive of being a major shareholder, a director who is not independent director, an executive or a managing partner to such juristic entity, unless the foregoing status has ended not less than 2 (two) years prior to the date of his/her appointment as an independent director.
- (7) Not being a director appointed as a representative of the Company's directors, major shareholder or shareholder who is related to the Company's major shareholder.
- (8) Must not be a person whose name appears in the prohibition list prescribed by the Stock Exchange of Thailand as an individual who is not qualified to be an executive according to its regulations, and must not be a person who is deemed as having untrustworthy characteristics as set forth in the notifications of the Security Exchange Commission and the Stock Exchange on the untrustworthy characteristics of director and executive of a company.
- (9) Not being convicted of violations of the Securities Act, the Act on the Undertaking of Finance Business, Securities Business and Credit Foncier Business, the Commercial Banking Act, the Non-life Insurance Act, the Anti-Money Laundering Act, or any other similar laws in Thailand or in any foreign jurisdiction, as such governing authority thereof may prescribe, for any crime related to insider trading and unjust enrichment, or fraud, deception and corruption in management activities.
- (10) Not having any other characteristic which prevents him or her from giving an opinion freely on the operation of the Company.

In addition, the Company has also prescribed the following scope of duties and responsibilities of its independent directors.

- (1) Review, supervise and provide necessary advice to the Company to assure that it shall provide and disclose its financial statements which are correct, complete, reliable, and timely.
- (2) Review, supervise and provide necessary advice to assure that the Company maintains an appropriate internal control system and operational system regarding its actions and duties as the REIT Manager.
- (3) Review and provide necessary advice on related party transactions or transactions which may represent conflicting interests to the REIT to assure of their compliance with applicable laws and relevant regulations, as well as to assure that the undertaking of such transactions are reasonable and for the best interests of the REIT.
- (4) Perform any other actions assigned by the Board of Directors for the interest of the REIT.
- (5) Determine that relevant business units in the Company must regularly report the following issues to independent directors for consideration, acknowledgement, and provision of necessary advice:
 - (a) Related party transactions or transactions which may represent conflicting interests to the REIT.
 - (b) Weakness and matters which require improvement in the Company's internal control system and operational system regarding its actions and duties as the REIT Manager, as well as problem rectification, and follow-up.

Indeed, the Company's Board of Directors and its independent directors shall maintain important roles in supervision and provision of necessary advice to the Company system regarding its actions as the REIT Manager as set forth in the relevant rules, contracts, and agreements. The Managing Director shall have the duties to control, monitor, manage, and supervise the Company's operations regarding the Company's role as the REIT Manager, and to assure that the Company can efficiently perform its duties. The Company has also prescribed the following scope of duties and responsibilities of its Managing Director.

- (1) Oversee, manage and be responsible for the Company's business and/or its day-to-day operations, including the supervision of the Company's overall operations regarding its role as the REIT Manager as set forth in the relevant rules, contracts, and agreements, as well as the resolutions of the meetings of the Company's Board of Directors.
- (2) Determine the Company's organization structure, administrative procedure, as well as selection, training, hiring and firing of the Company's employees, and set remuneration rate for employees' wages, salary, compensations, bonus, and fringe benefits.
- (3) Oversee and control the Company's operations regarding its role as the REIT Manager.
- (4) Act on behalf of the Company, and having the authorizational power to act in relation to matters related to relevant government agencies and authorities.
- (5) Having the authority to issue, adjust, amend, and improve rules, orders, and regulations related to the Company's work regarding its role as the REIT Manager.
- (6) Having the authority, duty, and responsibility as assigned by the Company's Board of Directors or as prescribed to be assigned policies from the Company's Board of Directors.
- (7) Having the authority to appoint a Sub-Attorney and/or empower any individual to undertake specific acts on his behalf by the granting of a power of attorney, and/or such appointment and granting shall be within the scope of authority as provided by his power of attorney and/or in accordance with the rules, regulations, and orders as prescribed by the Company's Board of Directors. However, this empowerment shall not include the granting of a power of attorney or the appointment of a Sub-Attorney which allows the Managing Director or any assignees of his powers to authorise transactions of which they are the counter party thereto or are considered related parties transactions or represent conflicting interests with the REIT.

Management Policy or Management Strategy of the REIT as assigned by the Trustee

The Company in its capacity as the REIT Manager has duties and main responsibilities in managing the REIT, which includes overseeing the assets investments of the REIT and the operational performance of the Property Manager. The duties and main responsibilities of the Company as the REIT Manager under the supervision of the Trustee are as follows:

(1) General Duties

- (1.1) In fulfilling professional responsibilities, the REIT Manager shall perform its duties prudently and honestly in the best interests of the unit holders of the REIT in general, and in accordance with the Trust Deed, the REIT Manager Agreement, relevant laws, as well as in compliance with additional obligations set forth in disclosures in connection with unit trust offerings and the resolutions of unit holders. In addition, the REIT Manager shall not undertake any actions which

may represent any contravention of or constitute any conflict of interest to the benefits of the unit holders and investors of the REIT in general, and shall take full responsibility in the event that it fails to perform its duties and/or such duties are incompletely performed.

(1.2) The REIT Manager has its duties to comply with the following business principles:

- (a) Having adequate capital to continuously support its operations and responsibilities with regards to its roles as the REIT Manager.
- (b) Providing disclosures, opinions, or relevant and material information which is sufficient for investors to use in their investment decision making. Such information must also be communicated in a clear, undistorted, and unbiased manner.
- (c) Do not make improper use of information acquired through being the REIT Manager for itself, or to cause detriment or impact to the REIT's general benefits.
- (d) Exercise a degree of care in performing its duties in order not to create conflict of interest and if there is a conflict of interest, the REIT Manager shall act to assure that investors are equitable and properly treated. To prevent an occurrence of a conflict of interest the REIT Manager shall take the following actions:
 1. The REIT Manager shall have no other benefits that may conflict with the REIT's best interests. If a conflict of interest situation should arise, the REIT Manager shall duly present measures to assure that it manages the trust to the best interests of the REIT's unit holders and investors in general.
 2. If the REIT Manager also manages other REITs, the Core Properties of such funds shall not be the same type of assets as the Core Properties of the REIT.

Additionally, prior to entering into any transaction which relates to the REIT's conflict of interest, the REIT Manager shall disclose sufficient information to the REIT's unit holders or investors in the following manner:

1. Disclosure shall be made to the Stock Exchange in accordance with its relevant regulations or through any other channels which any unit holders can all access thereto, and whereby such disclosed information thereof shall be made available.
2. The reasonable disclosure period shall be no less than fourteen (14) days.
3. There shall be disclosure of available channels, precise procedures, and a time-limit for objection. The time-limit for objection shall be no less than fourteen (14) days except if there is a request for a resolution from a meeting of the REIT's unit holders to object the undertaking of such transactions.

In the case that unit holders clearly make their objection according to the process prescribed in Clause (3) above, and the objection constitutes more than one quarter (1/4) of the total number of units issued, the Trustee shall not transact or allow to transact any such transaction which relates to the REIT's conflict of interest.

- (e) Shall comply with the Securities and Exchange Act, the Trust for Transactions in the Capital Market Act, and other relevant laws, as well as professional ethics and standards as set forth by securities industry associations or securities-related organizations approved by the Securities and Exchange Commission Office, mutatis mutandis, and

shall not support, instruct or collaborate with anyone to violate such laws or to breach such regulations.

- (f) The REIT Manager has a duty to work in collaboration with the Trustee or the Securities and Exchange Commission Office, which includes disclosures of information which may have a significant effect on the REIT management or other information which needs to be reported, and particularly to carry on following responsibilities:
1. Prepare and safeguard information and documents related to management, internal controls, and information disclosures of the REIT. Whenever the Trustee wishes to review any management matters, the REIT Manager shall collaborate therewith by providing such information and documents for review, as well as allow the examination of the property sites as requested by the Trustee so that the Trustee can inspect and be assured that the REIT Manager does not act in violation of laws or in breach of any obligations as set forth in the Trust Deed, or does not act in the best interests of the unit holders.
 2. Prior to the establishment of the REIT, the REIT Manager has the duty to submit information and documents related to the REIT's structure, rental procedure, income and revenue collection, expenses that can be charged to the REIT, contracts between the REIT and other parties etc. This shall allow the Trustee to efficiently plan its supervisory and monitoring actions on management, internal controls, and information disclosures of the REIT.

Indeed, the REIT Manager has its duties to coordinate and supply information and documents to the Trustee as frequently and in a timely manner as set out in the REIT Manager Agreement, as well as any other documents which the Trustee may find necessary to request and which are related to the management of the REIT within an appropriate time frame.

- (1.3) The REIT Manager shall arrange to have indemnity insurance of its business operation or the actions taken in its position as the REIT Manager, as well as the actions taken by its directors, executives and employees, throughout the terms of the REIT Manager Agreement.
- (1.4) In transacting any real estate transactions on behalf of the REIT, the REIT Manager shall comply with the following rules:
- (a) Act to ensure that any sales, disposal, and transfer of such real estates or an entering into any agreement relating to such real estates for the REIT are properly undertaken and are enforceable by law.
 - (b) Act to ensure that the real estate investments of the REIT are properly undertaken and the following procedures have been taken:
 1. Assessing its own capacity in managing such real estates prior to accepting the position of the REIT Manager or before making any additional investment in such real estates, as the case may be.
 2. Carrying out relevant analysis and feasibility study, as well as performing due diligence on such real estate in a manner as prescribed by the regulations and guidelines for management of real estate investment trusts set forth by the Securities and Exchange Commission and the Securities and Exchange

Commission Office, and making assessments of risks that may arise from such investments, as well as providing guidelines for risk management. Risks exposures shall include development or construction risks (if any) such as construction delay and inability to obtain benefits from the invested real estate.

- (1.5) The REIT Manager shall arrange the meetings of the unit holders as per the Trust Deed.
- (1.6) In the event of a change in REIT Manager, the REIT Manager shall provide collaborative support as deemed necessary to ensure a successful handover of the work.
- (1.7) In the event of any appointment of a consultant to provide advice or suggestions on property investments and property management, the REIT Manager shall act according to the following rules:
 - (a) Arrange for the consultant declare any conflict of interest on the matter under consideration.
 - (b) Prohibit the consultant who has, directly or indirectly any conflict of interest thereon from participating in the consideration of such matter.
- (1.8) The REIT Manager shall prepare the Company's financial statements under generally accepted accounting principles as enforced by accounting professional laws and shall submit the financial statements to the Securities and Exchange Commission Office, within three (3) months from the period end date of such fiscal year. The financial statements shall be audited by the auditors, approved by the Securities and Exchange Commission Office, and also include the auditor's opinion.
- (1.9) The REIT Manager shall prepare and disclose the REIT's information which includes information specified under Clause 56 and Clause 57 of the Securities and Exchange Act, as well as other information as set forth in the Trust Deed and the REIT Manager Agreement.
- (1.10) The REIT Manager shall prepare and disclose the REIT's information to the Trustee, the Securities and Exchange Commission Office, and the REIT's unit holders as set forth in the Securities and Exchange Act, other applicable laws, and the Trust Deed, which shall also include the submission of the REIT's annual report together with the Annual General Meeting of Unit Holders Invitation Letter to the unit holders. In addition, the REIT Manager has the duty to explain and deliver relevant information, and documents or evidence, as well as to act or refrain from any act as per the orders or requests of the Securities and Exchange Commission Office.
- (1.11) The REIT Manager shall avoid situations which may create doubt about its professional independency, particularly in the selection, purchase, sales, lease, sub-lease, and rental of any real estate, securities and other services to the REIT. It is prohibited for the REIT Manager, directors, executives, and employees of the REIT Manager to receive any commission or "Soft Commission" or any other benefits from former owners of such real estate or sponsors, sellers of such securities, services providers, or brokers as their own income or benefits.
- (1.12) The REIT Manager has the duty to disclose the information on the receipts of its own interests or benefits and the interests or benefits of its related party from any entity or person who is a counter party of the REIT in the Prospectus, Unit Trust Registration Statements, Invitation Letter for the Unit Holders' Meeting for Transaction Approvals, and the REIT's annual reports so that investors and the Trustee can apply such information in judging the professional independency of the REIT Manager in transacting any transactions on behalf of the REIT and the rationality of such transactions.

The interests or benefits required to be disclosed are for instance: creditors, debtors, guarantors or guarantees, cross-holding of shares, or having the same group of major shareholders or management, providing or receiving of services, trading activities, and expense payments made on each other's behalf etc.

- (1.13) In the event that the REIT Manager would like to assign the tasks under its responsibility to other parties, it shall specify the work assignments and the duties of the REIT Manager in the selection of the relevant parties for such assignments. The assignment conditions shall not conflict with or breach the Notification of the Office of the Securities and Exchange Commission SorChor. 29/2555.

(2) Management Duties of the REIT

- (2.1) The REIT Manager shall properly and efficiently supervise and manage the REIT in compliance with laws, regulations, and the Trust Deed, and protect the interests of the REIT and its unit holders in general. The REIT Manager has the duty to provide a quality operating system with efficient checks and balances that can fully support its work responsibilities. Additionally, its tasks shall cover at least the following aspects:
- (a) Formulation of policies for management of the REIT, its capital structure, real estate investment decisions, and real estate strategies that enable it to prudently and cautiously manage the REIT's investments according to the investment policies as set forth in the Trust Deed and in accordance with applicable laws and regulations, as well as to protect the interest of the REIT and its unit holders in general.
 - (b) Management of risk related to its assigned tasks of managing the REIT so as to efficiently prevent and mitigate the risks.
 - (c) Management of any relevant conflict of interest, particularly the conflict of interest between the REIT, the REIT Manager, and any connected person of the REIT Manager, including implementation of measures or guidelines to safeguard the best interests of the REIT or the unit holders in general, when a conflict of interest arises.
 - (d) Selection of personnel of the REIT Manager and any assigned parties to be involved in the REIT operations (if any) to ensure that they are qualified with appropriate skills and proficiency to undertake the assigned tasks.
 - (e) Supervise the performance of the REIT Manager and its personnel, as well as review and monitor the work of the persons assigned to manage the REIT to ensure their compliance with laws, regulations, the Trust Deed, the Securities and Exchange Act, the Trust for Transactions in the Capital Market Act, as well as notifications, rules, or orders issued by the virtue of such laws as well as other applicable laws relating to the operations of trust funds.
 - (f) Full, accurate, and adequate disclosure of information as set forth in the Trust Deed and in accordance with the provisions set forth in the Securities and Exchange Act and the Trust for Transactions in the Capital Market Act, and notifications, rules, or orders issued by the virtue of such laws as well as other applicable laws relating to the operation of trust funds.
 - (g) Back office support
 - (h) Internal audit and controls
 - (i) Communications with investors and investors' complaint management

(j) Legal dispute handling

The REIT Manager may assign other parties to undertake matters which are related to the REIT Manager's business operations, whereby in such cases, the following rules shall be applied:

- (1) The assignments shall not be in a nature that may impact efficiency of the REIT Manager's performances.
- (2) There shall be measures to support the business continuity in the event that the assigned parties fail to carry on the operations.
- (3) In the event that the assignments are related to investments in other assets of the REIT, the assignee party must be legally authorized to perform such tasks.

The above assignments shall not include any assignment of the tasks and functions as prescribed under Clause (2.1) (a) (b) (c) and (i).

In the event that the REIT Manager would like to assign tasks for which it is responsible to other parties, other than its tasks of real estate management, such as the management of the other assets of the REIT, which are not the Core Properties, the REIT Manager shall make a careful selection of the relevant parties for such assignments, and shall supervise and monitor the assignees' performance. The assignment conditions shall not conflict or breach Notification of the Office of the Securities and Exchange Commission SorChor. 29/2555.

- (2.2) The REIT Manager shall manage the REIT according to the provisions prescribed in the Trust Deed and shall oversee and protect the unit holders' interests.
- (2.3) The REIT Manager shall carefully and cautiously conduct due diligence on any potential real estate investment of the REIT, and shall record and safeguard information, documents, and evidence related to the selection, inspection, and decisions on whether to invest or not invest therein for the REIT. As for such due diligence, the REIT Manager shall comply with the guidelines on the management of property funds and real estate investment trusts.
- (2.4) The REIT Manager shall act to assure its professional management of the REIT's financial aspects as well as the economical value of the REIT's assets, and such management is carried out for the benefits of the unit holders such as:
 - (a) Formulating investment and risk management strategies and policies that are efficient and in compliance with the obligations prescribed in the Trust Deed
 - (b) Determining borrowing facilities and encumbrances on the REIT's properties, and strictly ensure that such borrowings and encumbrances are in compliance with the conditions prescribed in the Trust Deed.
 - (c) Investing in real estate that suit the investment objectives of the REIT.
 - (d) Managing the REIT's cash flow.
 - (e) Considering the distribution payments of the REIT.
 - (f) Arranging for appropriate insurances to cover any potential damage that may occur to the REIT's real estates and relevant third party liability insurance with suitable and sufficient coverage amounts to possibly renovate the damaged assets into their former stages so that the REIT can get similar benefits from such assets as previously, and with returns of no less than previously received.
 - (g) Arranging for tenant mix planning

- (h) Overseeing that tenants comply with the conditions set forth in the lease agreement, service agreement, and other related agreements.
 - (i) Overseeing the compliance of the real estate regulations and/or the conditions prescribed in the leasehold rights of the REIT's investment assets, as well as monitoring and taking relevant actions to ensure that the REIT's real estate and/or leasehold rights shall not be used to operate immoral or illegal business.
 - (j) Managing the rental spaces such as control and oversee rental operations, negotiate tenancy agreements, review rental rates or fees, cancel or renew rental contracts etc. In the event that a rental agreement has a term of more than 3 years, the REIT Manager shall seek approval from the Trustee prior to any further action.
 - (k) Assessing past rental operations to set appropriate rental and tenancy terms and conditions, preparing applicable rental and tenancy agreements, as well as relevant service contracts, monitor and evaluate rental and service charge collections to determine suitable amounts of allowance for doubtful accounts and bad debt expenses, or bad debt write-offs (and appropriately reinstate account by reversing the write-off entry in the event that such bad debts are recovered).
 - (l) Arranging for appropriate security and safety systems for the REIT's buildings and invested properties such as the fire alarm system, emergency communications plan and disaster management.
 - (m) Formulating policies and action plans for the administration, maintenance and renovation of the REIT's buildings and invested properties to assure that their conditions are comparable to those of its industry peers.
- (2.5) The REIT Manager shall review and inspect to make sure that the REIT shall have proper ownerships and/or rights in the real estate that it intends to invest; whether they are the right of ownership or leasehold right, and that any agreements and contracts that the REIT shall enter as the counterparty thereof are duly prepared according to the applicable laws, as well as binding and enforceable in accordance with the conditions therein prescribed.
- (2.6) The REIT Manager shall arrange that all documents and evidence related to the REIT's operation are systematically kept and safeguarded; for instance the Meeting of Unit Holders Invitation Letter, the Registration Statement for Offering Trust Units, Prospectus, the REIT's Annual Report, and the compliance records of the REIT and its invested properties with applicable regulations. This information, documents and evidence shall be kept in a manner which is proper, complete, and accountable for at least five (5) years from the date of preparing such information, documents and evidence.
- (2.7) The REIT Manager shall prepare and disseminate the REIT's financial statements, annual report, and other relevant information which are accurate and complete and promptly distribute them within the time frame as prescribed by the law, as well as in accordance with the Trust Deed, and the rules of the stock exchange.

The REIT Manager, as well as its directors and executives who are involved in the preparation and dissemination of the REIT's information disclosure must be responsible for the contents of such information which shall be reported or notified to the unit holders and investors in general. There shall be a review procedure which ensures that the disclosed information in the Registration Statement for Offering Trust Units, Prospectus, the Meeting of Unit Holders

Invitation Letter, advertisement brochure, published notification, or any other disseminated documents are verified to be accurate, complete, and not lacking in material information. Such disclosure shall also provide sufficient information for investment decisions, and comply with applicable laws, notifications and regulations.

