

AIM Industrial Growth Freehold and Leasehold  
Real Estate Investment Trust  
Report and financial statements  
For the year ended 31 December 2018

## **Independent Auditor's Report**

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

### **Opinion**

I have audited the accompanying financial statements of AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust ("the Trust"), which comprise the balance sheet and detail of investments as at 31 December 2018, the related statements of income, changes in net assets, cash flows and significant financial information for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust as at 31 December 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 judgement, 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.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### **Measurement of investment in properties**

As discussed in note to financial statements no.7, as at 31 December 2018, the Trust had investments in properties amounting to Baht 2,407 million, or 96% of total assets. The investments are not traded on an active market and a quoted price is not available for the same or similar investments. Therefore, the REIT Manager determined the fair value of the investments acquired in December 2017 based on the value appraised by an independent appraiser using the income approach. As REIT Manager is required to exercise significant judgement with respect to the estimation of future operating results and the determination of a discount rate and key assumptions, I addressed the measurement of such investments as a key audit matter.

I performed an audit on the fair value measurement of such investments in properties by making enquiry, considered the extent and objectives of the assessment of fair value by the independent appraiser and assessed the techniques and models used by the independent appraiser to measure the fair value, as specified in the appraisal report, by comparing them to my knowledge and past experience regarding the valuation of the same or similar assets. I also considered the consistency of the application of such techniques and models, and assessed the competence and independence of the independent appraiser by checking publicly available data. In addition, I reviewed the data and key assumptions used in the measurement of fair value by comparing the estimated operating results with the Trust's actual operating results to evaluate the judgement of the REIT Manager in terms of estimating operating results, checking them to the lease agreements, and testing the calculation of fair value which was based on the above models and assumptions.

#### **Other Information**

REIT Manager is responsible for the other information. The other information comprise the information included in annual report of the Trust, but does not include the financial statements and my auditor's report thereon. The annual report of the Trust 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 do 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 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.

When I read the annual report of the Trust, if I conclude that there is a material misstatement therein, I am required to communicate the matter to REIT Manager for correction of the misstatement.

## **Responsibilities of REIT Manager for the Financial Statements**

REIT Manager is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, 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 there is intention to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

REIT Manager is responsible for overseeing the Trust's financial reporting process.

## **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 Thai Standards on Auditing 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 Thai Standards on Auditing, I exercise professional judgement 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.

I am responsible for the audit resulting in this independent auditor's report.

Ratana Jala

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 26 February 2019

**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust****Balance sheet****As at 31 December 2018**

		(Unit: Baht)	
	Note	31 December 2018	31 December 2017
<b>Assets</b>			
Investments in properties at fair value			
(At cost: 31 December 2018: Baht 2,242 million	7	2,406,718,751	2,140,000,000
31 December 2017: Baht 2,140 million)			
Investments in securities at fair value			
(At cost: Baht 81 million)		80,706,516	-
Cash and cash at banks	8, 17	19,852,001	135,627,905
Receivables			
From rental and services	9, 17	311,609	2,743,857
From interest	17	359,569	7,588
From revenue department		1,054,534	15,078,000
Other assets		8,045,182	131,153
<b>Total assets</b>		<b>2,517,048,162</b>	<b>2,293,588,503</b>

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

**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust**

**Balance sheet (continued)**

**As at 31 December 2018**

(Unit: Baht)

	Note	31 December 2018	31 December 2017
<b>Liabilities</b>			
Payables			
From interest		408,263	407,342
Others	17	2,234,848	100,739,421
Accrued expenses	17	7,021,613	953,973
Lease deposit received and guarantee from lease	17, 18.3	55,580,484	50,220,500
Long-term loans	10	698,000,000	590,000,000
<b>Total liabilities</b>		<u>763,245,208</u>	<u>742,321,236</u>
<b>Net assets</b>		<u>1,753,802,954</u>	<u>1,551,267,267</u>
<b>Net assets:</b>			
Trust registered			
155,000,000 units of Baht 10 each		<u>1,550,000,000</u>	<u>1,550,000,000</u>
Capital from unitholders			
155,000,000 units of Baht 10 each	11	1,550,000,000	1,550,000,000
Retained earnings	12	203,802,954	1,267,267
<b>Net assets</b>		<u>1,753,802,954</u>	<u>1,551,267,267</u>
		-	-
Net asset value per unit (Baht)		11.3148	10.0081
Number of units issued at the end of year/period (Units)		155,000,000	155,000,000

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

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Directors  
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**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust**