- (2.8) The REIT Manager shall oversee that the unit holders obtain accurate and adequate information prior to their respective exercise of the voting rights for any authorization, and that they duly receive such information in advance and within the prescribed time frame as set forth in the Trust Deed and the rules of the stock exchange.
- (2.9) The REIT Manager shall oversee that the REIT complies with laws or operational guidelines issued by relevant government agencies or other authorities, as well as regulations of the stock exchange.
- (2.10) The REIT Manager shall make distribution payment to the REIT's unit holders for an amount of no less than ninety (90) % of its adjusted net profit for the fiscal year, which is generally defined as net earnings with adjustment of the cash position of the REIT and represents the REIT's cash available for distribution. This cash available for distribution shall be payable within ninety (90) days from the fiscal year ending or from the ending date of the relevant accounting period during which such distribution payment is made, whichever the case may be. Nevertheless, in the event that the REIT still carries any retained loss, it shall make no distribution payment to its unit holders.
- (2.11) The REIT Manager shall define the annual scope of work or appraisal for property appraisers that include inspections of the REIT's properties and comparing them with other nearby properties of similar characteristics.
- (2.12) The REIT Manager may hire any property agent to assist the Property Manager in finding tenants.
- (2.13) Regarding investment in other assets, other than the investment in the Core Properties, the Trustee shall assign the REIT Manager to manage such investment as per the regulations prescribed in the Notification of the Office of the Securities and Exchange Commission SorRor. 26/2555, and any related documents thereof shall be available for any audit and review at least five (5) years from the preparation date of such documents, and such documents shall be in compliance with the Trust Deed. Indeed such assignment shall not impede the rights of the Trustee to assign its rights to any other person to manage such other investments which are not the Core Properties of the REIT.

(3) Duties assigned to the Property Manager

Even though the REIT Manager may assign its property management tasks to the Property Manager who is a third-party, the REIT Manager is still required to oversee the performance of the Property Manager to assure the best interests of the REIT and its unit holders. Therefore, the REIT Manager shall perform at least the following:

(3.1) Selection of the Property Manager

For the selection of a third-party to be the Property Manager who shall oversee activities such as sales, marketing, and day-to-day operations of the REIT's real estates, the REIT Manager must at least complete the following:

- (a) Assess and evaluate past experiences, reputations, and track records of the Property Manager in relation to its capabilities to find tenants, collect debts, carry out building interior and equipment maintenance, administer rental spaces, service tenants, monitor internal controls, and properly oversee expenses and disbursements etc.

- (b) Review a suitable remuneration rate for the Property Manager which is subject to its work competency and performance, and provide sufficient motivation to the Property Manager as part of the effort to improve the REIT's earnings. For instance the remuneration of the Property Manager may be tied to the actual collection of rental incomes and/or services fees or the net profit from real estate rental etc.
- (c) Arrange to have procedures which allow the REIT to be able to change the Property Manager in the event that such Property Manager does not comply with the prescribed conditions or its work performance does not meet a satisfactory standard.
- (e) Arrange to have a process to regularly inspect, monitor, and evaluate the internal control systems of the Property Manager to assure that its internal control system remains effective in providing protection against fraud or capable of easily detecting corruption and misconducts such as requiring that the Property Manager's internal control system be assessed by its auditor during the audit process and to report the findings of any weakness or flaws in such system to the REIT Manager etc.

The REIT Manager shall prescribe in the Property Management Agreement that the Property Manager must be responsible for any benefit loss to the REIT caused by the negligence on the part of the Property Manager in its operational control process.

- (f) In the event that the REIT Manager finds out that the Property Manager's acts or failure to act impairs the credibility of the Property Manager in carrying out its duties as set forth in the Property Management Agreement, the REIT Manager shall arrange to terminate the Property Management Agreement, so that the REIT Manager can either take over the Property Manager's position or select a new Property Manager to replace the former one. However, in the event that the REIT enters into any loan agreement of which its covenants may prohibit any change of the Property Manager, thus such change therefore requires an approval from the REIT's lenders.

(3.2) Supervision of the Property Manager's Performance

The REIT Manager has a duty to supervise the work and performance of the Property Manager to ensure that it is protecting the best interests of the REIT and its unit holders and shall undertake at least the following:

- (a) The REIT Manager shall participate in the preparation or the review and approval of the annual budget plan of the Property Manager to assure that there are proper details of income and expenses, to avoid any misappropriation of expenses, to set performance target for monthly and annual earnings, and to control that disbursements are in line with the budget plan. The annual budget plan must be approved by the Trustee.
- (b) The REIT Manager shall prescribe incentive criteria that motivate the Property Manager to put an effort into enhancing the REIT's value and the returns, while mitigating relevant risks to the unit holders.
- (c) The REIT Manager shall participate in the preparation or the review of the Property Manager's strategic plans to assure that it can increase earnings, mitigate the risks of the rental income volatility and/or the fluctuation in the service fees for the REIT, as well as to oversee that the Property Manager performs in accordance with the planned strategies.

- (d) The REIT Manager shall participate in the preparation or the review of the tenant selection guidelines for key tenants, or participate in the tenant mix planning with the Property Manager to limit and mitigate risks of the rental income volatility and/or the fluctuation in the service fees for each year.
- (e) The REIT Manager shall review or participate in the formulation of pricing policy for rental rates and/or service fees to assure that such pricings are appropriate and in line with prevailing market conditions.
- (f) The REIT Manager shall assess the cost control system for repair and maintenance expenses related to equipment and buildings to assure that the conditions of such assets are in a comparable stage to those of its industry peers.
- (g) The REIT Manager shall assess the suitability of the control procedure in the procurement system of the Property Manager to assure the justified economic values of the procured goods and services.
- (h) The REIT Manager shall monitor and control the Property Manager's revenue collection to assure that the REIT fully receives its rental income and service fees.
- (i) The REIT Manager shall instruct the Property Manager to monitor and oversee that tenants duly pay their applicable taxes.
- (j) The REIT Manager shall observe and examine the Property Manager's misconducts, as well as performing a random review of its operations.
- (k) The REIT Manager shall select and assess the internal control systems of the Property Manager, and shall set its own control procedures and systems to monitor and randomly check on the Property Manager to ensure that the Property Manager complies with the following rules:
 - (1) Correctly collect all income in full and remitting them to the REIT,
 - (2) Not overcharging the REIT with unreasonable expenses and any charges made to the REIT shall be within the authorized framework of the Property Management Agreement, and
 - (3) Arranging for the appropriate and adequate upkeep and maintenance of the REIT's assets so that such assets will continue generating long-term benefits.

Duties and Responsibilities of the Property Manager

1. Duties Related to Property Management

The Property Manager has its main duties as follows:

- 1.1 Generate income and benefits from the REIT's invested properties as per the REIT Manager's assigned policy for the best interests of the REIT.
- 1.2 Oversee the maintenance and repair of the REIT's invested properties, review relevant legal compliances to ensure the REIT's invested properties comply with regulations on buildings and structures, environmental laws, and other applicable laws.
- 1.3 Oversee the preparation of accounting books, reports, administrative documents, and internal audit.
- 1.4 Develop and arrange advertising plans, sales plans and marketing campaigns for the REIT's invested properties.

2. Duties Related to Information Disclosure

The Property Manager has the duty to disclose information to the Company and the Trustee on matters related to the management of the REIT's invested properties, as well as the generation of income and benefits from such properties, together with the information on its own interests, and the interests of its controlling party that must be disclosed according to the rules and methods as prescribed by the Company and the Trustee.

3. Duties Related to Compliance of Regulations on Connected Transactions with the Related Parties of the REIT

The Property Manager has the duty to comply with regulations on trust management activities which involve the connected transactions with the related parties of the REIT. Additionally, the Property Manager shall perform its tasks in the best interests of the REIT and its unit holders.

4. Duties Related to Collaboration with the Company and the Trustee

The Property Manager acknowledges and agrees that its duties as the Property Manager according to the Property Management Agreement shall be under the supervision of the Company, and the Property Manager shall collaborate with the Company and the Trustee to strictly comply with the governance procedures and system prescribed by them to oversee the Property Manager's functions.

5. Duties Related to Prevention of Conflict of Interest

The Property Manager has the duty to oversee the compliance and the update of the preventive measures against any conflict of interest, to effectively protect the interests of the REIT's unit holders, and to correctly, accurately and fully disclose information on any potential conflict of interest to the Company and the Trustee. The Property Manager shall not act in a manner that is in conflict with the REIT's interest, the relevant details of which are prescribed in the Property Management Agreement.

6. Outsourcing

The duties to be performed by the Property Manager under the Property Management Agreement shall be undertaken only by the Property Manager. However, the Property Manager may outsource some parts of its duties as long as such outsourcing does not violate any applicable laws, rules, regulations, or notifications which the Trustee, the REIT Manager and the Property Manager must abide by. Such outsourcing shall also be made in accordance with the rules prescribed in the Property Manager's Outsourcing Policy, already informed to the Company by the Property Manager. The Property Manager shall promptly inform the Trustee and the REIT Manager about any of its outsourcing. The Property Manager shall also oversee that the party, to which the work is outsourced, performs its tasks in the best interests of the REIT and according to the conditions prescribed in the Property Management Agreement.

7. Procedures and Systems Related to the Work Functions of the Property Manager

The Property Manager agrees to arrange, comply, revise, and disclose information on procedures and systems related to the work functions of the Property Manager in order for it to efficiently perform its duties as prescribed in the Property Management Agreement and in the best interests of the REIT and its unit holders in general.

Internal Control System and Work Procedure for Prevention or Handling of Conflict of Interest Segregation of Work and Duties within the REIT Manager

1. Classified by the Nature and Scope of Work

The Company is established with the objective to operate its main business activities as a trust manager as per the Trust for Transactions in Capital Market Act. The Company has 3 main business units to support its roles and duties as the REIT Manager according to the Trust Deed, the REIT Manager Agreement, and other relevant laws, rules and/or regulations.

The Company's business units and their relevant work scope, duties, and responsibilities are summarized as follows:

Compliance & Risk Management

- Oversee and manage risks related to the management and investment of the REIT in compliance with the Trust Deed and relevant regulations.
- Oversee and prevent conflict of interest between the REIT and related parties.
- Set organization structure and guideline for action plans to safeguard the best interests of the REIT and its unit holders in general in the event of any conflict of interest.
- Oversee that the REIT's employees and personnel who are engaged in the REIT's operations are qualified according to their work requirements and in compliance with applicable laws
- Evaluate work and performance of employees
- Review that the REIT's operations are in accordance with the Trust Deed, and relevant laws to assure that the REIT and its related parties are aware of any changes in the applicable laws and regulations
- Summarize and submit for consideration and approval the matters which relate to extraordinary expenditures or unbudgeted expenses

Asset Management

- Work according to the business plan, as per policy and strategy on income generating real estate assets, and oversee the management of the REIT
- Plan for selection and review of the REIT's real estate investment schemes, including invest in other assets
- Arrange for a review or a due diligence on the real estate in which the REIT shall invest
- Arrange for the selection of real estate appraisers
- Set business plan and strategy for income generating real estate assets
- Formulate marketing plan, sales campaign, and public relations plan
- Set competitive positioning strategy for targeted returns
- Manage investment risks of the REIT
- Prepare the REIT's income and expenses forecasts
- Oversee the REIT's borrowings (if any) and borrowing policy
- Oversee and review performances of the Property Manager
- Oversee the utilization, cleanliness, and security of the REIT's property
- Oversee and manage properties and assets

- Manage tenants
- Oversee and manage rental and service fee collection, to assure that the payments are made accurately and in full
- Oversee and efficiently manage the REIT's expenditures

Investor Relations and Operational Support

- Prepare and disclose information to the Securities and Exchange Commission Office, the Stock Exchange, the Trustee, the REIT's unit holders, and the contract counterparties as per the conditions prescribed in the Trust Deed, and relevant laws and notifications, or related contracts; for instance preparations of the meetings of the REIT's unit holders, annual report, the REIT's annual registration statements, as well as information on the REIT Manager and the REIT
- Communicate and take care of unit holders
- Recruit additional qualified, proficient, and skilled personnel
- Arrange training and knowledge development to improve efficiency of the REIT management
- Control, monitor, coordinate, and oversee outsourcing tasks
- Handle complaints and dispute resolutions
- Keep and safeguard information, documents and evidence related to the REIT
- Provide operational support such as human resources management, information technology management and computer support, general administration, and procurement

2. Classified by the REIT Manager's Operating Systems

In order for the Company to efficiently carry out its duties as the REIT Manager and be qualified under the conditions as set forth in the relevant regulations of the Securities and Exchange Commission, the Company has arranged its operating systems according to prescribed conditions thereof comprising of:

- (1) A system for formulation of the REIT's management policy
- (2) A system for risk management of the REIT's management and administration risks
- (3) A system for managing conflicts of Interest
- (4) A system for recruitment selection of the REIT Manager's personnel, and selection process for assignees of tasks related to the REIT's operations (if any)
- (5) A system for governing and supervision of the REIT Manager and its personnel
- (6) A system to support the information disclosure of the REIT
- (7) A back office system
- (8) An internal audit and internal control system
- (9) A system for communication with investors and for handling of investor complaints
- (10) A system for handling of legal disputes
- (11) A system for arrangement of the meetings of the unit holders

In each of the systems there are sub-systems of which their details are provided as follows:

Main System	Sub-Systems
1. Formulation of the REIT's management policy	<ul style="list-style-type: none"> • Process and procedure for consideration and selection of real estate investment (Under the supervision of the Asset Management) • Process and procedure for reviewing of appraisal report (All business units are responsible and monitor this work) • Collaboration with the Trustee (Under the supervision of Investor Relations and Operational Support)
2. Risk management of the REIT's management and administration risks	<ul style="list-style-type: none"> • Monitoring, analysis and assessment of risks related to real estate investment and property management (All business units are responsible and monitor this work) • Supervision and control of assets (Under the supervision of the Asset Management)
3. Managing conflicts of interest	<ul style="list-style-type: none"> • Information disclosure on directors and executives's conflict of interest reports • Transactions between the REIT and the REIT Manager, or the Related Parties of the REIT Manager • Conflict of interest transactions between the REIT and the Trustee, or the Related Parties of the Trustee • Monitoring of business competition • Monitoring of the REIT Manager's independency in performing its duties • Disclosure on conflict of interest or benefits received from a company/ person who is a trading counterparty of the REIT (All business units are responsible and monitor all the work in this sub-system)
4. Recruitment selection of the REIT Manager's personnel, and selection process for assignees of tasks related to the REIT's operations (if any)	<ul style="list-style-type: none"> • Process and procedure for consideration and selection of the Property Manager (All business units are responsible and monitor this work) • Process and procedure for consideration and selection of the property appraisers (All business units are responsible and monitor this work) • Process and procedure for consideration, selection, and hiring of specialists in various fields related to the management of the REIT (All business units are responsible and monitor this work) • Process and procedure for selection of the REIT Manager's personnel (Under the supervision of Investor Relations and Operational Support)

Main System	Sub-Systems
5. Governing and supervision of the REIT Manager and its personnel	<ul style="list-style-type: none"> • Process and procedure for monitoring, control, evaluation, and supervision of the Company's operations in the capacity of the REIT Manager (All business units are responsible and monitor this work) • Process and procedure for monitoring, control, evaluation, and supervision of the performance of the Company's personnel (Directors, executives, and employees of the Trust Manager) (Under the supervision of Compliance & Risk Management) • Process and procedure for monitoring, control, evaluation, and supervision of the performance of each business unit of the REIT Manager (All business units are responsible and monitor this work)
6. Information disclosure of the REIT	<ul style="list-style-type: none"> • Preparation and disclosure of information on the REIT Manager and the REIT in accordance with various agreements and relevant laws (Under the supervision of Investor Relations and Operational Support)
7. Back office system	<ul style="list-style-type: none"> • Control and supervision of outsourcing (All business units are responsible and monitor this work)
8. Internal audit and internal control system	<ul style="list-style-type: none"> • Internal control and operational control system comprising of the following sub-systems: <ul style="list-style-type: none"> o Preparation of income and expense budget of the REIT (Under the supervision of Investor Relations and Operational Support) o Consideration and approval of extraordinary expenditures or unbudgeted expenses (Under the supervision of Compliance & Risk Management) o Procurement (Under the supervision of Investor Relations and Operational Support) o Keep and safeguard information, documents and evidence related to the REIT (Under the supervision of Investor Relations and Operational Support) o Accounting and Financial Statements (Under the supervision of Investor Relations and Operational Support) o Control of operating cash (Under the supervision of Investor Relations and Operational Support) o Monitoring of rental income and service fee collection by the Property Manager (Under the supervision of the Asset Management) o Monitoring and assessment of expenses payable to the Property Manger by the REIT (Under the supervision of Investor Relations and Operational Support)

Main System	Sub-Systems
	<ul style="list-style-type: none"> Control of the Property Manager's operational performance as per conditions prescribed in the Property Management Agreement (All business units are responsible and monitor this work)
9. Communication with investors and handling of investor complaints	<ul style="list-style-type: none"> Communication with investors and handling of investor complaints (Under the supervision of Investor Relations and Operational Support)
10. Handling of legal disputes	<ul style="list-style-type: none"> Handling of legal disputes (Under the supervision of Investor Relations and Operational Support)
11. Arrangement of the meetings of the unit holders	<ul style="list-style-type: none"> Arrangement of the meetings of the unit holders (Under the supervision of Investor Relations and Operational Support)

Remunerations of the REIT Manager

For the entire agreement period of the REIT Management Agreement, the REIT Manager shall receive its management fee for performing its duties as the REIT Manager which is comprised of a base fee of no more than 0.3% of the Net Asset Value (NAV) of the REIT with a minimum fee limit being set at Baht 12 million (In the event of a capital increase, as the work and the duties of the REIT Manager shall also increase, the minimum limit may be raised), and a variable fee of no more than 2% of the Adjusted Net Investment Income of each fiscal year, as prescribed in the REIT Management Agreement.

Trust Investment Policy

Investment of the REIT in real estate shall be made in compliance with the rules prescribed in the Notification of the Capital Market Supervisory Board No. TorJor. 49/2555, and other relevant notifications or orders issued by the Securities and Exchange Commission or the Securities and Exchange Commission Office, or any amendments thereof.

Investment in Core Properties and Equipment

1. Investment policy and the nature of core properties in which the REIT shall invest

It is the REIT's policy to invest in real estate or leasehold rights of real estate as its core properties and component parts or accessories of properties which are office buildings, as well as any other relevant real estate which supports or promotes rental business of such office buildings including but not limited to the following, such as shops, restaurants, convenience stores, and any other properties that may support the investment of the REIT etc. Its investment rules are as follows:

- (a) The REIT shall invest in real estate with the intention to acquire ownership or possessory rights. In the event of acquiring possessory rights, the condition shall be either of the following:
 - (1) Acquiring of real estate with the land utilisation document classified as a "Confirmed Certificate of Use" (NS-3K or Nor Sor 3 Kor).
 - (2) Acquiring of leasehold rights of real estate with the land utilisation document classified as a "Confirmed Certificate of Use" (NS-3K or Nor Sor 3 Kor).
- (b) Real estate in which the REIT invests and acquires must not be under any attachment on property rights or any dispute, unless the REIT Manager and Trustee consider that such attachment on property rights or such disputes shall not significantly impact any benefits that can be derived from such real estate and that the acquiring conditions of such real estate still benefit the unit trust holders, in which case the REIT Manager and Trustee shall provide a written opinion on their judgment.
- (c) Contracts made in relation to an acquisition of the real estate in which the REIT invests must not carry any clause or obligation that prohibits the REIT from disposing of such real estate at a fair price (as at the time of its disposal) such as a contract with a purchase option with a Right of First Offer granted to the contract parties without predefined prices or a clause which imposes extra obligations to the REIT more than a normal tenant should receive at the end of the tenancy.
- (d) The aggregate value of the completed and income-generating real estate acquired by the REIT must account for no less than seventy five per cent (75%) of the sum of the total value of the units offered for sale plus the total amount of the loans and borrowed funds (if any). The REIT may invest in projects under-construction, provided that the value of the real estate acquired shall not exceed ten per cent (10%) of the REIT's total asset value (after the offer for sale of units), and the REIT shall demonstrate that sufficient working capital can be afforded for the rest of the development without materially affecting the existing concerns of the REIT.

- (e) The values of real estate invested by the REIT must be appraised in accordance with the following guidelines:
- (1) Being a full appraisal with evidence of verification of entitled rights, for the purpose of public use for the disclosure of the relevant information to the investors. Such appraisal shall be performed by at least two (2) appraisers and completed no more than six (6) months prior to the date of submission of the application for approval of the sale of units.
 - (2) The appraisers under clause (a) shall be those approved by the SEC.
- (f) The acquired real estate shall have an aggregate value of not less than Baht five hundred million (Baht 500,000,000), and in case the amount of funds raised from the offer for sale of units is less than the value of the real estate, the applicant shall demonstrate that there are other sufficient sources of funds for supporting the acquisition of such real estate.
- (g) In case that the REIT invests in the sub-lease of any real estate leasehold or the rental rights of any building or structure of which its lessor is not the real estate owner; either being the holder of the land title deed or the holder of the confirmed certificate of use, the REIT Manager must apply relevant measures for risk protection or indemnity against any losses that the REIT may suffer as a result of such investment, such as:
- o Arrange for insurance policies against risk of contract termination by the actual owners of the real estate or persons with such ownership rights;
 - o Arrange for asset mortgage as a protection for contract compliance;
 - o Arrange for pledge of contract compliance from related persons to assure contract compliance and payments of damage compensation to the REIT;
 - o Arrange for surety bond to guaranty compliance with contract;
 - o Arrange to have clauses or conditions which entitle the REIT with the rights to directly work with the real estate owners on the remedy of any breach of any such contracts, etc.