**Details of investments**

**As at 31 December 2018**

**Details of investments classified by asset type**

Type of investments/ Land title deed	Area (Rai-Ngan-Sq. Wah)	Locations	Factory/Warehouse building no.	31 December 2018			31 December 2017		
				Cost	Fair value	Percentage	Cost	Fair value	Percentage
				(Baht)	(Baht)	(%)	(Baht)	(Baht)	(%)
<b>Investments in properties</b>									
<b>Freehold right of land, cold storage building and cold storage movable assets</b>									
157963	21-1-97.80	Pacific Cold Storage project Na Dee, Mueang Samut Sakhon, Samut Sakhon	6, 7	804,700,000	936,200,000	37.64	804,700,000	804,700,000	37.60
85905	16-1-97	JWD Pacific project Suwinthawong Road, Khlong Nakhon Nueang Khet, Mueang Chachoengsao, Chachoengsao	-	544,200,000	542,900,000	21.83	544,200,000	544,200,000	25.43
		JWD Pacific project (expansion area) Suwinthawong Road, Khlong Nakhon Nueang Khet, Mueang Chachoengsao, Chachoengsao	-	101,518,751	101,518,751	4.08	-	-	-
<b>Freehold right of land and warehouse</b>									
85904	12-2-56	Datasafe project Suwinthawong Road, Khlong Nakhon Nueang Khet, Mueang Chachoengsao, Chachoengsao	-	192,100,000	198,100,000	7.96	192,100,000	192,100,000	8.98
128496, 144679	34-3-79.20	TIP 7 project	PD2	599,000,000	628,000,000	25.25	599,000,000	599,000,000	27.99
128498		Leab Khlong Song Nam Chonlahan Pijit Road,	PD4						
128499		Bang Pla, Bang Phli, Samut Prakan	PD5						
128500			PD6						
3572			PD7						
<b>Total investments in properties</b>				<b>2,241,518,751</b>	<b>2,406,718,751</b>	<b>96.76</b>	<b>2,140,000,000</b>	<b>2,140,000,000</b>	<b>100.00</b>

The accompanying notes are integral part of the financial statements.

**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust**

**Details of investments (continued)**

**As at 31 December 2018**

**Details of investments classified by asset type**

Type of investments/ Issuer	Maturity date	Interest rate (%)	31 December 2018			31 December 2017		
			Cost	Fair value	Percentage of	Cost	Fair value	Percentage of
			(Baht)	(Baht)	investment (%)	(Baht)	(Baht)	investment (%)
<b>Investments in securities</b>								
<b>Debenture</b>								
Krungsriayudhya Card Company Limited	14 March 2019	1.60	48,999,796	48,999,796	1.97	-	-	-
Bank of Ayudhya Public Company Limited	1 March 2019	1.86	20,006,144	20,006,144	0.80	-	-	-
<b>Total debenture</b>			69,005,940	69,005,940	2.77	-	-	-
<b>Investment units</b>								
Phatra Fixed Income Plus Fund			11,687,620	11,700,576	0.47	-	-	-
<b>Total investment units</b>			11,687,620	11,700,576	0.47	-	-	-
<b>Total investments in securities</b>			80,693,560	80,706,516	3.24	-	-	-
<b>Total investments</b>			2,322,212,311	2,487,425,267	100.00	2,140,000,000	2,140,000,000	100.00

The accompanying notes are integral part of the financial statements.

**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust****Statement of income**

For the year ended 31 December 2018

(Unit: Baht)

		For the year ended	For the period as from
	Note	31 December 2018	22 December 2017
			(date of incorporation)
			to 31 December 2017
<b>Investment income</b>			
Rental and services income	17	175,141,298	2,808,287
Interest income	17	606,839	72,003
Other income		-	300
<b>Total income</b>		<b>175,748,137</b>	<b>2,880,590</b>
<b>Expenses</b>			
REIT Manager fee	14.1, 17	10,809,675	293,713
Trustee fee	14.2, 17	5,339,941	145,404
Registrar fee	14.3	619,510	16,973
Trust's property management fee	14.4, 17	2,284,089	36,296
Operating expenses	14.5, 17	2,810,222	48,399
Professional fee		1,604,903	407,865
Other expenses		1,905,495	257,331
Finance cost		24,916,701	407,342
<b>Total expenses</b>		<b>50,290,536</b>	<b>1,613,323</b>
<b>Net investment income</b>		<b>125,457,601</b>	<b>1,267,267</b>
<b>Gains or loss on investments</b>			
Net realised gains on investments in securities		51,017	-
Net unrealised gains on investments in securities		6,569	-
Net unrealised gains on investments in properties		165,200,000	-
<b>Total gains or loss on investments</b>		<b>165,257,586</b>	<b>-</b>
<b>Increase in net assets from operations</b>		<b>290,715,187</b>	<b>1,267,267</b>

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

**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust****Statement of changes in net assets****For the year ended 31 December 2018**

		(Unit: Baht)	
		For the year ended	For the period as from
	Note	31 December 2018	22 December 2017
		(date of incorporation)	to 31 December 2017
<b>Increase in net assets from operations</b>			
Net investment income		125,457,601	1,267,267
Net realised gains on investments in securities		51,017	-
Net unrealised gains on investments in securities		6,569	-
Net unrealised gains on investments in properties		165,200,000	-
<b>Increase in net assets from operations</b>		<b>290,715,187</b>	<b>1,267,267</b>
Cash received from unitholders	11	-	1,550,000,000
Distribution to unitholders	13	(88,179,500)	-
<b>Increase in net assets during year/period</b>		<b>202,535,687</b>	<b>1,551,267,267</b>
Net assets at the beginning of year/period		1,551,267,267	-
<b>Net assets at the end of year/period</b>		<b>1,753,802,954</b>	<b>1,551,267,267</b>

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

**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust**

**Statement of cash flows**

**For the year ended 31 December 2018**

(Unit: Baht)

	For the year ended 31 December 2018	For the period as from 22 December 2017 (date of incorporation) to 31 December 2017
<b>Cash flows from operating activities</b>		
Increase in net assets from operations	290,715,187	1,267,267
Adjustments to reconcile increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchases of investments in properties	(101,518,751)	(2,140,000,000)
Purchases of investments in securities	(349,493,920)	-
Sales of investments in securities	269,018,266	-
Recognition of amortisation of discount on investment in securities	(173,276)	-
Finance cost	24,916,701	407,342
(Increase) decrease in receivables from rental and services	2,432,248	(2,743,857)
Increase in receivables from interest	(351,981)	(7,588)
(Increase) decrease in receivables from revenue department	14,023,466	(15,078,000)
Increase in other assets	(7,914,029)	(131,153)
Increase (decrease) in other payables	(98,504,573)	100,739,421
Increase in accrued expenses	6,067,640	953,973
Increase in lease deposit received and guarantee from lease	5,359,984	50,220,500
Net realised gains on investments in securities	(51,017)	-
Net unrealised gains on investments in securities	(6,569)	-
Net unrealised gains on investments in properties	(165,200,000)	-
<b>Net cash flows used in operating activities</b>	<b>(110,680,624)</b>	<b>(2,004,372,095)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of investment trusts	-	1,550,000,000
Cash received from long-term loans	108,000,000	590,000,000
Distribution to unitholders	(88,179,500)	-
Interest expenses	(24,915,780)	-
<b>Net cash flows provided by (used in) financing activities</b>	<b>(5,095,280)</b>	<b>2,140,000,000</b>
<b>Net increase (decrease) in cash and cash at banks</b>	<b>(115,775,904)</b>	<b>135,627,905</b>
Cash and cash at banks at the beginning of year/period	135,627,905	-
<b>Cash and cash at banks at the end of year/period (Note 8)</b>	<b>19,852,001</b>	<b>135,627,905</b>

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

**AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust**

**Significant financial information**

**For the year ended 31 December 2018**

(Unit: Baht)

	For the year ended 31 December 2018	For the period as from 22 December 2017 (date of incorporation) to 31 December 2017
<b>Operating performance information (per unit)</b>		
Net asset value at the beginning of year/period	10.0081	-
Income from investing activities		
Net investment income	0.8094	0.0081
Net realised gains on investments in securities	0.0003	-
Net unrealised gains on investments in securities	0.0001	-
Net unrealised gains on investments in properties	1.0658	-
Total income from investing activities	1.8756	0.0081
Add: Increase in capital from unitholders	-	10.0000
Less: Distribution to unitholders	(0.5689)	-
Net asset value at the end of year/period	11.3148	10.0081

**Ratio of net increase in net assets from operations to**

**average net assets during the year/period (%)**

17.75

0.08

**Significant financial ratios and additional significant information**

Net assets at the end of year/period (Baht)	1,753,802,954	1,551,267,267
Ratio of total expenses to average net assets during the year/period (%)	3.07	0.11
Ratio of total investment income to average net assets during the year/period (%)	10.73	0.19
Ratio of weighted average investment purchases and sales during the year/period to average net assets during the year/period (%)*	6.22	82.77
Average net assets during the year/period (Baht)	1,637,955,117	1,551,267,267

\* Weighted average investment trading volumes are computed based on the weighted average value of investments in each category outstanding at end of the year/period excluding cash at banks.