In addition, the REIT Manager shall disclose any risk factors to unit holders, by indicating in the Registration Statements about any possible impact on the REIT's performance in the case of contract termination by the real estate owners; either being the holder of the land title deed or the holder of the confirmed certificate of use.

In the case that the trust has acquired the ownership interest in the real estate and the REIT Manager intends to generate income from such real estate through a leaseback arrangement, REIT Manager shall charge the original owner of the real estate at the rental rate that is set on an arm's-length principle, and shall treat the transaction in a similar manner to any other ordinary business transaction that it would have transacted with any third-party.

Furthermore, the REIT may indirectly invest and acquire its core properties through its shareholding of a company established with the operational objective similar to that of the REIT. Such investment shall comply with the following guidelines:

- (a) The REIT shall hold no less than ninety nine per cent (99%) of the company's outstanding shares and no less than ninety nine per cent (99%) of the total voting rights of such company.
- (b) It shall be demonstrated that there is a measure or a mechanism which allows the REIT Manager and Trustee to supervise and control such company to operate its business in accordance with the Trust Deed and the rules prescribed in the Notification No. TorJor. 49/2555 and other related Notices in the same manner as if such core properties are directly invested by the REIT.

2. Investment Restriction

The REIT is restricted from investment in any other assets which are not specified in the Trust Deed.

3. Acquisition and Disposal of Core Properties and Equipment

(a) Acquisition of Core Properties and Equipment

(1) For each acquisition of core properties and equipment, the REIT Manager shall perform as follows:

- Due Diligence of information and contracts related to the core properties and equipment (if any) for the following matters;
 - Photographs of real estate, such as the location, surroundings, entrance and exit, as well as opportunities for income generation, and various encumbrances of such real estate;
 - Legal information of real estate and the capability of the counterparty to perform a juristic act along with the completeness, accuracy and enforceability of the documents of entitled rights or relevant contracts;
 - Financial information of real estate and other appropriate rationales for investment in such real estate, etc. It should also be noted that:
 - o In case the lessor or the party which transacts a deed of assignment that sub-leases the real estate ownership right is the REIT Manager or any related person of the REIT Manager, the REIT Manager shall employ a trustee-approved financial adviser to provide an opinion regarding the analysis of all such information.
 - o Due Diligence of core properties and equipment is for the purpose of investment decision making and disclosure of correct information.
- Appraisal of core properties shall at minimum be in compliance with Clause 11.1 of the Trust Deed.
- In case the REIT is to acquire leasehold interest in real estate in the form of a sub-lease, the REIT Manager shall apply relevant measures for risk protection or indemnity against any losses that the REIT may suffer as a result of the breach of lease contract or failure to enforce obligations under such contract.
- The REIT Manager shall conduct and review the feasibility analysis and the rationality of the acquisition, lease, or disposal of real estate, or transfer or receipt of leasehold assignment of real estate. Costs incurred from such analysis shall be borne by the REIT Manager.

(2) Acquisition of additional core properties shall be in accordance with the following rules:

- In terms of substance, the qualified transactions shall present characteristics as follows:
 - In accordance with the Trust Deed and applicable laws
 - In the best interests of the REIT
 - Reasonable and at fair valuation

- Transactional expenses and fees charged to the REIT (if any) shall be at a fair and suitable rate
- Interested parties with special interest in the transaction shall not be involved in the decision to enter into such transaction
- In terms of the approval process, it shall be compliant with the following process:
 - Approved by the Trustee that the transaction is in accordance with the Trust Deed and applicable laws
 - In case the acquisition accounts for ten per cent (10%) or more of the REIT's total asset value, the transaction shall also require the approval from the Board of Directors of the REIT Manager.
 - In case the acquisition accounts for thirty per cent (30%) or more of the REIT's total asset value, the transaction shall be approved by the Meeting of the Unit Holders by way of a resolution of not less than three-fourths of all unit holders with voting rights duly convened at the unit holders' meeting.
 - The valuation of the real estate under this clause shall be based on the total value of all income-generating real estate acquired by the REIT, evaluated on the basis of each individual project, and the additional value of income-generation from other related assets acquired by the REIT.
- The approval process for obtaining the Trustee's authorization or the resolution of the Meeting of the Unit Holders requires the REIT Manager and Trustee to the perform following duties:
 - The REIT Manager's responsibility shall include preparation of the documentation required for approval request, dissemination of meeting invitation (as the case may be), providing opinion regarding the nature of transactions related to the acquisition of the additional core properties, together with clearly stated rationales and supporting information thereof.
 - The Trustee's responsibility shall include attending the unit holders' meetings and providing an opinion regarding whether or not such transaction is in compliance with the Trust Deed and applicable laws.

(b) Disposal of Core Properties and Equipment

For each disposal of core properties and equipment, the REIT Manager shall perform as follows:

- (1) Prior to a disposal of core properties, the REIT Manager shall arrange for the appraisal of core property in compliance with Clause 11.1 of the Trust Deed.
- (2) Disposal of core properties shall be in accordance with the following rules:
 - Disposal shall be done openly, which includes disclosure of the substance of the transaction. The approval process is undertaken in a systematic manner. There is a proper process in requesting and obtaining the Trustee's approval or the resolution of the Meeting of the Unit Holders. This shall be done in accordance mutatis mutandis with Clause 8.1.3 (a) (2) of the Trust Deed.

- In addition to being in compliance with rules regarding disposal of core properties as specified in the previous clause, disposal of the following core properties shall be in an event deemed necessary and appropriate to also require the approval from the Board of Directors of the REIT Manager.
 - Any disposal of core property after less than one (1) year from the acquisition date of such property.
 - Any disposal of acquired core property back to its original owner.

In addition to investment in Core Properties, the REIT is authorized to invest or hold the following assets:

- 1) Other types of assets that the REIT is authorized to invest or hold are as follow:
 - a. Government Bonds
 - b. Treasury Bills
 - c. Bonds or debentures issued by State Owned Enterprises or Entities Incorporated under Special Law with an unconditional guarantee issued by the Ministry of Finance for the fulfilment of the principal and amount of interest
 - d. Deposits in Banks or Secondary Mortgage Corporations
 - e. Certificates of Deposit issued by Banks or Finance Companies that is not a futures contract in disguise
 - f. Bill of Exchange or Promissory Note of which Banks, Finance Companies, or Credit Foncier Companies serve as the issuer, the bondsman, the aval provider, or the guarantor. This Bill of Exchange or Promissory Note shall not be futures contracts in disguise. The acceptance, aval, or guarantee under this clause shall be perpetual, full aval, or unconditional guarantee for the fulfilment of the principal and interest amount, which ever case applies.
 - g. Investment Unit or a Warrant for Investment Unit of a Fixed-Income Fund or other funds with investment policy to invest in fixed income or deposits

In a case that the REIT is to invest in a foreign investment unit, the investment shall be in accordance with the following terms:

1. Investment Unit of a foreign fund supervised and regulated by a Security Commission that is a member of the International Organization of Securities Commissions (IOSCO) or Investment Unit of a foreign fund traded on a Security Exchange that is a member of the World Federation of Exchanges (WFE)
2. Investment Unit of a foreign fund whose investment policy authorizes investment in the same type of investment assets that the REIT is authorized to invest or hold
3. Investment Unit of a foreign fund that was set up for the general public
- h. Investment Unit of a Real Estate Investment Fund or Trust Unit of other Trusts established under Thai law.
- i. Instrument of Real Estate Investment Trust established under foreign law, whether such fund is established as a company, trust, or any other legal entity, it shall have the following characteristics:

1. Established for the general public and under the supervision of the Security Commission that is a member of the International Organization of Securities Commissions (IOSCO)
 2. Main objective is to invest in real estate, common shares in a company listed under the real estate development category in a security exchange that is a member of the World Federation of Exchanges (WFE), or common shares of a company with businesses that are comparable to the real estate development category
 3. Traded in the Security Exchange that is a member of the World Federation of Exchanges (WFE) or has a repurchase option by the issuer of the instrument
- j. Futures contract; only for the sake of hedging purpose for the REIT
- 2) Ratio of investment of other assets shall follow the provisions specified in the Notification governing the investment ratios and the conditions for the fund to comply as prescribed in Section 117 and Section 126(4) of the Securities Act mutatis mutandis.
 - 3) In the case of default or failing circumstances by the debtor of an instrument that the REIT invests in, the REIT Manager shall proceed as prescribed in the Notification concerning such matter for the fund established under Section 117 of the Securities Act mutatis mutandis.
 - 4) In the case that the Trustee does not manage other assets that are not the REIT's Core Properties by themselves, the Trustee shall at least arrange for the following measures:
 - a. Separate the division responsible for managing such assets from other divisions whose responsibilities may cause conflict of interest or conflict of duty.
 - b. Have preventive measures against access to inside information. This shall be done by separating division and personnel responsible for managing such assets from other divisions or personnel that may benefit from such insider information.

The REIT may invest in the common shares of an entity that is the lessee of the REIT's Core Properties. Such investment shall be in accordance with the following terms:

1. Lease fee is specified in the Lease Contract, and shall be based on the operating results of the REIT's Core Properties.
2. Investment in Golden Share of no more than one (1) share in accordance with the policy of such entity.

Significant Events Regarding Operations of Trust in that Fiscal Year

Due to its initial investments in the 2 projects, namely Park Ventures Ecoplex and Sathorn Square, the REIT has been able to generate net investment income to make distribution payments to its unit holders on two occasions during the past fiscal year, the details of which are as follows:

Date of the Directors' Resolution	Ex-dividend Date	Payment Date	Type	Distribution Payment (per unit)	Period
10 February 2017	23 February 2017	9 March 2017	Cash	0.1887	1 October - 31 December 2016
15 May 2017	26 May 2017	14 June 2017	Cash	0.1997	1 January - 31 March 2017
10 August 2017	23 August 2017	8 September 2017	Cash	0.1980	1 April - 30 June 2017
27 November 2017	7 December 2017	25 December 2017	Cash	0.1550	1 October 2016 - 30 September 2017



Details of the Invested Assets of the REIT

Details of the Assets



Park Ventures Ecoplex

Details	Park Ventures Ecoplex
Investment Details	
Investment Type	<ol style="list-style-type: none"> 1. Leasehold rights over some parts of Park Ventures Ecoplex building including its components and other systems, excluding the area for The Okura Prestige Bangkok Hotel, 23rd floor to 34th floor, some parts of 1st floor to 8th floor (except 5th floor), some parts of rooftops and some parts of basements 2. Freehold rights over furniture and equipment
Investment Terms	Approximately 26 years and approximately 24 years remaining period (ending on 5 September 2041, which is equal to the land lease term that Lertrattakarn Co., Ltd., has with M.L. Suthada Kasemsan)
Value Invested by the REIT	Baht 3,028 million (including expenses related to the leasehold acquisition)
Appraised Value As of 30 September 2017	Baht 3,119 million (Knight Frank Chartered (Thailand) Co., Ltd.)
Type of Assets Invested by the REIT	
Location	Corner of the intersection of Wireless Road and Ploenchit Road (with direct access to BTS Ploenchit)
Land Ownership	The plot of land with the total area of 5 rai 36.2 sq. wah is owned by M.L. Suthada Kasemsan
Building Ownership	The building is owned by Lertrattakarn Co., Ltd.
Gross Floor Area	53,304 sq. meters (excluding the premises of the Okura Prestige Bangkok Hotel)
Net Leasable Area	Approximately 27,476 sq. meters (office rental area, commercial rental area, meeting room area and rental storage space)
Completion Date	2011 (approximate age of the building is 6 years)



SATHORN SQUARE



Sathorn Square

Details	Sathorn Square
Investment Details	
Investment Type	<ol style="list-style-type: none"> 1. Subleasehold rights over land 2. Subleasehold rights over the Sathorn Square office building including its components parts and other systems 3. Freehold rights over furniture and equipment
Investment Terms	Approximately 25 years and approximately 23 years remaining period (ending on 6 October 2040, which is equal to the lease term that North Sathorn Realty Co., Ltd., receives from the Crown Property Bureau
Value Invested by the REIT	Baht 6,878 million (including expenses related to the subleasehold acquisition)
Appraised Value As of 30 September 2017	Baht 6,637 million (Knight Frank Chartered (Thailand) Co., Ltd.)
Type of Assets Invested by the REIT	
Investment Type	Corner of the intersection of Narathiwat Ratchanakarin Road and Sathorn Road with direct access to BTS Chongnonsee Station
Land & Building Ownership	The plot of land with the total area of 5 rai 60.3 sq. wah. The land and building is owned by the Crown Property Bureau.
Gross Floor Area	114,567 sq. meters
Net Leasable Area	Approximately 73,124 sq. meters (office rental area, commercial rental area, and rental storage space)
Completion Date	2011 (approximate age of the building is 6 years)

Value from the Latest Appraisal Report

Knight Frank Chartered (Thailand) Co., Ltd., which is an authorized property appraiser approved by the Securities and Exchange Commission, appraised the property value by using the income approach and the discounted cash flow analysis as the basis of its valuation method. The valuation involved an estimation of the projected cash flow from the underlying properties for the remaining period of the leasehold contracts which reflects the projected future incomes expected to be generated from such properties. The appraiser is of the opinion that the properties of the REIT, which include the office buildings of Park Ventures Ecoplex and Sathorn Square, are valued from the beneficial interest of their rental spaces and relevant incomes generated therefrom. The valuation of these properties using the income approach method is based on the key assumptions which can be summarized as follows:

Park Ventures Ecoplex

Valuation Method	Income Approach/ Discounted Cash Flow Analysis		
Remaining Leasehold Period (Years)	23.93 Years		
Appraisal Date	30 September 2017		
Survey Date	7 September 2017		
For the Fiscal Period Ending (Reference to the remaining investment period)	From 30 September 2017 until 5 September 2041		
Appraised Value	Baht 3,119,000,000 (Three Billion One Hundred and Nineteen Million)		
Assumptions			
Average Rental Rate and the Rate Adjustment (October 2017 - September 2018 Projection)	- Office Space	Baht 955/Sq. meter/Month (4.0% annual increase)	
	- Retail Space	Baht 2,167/Sq. meter/Month (4.0% annual increase)	
	- Storage Space	Baht 443/Sq. meter/Month (4.0% annual increase)	
	- Other Incomes	1.5% of Revenues from office and retail space	
Occupancy Rate (October 2017 - September 2018 Projection)	- Office Space	100% and 98% next year	
	- Retail Space	100% and 98% next year	
	- Storage Space	100% and 98% next year	
Property Management Fee (Details from Property Management Agreement)	Contract Period	Base Fee (Monthly)	Variable Fee* (Monthly)
	1 st Year	Baht 1,437,500	3.50%
	2 nd Year	Baht 1,520,000	3.80%
	3 rd Year	Baht 1,854,133	4.75%
	4 th Year	Baht 2,398,299	6.20%
	5 th Year	Baht 2,444,231	6.20%
	6 th Year	Baht 2,492,000	6.20%
	7 th Year	Baht 1,291,680	6.20%
	8 th Year	An annual increase of 4.0% from the prior year	6.20%

* Variable Fee is calculated on revenues from office and retail rental spaces.

Administrative and Operating Expenses	<ul style="list-style-type: none"> - Cost of rental and services Baht 75/Sq. meter/Month (Including security expense, cleaning expense, and other related building expenses) - Sales & Marketing Expense 1.50% of Total Revenues (1st -5th year does not take into consideration according to the REIT's structure) - Repairs and Maintenance Expense 3.50% of Total Revenues (1st -5th year does not take into consideration according to the REIT's structure) - Capital Expenditure 2.50% of Total Revenues (1st -5th year does not take into consideration according to the REIT's structure)
Insurance Fees	Baht 2,165,282 (from 6 th Year onwards)
Discount Rate	9.5%

Sathorn Square

Valuation Method	Income Approach/ Discounted Cash Flow Analysis		
Remaining Subleasehold Period (Years)	23.02 Years		
Appraisal Date	30 September 2017		
Survey Date	8 September 2017		
For the Fiscal Period Ending	From 30 September 2017 until 6 October 2040 (Reference to the remaining investment period)		
Appraised Value	Baht 6,637,000,000 (Six Billion Six Hundred and Thirty-Seven Million)		
Assumptions			
Average Rental Rate and the Rate Adjustment (October 2017 - September 2018 Projection)	<ul style="list-style-type: none"> - Office Space Baht 800/Sq. meter/Month (4.0% annual increase) - Retail Space Baht 1,367/Sq. meter/Month (4.0% annual increase) - Storage Space Baht 318/Sq. meter/Month (4.0% annual increase) - Victor Club Baht 500,000/Month (3.0% annual increase) - Other Incomes 2.5% of Revenues from office and retail space 		
Occupation Rate (October 2017 - September 2018 Projection)	<ul style="list-style-type: none"> - Office Space 96% and 96% next year - Retail Space 100% and 98% next year - Storage Space 100% and 98% next year 		
Property Management Fee (Details from Property Management Agreement)	Contract Period	Base Fee (Monthly)	Variable Fee* (Monthly)
	1 st Year	Baht 1,595,000	1.55%
	2 nd Year	Baht 1,656,133	1.75%
	3 rd Year	Baht 2,678,045	3.45%
	4 th Year	Baht 3,535,834	4.65%
	5 th Year	Baht 3,604,600	4.65%
	6 th Year	Baht 3,676,118	4.65%
	7 th Year	Baht 1,933,829	4.65%
	8 th Year	An annual increase of 4.0% from the prior year	4.65%
* Variable Fee is calculated on revenues from office and retail rental spaces.			

Administrative and Operating Expenses	<ul style="list-style-type: none"> - Cost of rental and services Baht 60/Sq. meter/Month (Including security expense, cleaning expense, and other related building expenses) - Sales & Marketing Expense 1.50% of Total Revenues (1st - 5th year does not take into consideration according to the REIT's structure) - Repairs and Maintenance Expense 2.50% of Total Revenues (1st - 5th year does not take into consideration according to the REIT's structure) - Capital Expenditure 2.50% of Total Revenues (1st - 5th year does not take into consideration according to the REIT's structure)
Insurance Fees	Baht 1,454,522 (from 6 th Year onwards)
Discount Rate	9.5%

The REIT Manager has reviewed the key assumptions used by Knight Frank Chartered (Thailand) Co., Ltd., the appraiser of the assets value of the Golden Ventures Leasehold Real Estate Investment Trust, and viewed that such appraisal has applied the appropriate income method for the valuation. There is also no doubt that the applied assumptions are logical particularly on a comparable basis with its current operational results, and by taking into consideration the outlook of office rental business.

Nevertheless, the actual results may differ from such assumptions or situations may not follow the expected pattern. The provided opinion is based on current business and economic conditions; therefore if there are any changes in future circumstances, it may result in possible changes in the REIT Manager's forthcoming views.



**Details of Real Estate Invested or Distributed
in the Fiscal Year**

- None

Borrowings Policy

Borrowings Policy

1. **The REIT may use borrowings only for the following purposes:**
 - to invest in real estate or leasehold rights which are additional to its Core Properties,
 - to use borrowings to manage the REIT's properties,
 - to use borrowings for maintenance, repair, upkeep or improvement of the REIT's properties such as its real estate or leasehold rights of real estate so that they remain in good condition and are properly maintained to readily confer benefits of income-production or to modify them to be well suited to market trends or responding to changing of customer needs,
 - to use borrowings for constructions of any annex or any additional buildings on the exiting plots of land that the REIT owns or holds leasehold rights of such real estate to confer benefits of income-production,
 - to use borrowings for repayments of its loans or obligations,
 - to use borrowings for any other necessary purposes as the REIT Manager shall deem appropriate for the management of the REIT and for the benefits of the unit holders.

2. **The REIT may borrow money using the following methods:**
 - Requesting credit from commercial banks, financial institutions, life insurance companies, non-life insurance companies, and/or any other juristic persons who can provide such credit to the REIT, whereby such actions shall not cause any illegality or any conflict of any applicable laws, and notifications, orders or rules issued by the Securities and Exchange Commission and the Stock Exchange, or any other authorized agency.
 - Issuance of instruments or securities, or entering into any borrowing contracts in which such actions shall not cause any illegality or any conflict of any applicable laws, and notifications, orders or rules issued by the Securities and Exchange Commission and the Stock Exchange.