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

## **AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust**

### **Notes to financial statements**

**For the year ended 31 December 2018**

#### **1. Description of AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust**

AIM Industrial Growth Freehold and Leasehold Real Estate Investment Trust (“the Trust”) is a real estate investment trust established under the Trust for Transaction in Capital Market Act, B.E.2550 in accordance with the Trust Deed signed on 22 December 2017 between AIM REIT Management Company Limited as the Trust Settlor and SCB Asset Management Company Limited as the Trustee. The Trust was established as a specific closed-end real estate investment trust with an indefinite term. The Trust’s objectives are to mobilize funds raised from investors and loans from financial institutions to invest in the freehold or leasehold right of the immovable assets (including sub-leasehold right of immovable assets) and movable assets which are component parts and equipment of aforesaid immovable assets. The Trust initially invested in freehold right of land, cold storage buildings and cold storage movable assets in Pacific Cold Storage project and JWD Pacific project and invest in freehold right of land and warehouses in Datasafe project and TIP 7 project. Subsequently, the Trust made additional investments in freehold right of cold storage buildings and cold storage movable assets in JWD Pacific project (expansion area).

The Stock Exchange of Thailand (“SET”) approved the listing of the Trust’s investment trusts and permitted their trading from 9 January 2018 onwards.

AIM REIT Management Company Limited acts as REIT Manager, SCB Asset Management Company Limited acts as Trustee and Ngarn Somboon Company Limited acts as Property Manager of TIP 7 project.

During 2018, The Extraordinary General Meeting of Trust unitholders held on 29 November 2018 approved additional investment in freehold and leasehold properties not exceeding Baht 4,300 million by offering additional trust units and obtaining long-term loans. At present, REIT Manager is in process of request approval for investment and offering additional trust units from the Securities and Exchange Commission.

## **2. Distribution policy**

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

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

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

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

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

## **3. Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and in accordance with the regulations and format specified in Thai Accounting Standard No. 106 "Accounting for Investment Business".

The financial statements in Thai language are the official statutory financial statements of the Trust. The financial statements in English language have been translated from the Thai language financial statements.



The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

#### 4. New financial reporting standards

##### a) Financial reporting standards that became effective in the current year

During the year, the Trust have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Trust' financial statements.

##### b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

REIT Manager believes that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

##### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related Interpretations.

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

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

REIT Manager believes that this standard will not have any significant impact on the financial statements when it is initially applied.

**c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020**

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Trust's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The Trust is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## **5. Significant accounting policies**

### **5.1 Revenues and expenses**

Rental and services income from investment properties is recognised in the statement of income on a straight-line basis over the term of the lease.

Interest income is recognised on an accrual basis based on the effective rate.

Expenses are recorded on an accrual basis.

### **5.2 Measurement of investments**

Investments are recognised as assets at cost on the date which the Trust has rights on investments.

Cost of investments comprises the purchase prices paid by the Trust in order to acquire such investments.

#### **Investments in properties**

Investment in properties are presented at fair value without depreciation.

REIT Manager determined their fair values of such investment as at the first accounting period using the acquisition cost of investments. Subsequently, fair value of such investments will be based on the appraisal value assessed by an independent appraiser approved by the Thai Valuers Association and the Valuers Association of Thailand (Pursuant to the Notification of the Securities and Exchange Commission concerning the granting of approval of valuation companies and principle valuers for public use).

Gain or loss on measurement of such investments are presented as net unrealised gain or loss in the statement of income.

#### **Investments in securities**

Investments in marketable debt securities which can be freely traded on an open market are presented at their fair value, based on the latest yield rate quoted by the Thai Bond Market Association as of the date on which the investments are valued. The fair value of investments which cannot be freely traded on an open market is based on the yield rate as quoted by a market maker which the Trust Manager considers to be the nearest equivalent to fair value.

### 5.3 Receivables from rental and services

Receivables from rental and services are stated at the net realisable value. The allowance for doubtful accounts is assessed primarily on analysis of payment histories, debtor aging and future expectations of customer payments.