3. **The borrowing ratios shall not exceed any of the following requirements, except such excess in which the ratio limit is breached does not result from the additional borrowings. In addition, such borrowing ratios shall also be in compliance with any applicable laws.**
 - Thirty five (35) percent of the total asset value of the REIT,
 - Sixty (60) percent of the total asset value of the REIT. In the event that the REIT has an investment-grade credit rating by the credit rating agency approved by the Securities and Exchange Commission for its latest credit rating which is no more than one (1) year prior to the time the borrowings are incurred.

The borrowings incurred under this Clause shall include the issuance of instruments or securities, or any of contracts in form and substance considered as borrowings.

4. **Obligations on the REIT's assets can only be created upon necessity and in relation to the management of the REIT's properties as follows:**
 - Obligations related to an agreement in principle that the REIT is authorized to undertake as prescribed in the Notification of Capital Market Supervisory Board Tor Jor. 49/2555, as well as

in any other relevant notifications issued by the Securities and Exchange Commission such as the use of the REIT's assets as collateral for borrowings under the Trust Deed and under applicable laws.

- Obligations arising in the ordinary course of business or the ordinary course of such transactions.

5. Procedures for borrowings or creation of obligations

- The REIT shall borrow money or create obligations in the best interests of its unit holders and shall comply with the following rules and procedures on borrowings or creation of obligations.
- The REIT Manager shall consider the necessity and appropriation of borrowings or a creation of obligations which shall be imposed on the REIT's assets, as well as reviewing the relevant rules and procedures on borrowings or creation of obligations prior to the submission thereof to the Trustee for further consideration and approval.
- The Trustee shall have the authority to sign for entering into any borrowing contract or any creation of obligations on the REIT's assets.
- In the event that collateral needs to be provided by the REIT for any borrowing, such borrowing and a provision of any such collateral must be approved by a Meeting of the Unit Holders, except that (1) such provision causes no change in the security amount previously offered by the REIT in support of the previous borrowing or causes no reduction in the amount of the credit facility offered by the REIT's creditors for such collateralized borrowing or (2) former lenders or creditors have assigned their claims under the existing borrowing contracts and/or collateral contracts to the assignees who shall become the new lenders or creditors.
- In the event that the borrowing is used for maintenance, repair, upkeep or improvement of the REIT's properties as per Clause 1 or for constructions of any annex or any additional buildings on the existing plots of land that the REIT owns or holds leasehold rights as per Clause 1, the REIT Manager shall also consider and take into account the remaining leasehold terms under the current lease.

6. Borrowings or obligations undertaken with a related party of a Trustee

The REIT may borrow money by requesting credit from commercial banks, financial institutions, life insurance companies, non-life insurance companies, and/or any other juristic person who can provide such credit to the REIT, and/or entering into any borrowing contract, creating obligations on the REIT's assets or transacting any related transactions with a related party of a Trustee in accordance with the regulations prescribed by the Securities and Exchange Commission or the Securities and Exchange Commission Office, as well as any other relevant rules which shall eventually be issued by the Securities and Exchange Commission or the Securities and Exchange Commission Office.

7. Information on the REIT's borrowings as of the fiscal ending date

The REIT entered into a loan agreement with Bank of Ayudhya Public Company Limited and Government Savings Bank ("Lenders").

The substance of the terms and conditions of the loans as prescribed in relevant loan agreements between the REIT and its lenders are stated below:

Lenders	Bank of Ayudhya Public Company Limited and Government Savings Bank
Credit requested by	Trustee acting on behalf of the Golden Ventures Leasehold Real Estate Investment Trust
Facility Amount (in Baht million)	<p>The aggregated amount of the loans and credit facilities total to Baht 2,195 million comprises of :</p> <ul style="list-style-type: none"> - Bank of Ayudhya Public Company Limited <p>Facility 1 : A Baht 1,000 million long-term loan to support the initial investment in the Core Properties</p> <p>Facility 2 : A Baht 160 million short-term revolving promissory note line with annual review or renewable annually, to support the reimbursement of rental deposits of the Initial Invested Core Properties</p> <p>Facility 3 : A Baht 35 million revolving bank guarantee facility with annual review or renewable annually, for issuance of letter of guarantee to the electricity authority guaranteeing the electricity usage of the Initial Invested Core Properties</p> <ul style="list-style-type: none"> - Government Savings Bank <p>Facility 1 : A Baht 1,000 million long-term loan to support the initial investment in the Core Properties</p>
Interest Rate	<p>Interest rates will not be higher than Minimum Loan Rate* (MLR) minus a certain percentage per annum.</p> <p>* Minimum Loan Rate (MLR) is defined as the average lending rate of which 4 banks; namely Kasikornbank Public Company Limited, Bangkok Bank Public Company Limited, Krung Thai Bank Public Company Limited, and Siam Commercial Bank Public Company Limited, provide to their prime customers. This reference rate can be adjusted according to the notifications of each of these financial institutions.</p>
Repayment Period	<p>Facility 1 : Within 5 years from the date of its initial draw-down</p> <p>Facility 2 : Within 180 days from the date of the issuance of each promissory note, or on the date as prescribed in the loan agreement. In any case the repayment period of the borrowings under this facility shall not exceed the maturity date of the loan under Facility 1 as accordingly prescribed in the loan agreement</p> <p>Facility 3 : In the case that the bank guarantees issued under this facility are called, the repayment period for such claims shall not exceed the last business day of the month in which the claimed amount has been fully or partly paid by the lender who issued such bank guarantee. In any case, the repayment period of the claims paid under this facility (in the event that the bank guarantees issued under this facility are called) and the termination date of the guarantor's obligation under each bank guarantees issued under this facility (in the event that none of the bank guarantees issued under this facility are called) shall not exceed the maturity date of the loan under Facility 1 as accordingly prescribed in the loan agreement.</p>
Principal Repayment	To be fully paid on the maturity date or partly repaid before its maturity according to the conditions as prescribed in the loan agreement. The REIT can fully or partly refinance any of these facilities prior to their relevant maturity with no prepayment penalty or any other incurred costs. The REIT Manager shall consider various funding alternatives based on prevailing economic conditions and shall act in the best interests of the REIT.

Interest Payment	Monthly payment
Collaterals	<ol style="list-style-type: none"> 1. The assignment of rights and coverage under business interruption insurance on the Initial Invested Core Properties, the details of which are as follows: <ol style="list-style-type: none"> 1.1 During any period of business interruption and soon after the receipt of the insurance claims for such business interruption, the borrower agrees to forthwith make an absolute assignment of the sum thereof equivalent to the interest then due and accrued under the loan agreement (if any) to the lenders. 1.2 Other than the rights and duties under Clause 1.1 above the borrower agrees to make a conditional assignment of rights and coverage under business interruption insurance to the lenders and immediately upon the entering into such assignment the borrower shall arrange to have an endorsement on the policy of such business interruption insurance to allow the lenders be its joint beneficiaries and joint insurers. 2. The conditional assignment by the REIT on its deposit account which is opened for the purpose of receiving of advance payments of rental fees and security deposits required to assure the risk of any cancellation of lease, and the lenders shall thus be in charge of such account. 3. The conditional assignment by the REIT on its operating account which is opened for the purpose of receiving of rental income. 4. The conditional assignments by Lertrattakarn Co., Ltd., and North Sathorn Realty Co., Ltd., on their deposit accounts which are opened for the purpose of receiving any insurance claims for business interruption policies that they made on the Initial Invested Core Properties, and the lenders shall thus be in charge of such accounts on the condition that the lenders shall allow the uses of any funds in such accounts only for relevant repair /construction of the insured properties which may have been damaged. 5. The conditional assignment on all lease agreements and service agreements of Sathorn Square, which have the agreement terms over 3 years, to the lenders. <p>In addition to the above mentioned conditions, other terms and conditions related to the loan collaterals shall be as set forth in the loan agreements, collateral agreements and other relevant financial documents which are agreed upon by the counter parties thereto.</p> <p>“A conditional assignment” means a conditional assignment of claims, benefits, interests, and rights, that the assignor have on the assigned rights or proprieties such as rights over rental fees under relevant rental agreements, rights to receive insurance claims under relevant insurance policies, and right to withdraw money from relevant deposit accounts etc. The assignments of such right to the lenders shall become an absolute assignment when (a) there is an occurrence of any circumstances as set forth in the loan agreements which shall constitute an event of default (such as a loan payment that has not been made by the borrower as of its due date, the borrower breaches the covenants in the financial documents, as well as the borrower goes bankrupt etc.), and (b) the lenders issue a completion notice of assignment to the counter parties to demand that the conditional assignment becomes effective.</p>

	<p>“An absolute assignment” means an assignment of claims, benefits, interests, and rights, which the assignor has to the lenders which shall become effective upon the signing of the assignment. This absolute assignment shall be applied to the assignment of the payments of any insurance claims under business interruption policy, of which the sum thereof equivalent to the interest then due and accrued under the loan agreement (if any) shall be assigned to the lenders.</p>
<p>Key Financial Covenants</p>	<ol style="list-style-type: none"> 1. The borrower shall maintain the Loan-to-Total Assets Ratio of no more than 30%. 2. The borrower shall maintain the Funded Interest Bearing Debt to EBITDA Ratio of no more than 5.5 times. <p>Terms and details of the calculations shall be as set forth in the loan agreements.</p>
<p>Key Covenants</p>	<ol style="list-style-type: none"> 1. The borrower agrees not to undertake any of the following actions unless it has otherwise received a written consent from the lenders or such prohibition has been waived according to the loan agreements <ul style="list-style-type: none"> ● Incurs any Interest-bearing debt or financial obligation with any commercial bank, financial institution, life insurance company, non-life insurance company and/or any other juristic person which can provide a credit to the REIT for an amount of more than Baht 100 million. Nevertheless, the borrower can incur a debt if such debt is qualified under the conditions (1)–(3) as follows (1) No key covenant or conditions as initially summarized in this table which shall be of an advantage to other lenders than the lenders. (2) the repayment of such debt shall be in a single lump sum (except if such lender is a life insurance company, a non-life insurance company or any other juristic person by which its relevant laws require that repayment of their loans shall be subject to partial repayments; in that regard the partial repayment of such debt shall not be more than 10% thereof throughout the term of the loan agreement), and (3) such debt is incurred for an acquisition of assets which is similar to the Initial Invested Core Properties, including assets such as office spaces, retail spaces, and/or conference room for rent. ● Incurs any other financial obligations, except if such obligations are a part of the borrower’s ordinary course of business, as set forth in the loan agreements entered by both parties. ● Incurs any other obligations over the Initial Invested Core Properties, as well as over any future buildings, structures, and real estate except if such assets are the future assets of the REIT or a part of the REIT’s ordinary course of business, or such obligations are a common commercial practice. ● In the event that the borrower enters into a lease agreement or a service agreement of which the term is more than 3 years, it shall require written consent from the lenders, except in some cases whereby the borrower and the lender can enter into an agreement under the conditions set forth in the loan agreement, of which its criteria shall later be discussed and agreed upon.

	<ul style="list-style-type: none"> • Enters into a rental agreement related to the borrower’s assets, whether all or partially, of which the rental is required to be settled in a single lump sum. • Engages in a transaction which involves sales, transferring, or renting of the Initial Invested Core Properties in a manner which is not the borrower’s ordinary course of business. <p>2. The lenders have rights to enforce their payment claims on debtors or collaterals for an amount equivalent to the indebtedness and are entitled to get repayment for such amount of indebtedness.</p> <p>In addition to the above mentioned covenants, other terms and conditions related to the granting of these credits shall be as set forth in the loan agreements, collateral agreements, and other relevant financial documents which both parties thereby agree according to the rules prescribed by the Bank of Thailand and in accordance with the applicable laws.</p>
<p>Events of Default</p>	<p>Standard events of default and any other breach of contracts under the terms and conditions as set forth in the loan agreements and other financial documents agreed by both parties which may include an event of default if any due payment is not settled, breach of covenants, cross default, nationalization, bankruptcy, unenforceable or invalid security documents, material adversity, changes of the REIT Management, the Real Estate Manager (except that such situations can be remedied or waived within the prescribed timeframe in the loan agreements, and/or account as an exception in the loan agreements.</p>
<p>Other Terms & Conditions</p>	<p>In addition to the conditions prescribed above, other terms and conditions related to these credit facilities shall be as set forth in the loan agreements, collateral agreements, and any other financial documents which both parties thereby agree according to the rules prescribed by the Bank of Thailand and in accordance with the applicable laws.</p>

Market Overview for Real Estate Industry of the Invested Properties

Office Building Market Overview (Bangkok Area)

Overview of market conditions for office buildings in Bangkok for Q2/2017 (April-June 2017) indicate that the market is likely to experience continued growth. This is indicated by the construction of several new offices in comparison to Q2/2016. The amount of office space available for rent has increased slightly due to the launch of new offices such as Gaysorn Tower and BHIRAJ TOWER at BITEC. The increase in demand for office space has raised average occupancy rate to 92.5%. Furthermore, average rental rates of Prime Grade Assets (Grade A) in the Central Business District (CBD) has increased to 975 Baht / sq. meter / month

Supply

Q2/2017 supply for office space is estimated at 8.64 million sq. meters; an increase of 0.9% from the 8.56 million sq. meters in the previous quarter Q1/2017 (Q-o-Q) and a 1% increase from the same period last year Q2/2016 (Y-o-Y) which was estimated at 8.53 million sq. meters. Prime CBD Office Lease Area (Grade A) is approximately 1.30 million sq. meters, representing no change from the previous quarter or from the same period the previous year.

Approximately 420,000 sq. meters of office space currently under construction are expected to be completed during 2017-2020. This includes 126,000 sq. meters of Prime CBD Office Space (Grade A), accounting for approximately 30% of the total office space currently being constructed; projects currently in process include the Singha Complex and Samyan Mitrtown. It expected that over the next 10 years Bangkok will have more than 9.6 million sq. meters of office space for lease.

Demand

Demand for office space in the Bangkok area continues to rise; in addition there remains a consistent demand for pre-leasing. In Q2/2017 the amount of total occupied area was 7.99 million sq. meters, a 1% increase (90,000 sq. meters) from Q1/2017 (Q-o-Q) which was calculated at 7.90 million sq. meters. This was an increase of 2.3% from the same period the previous year (Y-o-Y), an estimated 7.81 million sq. meters.

Analysis of Prime CBD Office Space reveals that demand has remained stable over the previous quarter. There are currently 1.20 million sq. meters of occupied area, a slight increase from the previous year 2016 (Y-o-Y) 1.16 million sq. meters. This can be attributed to new Grade A Office Spaces becoming available in Non-CBD areas such as the M Tower on Sukhumvit 62 and the G Tower located on Rama 9 Rd.

Available Office Space for Rent of Central Business District (CBD) Office Buildings

	Q2/2017		Q1/2017		Q2/2016	
	Total Area (Million Square Meters)	Grade A CDB (Million Square Meters)	Total Area (Million Square Meters)	Grade A CDB (Million Square Meters)	Total Area (Million Square Meters)	Grade A CDB (Million Square Meters)
Total Lease Area	8.64	1.30	8.56	1.30	8.53	1.30
Occupied Area	7.99	1.20	7.90	1.20	7.81	1.16
Available Lease Space	0.65	0.10	0.66	0.10	0.72	0.14
% of Available Lease Space	7.5%	6.2%	7.7%	7.7%	8.5%	10.6%

Source : CBRE Thailand (Research Dept.)

Available Space

The percentage of available CBD Office Space declined to 7.5% or 651,000 sq. meters in Q2/2017 from 7.7% or 689,000 sq. meters in the previous quarter (Q-o-Q) Q1/2017. This number is also down from 8.5% in the same period the previous year (Y-o-Y).

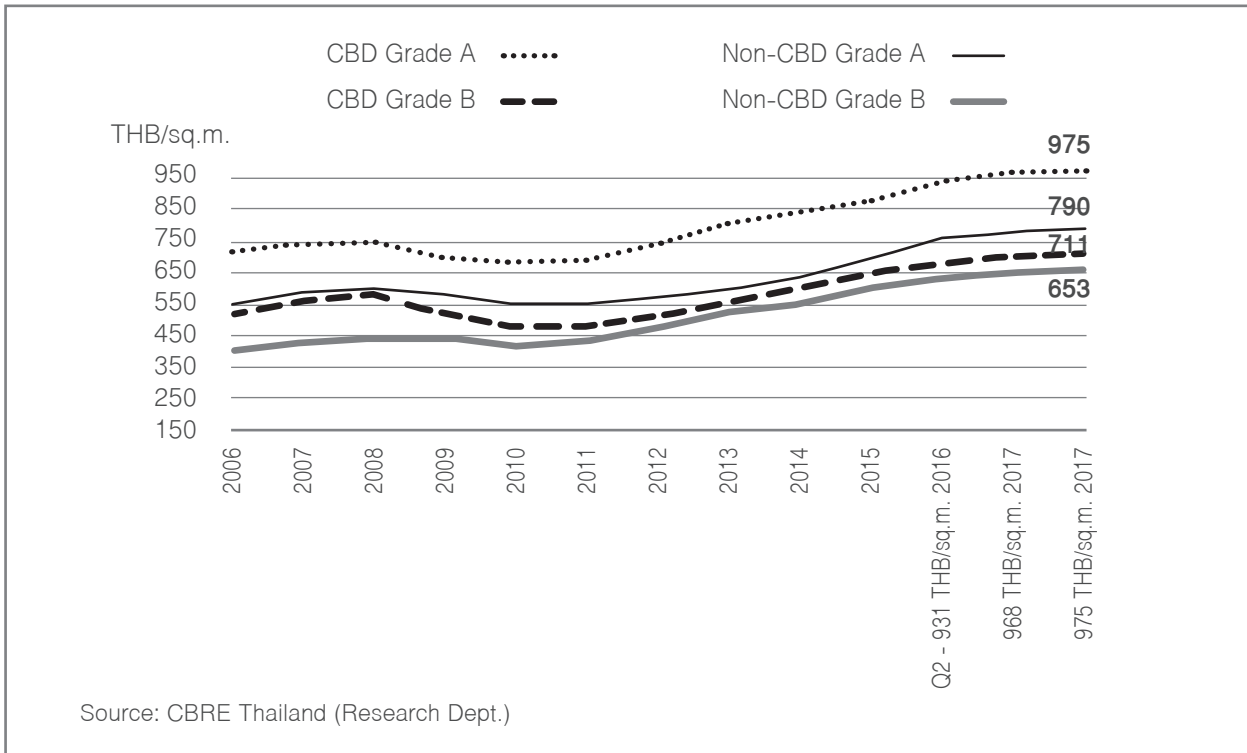
The percentage of available Prime CBD Office Space also declined to 6.2% from 7.7% in the previous quarter (Q-o-Q), and down from 10.6% in the same period the previous year (Y-o-Y). New office spaces such as the BHIRAJ Tower at EmQuartier, AIA Sathorn Tower, Metropolis, and the FYI Center can expect more leases.

Rental Rate

Research conducted in 20 locations throughout the Asia-Pacific region by Knight Frank Charter Thailand provides a market overview for rental rates for Prime Office Space (Grade A) in the Asia-pacific region. In Q1/2017 the average rental rate grew by 1% from the previous quarter. Research indicates that in this category Bangkok is the most prosperously growing city in the Asia-pacific region represented by a 3.1% increase from the previous quarter, and a 9.6% increase from the same period the previous year. There has been consistent growth over a period of over 2 years; this trend is expected to continue due to increasing demand and limited supply.

Rental Rates of Office Space in the past 5 years has consistently increased. The average rental rate of Prime CBD Office Space (Grade A) in Q2/2017 is 975 Baht/ sq. meter / month, a slight increase of 0.7% from the previous quarter, and an increase of 4.7% from the same period in the previous year.

Rental Rates by Grade and Location



Comparing rental rates with grade and location reveal that rental rates for Prime CBD Office Space (Grade A) in the Ploenchit area are 1,200 baht / sq. meter / month and Asok area are 1,100 baht / sq. meter / month. With regards to future office construction projects, Colliers International Thailand indicates there is an opportunity for rental rates to consistently rise given Thailand's growth potential and attractiveness of the market for both local and foreign investors.

Rental Rates of CBD Offices Classified by Location

Location	Baht / Sq. Meter/ Month	
	Grade A	Grade B
Sathorn, Silom, Wittayu	900 - 1,300	650 - 900
Sukhumvit, Ploenchit, Chitlom	850 - 1,200	650 - 850
Asok, Ratchadaphisek	700 - 850	450 - 700

Source : Colliers International Thailand

All Information Sourced from : CBRE Thailand Co., Ltd, Colliers International Thailand Co., Ltd., Knight Frank Chartered Thailand Co., Ltd.