### 5.4 Related party transactions

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

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

The relationships of related parties are as follows:

<b>Related parties</b>	<b>Relationship</b>
JWD InfoLogistics Public Company Limited	Major unitholder (Holds 10% of total trust units)
AIM REIT Management Company Limited	REIT Manager
Ngarn Somboon Company Limited	Property Manager of TIP 7 project
Tip Holding Company Limited	Related parties of Property Manager of TIP 7 project
SCB Asset Management Company Limited	Trustee
The Siam Commercial Bank Public Company Limited	Parent company of Trustee
Pacific Cold Storage Company Limited	Subsidiary company of major unitholder
JWD Pacific Company Limited	Subsidiary company of major unitholder
Datasafe Company Limited	Subsidiary company of major unitholder

### 5.5 Distribution to unitholders

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

### 5.6 Income tax

The Trust has no corporate income tax liability since it is exempted from corporate income tax in Thailand.

## **5.7 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Trust applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Trust measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Trust determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **6. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires REIT Manager to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Fair value of investments in properties**

As at the balance sheet date, the Trust measured value of investments in properties at fair value. The fair value is estimated based on investment cost for the first period ended and appraisal value which appraised by independent appraiser and/or financial adviser for other subsequent years. The independent appraiser/financial adviser value the investments using the income approach because they are revenue generated assets and there is no direct market price that could be used to apply a comparative approach. The key assumptions

used in estimating the fair value are occupancy rate, discount rate, rental rate, capitalisation rate and rental's growth rate.

#### **Allowance for doubtful accounts**

In determining an allowance for doubtful accounts, REIT Manager needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

#### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the balance sheet that are not actively traded and for which quoted market prices are not readily available, REIT Manager exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the balance sheet and disclosures of fair value hierarchy.

### **7. Investments in properties**

Investments in properties as at 31 December 2018 and 2017 are as follow:

(Unit: Thousand Baht)

	31 December 2018		31 December 2017	
	Cost <sup>(1)</sup>	Fair value	Cost <sup>(1)</sup>	Fair value
Pacific Cold Storage project	804,700	936,200	804,700	804,700
JWD Pacific project	544,200	542,900	544,200	544,200
Datasafe project	192,100	198,100	192,100	192,100
TIP 7 project	599,000	628,000	599,000	599,000
JWD Pacific project (expansion area)	101,519	101,519	-	-
<b>Investments in properties</b>	<b>2,241,519</b>	<b>2,406,719</b>	<b>2,140,000</b>	<b>2,140,000</b>

<sup>(1)</sup> Amount made payment on 26 December 2017 except that amount made payment on 21 December 2018 of JWD Pacific project (expansion area).

Reconciliation of book value of investments in properties are as follows:

	(Unit: Thousand Baht)	
	For the year ended	For the period as from
	31 December 2018	22 December 2017
		(date of incorporation) to
		31 December 2017
Carrying amount at beginning of year/period	2,140,000	-
Purchase of investment in properties	101,519	2,140,000
Net unrealised gain on revaluation of investments in properties	165,200	-
Carrying amount at end of year/period	<u>2,406,719</u>	<u>2,140,000</u>

As at 31 December 2018, the Trust estimated fair value of investments in properties acquired in December 2018 amounting to Baht 2,305 million (cost of Baht 2,140 million) which has determined based on appraisal value appraised by an accredited independent valuer, using the income approach. The main assumptions used in the valuation are occupancy rate, rental rate, discount rate, growth rate, capitalization rate and other related expenses. For the fair value of additional investments in properties of JWD Pacific project (expansion area) amounting to Baht 102 million, the Trust estimated its fair value equivalent to an acquisition cost on 21 December 2018. REIT Manager believed that this represented the best estimation of the fair value because it was the latest exchange transaction, which incurred close to the period end date.

As at 31 December 2017, the Trust estimated fair value of initial investments in properties equivalent to an acquisition cost on 26 December 2017. REIT Manager believed that this represented the best estimation of the fair value because it was the latest exchange transaction, which incurred close to the period end date.

Key assumption used in the valuation of assets assessed under Income Approach and their related impact to fair value of investment in properties when assumptions change are summarised below:

	Assumptions	Impact to fair value when there is an increase in assumption value
Occupancy rate (%)	95.00 - 100.00	Increase in fair value
Growth rate (%)	0.00 - 5.00	Increase in fair value
Discount rate (%)	9.00	Decrease in fair value



Capitalization rate (%)

6.50

Decrease in fair value

## 7.1 Information of investment in properties

On 26 December 2017, the Trust entered into the following sale and purchase agreements to acquire investment totaling Baht 2,140 million which consists of

a) Pacific Cold Storage project

The Trust invested in freehold right of land, cold storage building and cold storage movable assets in Pacific Cold Storage project which is located in Samut Sakhon.

b) JWD Pacific project

The Trust invested in freehold right of land, cold storage building and cold storage movable assets in JWD Pacific project which is located in Chachoengsao.

c) Datasafe project

The Trust invested in freehold right of land and warehouses in Datasafe project which is located in Chachoengsao.

d) TIP 7 project

The Trust invested in freehold right of land and warehouses in TIP 7 project which is located in Samut Prakan.