World Economic Outlook

- Q2/2017 witnessed a 2.1% growth for the US economy, a slight increase from 2.0% in the previous quarter. Growth has been driven by an increase in private sector investment, public sector investment, as well as an increase in exports and services. However, consumer spending has decreased compared to the previous quarter. Unemployment rate has dropped to a 10-year low at 4.4%. Meanwhile, the inflation rate has also decreased.
- The Eurozone economy experienced continued growth at 2.2%, up from 1.9% in the previous quarter. Growth can be attributed to an increase in domestic demand and consumer confidence. Furthermore, there has been growth in the industrial and service sectors congruent with a resurgence in exports. Unemployment rate has dropped to an 8-year low at 9.2% while inflation is at 1.5%, a decrease from 1.8% in the previous quarter.
- Japan's economy experienced continued growth at 2%, up from 1.5% in the previous quarter. Growth can be attributed to an increase in domestic demand including a surge in household spending, public sector investment, and private sector investment. Unemployment rate in Q2/2017 has dropped to a 22-year low at 2.9%. Meanwhile, the inflation rate has risen slowly.
- ASEAN countries such as Singapore, Malaysia, Philippines, and Vietnam have experienced growth. This can be attributed to an increase in exports and private consumption (consumer spending). Furthermore, economic growth of Indonesia and South Korea has remained constant compared to the previous quarter.

Thailand's Economic Outlook


- According to the Office of the National Economic and Social Development Board, Thailand's Economy is expected to grow 3.5 - 4% in 2017, up from 3.2% in 2016. Exports are expected to increase to 5.7% while consumer spending and mutual fund investments have risen to 3.2% and 3.4%, respectively. The inflation rate is expected to be between 0.4-0.9%. The current account balance surplus is estimated at 9.7% of the GDP.
- Q2/2017 Thailand's economy experienced 3.7% growth, an improvement from 3.3% in the previous quarter. This can be attributed to several factors including: increase in exports and services, public spending, private consumption, private investment, expansion of agricultural production, retailers, hotels, restaurants, as well as transport & communications. In the industrial sector; construction, plumbing (waterworks), electric & gas have experienced a decline.

Thailand's GDP Growth Rate (Percentage)

Growth Rate (%)	2559	2559				2560	
		Q1	Q2	Q3	Q4	Q1	Q2
GDP (YoY)	3.2	3.1	3.6	3.2	3.0	3.3	3.7
Agricultural Sector	0.6	-2.0	-0.4	0.9	3.0	5.7	15.8
Non-agricultural Sector	3.5	3.7	3.9	3.2	3.2	3.1	2.7
GDP (QoQ)	1.0	0.9	0.5	0.5	1.3	1.3	

Source : Office of the National Economic and Social Development Board

- Q2/2017 GDP is calculated at 3,711.3 Billion Baht. Net Primary Income from overseas is at 197.8 Billion Baht, resulting in a Gross National Income (GNI) of 3,513.5 Billion Baht
- Balance of trade and service surplus is at 417.6 Billion Baht; combined with Net Primary income and secondary income from abroad results in a working trade surplus of 277.2 Billion Baht.
- The GDP Price Index is at 4.8%, having risen 1.5% from 3.3 % in the previous quarter. The Producer Price Index (PPI) & Consumer Price Index (CPI) have both dropped an estimated 0.1%.



Information about the Revenue Guarantee and the Guarantor

- None

Restrictions on the Allocation of Trust Units

1. The allocation of Trust Units to Unit Subscribers who are any single individual or any group of individuals shall not exceed the following ratio
 - Fifty (50) percent of the REIT's total outstanding Trust Units
 - Fifty (50) percent of each type of the REIT's outstanding Trust Units, in the case that there are more than one type of Unit Trusts
2. In the case that the Trust Units are allocated to the Settlor, the Trustee, or the REIT Manager, such allocation shall comply with the ratios and guidelines specified under the Notification of the Securities and Exchange Commission and the Stock Exchange governing rules for being Settlor and Trustee of a REIT and the Notification of the Securities and Exchange Commission relating to the approval and the business operation of the REIT Manager, whichever applies.
3. In the event that any individual, group of individuals, Trust Unit Allocator, Settlor, Trustee, REIT Manager, or foreign investor hold Trust Units in excess of the amount allowed under the ratios or guidelines as specified above, such person shall not be entitled to the beneficial interest and the voting rights of the excess Units held. The Trust shall allocate such beneficial interest and voting rights to other beneficiaries of the trust and it shall be assumed that the Unit holders acknowledge and consent to such allocation.
4. The Trust Unit Allocator reserves the right to deny and/or hold all or partial subscription of the Trust Units in the following events:
 - In cases whereby the documents or information submitted to the REIT by the Trust Unit subscriber is incorrect or incomplete.
 - In cases whereby the Trust Unit Allocator suspects that purchase of the Trust Unit by any unit subscribers lacks transparency, such as for the purpose of money laundering, etc.
 - In cases whereby the Trust Unit Allocator deems that the aggregate value of the real estate investment of the REIT does not account for up to 75 percent of the money raised by the REIT.
 - The Trust Unit Allocator shall reserve the right to deny any unit subscriptions as they see fit, for instance, in the case that the Trust Unit allocator determines that it would be beneficial to the REIT or the Unit Holders, or in the case that the unit subscription may disrupt the management of the REIT or may affect the REIT adversely in any way, or in the case that the unit subscriber is a US citizen, a US resident, a person who usually resides in the US, as well as assets of such person, and company or limited partnership that was established and operates in the United States of America. For the benefit of the REIT, Unit Holders, and the reputation and legal responsibility of the Trust Unit Allocator in the future, the Unit Subscribers with residency abroad shall bear the responsibility to comply with any regulations, rules, taxes associated with their investments in the REIT.

- The Trust Unit Allocator shall assume that the Unit Subscribers and/or the Unit holder and/or the investor has studied, understands and agrees to comply with any duties, obligations or other conditions under applicable laws of which the REIT is governed, as may be specified in the Annual Report and/or prospectus and/or notifications, orders, other rules and regulations issued by the Securities and Exchange Commission or the Securities and Exchange Commission Office, and/or any authorized agency, including those currently promulgated and any future amendments thereof.

Distribution Payment Policy

The REIT's Distribution Payments

The REIT's distribution payment policy is set forth as follows:

1. The REIT Manager shall make a distribution payment to its unit holders at a rate of no less than 90% of its adjusted net profit for each fiscal year. Any such distribution payment to unit holders shall be the beneficial interest payables for that fiscal year and any accounting period therein (if any). The REIT Manager shall make no more than 4 payments of beneficial interest to unit holders during each fiscal year, except upon a capital increase of the REIT in which it may make more than 4 payments of beneficial interest to unit holders during such fiscal year. For the benefit of the existing unit holders, the above mentioned adjusted net profit is defined as the net profit of the REIT with reference to its cash position whereby repayments of any loan principal (if any) prescribed in the loan agreements shall also be taken into account.
2. In an event that there is any retained loss, the REIT shall not make any distribution payment to its unit holders.
3. In an event that there is any distribution payment to be made to unit holders during any accounting period, the REIT Manager shall issue a notification thereof and arrange for a closure of the Registration Book to determine the names of the unit holders who shall be entitled to receive the said beneficial interest, and shall then eventually make such relevant distribution payments to the entitled unit holders within the following time frame:
 - 3.1 For the Year-End Distribution, the REIT Manager shall pay the year-end distribution within ninety (90) days after the fiscal year ending date and not exceeding thirty (30) days from the date of the closure of the Registration Book.
 - 3.2 For Interim Distribution (if any), the REIT Manager shall pay the interim distribution within ninety (90) days after the end of the last fiscal quarter prior to the release of the interim distribution and not exceeding thirty (30) days from the date of the closure of the Registration Book.

Additional Conditions:

For the interim distribution, the distribution rate shall be at the discretion of the REIT Manager. If the amount of any declared interim distribution for any fiscal quarter is lower than or equal to Baht zero point one (0.10), the REIT Manager shall reserve the right not to pay out any such distribution, and the declared amount shall then be accumulated and forthwith distributed together with any subsequent distribution thereof.

The REIT Manager shall arrange to have the distribution payments made in accordance with the Distribution Payment Policy as prescribed in the Trust Deed, except if any amendments, modifications, additions of any notifications, notices, orders, approvals and/or postponement being otherwise issued by the Securities and Exchange Commission and/or any relevant authorities, the REIT Manager shall duly comply therewith.

4. The REIT's unit holders who shall be entitled to their distribution payments must have their names registered in the Registration Book of the REIT's unit holders as of the date of the closure of such book. Their beneficial interest shall each be payable according to their holding ratio of the REIT's units. If there are any persons or any similar groups of persons holding the REIT's units in excess of the limit prescribed by the Securities and Exchange Commission such persons or similar groups of persons shall have no right to receive any distribution payments on the number of their unit holdings in exceed of the prescribed limit.

Historical Record of the Distribution Payments

Year	2017	2016
(1) Distribution Payment Per Unit (Baht)	0.7414	0.2998
(2) Capital Reduction Per Unit (Baht)	-	0.1250
Total Distribution Payments Per Unit (1) + (2) (Baht)	0.7414	0.4248

Social Responsibility

Corporate Social Responsibility: CSR

Golden Ventures Leasehold Real Estate Investment Trust was established on 22 March 2016 which was operated for approximately 1 year and 9 months. The REIT Manager embraces and recognizes the importance of corporate social responsibility, both in the perspective of the REIT's direct engagement and from a broader approach. The focuses are thus related to overseeing, managing, extending assistance, and helping preserve an acceptable quality of life of the employees, for each social segment, and the general public. It also reviews any impact of any the REIT's actions that have, or might have, occurred in different dimensions to all social groups with aims to use such findings to adjust the REIT's business process to correctly well-suit its long-term objectives of corporate sustainability. It is the REIT and the UV Group's similar policy to view CSR as central to their overall strategies, which are summarized as follows:

1. Fair Business Dealings

Fair business dealings are the fundamental principle of ethics that the REIT respects and upholds in managing its trust business. The REIT Manager manages the REIT and strictly abides by relevant laws namely the Securities and Exchange Act B.E. 2535 (As Amended), the Trust for Transactions in the Capital Market Act, B.E. 2550, rules and regulations of the supervisory authorities, and the Trust Deed. It also adheres to good corporate governance, avoids any action that may lead to conflicts of interest, promotes fair and free business competition, and encourages fair and equitable treatment of tenants. Additionally, it shall not make use of propaganda or false publicity which can mislead unit holders and investors or cause damage. All these conducts intend to promote fairness and justice to other business operators, unit holders, trade counterparties, and relevant stakeholders, as well as to build long-term investor confidence.

2. Anti-corruption

The REIT has adopted a supervisory process that clearly and transparently prescribed the duties and authorities of its workforce, aiming to reduce the risk of misuse of any discretionary decision that might cause employees to engage in any misconduct and any receipt of corrupt benefits. It also established an efficient audit system and requires that the employees with specific duties oversee monetary and financial matters, or with positions that can easily acquire wrongful benefits, must be specially and carefully selected. The REIT have repeatedly reiterated the importance of ethical responsibilities among its employees, and foster a culture that supports ethical practices by providing its new recruits with relevant knowledge and trainings on anti-corruption, whistle blowing, whistleblower protection, procurement policies, and transparency of procedures governing the selection of competent contractors. A governing process is also established to monitor that the Company's employees strictly observe and act in full compliance with applicable laws. The Company also commits to promote employee awareness and consciousness on collaborative controls of corruption risk via various campaigns.

3. Respect of Human Rights

The REIT recognizes that human rights is the fundamental principle of human resource development, and therefore firmly supports and respects human rights principles, and oversees that its organization and its employees are not linked to any human rights violations. It abides by the principles of freedom, equality, and peace. The REIT has a recruitment policy which encourages fair employment practices with no hiring bias based on nationality, religion, and gender. The REIT offers equitability, prohibits oppression and sexual assault. Additionally, it does not limit freedom of thought and political participation except on the condition that such participation shall not impact or harm its organization.

4. Fair and Equitable Treatment of Its Workforce

The REIT commits to upgrade its workforce standard and promote its employees' quality of life by providing a better work environment with improved workplace safety and hygiene. It encourages innovative thinking and assures the equitable treatment and appropriate fringe benefits of its workforce.

5. Responsibilities to the Consumer

The REIT makes real estate investments, namely in commercial properties and office rental buildings. The REIT Manager appointed North Sathorn Realty Company Limited to be the REIT's Property Manager. In administering the REIT's real estate, the Property Manager recognizes the importance of a fair treatment and its responsibilities to tenants, and shall undertake the following actions with health and safety concerns:

- Arrange to have qualified and responsible companies to manage and administer the buildings.
- Deliver safe, secure and quality services to tenants.
- Communicate with tenants in a manner which is polite, efficient and accountable.

6. Environmental Protection

The REIT recognizes the importance of environmental activities and appropriate efforts to reduce environmental impact which must be encouraged within the organization and outside the workplace, both in the community and society. Material selection for its buildings are based on the main criteria of energy saving, ease of long term maintenance, provision for basic necessary convenience, avoidance of natural resources and environmental depletions, promotion of the recycling process, efficient energy use and reduction of electrical consumption for the buildings, and increase of green spaces. The REIT also provides knowledge and training to its employees on environment, safety, health and hygiene.

Important CSR Missions

Energy and Water Conservation

In 2017 the REIT and the REIT Manager continue to place emphasis on energy conservation and preservation of natural resources, some of which are limited resources and non-renewable, and commit to comply with the framework of the National Energy Policy Council Act B.E. 2535, and relevant laws. The REIT Manager also prescribes that its business units and sub-units, the Property Manager, trade partners, and tenants are informed and are aware of economical and efficient energy use and energy management. It likewise arranges to have a monthly assessment summary and a monthly follow-up on energy consumption, which is used as a tool to review the REIT's energy use. The REIT Manager also advises the building tenants on energy saving benefits, and periodically promotes efficient use of water resources and energy via various media channels to tenants and visitors to the building.

The REIT applies relevant energy conservation into its operation and preventive maintenance policies, which prescribe relevant system reviews and performance analysis to assure that the current capability and the conditions of its operating system are up to the required standard, and all machinery remains in good condition, and ready for use. The review and analysis process helps extend the useful life of equipment and provides useful information for appropriate energy management of the buildings.

In the energy conservation plan of each of the REIT's buildings, relevant conservation policies and objectives are clearly stated. The plans are submitted to the Department of Alternative Energy Development and Efficiency, Energy Ministry, the key summary thereof is as follows:

Sathorn Square

Sathorn Square is a REIT building which was awarded the gold honor of "Leadership in Energy and Environmental Design (LEED)" from the U.S. Green Building Council (USGBC), of which the energy management policy has details as follows:

1. Operate and develop appropriate energy management systems, and prescribe that energy management is a part of the organizational policies.
2. Continuously improve the efficient use of energy, and adapt it to meet the organizational culture and technology, as well as to comply with good governance guidelines, and applicable laws.
3. Prescribe that energy conservation is a duty that executives and all staff in the organization must be responsible for.
4. Comply with measures or guidelines of best practice in energy management process or energy conservation activities
5. Provide necessary support, including human resources, budgets, and other essential requirements to enhance the achievement of its energy conservation goals.

The Property Manager, via its energy management team, annually reviews and revises policies, targets, and action plans for energy conservation, and earnestly puts energy conservation and management into practice, by communicating with all employees for accurate understanding and compliance, training and providing relevant knowledge, and regularly organizing public relations campaigns to create social awareness on energy efficiency and conservation.

Park Ventures Ecoplex

Park Ventures Ecoplex realizes that the country is presently facing energy problems which are important issues that greatly impact the lives of the people and the economic system of the nation. It therefore views that conserving energy is necessary and it is everybody's duty to collaborate on sustainable energy management.

Park Ventures Ecoplex was awarded the platinum honor of "Leadership in Energy and Environmental Design (LEED)" from the U.S. Green Building Council (USGBC), and was the first commercial building in Thailand to receive such an outstanding honor.

Park Ventures Ecoplex thus prescribes its energy conservation policy to be used as its operational guidelines for energy planning, to promote the effectiveness of energy management, and to maximize energy saving. This policy can be summarized as follows:

1. Operate and develop appropriate energy management systems, and prescribe that energy conservation is a part of its business operations and has to be implemented in accordance with relevant laws and regulations.
2. Continuously improve the efficient use of energy resources, and appropriately adapt it to the corporate business operations, current technologies, and best practice.
3. Shall comply with applicable laws relating to energy conservation, and annually formulate the energy conservation plans and targets, as well as communicate with all employees for accurate understanding and compliance.
4. Consider that energy conservation is the duty and responsibility of executives at all levels. All staff shall cooperate in complying with prescribed measures, as well as promptly monitor and report the situations to the energy management team.
5. Provide necessary support, including human resources, budget, time as well as training to promote the energy conservation, and encourage employees' participation and suggestions to develop efficiency in energy management.
6. The executives and the energy management team shall annually review and revise policy, targets and action plans for energy operation.

The energy conservation plans of both buildings focus on participation, continuity, knowledge training, and public relations campaigns to build energy awareness and concern on energy conservation measures, as well as putting energy saving into practice. The energy conservation measures for both buildings are presented as follows:

Sathorn Square

- Reduce the intensity of the lights in the car park on weekdays in the areas where lighting is minimally required or where there is sufficient illumination.
- Reduce the intensity of the lights in the car park on weekends to 50% from 100%.
- Increase the temperature of the machinery room air conditioner from 25° to 26°.
- Increase the temperature of the Air Handling Unit (AHU) during the cold season from 16° to 17°.

- Limit the use of elevators on weekends and public holidays from 18 to 9.
- Reduce the amount of water pressure for flush valves, and lavatory faucets in the common area toilets to lower pressure that is appropriate for each type of equipment.
- Increase the temperature of the cold drinking water dispensers, according to the season.
- Reduce the operating time of chillers; 15 minutes less for 1,000-ton chiller, and 30 minutes less as appropriate to the outdoor temperature.

Park Ventures Ecoplex

- Increase the temperature of the cold drinking water dispensers, according to the season.
- Reduce the operating time of chillers; 45 minutes less for 350-ton chiller, and 30 minutes less for 700-ton chiller.
- Reduce the fan static pressure for the fan ventilation system, by adjusting the variable-speed drives (VSDs) from 45 Hz to 35 Hz.
- Reduce the use of the Fan Coil Unit (FCU) in the Chiller Plant from 6 machines down to 2 - 4, depending on the number of machines in operation.
- Reduce an automatic flush toilet duration from 18-20 seconds to 8-10 seconds.
Reduce an automatic lavatory faucets duration in the parking toilets from 8-10 seconds to 1-2 seconds.

Environmental Protection

Environment and surrounding of the REIT's assets shall be maintained and kept to create a friendly atmosphere for society, communities, tenants, and visitors, while the REIT shall duly comply with applicable environmental laws. The building management also includes action plans governing regular upkeep of building surroundings which are always properly implemented. The Property Manager also contracts outside specialists to provide advice on matters related to environmental management such as:

- Monitor and upkeep the building to be in the "Green" standard according to the Leadership in Energy and Environment Design (LEED) of the U.S. Green Building Council (USGBC).
- Maintenance and monitoring of the wastewater treatment system to analyze effluent standards on a monthly basis.
- Ozone-depleting chemicals or substances shall not be selected to be used in the buildings' air conditioning systems, only ozone-friendly refrigerants, and environmentally friendly cleaning products shall be applied.
- Monitoring of the aeration system in the underground parking lots to reduce the level of carbon monoxide and carbon dioxide within the parking areas.
- Monitoring and upkeep of the green space and the landscape of the buildings by outside specialist teams.

Hygiene and Safety

The CSR on hygiene and safety is another key aspect that the REIT really pays attention to and does not simply act to comply with the applicable laws. The REIT maintains its strict compliance with the Labour Protection Act B.E. 2541, and the Occupational Safety, Health and Environment Act B.E. 2554, both of which lay out measures for control, supervision, governing, and managing of hygiene, safety, and work environment in the workplace for employees. Employees are the most important resource of an organization; therefore it is imperative for such organization to offer them a good quality of life, health and safety at work. At present, there are various new technologies and innovations which apply tools, equipment, machinery, and chemical substances in building management. In order to provide quality services to its tenants, the REIT therefore shall carry out its duties and responsibilities as prescribed in the provisions as set forth in the rental agreements and services agreements that are signed by both parties of the agreements.

For the tenants' own safety, other than the legally required annual Fire Emergency Evacuation Plan, the Property Manager also arranges to have a monthly emergency plan to ensure promptness in facing situations. Such emergency planning not only develops skills required for the staff and tenants to be crisis ready, but also provides an opportunity for the Property Manager to regularly review and revise its emergency and evacuation plans.