On 21 December 2018, the Trust acquired investments in properties of JWD Pacific project (expansion area) totaling Baht 102 million (including other direct expenses). The Trust invested in freehold right of a cold storage building and cold storage movable assets. It is located on Suwinthawong Road, Khlong Nakhon Nueang Khet, Mueang Chachoengsao, Chachoengsao, with the area of approximately 2,708 square meters of building leasable areas.

The Trust invested in investments in properties totaling Baht 102 million accounts for 6.20 of the average net asset value of the financial statement for the year ended 31 December 2018. Such investments in properties were raised fund from loans from financial institutions.

The Trust invested in investments in properties totaling Baht 2,140 million accounts for 138% of the average net asset value of the financial statement for the period as from 22 December 2017 (date of incorporation) to 31 December 2017. Such investments in properties were raised fund from investors totaling Baht 1,550 million and loans from financial institutions totaling Baht 590 million.

Land and building of Pacific Cold Storage project, JWD Pacific project (including expansion area) and TIP 7 have been mortgaged to secure borrowing facilities from financial institutions, as mentioned in Note 10.

## 7.2 The details of leasing for immovable and movable assets as at 31 December 2018

Project	Lessee	Lease period (year)	Lease period end
Pacific Cold Storage project	Pacific Cold Storage Company Limited	10	2027 <sup>(1)</sup>
JWD Pacific project	JWD Pacific Company Limited	10	2027 <sup>(1)</sup>
Datasafe project	Datasafe Company Limited	10	2027
TIP 7 project	5 Retail lessees	3	2019 - 2021 <sup>(2)</sup>
JWD Pacific project (expansion area)	JWD Pacific Company Limited	9	2027 <sup>(1)</sup>

<sup>(1)</sup> The Trust has the right to renew the lease agreement twice for a period of 10 years each.

<sup>(2)</sup> The Trust has the right to renew the lease agreement with a lessee once for a period of 3 years.

## 7.3 Investments in securities trading information

The Trust's investment trading transactions during the year, excluding investments in bank deposit and promissory notes, amounted to Baht 392 million which were 23.93% of average net assets during the year (for the period as from 22 December 2017 (date of incorporation) to 31 December 2017: none).

## 8. Cash and cash at banks

As at 31 December 2018 and 2017, the Trust has the details of cash and cash at banks as follows:

	31 December 2018		31 December 2017	
	Balance	Interest rate	Balance	Interest rate
	(Thousand Baht)	per annum (%)	(Thousand Baht)	per annum (%)
Cash at Banks				
Savings accounts				
The Siam Commercial Bank				
Public Company Limited	19,852	0.375	135,628	0.375
Cash and cash at banks	19,852		135,628	

## 9. Receivables from rental and services

The outstanding balances of receivables as at 31 December 2018 and 2017 are aged on the basis of due dates as follows:

	(Unit: Thousand Baht)	
Age of receivables	31 December 2018	31 December 2017
Past due up to 3 months	312	2,744
Receivables from rental and services	312	2,744

## 10. Long-term loans

	(Unit: Thousand Baht)	
	31 December 2018	31 December 2017
Long-term loans from financial institutions	698,000	590,000
Long-term loans	698,000	590,000

On 26 December 2017, the Trust borrowed Baht 590 million from a financial institution. The loans carry interest at MLR minus fixed rate per annum with monthly interest payment. The principal repayment of loan is due at the maturity date in 5 years.

On 17 December 2018, the Trust borrowed Baht 108 million from a financial institution. The loans carry interest at MLR minus fixed rate per annum with monthly interest payment. The principal repayment of loan is due at the maturity date in 4 years.

The loans are secured by the mortgage of land and building as described in Note 7.

The loan agreements contain covenants which, among other things, require the Trust to maintain financial ratios such as Interest Bearing Debt to Total Asset Value Ratio and Interest Bearing Debt to EBITDA Ratio.

## 11. Unitholders' equity

On 22 December 2017, REIT Manager established the Trust with a registered capital of Baht 1,550 million, consisting of 155 million units with a par value of Baht 10 each. The Trust called up and received payment for all of these trust units.