Activities

During its 1 year operation, the GVREIT has aimed to carry out social activities which are beneficial to the general public, and it continuously engages in such activities namely:

- Activities in remembrance of His Majesty King Bhumibol Adulyadej
- A quarterly blood donation event and campaign with the Thai Red Cross Society
- Using of both buildings, the Sathorn Square and the Park Ventures Ecoplex as learning resources on energy conservation and "Green" Buildings under the LEED standard. The buildings are opened for educational purposes. There have been numerous visits of many educational institutions such as:
 - Students from Chiangmai University visited both buildings on 6 September 2017 and used the buildings as a sample site study for energy conservation, as well as building systems and equipment.

The Company, as the REIT Manager, realizes that corporate social responsibility is not undertaken just to support its operational image, but it is an important duty of a corporate to abide by its responsibilities to the public. This duty needs to be carried out together with its business operations. For the REIT to achieve its goal of business sustainability in a volatile environment, and to pursue its CSR target, it needs to adjust, be aware, and maintain good access to current information and news, needs, impacts. The Company requires collaboration within its organization and from outside its organization. This collaboration is a success factor in its achievements both in terms of business results and in the aspects of corporate social responsibility.

Fee & Expenses Payable by the REIT

Fee & Expenses Payable by the REIT

For the period of 1 October 2016 - 30 September 2017

Fee & Expenses Payable by the REIT	Amount Unit: Baht	% of Net Assets Value ⁽¹⁾	
		Actual Charges% ⁽²⁾	Limit% ⁽²⁾
Management Fee	18,035,520	0.22%	Less than 1.0%
Trustee Fee	8,501,059	0.10%	Less than 1.0%
Registrar Fee	2,669,106	0.03%	Actual Cost
Property Management Fee	60,866,940	0.75%	Less than 5.0%
Professional Fee	2,082,453	0.03%	Actual Cost
Cost of Rental and Services	194,568,186	2.39%	Actual Cost
Administration Expenses	3,481,157	0.04%	Actual Cost
Amortization of Deferred Expenses	30,024,407	0.37%	Actual Cost
Interest Expenses	73,643,886	0.90%	Actual Cost
Total Fee & Expenses	393,872,714	4.83%	

Note : ⁽¹⁾ Net Assets Value as at the date that the REIT made its Initial Core Investment Assets was Baht 8,150,766,757.11.

⁽²⁾ The fees & expenses actually charged, included the value added tax whereas the limit of the fees & expenses excluded the valued added tax.

Opinion of the Trustee

To Trust unitholders of Golden Ventures Leasehold Real Estate Investment Trust (“the Trust”)

I, Kasikorn Asset Management Company Limited, as the Trustee of Real Estate Investment Trust, has supervised and monitored the management of the Golden Ventures Leasehold Real Estate Investment Trust managed by Univentures REIT Management Company Limited for the accounting period from 1 October 2016 to 30 September 2017.

I am of the opinion that Univentures REIT Management Company Limited has reasonably and appropriately performed its duties in managing the Trust in accordance with the objectives specified in the Trust Deed, the prospectus and provisions under Securities and Exchange Act B.E. 2535, and Trust for Transactions in Capital Market Act B.E. 2550.

Trustee

Kasikorn Asset Management Company Limited



Mr. Vasin Vanichvoranun

Executive Chairman

The Detail of REIT's Related Party Transactions

Prevention of Conflict of Interest

The REIT is engaged in or has connected transactions with the following persons/entity which may lead to conflicts of interest as follows:

No.	Related Entity/Company	Relationship
1	Univentures REIT Management Company Limited	REIT Manager
2	Kasikorn Asset Management Company Limited	Trustee
3	<p>Companies associated with REIT Manager <u>Univentures' Companies</u> Univentures Public Company Limited</p> <p>Grand Unity Development Company Limited</p> <p>Forward System Company Limited</p> <p>Lertrattakarn Company Limited</p>	<p>Individual or entities engaged in transactions with the REIT</p> <ul style="list-style-type: none"> - Holds 99.9% of total outstanding shares of REIT Manager & majority shareholder of Golden Land Property Development Public Company Limited - Affiliated company in the same group as REIT Manager - Affiliated company in the same group as REIT Manager - Provides parking system services <p>Provides property leased by the REIT</p> <ul style="list-style-type: none"> - Affiliated company in the same group as REIT Manager
3	<p>Companies associated with REIT Manager <u>Golden Land Property Development's Companies</u> Golden Land Property Development Public Company Limited</p> <p>Golden Land Residence Company</p> <p>North Sathorn Realty Company Limited</p> <p>Other related parties</p>	<p>Individual or entities engaged in transactions with the REIT</p> <ul style="list-style-type: none"> - Major unitholder of the REIT, affiliated company in the same group as REIT Manager, and a major shareholder of the property manager - Affiliated company in the same Group as REIT Manager Limited <p>Sub-lessor in invested properties of the REIT and Property Manager</p> <ul style="list-style-type: none"> - Affiliated company in the same group as REIT Manager - Parties related to major shareholders associated with REIT Manager's major shareholders. Includes committee members of Univentures PCL. & Golden Land Property Development PCL.
4	Kasikorn Bank Public Company Limited	<p>Individuals or entities engaged in transactions with the REIT</p> <ul style="list-style-type: none"> - A major shareholder of the trustee

Connected Transactions between the REIT and the REIT Manager, and the Related Parties of the REIT Manager

1. Connected Transactions

- (1) The Trustee, on behalf of the REIT, has appointed the Company as the REIT Manager. The Company may be considered an entity with a potential conflict of interest with the REIT, as per the Notification of the Office of the Securities and Exchange Commission SorChor. 29/2555. The details of such appointment can be summarized as follows:

Relationship

Appointed as the REIT Manager, which is defined to be an entity with a potential conflict of interest with the REIT, as per the Notification of the Office of the Securities and Exchange Commission SorChor. 29/2555.

Nature of the Connected Transaction

Trustee, on behalf of the REIT, appointed the Company as the REIT Manager.

Pricing Policy & Conditions

The Company collected a management fee from the REIT, which comprises the following:

1. Base Fee

The base fee is in accordance with the REIT Manager Agreement, which specifies the minimum fee rate. Nonetheless, the base fee is no more than 0.3% per annum, calculating on the Net Asset Value (NAV) of the REIT with a minimum fee limit being set at Baht 12 million.

2. Variable Fee

The variable fee is no more than 2% of the Net Investment Income, but not more than 0.5% of the NAV of the REIT as at the initial investment date of the REIT's Core Investment Assets, plus the NAV of the REIT's Additional Core Investment Assets as at the investment date of the additional investment (if any).

Opinions on Pricing

The structure of the above mentioned management fee is in line with the normal rates usually paid by other publicly listed trust funds. The applicable base fee and the variable fee reflect the REIT Manager's performance in managing the REIT; the fees fairly represent the normally incurred administrative expenses.

- (2) REIT Manager has engaged North Sathorn Realty Company Limited to be the Property Manager. North Sathorn Realty Company Limited is considered a related party of the REIT Manager as it is a company in the same group of companies as the REIT Manager. The details of the connected transactions between the REIT and the Property Manager can be summarized as follows:

Relationship

Both the REIT Manager and the Property Manager are affiliate companies in the same group of companies

Nature of the Connected Transaction

The REIT Manager has engaged North Sathorn Realty Company Limited to be the Property Manager of the REIT.

Pricing Policy & Conditions

North Sathorn Realty Company Limited charges the REIT for a property management fee, which comprises of two components; base fee not exceeding Baht 100 million, and variable fee not exceeding 8% per annum of the total rental income.

Opinions on Pricing

The structure of the above mentioned property is in line with the normal rates usually paid by other REITs in Thailand that invest in the same type of asset as the REIT's Initial Core Investment Assets. Both fee components shall motivate the Property Manager to put all effort into efficiently managing the assets of the REIT.

- (3) The Trustee has entered into a lease agreement, sublease agreement, and sale and purchase agreement with Lertrattakarn Company Limited and North Sathorn Realty Company Limited on behalf of the REIT to invest in the REIT's Initial Core Investment Assets. Lertrattakarn Company Limited and North Sathorn Realty Company Limited are parties related to the REIT as both are affiliates of Univentures PCL, which has a 99.99% shareholding interest in the REIT Manager. The details of such transaction between the REIT and the major shareholder of the REIT Manager can be summarized as follows:

Relationship

Both companies are affiliates of Univentures PCL, which holds 99.99% of the total outstanding shares of the REIT Manager.

Nature of the Connected Transaction

The Trustee has entered into a lease agreement, sublease agreement, and sale and purchase agreement with Lertrattakarn Company Limited and North Sathorn Realty Company Limited on behalf of the REIT to invest in the REIT's Initial Core Investment Assets.

Pricing Policy & Conditions

The purchase price of the REIT's Initial Core Investment Assets which it purchased from Lertrattakarn Company Limited and North Sathorn Realty Company Limited was Baht THB 9,906 million (including expenses relating to the acquisition of the sublease rights), and is higher than the lowest appraisal value of the REIT's Initial Core Investment Assets assessed by the independent appraisers approved by the Securities and Exchange Commission.

Opinions on Pricing

The transaction is reasonable and does not cause the REIT any disadvantages. The transaction allows the REIT to invest in the properties which are quality office building projects that are located in the Central Business Districts and are able to attract a high number of tenants. Such assets have value added generating potential that is beneficial to the REIT and its unit holders.

(4) The REIT has leased out office area and/or is engaged in other transactions with several entities that are related parties to the REIT Manager. The details of such transactions are summarized as follows:

A. Sathorn Square Project

Related Entity/Company	Nature of Connected Transaction	Pricing Policy & Conditions	Opinions on Pricing
1. Rent & Services - Sathorn Square Project <u>Golden Land Property Development's Companies</u> Golden Land Property Development PCL., Golden Land Residence Co., Ltd.	Rental of office space for use in business operations	The REIT collects rental and service fees at market rates, and under conditions comparable to other tenants of the same nature.	Office space rental rates are at market price and on common commercial terms.
2. Other service income - Sathorn Square Project <u>Univentures' Companies</u> Univentures PCL., Univentures REIT Management Co., Ltd., Grand Unity Development Co., Ltd. <u>Golden Land Property Development Companies</u> Golden Land Property Development PCL., Golden Land Residence Co., Ltd. <u>Other related parties</u> Southeast Insurance PCL.	Victor Club Services	The REIT collects fees for the services of Victor Club with similar service rates and conditions as other customers.	Services of Victor Club are a usual business operation of the REIT. The service rate and terms are similar to those offered to other customers.

Related Entity/Company	Nature of Connected Transaction	Pricing Policy & Conditions	Opinions on Pricing
3. Expenses – Sathorn Square Project <u>Other related parties</u> Berli Jucker PCL. Horeca Management Co., Ltd., Sermasuk PCL. F & B International Co., Ltd. Shinasub Co., Ltd.	The REIT purchases consumer products and miscellaneous items. The REIT purchases beverages. The REIT purchases food and beverages. The REIT pays for internet and network services.	The REIT purchases products at market price and on common commercial terms. The REIT pays for internet and network services at the agreed prices.	Purchase of miscellaneous items is one of the operating expenses of the REIT. The purchase prices are at market rates with common commercial terms. Prices and terms of service are as agreed upon in the contract.

B. Park Ventures Ecoplex Project

Related Entity/Company	Nature of Connected Transaction	Pricing Policy & Conditions	Opinions on Pricing
1. Rent & services – Park Ventures Ecoplex Project <u>Univentures' Companies</u> Univentures PCL., Univentures REIT Management Co., Ltd., Grand Unity Development Co., Ltd. <u>Other related parties</u> OISHI Group PCL., OISHI Trading Co., Ltd., OISHI Ramen Co., Ltd., Thai Drink Co., Ltd., TCC Land Development Co., Ltd., TCC Assets (Thailand) Co., Ltd., ASM Management Co., Ltd., One Bangkok Holdings Co., Ltd.	Rental of office space for use in business operations	The REIT collects rental and service fees at market rates, and under conditions comparable to other tenants of the same nature.	Office space rental rates are at market price and on common commercial terms.

Related Entity/Company	Nature of Connected Transaction	Pricing Policy & Conditions	Opinions on Pricing
<u>Other related parties</u> Asia Books Co., Ltd., Dhamma Land Property Development Co., Ltd., TCC Hotel Asset Management Co., Ltd., Max Asia Co., Ltd.	Rental of office space for use in business operations	The REIT collects rental and service fees at market rates, and under conditions comparable to other tenants of the same nature.	Office space rental rates are at market price and on common commercial terms.
<u>Other related parties</u> Tonic International Co., Ltd.	Rental of Victor Club for meetings, conferences, and other business operations	The REIT collects rental and service fees at market rates, and under conditions comparable to other tenants of the same nature.	Victor Club is rented out at market rates and common commercial terms to be used for the purposes of meetings and conferences.
2. Other service income - Park Ventures Ecoplex <u>Other Related Parties</u> Dhamma Land Property Development Co., Ltd., TCC Hotel Asset Management Co., Ltd.	Use of common areas to facilitate in hotel operations	The REIT collects service fees of common areas at rates agreed upon.	The service fee is at the market price and on common commercial terms.
<u>Other Related Parties</u> Thai Beverage PCL., Southeast Insurance PCL., Kasemsubvadhana Co., Ltd., Pracharat Raksamakkhee Social Enterprise (Thailand) Co., Ltd.	Victor Club Services	The REIT collects fees for the services of Victor Club with similar service rates and conditions as other customers.	Services of Victor Club are a usual business operation for the REIT. Service rates and terms are similar to those offered to other customers.
<u>Other Related Parties</u> T.C.C. Technology Co., Ltd.	Rental of space for putting the device of Building data communication management service	The REIT and TCCT shares revenue from service fee from tenants as agreed upon.	The service fee is at the market price and on common commercial terms.

Related Entity/Company	Nature of Connected Transaction	Pricing Policy & Conditions	Opinions on Pricing
<p>3. Expenses – Park Ventures Ecoplex <u>Univentures’ Companies</u> Forward Sytem Co., Ltd.</p>	<p>The REIT uses parking system service.</p>	<p>The REIT pays for parking system services at agreed prices.</p>	<p>The service fee is at the market price and on common commercial terms.</p>
<p><u>Other related parties</u> Berl Jucker PCL. Horeca Management Co., Ltd.</p>	<p>The REIT purchases consumer products and miscellaneous items. The REIT purchases beverages.</p>	<p>The REIT purchases miscellaneous products at market price and on common commercial terms.</p>	<p>Purchase of miscellaneous items is one of the operating expenses of the REIT. The purchase prices are at market rates with common commercial terms.</p>
<p><u>Other related parties</u> T.C.C. Technology Co., Ltd.</p>	<p>The REIT purchases single-use internet service for Victor Club.</p>	<p>The REIT purchases single-use internet service at the agreed price.</p>	<p>Purchase of single-use internet service for Victor Club is one of the operating expenses of the REIT. Purchase prices are at market and on common commercial terms.</p>
<p><u>Other related parties</u> Dhamma Land Property Development Co., Ltd. TCC Hotel Asset Management Co., Ltd.</p>	<p>The REIT rents 164 parking spaces for business operations.</p>	<p>The REIT pays for parking spaces at the price agreed upon.</p>	<p>Price and terms of service are as agreed upon.</p>

2 Policy Related to Connected Transactions between the REIT and the REIT Manager, and the Related Parties of the REIT Manager

The REIT and Conflict of Interest Prevention Guidelines

In case there are other transactions (other than those specified above) between the REIT and the REIT Manager or any related party of the REIT Manager, the REIT shall proceed in accordance with the Securities and Exchange Act as follows:

1) Related Party of the REIT Manager:

The definition of a related party of the REIT Manager shall be in accordance with the Notification of the Capital Market Supervisory Board concerning the Rules on Related Party Transactions.

2) General Terms and Conditions of the REIT in Related Party Transactions:

The general terms and condition of the REIT in Related Party Transactions are as follows:

- Any transactions between the REIT and the REIT Manager or related party of the REIT Manager shall be in compliance with the Trust Deed and relevant laws, and shall be in the best interests of the REIT.
- Any transactions between the REIT and the REIT Manager or related party of the REIT Manager shall be carried out at reasonable and fair prices.
- Direct or indirect stakeholders of the transactions shall not be involved in the consideration and the decision-making processes of such transactions.
- Any expenses incurred from the transactions between the REIT and the REIT Manager or a related party to the REIT Manager shall be reasonable and at fair prices and rates.

3) The approval of transactions between the REIT and the REIT Manager or a related party of the REIT Manager shall be in accordance with the following process:

- Approval from the Trustee that the transaction is in accordance with the Trust Deed and relevant laws.
- In a case that the transaction value exceeds Baht 1 million or accounts for 0.03% or more of the REIT's Net Asset Value, whichever is higher, it shall require approval from the Board of Directors of the REIT Manager.
- In a case that the transaction value exceeds Baht 20 million or accounts for more than 3% of the REIT's Net Asset Value, whichever is higher, it shall require a resolution of the Meeting of the Unit Holders with approving votes of no less than three-quarters of the total number of unit holders, who are in attendance at the Unit Holder Meeting and have voting rights.
- In a case that the transaction between the REIT and the REIT Manager or a related party of the REIT Manager is an acquisition or disposal of the Core Properties, the value of such transaction shall be calculated based on the acquisition or disposal prices of all of the income-generating assets of such project, as well as other related assets to the project.

- 4) Policy related to potential transactions between the REIT and the REIT Manager or any related party of the REIT Manager
- Any type of transactions between the REIT and the REIT Manager or any related party of the REIT Manager shall be conducted in a fair and reasonable manner, and shall be in compliance with any conditions and provisions of the Securities Law concerning a Related Party Transaction that may be issued by the Securities and Exchange Commission or the Securities and Exchange Commission Office, or Capital Market Supervisory Board in the future. The Related Party Transaction shall be in compliance with the conditions and provisions of the Securities and Exchange Act.
 - In addition, the REIT shall make a disclosure of information relating to the transaction between the REIT and the REIT Manager or any related party of the REIT Manager to the Securities and Exchange Commission Office in the notes to the audited financial statement and annual report of the REIT.

Connected Transactions between the REIT and the Trustee or Related Party of the Trustee

1 Connected Transactions

- (1) Connected Transactions between the REIT and Trustee or Related Party of Trustee
- A. Kasikornbank PCL is the lessee of the REIT's Core Investment Asset and the major shareholder of the Trustee. The details of such transactions are summarized as follows:

Relationship

Kasikornbank PCL is the major shareholder of the Trustee (Kasikorn Asset Management Company Limited), owning 99.99% of the total outstanding shares with voting rights of the Trustee.

Nature of the Connected Transaction

The 3-year Lease and Service Agreements are as follows:

Asset Location	Area (Sq. Meter)
Sathorn Square	119
Park Ventures Ecoplex	175

Pricing Policy & Conditions

Rental and service fees shall remain the same as specified in the Lease and Service Agreement of the assets.

Opinions on Pricing

The lease of retail space in the Sathorn Square project is for Kasikornbank PCL's business operations. The rental and service fees are market rates, which are similar to the average rental rate of the same type of tenants in the project. Furthermore, as one of the first tenants of the project, Kasikornbank PLC's lease area is well located with high visibility from the building entrance.

The lease of retail space in the Park Ventures Ecoplex project is for Kasikornbank PCL's business operations. The rental and service fees are market rates, which are similar to the average rental rate of the same type of tenants in the project. Furthermore, as one of the first tenants of the project, Kasikornbank PCL's lease area is well located with high visibility from the building entrance.

2. Procedures Relating to Transactions between the REIT and the Trustee or related parties to the Trustee in the Future

In the management of the REIT, the Trustee shall not behave in a manner that is in conflict with the REIT's interest whether for the benefit of the Trustee or others, except for the following cases:

1. Asking for compensation for performing the Trustee's duties
2. The Trustee shows that it has managed the REIT in an equitable manner and has sufficiently disclosed relevant information to the beneficiaries in advance, and such beneficiaries have not expressed any objection. Such disclosure of information and objection shall be in accordance with the following procedures:
 - (a) Disclosure through the Stock Exchange of Thailand in accordance with the relevant regulations of the Stock Exchange of Thailand, or disclosure through other channels through which all unit holders have access to such information.
 - (b) Providing a reasonable period of disclosure which shall be no less than fourteen (14) days.
 - (c) Disclosure of information shall clearly include the channels, procedures and period for objection, which shall be no less than fourteen (14) days, except for the case that a resolution of the Meetings of the Unit Holders is requested in support of such objections.
 - (d) Following the process specified in Clause c., if more than one-fourth (1/4) of the holders of the total outstanding trust units clearly object to the transaction, the Trustee shall not undertake or allow for such transaction, which represents the conflict of interest to the REIT, to be made.