## 12. Retained earnings

	For the year ended 31 December 2018	(Unit: Thousand Baht) For the period as from 22 December 2017 to (date of incorporation) 31 December 2017
Accumulated net investment income	1,267	-
Retained earnings at the beginning of year/period	1,267	-
Add: Increase in net assets resulting from operations	290,715	1,267
Less: Distribution to unitholders	(88,179)	-
Retained earnings at the end of year/period	<u>203,803</u>	<u>1,267</u>

## 13. Distribution to unitholders

Distribution paid during the year ended 31 December 2018, as follows:

Approved date	The operation for the period	Per unit (Baht)	Total (Thousand Baht)
14 May 2018	Retained earnings from 22 December 2017 (date of incorporation) to 31 March 2018	0.1926	29,853
7 August 2018	The operation result for the period as from 1 April 2018 to 30 June 2018	0.1861	28,845
5 November 2018	The operation result for the period as from 1 July 2018 to 30 September 2018	0.1902	29,481
			<u>88,179</u>

## **14. Expenses**

### **14.1 REIT Manager fee**

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

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

### **14.2 Trustee's fee**

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

### **14.3 Registrar's fee**

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

### **14.4 Trust's property management fee**

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

- (1) A property management fee, paid monthly and calculated at a rate not exceeding 2.75% per annum on the Trust's net revenue from rent and service.
- (2) A incentive fee, paid monthly and calculated at a rate not exceeding 4.00% per annum on profit from operation of core assets of the Trust.
- (3) A commission fee from renewal of the rental and service agreement by retail tenants and provision of new retail tenants for vacant units, calculated not exceeding 1 month rental and service fee as specified in the rental and services agreement receivable from retail tenants.

#### **14.5 Operating expenses**

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

#### **15. Payment guarantee on rental fee**

Payment guarantee for Pacific Cold Storage project, JWD Pacific project, Datasafe project and JWD Pacific project (expansion area).

JWD InfoLogistics Public Company Limited agrees to be bound as a guarantor of income that the Trust will receive from lessee and as a joint debtor of lessee based on credit limit and period specified in rental and service agreement and action agreement. Over the lease period, if the lessee under lease agreement does not make payment for rental fee or does not make full payment for rental fee as specified in the agreement, JWD InfoLogistics Public Company Limited agrees to make payment for such undue rental fee or partial rental fee until the Trust receive full payment as specified in the agreement.

#### **16. Risk management on rental and service fee**

Tip Holding Company Limited agrees to pay for the deficit portion of the annual rental and service fee to the Trust on a quarterly basis if actual rental and service fee of the initial assets of the Trust in TIP 7 project is lower than expected fee for over 3 years starting from the date of ownership transfer (ending in December 2020) as specified in the agreement.

#### **17. Related party transactions**

During the year/period, the Trust had significant business transactions with its related parties, which have been agreed upon in the ordinary course of business between the Trust and its related parties. The pricing policies and amount for particular type of transactions are as follows:

(Unit: Thousand Baht)

	For the year ended 31 December 2018	For the period as from 22 December 2017 to (date of incorporation) 31 December 2017	Transfer Pricing Policy
<b>Transactions with related parties</b>			
Rental and services income	131,120	2,808	Contract price
Interest income	61	72	Market rate
REIT Manager fee			
Base fee	10,810	294	As detailed in Note 14.1
Trustee fee	5,340	145	As detailed in Note 14.2
Trust's property management fee			
Property management fee	926	15	As detailed in Note 14.4
Incentive fee	1,358	21	As detailed in Note 14.4
Operating expenses			
Common area fee	2,220	36	As detailed in Note 14.5

As at 31 December 2018 and 2017, the Trust has the following significant outstanding balances with its related parties as follows:

(Unit: Thousand Baht)

	31 December 2018	31 December 2017
<b>Cash at banks</b>		
Related companies	19,852	135,628
<b>Receivables from rental and services</b>		
Related companies	312	2,744
<b>Receivables from interest</b>		
Related companies	1	8
<b>Other payables</b>		
Related companies	1,908	60,687
<b>Accrued expenses</b>		
Related companies	3,856	484
<b>Lease deposit received and guarantee from lease</b>		
Related companies	45,275	39,916

## **18. Commitments**

- 18.1 The Trust is committed to pay fees to counterparties under the terms and conditions as described in Note 14.
- 18.2 As at 31 December 2018, the Trust has a commitment in respect of payments of Baht 0.2 million during the year, in accordance with the services agreement (31 December 2017: Baht 0.2 million).
- 18.3 The Trust is committed to deliver net investment income which incurred from lease deposit received and guarantee from lease due from related parties as stated in Note 17 to lessees and a party at the same amount the Trust received. As at 31 December 2018, the Trust has outstanding payable of Baht 0.6 million (31 December 2017: None).
- 18.4 Under the lease agreement, the Trust has obligation to reserve fund for repair and maintenance to be paid for the cold storage buildings of Pacific Cold Storage project, JWD Pacific project and JWD Pacific project (expansion area). The Trust will reserve fund starting from 2019 onwards.

Summary of the obligation are as follows.

- (1) If the actual cost exceeds the reserve for repair and maintenance including the remaining fund from previous years, the lessee agrees to be responsible for the exceed amount of fund for repair and maintenance including such remaining fund.
- (2) If the actual cost is less than the reserve for repair and maintenance, the Trust will carry on the remaining fund for repair and maintenance for the following years.
- (3) When the term of the lease ends or lease period has been renewed, or termination of the lease due to default of the tenant, the Trust agrees to return the remaining fund for repair and maintenance (after deduction of the actual expenses incurred during the effective period of contract).
- (4) In case of termination of lease due to default of the tenant as specified on lease agreement, the lessee agrees to pay the remaining amount of fund for repair and maintenance from the date of the lease agreement expire to the lease term expire or the lease term has been renewed.

## **19. 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 service on the properties 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.

During the year, the Trust has revenue from 2 major customers in amounts of Baht 117 million, arising from investment properties (from 22 December 2017 to (date of incorporation) 31 December 2017: two major customers in amounts of Baht 2 million).

## 20. Financial instruments

### 20.1 Financial risk management

The Trust's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise investments in securities, cash and cash at banks, receivables from rental and services, and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### Interest rate risk

The Trust's exposure to interest rate risk relates primarily to its investments in securities, cash and cash at banks and long-term loans. However, most of the Trust's financial assets and liabilities bear floating interest rates and mature in short period, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

(Unit: Million Baht)

	As at 31 December 2018				
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
<b>Financial assets</b>					
Investments in securities	69	-	12	81	1.60 - 1.86
Cash and cash at banks	-	20	-	20	0.375
<b>Financial liabilities</b>					
Long-term loans	-	698	-	698	MLR - fixed rate

(Unit: Million Baht)

As at 31 December 2017

	Fixed			Total	Interest rate (% p.a.)
	interest rates within 1 year	Floating interest rate	Non-interest bearing		
<b>Financial assets</b>					
Cash and cash at banks	-	136	-	136	0.375
<b>Financial liabilities</b>					
Long-term loans	-	590	-	590	MLR - fixed rate

**Credit risk**

The Trust is exposed to credit risk primarily with respect to receivables from rental and services, cash and cash at banks and investment in securities. REIT manager manages the risk by requiring its customers to pay rental and services fees in advance and adopting appropriate credit control policies and procedures and therefore the Trust does not expect to incur material credit losses. In addition, the Trust is entitled from payment guarantee on rental fee and risk management on rental and service fee as described in Note 15 and 16. The maximum exposure to credit risk is limited to the carrying amounts of receivables from rental and services cash and cash at banks and investment in securities as stated in the balance sheet.

**20.2 Fair value of financial instruments**

The fair value is determined by reference to the market price of the financial instruments or by using an appropriate valuation technique, depending on the nature of the instrument.

Since the majority of the Trust's financial instruments are short-term in nature and long-term loans bear floating interest rate, the Trust estimates their fair value approximate to their carrying value presented in the balance sheet.

**21. Fair value hierarchy**

As at 31 December 2018 and 2017, the Trust had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2018			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investments in properties	-	-	2,407	2,407
Investments in securities	-	81	-	81

(Unit: Million Baht)

	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Investments in properties	-	-	2,140	2,140

Investment in properties is estimated their fair value as described in Note 7. Investment in securities is estimated their fair value based on the latest yield rate quoted by the Thai Bond Market Association as of the date on which the investments are valued. The fair value of investments which cannot be freely traded on an open market is based on the yield rate as quoted by a market maker which the Trust Manager considers to be the nearest equivalent to fair value.

## 22. Capital management

The primary objectives of the Trust's capital management are to maintain its ability to continue as a going concern and to maintain an appropriate capital structure in order to pay distribution for unitholders in accordance with the Trust's establishment condition.

## 23. Events after the reporting period

At the Board of Directors Meeting of REIT Manager No. 1/2019 held on 26 February 2019, the Board of Directors has passed resolutions approved the appropriation of distribution of Baht 0.1985 per unit which will be paid from operation period for the period as from 1 October 2018 to 31 December 2018. The distribution will be paid on 22 March 2019.

## 24. Approval of financial statements

These financial statements were authorised for issue by REIT Manager Board of Directors on 26 February 2019.