Financial Statements and Independent Auditor's Report

For The Year Ended 30 September 2017

 SATHORN SQUARE

Independent Auditor's Report

To the Unitholders of Golden Ventures Leasehold Real Estate Investment Trust

Opinion

I have audited the accompanying financial statements of Golden Ventures Leasehold Real Estate Investment Trust ("the Trust"), which comprise of the balance sheet and details of investments as at 30 September 2017, the statements of income, changes in net assets, cash flows and the significant financial information for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 30 September 2017, and its financial performance, changes in net assets, cash flows and the significant financial information for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Trust in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of investments in leasehold properties

Refer to Notes 4 and 6 to the financial statements.

The key audit matter	How the matter was addressed in the audit
<p>Investments in leasehold properties are measured at fair value and are material to the Trust's financial statements. The fair value of investments in leasehold properties is estimated by income approach using discounted future cash flows based on future operating results of each property. The Trust engaged independent external valuers to assist in valuing the fair value of these investments.</p> <p>Identification and assessment of the fair value require significant judgment in determining the key assumptions. This is an area that my audit is particularly concentrated on.</p>	<p>My audit procedures included</p> <ul style="list-style-type: none"> • Understanding and evaluating the basis upon which the Trust identified and assessed the fair value of assets. • Evaluating the independence, qualifications and competence of valuers of the Trust. • The external expert engaged by KPMG assisted in considering the appropriateness of measurement basis and key assumptions used for estimating fair value of assets. • Evaluating the appropriateness of the key assumptions used in the valuation by comparing them against historical data and available industry data, considering the reasonableness of significant movement in the property valuation from prior year sampling checked the relevant documents, and recomputing the valuation based on the discounted cash flows. • Considering the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

Other Information

The REIT manager is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

The REIT manager's responsibility for the Financial Statements

The REIT manager is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as REIT manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, REIT manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless REIT manager either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by REIT manager.
- Conclude on the appropriateness of REIT manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with REIT manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide REIT manager with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with REIT manager, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Wilai Buranakittisophon)
Certified Public Accountant
Registration No. 3920

KPMG Phoomchai Audit Ltd.
Bangkok
27 November 2017

Balance sheet

Golden Ventures Leasehold Real Estate Investment Trust

	Note	30 September	
		2017	2016
		(in Baht)	
Assets			
Investments in leasehold properties at fair value			
(At cost as at 30 September 2017: Baht 9,899 million, 30 September 2016: Baht 9,906 million)	6	9,756,000,000	9,814,000,000
Investments in securities at fair value			
(At cost as at 30 September 2017: Baht 518 million, 30 September 2016: Baht 250 million)		521,216,250	250,035,947
Cash on hand and at banks	5, 7	134,653,154	113,575,029
Rental and service receivables	5, 8	20,237,667	13,180,617
Accrued interest income	5	471,237	564,424
Prepaid expenses	5	23,077,593	27,081,033
Deferred expenses	5, 9	104,303,950	134,328,357
Refundable value added tax		5,360	182,757,556
Other assets	5	1,548,840	2,055,636
Total assets		10,561,514,051	10,537,578,599
Liabilities			
Trade accounts payable	5	15,619,085	17,199,637
Other accounts payable and accrued expenses	5, 13	36,942,043	29,859,478
Rental and service income received in advance	5	14,294,972	8,576,347
Deposits from rental and services	5	272,115,769	251,608,252
Long-term loans	10	2,000,000,000	2,000,000,000
Other liabilities		6,858,732	6,311,696
Total liabilities		2,345,830,601	2,313,555,410
Net assets		8,215,683,450	8,224,023,189

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

Balance sheet (Continued)

Golden Ventures Leasehold Real Estate Investment Trust

	Note	30 September	
		2017	2016
		(in Baht)	
Net assets			
Trust registered capital	11	8,046,150,000	8,148,000,000
Capital from unitholders	11	8,046,150,000	8,148,000,000
Retained earnings	11	169,533,450	76,023,189
Net assets		8,215,683,450	8,224,023,189
Net asset value per unit		10.0830	10.0933
Number of units issued at the end of year / period (units)		814,800,000	814,800,000

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

Detail of investments

Golden Ventures Leasehold Real Estate Investment Trust

Type of investments	Areas held by the Trust	30 September 2017		30 September 2016	
		Cost	Fair value (in Baht)	Cost	Fair value (in Baht)
Investments in leasehold properties (Note 6)					
Leasehold rights on office building including its component parts and other systems					
Park Ventures Ecoplex Project (excluding the area for The Okura Prestige Bangkok Hotel)					
<u>Location</u> : 57, Wireless Road, Lumpini, Pathumwan, Bangkok 10330					
Leasehold rights on office building	53,304 sq.m.				
including its components and other systems		2,984,273,938		2,984,273,938	
Furniture, fixtures and equipment		5,608,677		12,943,965	
		2,989,882,615		2,997,217,903	
		30,498,205		30,498,205	
Related acquisition costs		3,020,380,820	3,119,000,000	3,027,716,108	2,935,000,000
			30.35		29.16

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

Detail of investments (Continued)

Golden Ventures Leasehold Real Estate Investment Trust

Type of investments	Areas held by the Trust	30 September 2017			30 September 2016		
		Cost	Fair value (in Baht)	Percentage of investment	Cost	Fair value (in Baht)	Percentage of investment
Subleasehold rights on land, office building including its component parts and other systems Sathorn Square Project							
Location : 98, North Sathorn Road, Silom, Bangrak, Bangkok 10500							
Subleasehold rights on land, office building including its component parts and other systems	114,567 sq.m.	6,777,233,710			6,777,233,710		
Furniture, fixtures and equipment		37,179,715			37,179,715		
Related acquisition costs		6,814,413,425			6,814,413,425		
		63,812,246			63,812,246		
		6,878,225,671	6,637,000,000	64.58	6,878,225,671	6,879,000,000	68.35
Total investments in leasehold properties		9,898,606,491	9,756,000,000	94.93	9,905,941,779	9,814,000,000	97.51

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

Detail of investments (Continued)

Golden Ventures Leasehold Real Estate Investment Trust

Type of investments	30 September 2017			30 September 2016		
	Cost	Fair value (in Baht)	Percentage of investment	Cost	Fair value (in Baht)	Percentage of investment
Investments in securities						
Unit trust						
Krungsri Star Plus Fund	37,910,414	38,458,416	0.37	250,000,000	250,035,947	2.49
Krungsri Smart Fixed Income Fund	480,000,000	482,757,834	4.70	-	-	-
Total investments in securities	517,910,414	521,216,250	5.07	250,000,000	250,035,947	2.49
Total investments	10,416,516,905	10,277,216,250	100.00	10,155,941,779	10,064,035,947	100.00

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

Statement of income

Golden Ventures Leasehold Real Estate Investment Trust

		For the period from 22 March 2016 (date of incorporation)	
	Note	30 September 2017	to 30 September 2016
(in Baht)			
Investment income			
Rental and service income	5	1,081,558,692	533,644,447
Interest income	5	1,379,590	3,991,248
Other income		9,882,650	1,907,841
Total income		1,092,820,932	539,543,536
Expenses			
Cost of rental and services	5	194,568,186	101,624,412
Management fee	5, 13	18,035,520	9,545,166
Trustee fee	5, 13	8,501,059	4,513,139
Registrar fee	13	2,669,106	1,446,941
Property management fee	5, 13	60,866,940	29,605,248
Professional fee		2,082,453	1,059,515
Administration expenses		3,481,157	1,280,907
Amortisation of deferred expenses	9	30,024,407	15,883,326
Finance cost	5	73,643,886	38,399,661
Total expenses		393,872,714	203,358,315
Net investment income		698,948,218	336,185,221
Net gain (loss) on investments			
Net realised gain from sale of investments in securities		2,910,414	-
Net realised loss from sale and write-off of investments in leasehold properties		(7,133,988)	-
Net unrealised gain on investments in securities		3,269,889	35,947
Net unrealised loss on investments in leasehold properties		(50,664,712)	(91,941,779)
Total net loss on investments		(51,618,397)	(91,905,832)
Net increase in net assets from operations		647,329,821	244,279,389

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

Statement of changes in net assets

Golden Ventures Leasehold Real Estate Investment Trust

		For the period from 22 March 2016 (date of incorporation)	
	Note	30 September 2017	to 30 September 2016
		(in Baht)	
<i>Increase in net assets from operations</i>			
<i>during year / period</i>			
Net investment income		698,948,218	336,185,221
Net realised gain from sale of investments in securities		2,910,414	-
Net realised loss from sale and write-off of investments in leasehold properties		(7,133,988)	-
Net unrealised gain on investments in securities		3,269,889	35,947
Net unrealised loss on investments in leasehold properties	6	(50,664,712)	(91,941,779)
Increase in net assets from operations		647,329,821	244,279,389
Investment trusts sold during year / period		-	8,148,000,000
Distribution to unitholders	12	(553,819,560)	(168,256,200)
The reduction of paid-in capital distributed to unitholders	11	(101,850,000)	-
(Decrease) increase in net assets		(8,339,739)	8,224,023,189
during year / period		(8,339,739)	8,224,023,189
Net assets at the beginning of year / period		8,224,023,189	-
Net assets at the end of year / period		8,215,683,450	8,224,023,189

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

Statement of cash flows

Golden Ventures Leasehold Real Estate Investment Trust

	For the period from 22 March 2016 (date of incorporation)	
	30 September 2017	to 30 September 2016
	(in Baht)	
<i>Cash flows from operating activities</i>		
Net increase in net assets from operations	647,329,821	244,279,389
<i>Adjustments to reconcile net increase in net assets from operations to net cash from (used in) operating activities:</i>		
Purchases of investments in leasehold properties	-	(9,905,941,779)
Cash received from sales of investments in leasehold properties	201,300	-
Purchases of investments in securities	(600,000,000)	(250,000,000)
Cash received from sales of investments in securities	335,000,000	-
Amortisation of deferred expenses	30,024,407	15,883,326
Increase in rental and service receivables	(7,057,050)	(13,180,617)
Decrease (increase) in prepaid expenses	4,003,440	(27,081,033)
Decrease (increase) in refundable value added tax	182,752,196	(182,757,556)
Decrease (increase) in other assets	506,796	(2,055,636)
(Decrease) increase in trade accounts payable	(1,580,552)	17,199,637
(Decrease) increase in other accounts payable and accrued expenses	(188,147)	24,763,927
Increase in rental and service income received in advance	5,718,625	8,576,347
Increase in deposits from rental and services	20,507,517	251,608,252
Increase in other liabilities	547,036	6,311,696
Interest income	(1,379,590)	(3,991,248)
Interest received	1,472,777	3,426,824
Finance cost	73,643,886	38,399,661

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

Statement of cash flows (Continued)

Golden Ventures Leasehold Real Estate Investment Trust

Note	For the period from 22 March 2016 (date of incorporation) to 30 September 2016	
	30 September 2017	30 September 2016
	(in Baht)	
Net realised gain from sale of investments in securities	(2,910,414)	-
Net realised loss from sale and write-off of investments in leasehold properties	7,133,988	-
Net unrealised gain on investments in securities	(3,269,889)	(35,947)
Net unrealised loss on investments in leasehold properties	50,664,712	91,941,779
Net cash flows from (used in) operating activities	743,120,859	(9,682,652,978)
<i>Cash flows from financing activities</i>		
Proceeds from issued of trust capital from unitholders	-	8,148,000,000
Proceeds from long-term loans	-	2,000,000,000
Payment for the trust unit issuance costs and offering the trust unit expenses	-	(150,211,683)
Interest paid	(66,382,877)	(33,304,110)
Distribution to unitholders	(553,809,857)	(168,256,200)
The reduction of paid-in capital distributed to unitholders	(101,850,000)	-
Net cash flows (used in) from financing activities	(722,042,734)	9,796,228,007
Net increase in cash on hand and at banks	21,078,125	113,575,029
Cash on hand and at banks at the beginning of year / period	113,575,029	-
Cash on hand and at banks at the end of year / period	134,653,154	113,575,029

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

Significant financial information

Golden Ventures Leasehold Real Estate Investment Trust

	For the period from 22 March 2016 (date of incorporation) 30 September 2017 to 30 September 2016	
	(in Baht)	
Information on operating results (per unit)		
Net asset value at the beginning of year / period	10.0933	-
Income from investing activities		
Net investment income	0.8578	0.4126
Net realised loss from sale of investments	(0.0052)	-
Net unrealised loss on investments	(0.0582)	(0.1128)
Total income from investing activities	0.7944	0.2998
Add: Increase in capital from unitholders	-	10.0000
Less: Distribution to unitholders	(0.6797)	(0.2065)
The reduction of paid-in capital distributed to unitholders	(0.1250)	-
Net asset value at the end of year / period	10.0830	10.0933
Ratio of net increase in net assets from operations to average net assets during the year / period (%)	7.86	2.95
Significant financial ratios and additional significant information		
Net assets at the end of year / period	8,215,683,450	8,224,023,189
Ratio of total expenses to average net assets during the year / period (%)	4.78	2.46
Ratio of total investment income to average net assets during the year / period (%)	13.26	6.53
Ratio of weighted average investment purchases and sales during the year / period to average net assets during the year / period (%)*	4.83	114.94
Average net assets during the year / period	8,238,673,256	8,267,011,054

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

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

Notes to financial statements

Golden Ventures Leasehold Real Estate Investment Trust

For the year ended 30 September 2017

Note	Contents
1	Description of Golden Ventures Leasehold Real Estate Investment Trust
2	Basis of preparation of the financial statements
3	Distribution policy
4	Significant accounting policies
5	Related parties
6	Investments in leasehold properties
7	Cash on hand and at banks
8	Rental and service receivables
9	Deferred expenses
10	Long-term loans
11	Unitholders' trust
12	Distribution to unitholders
13	Expenses
14	Information on investment purchase and sale transactions
15	Segment information
16	Financial Instruments
17	Commitments
18	Events after the reporting period

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the authorised director of the REIT Manager on 27 November 2017.

1 Description of Golden Ventures Leasehold Real Estate Investment Trust

Golden Ventures 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 22 March 2016 between Univentures REIT Management Company Limited as the Trust Settlor and Kasikorn Asset Management Company Limited as the Trustee. On 22 March 2016, 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 both ordinary and juristic persons, including long-term loans from financial institutions and deposits from rental to invest in 2 projects; Park Ventures Ecoplex Project and Sathorn Square Project (see details of investments in Note 6)

On 4 April 2016, the Stock Exchange of Thailand approved the listing of the Trust’s units and permitted their trading from 4 April 2016 onwards.

The Trust is managed by Univentures REIT Management Company Limited (“the REIT Manager”), Kasikorn Asset Management Company Limited acts as the Trustee and North Sathorn Realty Company Limited acts as the Property Manager.

As at 30 September 2017, the Trust’s major unitholder is Golden Land Property Development Public Company Limited, which holds 22.64% of the Trust issued and paid-up units (30 September 2016: 25.10%).

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”); guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission. In addition, the financial statements have been prepared in accordance with TAS No. 106 “Accounting for Investment Companies”.

The Trust has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2016.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. The Trust has made a preliminary assessment of the potential initial impact on the Company’s financial statements of these revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for investments properties and investments in securities are measured at fair value.

(c) 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 to the nearest thousand unless otherwise stated.

(d) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in note 6 Investments in leasehold properties.

3 Distribution policy

The Trust has a policy to pay distributions to unitholders 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 year, with such distributions to be divided into a year-end distribution and an interim distribution in each quarter (if any). The REIT Manager shall pay distributions to unitholders not more than 4 times a year, unless the Trust increases capital. The REIT manager will pay distributions starting from the first accounting period if the Trust has sufficient profit to pay.

The adjusted net profit means the net profit not including the unrealized gain from the appraisal or verification of the appraisal of the Trust's assets and adjust with other transactions to determine on cash basis of the Trust.

- (2) In case the Trust has accumulated losses, the REIT Manager will not pay the distributions to the unitholders.

In considering the payment of interim distribution, if the value of interim distribution per unit to be paid quarterly is lower than or equal to Baht 0.10, the REIT Manager reserves the right 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 stated 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, 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 reviewed within one year after the latest valuation date.

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

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.

Investments in securities

Investments in securities are presented at their fair value.

The fair value of non-listed unit trusts is based on the net asset value of unit trust.

Gains or losses on measurement of investments in securities are presented as unrealised gains or losses in the statements of income.

Gain or losses on disposal of investment are recognised as income or expense as at disposal date. The cost of disposal investment is calculated by weighted average method.

(b) Cash on hand and at banks

Cash on hand and at banks in the statements of cash flows comprise cash balances and deposits.

(c) Rental and service receivables

Rental and service receivables are stated at their invoice price 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) 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.

(e) Interest-bearing liabilities

Interest-bearing liabilities are stated at cost.

(f) Revenue

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

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 the statement of income as it accrues.

(g) Finance costs

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

(h) Expenses

Operating lease

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Other expenses

Other expenses are recognised in the statement of income on accrual basis.

(i) 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.

(j) Distribution to unitholders

A decrease in retained earnings is recognised as 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 related parties were as follows:

Name of Entities	Country of Incorporation	Nature of Relationships	Nature of Transactions
Univentures Public Company Limited Group			
Univentures Public Company Limited	Thailand	Parent company of Property and REIT Manager	Rental and service income
Univentures REIT Management Company Limited	Thailand	REIT Manager	Management fee expense
Grand Unity Development Company Limited	Thailand	Affiliated company of Property and REIT Manager	Rental and service income
Lertrattakarn Company Limited	Thailand	Affiliated company of Property and REIT Manager	Entered into leasehold rights agreement over office building including its component parts and other systems (Note 6)
Forward System Limited	Thailand	Affiliated company of Property and REIT Manager	Car parking services expense
Golden Land Property Development Public Company Limited Group			
Golden Land Property Development Public Company Limited	Thailand	Parent company of Property Manager Unitholder holding 22.64% of Trust units issued and paid-up	Rental and service income
North Sathorn Realty Company Limited	Thailand	Property Manager	Property management fee expense Rental and service income Entered into subleasehold rights agreement over land, office building including its component parts and other systems (Note 6)
Golden Land Residence Company Limited	Thailand	Affiliated company of Property and REIT Manager	Rental and service income
North Sathorn Hotel Company Limited	Thailand	Affiliated company of Property and REIT Manager	Rental and service income

Name of Entities	Country of Incorporation	Nature of Relationships	Nature of Transactions
Kasikornbank Group			
Kasikorn Asset Management Company Limited	Thailand	Trustee	Trustee fee expense
Kasikornbank Public Company Limited	Thailand	Parent company of Trustee	Deposit Rental and service income Underwriting fee expense Interest expense
Other related parties			
Oishi Ramen Co., Ltd.	Thailand	Common directors	Rental and service income
Oishi Trading Co., Ltd.	Thailand	Common directors	Rental and service income
Oishi Group Public Company Limited	Thailand	Common directors	Rental and service income
Thai Drinks Co., Ltd.	Thailand	Common directors	Rental and service income Purchase of consumer products and other goods
TCC Assets (Thailand) Co., Ltd.	Thailand	Common directors	Rental and service income
TCC Land Development Co., Ltd.	Thailand	Common directors	Rental and service income
T.C.C. Technology Co., Ltd.	Thailand	Common directors	Rental and service income Computer rental expense
Kasemsubvadhana Co., Ltd.	Thailand	Common directors	Rental and service income
Thai Beverage Public Co., Ltd.	Thailand	Common directors	Rental and service income
Dhamma Land Property Development Co., Ltd.	Thailand	Common directors	Rental and service income Parking area expense
Asia Books Co., Ltd.	Thailand	Common directors	Rental and service income
Southeast Group Company Limited	Thailand	Common directors	Rental and service income
Southeast Insurance Public Company Limited	Thailand	Common directors	Rental and service income
Berli Jucker Public Company Limited	Thailand	Common directors	Purchase of consumer products and other goods
Sermasuk Public Company Limited	Thailand	Common directors	Purchase of consumer products and other goods
F&B International Co., Ltd.	Thailand	Common directors	Purchase of consumer products and other goods
Pracharath Raksamakkhee Social Enterprise (Thailand) Company Limited	Thailand	Common directors	Rental and service income
Horeca Management Co., Ltd.	Thailand	Common directors	Purchase of consumer products and other goods

Name of Entities	Country of Incorporation	Nature of Relationships	Nature of Transactions
Chang International Co., Ltd.	Thailand	Common directors	Rental and service income
Kasemsubbhakdi Co., Ltd.	Thailand	Common directors	Rental and service income
Max Asia Co., Ltd.	Thailand	Common directors	Rental and service income
Tonic International Co., Ltd.	Thailand	Common directors	Rental and service income
ASM Management Co., Ltd.	Thailand	Common directors	Rental and service income
Shinasub Co., Ltd.	Thailand	Common directors	Internet service expense
One Bangkok Holdings Co., Ltd.	Thailand	Common directors	Rental and service income

Other related parties have common directors with Univentures Public Company Limited Group and Golden Land Property Development Public Company Limited Group.

The pricing policies for transactions are explained further below:

Transactions	Pricing Policies
Rental and service income	- Market prices which are subject to lease space, rental rate per space, and type of lease
Interest income/Interest expense	- Interest rate based on the rate as announced by bank
Management fee	- Contractually agreed prices (Note 13 (a))
Trustee fee	- Contractually agreed prices (Note 13 (b))
Property management fee	- Contractually agreed prices (Note 13 (d))
Car parking services	- Market prices
Other expenses	- Market prices
Bank charge	- Market prices
Investments in leasehold properties	- Contractually agreed prices (Note 6)

Significant transactions for the year ended 30 September 2017 and for the period from 22 March 2016 (date of incorporation) to 30 September 2016 with related parties were as follows:

	For the period from 22 March 2016 (date of incorporation) 30 September 2017 to 30 September 2016	
	(in thousand Baht)	
Revenue		
Rental and service income		
Univentures Public Company Limited Group	27,967	13,493
Golden Land Property Development Public Company Limited Group	31,379	20,078
Kasikornbank Public Company Limited	7,948	3,982
Other related parties	63,579	33,605
Total	130,873	71,158
Interest income		
Kasikornbank Public Company Limited	1,380	3,186
Expenses		
Management fee		
Univentures REIT Management Company Limited	18,036	9,545
Trustee fee		
Kasikorn Asset Management Company Limited	8,501	4,513
Property management fee		
North Sathorn Realty Company Limited	60,867	29,605
Cost of rental and services		
<i>Land lease expense</i>		
Lertrattakarn Company Limited	22,742	11,527
North Sathorn Realty Company Limited	36,675	18,589
<i>Other cost of rental and services</i>		
Forward System Limited	551	205
Golden Land Property Development Public Company Limited Group	25	-
Other related parties	7,030	3,752
Total	67,023	34,073

For the period from
22 March 2016
(date of incorporation)
30 September 2017 to 30 September 2016

(in thousand Baht)

Interest expense		
Kasikornbank Public Company Limited	-	10,395
Bank charge		
Kasikornbank Public Company Limited	120	54
Underwriting fee (Presented under deferred expense)		
Kasikornbank Public Company Limited	-	94,749

Balances as at 30 September 2017 and 2016 with related parties were as follows:

2017 2016

(in thousand Baht)

Cash at bank		
Kasikornbank Public Company Limited	134,643	113,564
Accrued interest income		
Kasikornbank Public Company Limited	471	564
Rental and service receivables		
<i>Rental and service receivables</i>		
Univentures Public Company Limited Group	164	812
Golden Land Property Development Public Company Limited Group	189	147
Kasikornbank Public Company Limited	-	33
Other related parties	5,163	632
	5,516	1,624
Accrued income under operating lease		
Golden Land Residence Company Limited	125	-
Other related parties	3,546	-
	3,671	-
Total	9,187	1,624
Prepaid expenses		
Lertrattakarn Company Limited	3,615	7,415
North Sathorn Realty Company Limited	16,736	17,411
Total	20,351	24,826

	2017	2016
	(in thousand Baht)	
<i>Other assets</i>		
Golden Land Property Development Public Company Limited Group	-	87
<i>Trade accounts payable</i>		
Forward System Limited	98	196
Other related parties	772	1,278
Total	870	1,474
Other accounts payable and accrued expenses		
Univentures Public Company Limited Group	45	48
North Sathorn Realty Company Limited	-	98
Other related party	33	-
Total	78	146
<i>Accrued management fee</i>		
Univentures REIT Management Company Limited	3,587	3,628
<i>Accrued trustee fee</i>		
Kasikorn Asset Management Company Limited	1,469	1,470
<i>Accrued property management fee</i>		
North Sathorn Realty Company Limited	6,104	5,401
<i>Rental and service income received in advance</i>		
Golden Land Property Development Public Company Limited Group	7	2
Kasikornbank Public Company Limited	676	1
Other related parties	29	-
Total	712	3
<i>Deposits from rental and services</i>		
Univentures Public Company Limited Group	6,434	5,849
Golden Land Property Development Public Company Limited Group	7,030	6,325
Kasikornbank Public Company Limited	2,031	1,891
Other related parties	28,748	12,820
Total	44,243	26,885

Commitments with related parties

As at 30 September 2017 and 2016, the Trust has commitments for annual land lease payments from entering into the agreements with Lertrattakarn Company Limited, an affiliated company of REIT Manager, and North Sathorn Realty Company Limited, Property Manager (Note 6).

6 Investments in leasehold properties

Park Ventures Ecoplex Project

Location	At the corner of Ploenchit and Wireless Roads, directly connected with the BTS Ploenchit station.
Land ownership	The land is owned by M.L.Suthada Kasemsan and has total area of 5 Rai 36.2 sq.wah.(The Trust did not invest in land which this project located.)
Building ownership	Building is owned by Lertrattakarn Company Limited.
Gross floor area	53,304 sq.m. (excluding the area for The Okura Prestige Bangkok Hotel)
Net leasable area	Approximately 27,443 sq.m. (30 September 2016: 26,313 sq.m.)
Year of completion	2011
Type of investment	<ol style="list-style-type: none"> 1 Leasehold rights over some parts of Park Ventures Ecoplex building including its components and other systems, excluding the area for The Okura Prestige Bangkok Hotel, 23rd floor to 34th floor, some parts of 1st floor to 8th floor (except 5th floor), some parts of rooftops and some parts of basements. 2 Freehold rights over furniture and equipment.
Investment period	Approximately 26 years (ended on 5 September 2041).
Renewal of lease contract	When the lessor obtains the right on renew the main contract. The lessor agrees to give the right to invest and the right of first refusal to the lessee for consider to lease the assets.

On 29 March 2016, the Trust has entered into leasehold rights agreement over office building including its component parts and other systems of Park Ventures Ecoplex building approximately 26 years ended on 5 September 2041 together with purchase of freehold rights over furniture and equipment with Lertrattakarn Company Limited. The Trust paid for the total investment cost in the amount of Baht 2,997 million, for office building and its component in the amount of Baht 2,193 million, for other systems in the amount of Baht 791 million and purchase of freehold rights over furniture and equipment in the amount of Baht 13 million. Moreover, the Trust paid for other additional related expense in the amount of Baht 30 million which recognized in cost of investment in leasehold properties. Additionally, the Trust has commitment for land lease payment for the period of 25 years payable on every 30 August, starting from 30 August 2016 until 30 August 2040. The details were as follows;

	2017	2016
	(in thousand Baht)	
<i>Future minimum lease commitments under non-cancellable operation leases</i>		
Lertrattakarn Company Limited		
Within one year	18,942	18,942
After one year but within five years	79,556	76,728
After five years	442,518	471,703
Total	541,016	567,373

The Trust has already registered the leasehold rights with Department of Land on 30 March 2016.

Sathorn Square Project

Location	At the corner of Sathorn and Narathiwat Rajanagarindra Roads, directly connected with the BTS Chong Nonsi station.
Land and building ownership	Land and building are owned by the Crown Property Bureau, total area of 5 Rai 60.32 sq.wah.
Gross floor area	114,567 sq.m.
Net leasable area	Approximately 73,123 sq.m. (30 September 2016: 73,181 sq.m.)
Year of completion	2011
Type of investment	<ol style="list-style-type: none"> 1. Subleasehold rights over land 2. Subleasehold rights over the Sathorn Square office building including its components parts and other systems 3. Freehold rights over furniture and equipment
Investment period	Approximately 25 years (ended on 6 October 2040).
Renewal of sublease contract	When the sublessor obtains the right on renew the main contract. The sublessor agrees to give the right to invest and the right of first refusal to the sublessee for consider to sublease the assets.

On 29 March 2016, the Trust has entered into subleasehold rights agreement over land, office building including its components parts, and other systems of Sathorn Sqaure office building approximately 25 years ended on 6 October 2040 together with purchase of freehold rights over furniture and equipment with North Sathorn Realty Company Limited. The Trust paid for the total investment cost in the amount of Baht 6,814 million, for office building and its component in the amount of Baht 4,901 million, for other systems in the amount of Baht 1,876 million and purchase of freehold rights over furniture and equipment in the amount of Baht 37 million. Moreover, the Trust paid for other additional related expense in the amount of Baht 64 million which recognized in cost of investment in leasehold properties. Additionally, the Trust has commitment for land sublease payment for the period of 25 years payable on every 30 September, starting from 30 September 2016 until 30 September 2040. The details were as follows;

	2017	2016
	(in thousand Baht)	
<i>Future minimum lease commitments under non-cancellable operation leases</i>		
North Sathorn Realty Company Limited		
Within one year	36,000	36,000
After one year but within five years	144,000	144,000
After five years	648,000	701,411
Total	828,000	881,411

The Trust has already registered the subleasehold rights with Department of Land on 30 March 2016.

During the year ended 30 September 2017, the Trust hired an independent appraiser to appraise the fair value of the investments in properties using the income approach by using discounted future cash flows. The main assumptions used in the review valuation are average rental rate, rental growth rate, average occupancy rate, operating costs, and discount rate. The Trust has revalued such investments in properties to be as fair value and has recorded net unrealized losses from such investments in the statement of income.

Movement of investments in leasehold properties for the year ended 30 September 2017 and for the period from 22 March 2016 (date of incorporation) to 30 September 2016 were as follows:

	2017	2016
	(in thousand Baht)	
Investments in leasehold properties - at cost		
Investment in leasehold properties - beginning of year / period	9,905,942	-
Add Investment in leasehold properties	-	9,905,942
Less Decrease in furniture, fixtures and equipment during the year / period	(7,335)	-
Investment in leasehold properties as at 30 September	9,898,607	9,905,942
Net unrealised loss from investments in leasehold properties		
Net unrealised loss from investments in leasehold properties - beginning of year / period	(91,942)	-
Add unrealised loss from revaluation of investments in leasehold properties during the year / period	(50,665)	(91,942)
Net unrealised loss from investments in leasehold properties - end of year / period	(142,607)	(91,942)
Investment in leasehold properties as at 30 September	9,756,000	9,814,000

7 Cash on hand and at banks

	2017	2016
	(in thousand Baht)	
Cash on hand	9	10
Cash at banks	134,644	113,565
Total	134,653	113,575

As at 30 September 2017 and 2016, the Trust invested in cash at banks as follows:

	2017	2016	2017	2016
	Interest rate		(in thousand Baht)	
	(% per annum)			
Current Accounts				
Kasikorn Bank Public Company Limited			-	38
Saving Accounts				
Kasikorn Bank Public Company Limited	0.82 - 1.00	0.37 - 1.10	134,643	113,526
Bank of Ayudhya Public Company Limited	0.10	0.10	1	1
Total			134,644	113,565

Cash on hand and at banks of the Trust as at 30 September 2017 and 2016 were denominated entirely in Thai Baht.

8 Rental and service receivables

	Note	2017	2016
		(in thousand Baht)	
<i>Rental and service receivables</i>			
Related parties	5	5,516	1,624
Other parties		7,046	11,220
		12,562	12,844
<i>Accrued income under operating lease</i>			
Related parties	5	3,671	-
Other parties		4,005	337
		7,676	337
Total		20,238	13,181

Aging analyses for rental and service receivables were as follows:

	Note	2017	2016
(in thousand Baht)			
Related parties			
Within credit terms		5,339	940
Overdue:			
Less than 3 months		177	684
	5	5,516	1,624
Other parties			
Within credit terms		4,547	9,049
Overdue:			
Less than 3 months		2,499	1,246
3 - 6 months		-	925
		7,046	11,220
Total		12,562	12,844
Accrued income under operating lease		7,676	337
Total		20,238	13,181

9 Deferred expenses

The trust unit issuance and offering expenses are recognized 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 year ended 30 September 2017 and for the period from 22 March 2016 (date of incorporation) to 30 September 2016 were as follows:

	2017	2016
(in thousand Baht)		
Beginning balance of year / period	134,328	-
Increase	-	150,211
Amortisation	(30,024)	(15,883)
Ending balance of year / period	104,304	134,328

10 Long-term loans

	2017	2016	2017	2016
Effective Interest rate				
	(% per annum)		(in thousand Baht)	
Loans from financial institutions	3.62, 3.68	3.74	2,000,000	2,000,000

Movements of loans for the year ended 30 September 2017 and for the period from 22 March 2016 (date of incorporation) to 30 September 2016 were as follows:

	2017	2016
	(in thousand Baht)	
Beginning balance of year / period	2,000,000	-
Increase	-	2,000,000
Ending balance of year / period	2,000,000	2,000,000

On 30 March 2016, the Trust borrowed loans of Baht 2,000 million from Kasikornbank Public Company Limited and Bank of Ayudhya Public Company Limited. The principal is payable due at the term of agreements for a period of 5 years. The loan bears interest at MLR minus a certain percentage per annum and interest is monthly payable. The loans were secured by the following documents:

- 1) The conditional assignment of rights under insurance policies.
- 2) The conditional assignment of rights under bank account which will be opened specifically for receiving advance rental return.
- 3) The conditional assignment of opening accounts by the Trust which will be opened specifically for receiving rental income.
- 4) The conditional assignment of all lease and service agreement for a term of longer than 3 years.

Under loan agreements, the Trust must maintain financial conditions which stipulated in the loan agreements; maintenance Loan-to Total Assets Ratio and Funded Interest Bearing Debt to EBITDA (operating profit before interest expenses and financial cost, income tax, depreciation, amortization adjust by non-cash items) ratio.

On 20 July 2016, the Trust refinanced the long-term loan from Kasikornbank Public Company Limited with the Government Saving Bank by entering into the new loan agreement. The conditions under the long-term loan agreement has not changed.

As at 30 September 2017, the Trust had unutilised credit facilities amounting to Baht 183 million (2016: Baht 183 million).

11 Unitholders' trust

	Par	2017		Par	2016	
	Value	Number	Amount	Value	Number	Amount
	(in Baht)	(in thousand units/ thousand Baht)		(in Baht)	(in thousand units/ thousand Baht)	
Trust registered capital and capital from unitholders	9.875	814,800	8,046,150	10.000	814,800	8,148,000
Beginning balance of year / period	10.000	814,800	8,148,000	-	-	-
Trust issued and paid-up units	-	-	-	10.000	814,800	8,148,000
Reduction of Trust unit value	(0.125)	-	(101,850)	-	-	-
Ending balance of year / period	9.875	814,800	8,046,150	10.000	814,800	8,148,000

At the Board of Directors Meeting of the REIT Manager held on 28 November 2016, the Board of Directors approve the paid-in capital reduction of par value totaling at the rate of Baht 0.125 per unit totaling Baht 101.85 million. The reduction of paid-in capital was paid to its unitholders in December 2016 which was to comply with Trust deed.

Movement of retained earnings for the year ended 30 September 2017 and for the period from 22 March 2016 (date of incorporation) to 30 September 2016 were as follows:

	Note	2017	2016
		(in thousand Baht)	
Retained earnings at the beginning of year / period		76,023	-
Add Increase in net assets resulting from operations during year / period		647,329	244,279
Less Distribution to unitholders during year / period	12	(553,819)	(168,256)
Retained earnings at the end of year / period		169,533	76,023

12 Distribution to unitholders

For the year ended 30 September 2017

The operation for the period	Approval date	Payment date	Dividend per	
			unit trust (in Baht)	Amount (in thousand Baht)
1 July - 30 September 2016	28 November 2016	27 December 2016	0.0933	76,021
1 October - 31 December 2016	10 February 2017	9 March 2017	0.1887	153,752
1 January - 31 March 2017	15 May 2017	14 June 2017	0.1997	162,716
1 April - 30 June 2017	10 August 2017	8 September 2017	0.1980	161,330
				553,819

For the period from 22 March 2016 (date of incorporation) to 30 September 2016

The operation for the period	Approval date	Payment date	Dividend per	
			unit trust (in Baht)	Amount (in thousand Baht)
22 March - 30 June 2016	8 August 2016	7 September 2016	0.2065	168,256
				168,256

13 Expenses

(a) Management fee

The REIT Manager has rights to receive REIT management fee from the Trust were as follows:

- 1) The base fee is 0.15% of net assets value (as calculated before deduct the variable fee of REIT Manager) but not less than at minimum fee of Baht 12 million per annum. The base fee will be paid on a monthly basis.
- 2) The variable fee is 0.7% of adjusted net investment income. The variable fee will be paid on a quarterly basis.

Adjusted net investment income means net investment income of REIT plus interest income from financial institutions and minus expenses of the Trust but exclude REIT Manager's variable fee, amortised issuance and offering the Trust unit expenses and adjust with non-cash items paid from building rental and non-cash items received from rental and services income.

(b) Trustee fee

The Trustee is entitled to receive a monthly remuneration at a rate 0.1% of net assets value but not less than at minimum fee of Baht 8 million per annum.

(c) Registrar fee

The registrar fee is charged at a rate 0.032% per annum of the Trust's registered.

(d) Property management fee

Fees are payable to the Property Manager under the Property Management Agreements, which is summarised as follows:

- (1) The base fee is approximately Baht 15 - 33 million per annum for Park Ventures Ecoplex Project and approximately Baht 19 - 45 million per annum for Sathorn Square Project. The base fee is calculated at the certain different fixed amount for each year as stipulated in the property management agreement. The base fee will be paid on monthly basis.
- (2) The variable fee for Park Ventures Ecoplex Project is calculated at the rate of 3.50% - 4.75% per annum for the year 1 - 3 and 6.20% per annum for the fourth year onwards and for Sathorn Square Project is calculated at the rate of 1.55% - 3.45% per annum for the year 1 - 3 and 4.65% per annum for the fourth year onwards. The variable fee is calculated based on percentage of revenue from rental and services provided under building rental which consist of office rental building space, commercial space (excluding revenue from multi-purpose area) and storage space. The variable fee will be paid on quarterly basis.

14 Information on investment purchase and sale transactions

The Trust's investment purchase and sale transactions during the year ended 30 September 2017, excluding investments in cash at banks, amounted to Baht 935 million which is 11.35% of the average net asset values during the year.

The Trust's investment purchase and sale transactions for the period from 22 March 2016 (date of incorporation) to 30 September 2016, excluding investments in cash at banks, amounted to Baht 10,156 million which is 122.85% of the average net asset values during the period.

15 Segment information

Operating segment information is reported in a manner consistent with the Trust's internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The one main reportable operating segment of the Trust is to provide the rental and service on the leasehold property in which the Trust has invested and the single geographical area of its operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

16 Financial Instruments

Financial risk management policies

The Trust is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Trust does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Trust. The Trust has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The REIT Manager continually monitors the Trust's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The REIT Manager's Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. They monitor the return on capital and monitor the level of distribution to unitholders.

Interest rate risk

The Trust's exposure to interest rate risk relates primarily to its cash and cash at banks and long-term loans which bear floating interest rates.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Trust as and when they fall due.

The Trust has no concentrations of credit risk due to the fact that the Trust has a large number of tenants in various businesses. Additionally, the Trust has a policy to collect in advance the rental deposits from customers as collateral in case of default.

Fair values of financial instruments

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In determining the fair value of its financial assets and liabilities, the Trust takes into account its current circumstances and the costs that would be incurred to exchange or settle the underlying financial instrument. The carrying amounts of the Trust's financial assets and liabilities as at 30 September 2017 as presented in the financial statements approximate to their fair values because most of them are classified as short-term and long-term loans bear floating rate.

17 Commitments

	2017	2016
	(in thousand Baht)	
Other commitment		
Letters of guarantee issued by banks for the purpose of electricity consumption	11,600	11,600
Total	11,600	11,600

Commitments on other service commitments

The Trust is committed to pay service charges and fees to counterparties under the terms and conditions as specified in notes to interim financial statements 13.

18 Events after the reporting period

At the Board of Directors Meeting of the REIT Manager held on 27 November 2017, the Board of Directors approved the resolutions as follows.

- (1) Approved the appropriation of distributions for the operation from 1 October 2016 to 30 September 2017 totaling of Baht 604.09 million. Such distribution has been paid during the period totaling of Baht 477.80 million. The rest totaling of Baht 126.29 million at the rate of Baht 0.1550 per unit will be paid to its unitholders in December 2017.
- (2) Approved to be further proposed to the unitholders' meeting for its approval of the issuance and allotment of Debentures not exceed of Baht 2,000 million.



PARK VENTURES

SATHORN SO

Trustee

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