

KPN REIT



ANNUAL REPORT 2024

KPN Real Estate Investment Trust

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Financial Statement

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Summary of KPNREIT

Name of REIT (Thai)	ทรัสต์เพื่อการลงทุนในอสังหาริมทรัพย์เคพีเอ็น
Name of REIT (English)	KPN Real Estate Investment Trust
Abbreviation	KPNREIT
REIT Manager	Blue Whale Assets Company Limited
Trustee	The Siam Commercial Mutual Fund Management Securities Company Limited
Auditor	SP AUDIT CO., LTD.
REIT Establishment Date and Approval Date	13 December 2024

Capital Structure as of 31 December 2024

Total Assets	THB 1,715.75 million	Market Cap	THB 500.40 million
Total Liabilities	THB 30.43 million	Closing Price as of 30 Dec 2024	2.78 THB per unit
Equity	THB 1,685.32 million	Paid-up Capital	THB 1,683,648,000
Borrowings	THB 1.67 million	No. Of Trust Units	180,000,000 Units
NAV per Unit	9.3629 THB per unit	PAR Value	9.3536 THB per unit
NAV	THB 1,685,324,237.28	Price/NAV	0.2969 time
REIT Establishment Date	13 December 2024	WALE (Year) ¹	0

Note: ¹ Ownership in land and KPN Tower office building

Investment Proportion



Appraisal Report

Key assets	Ownership in land and KPN Tower office building, including utility systems, related components and equipment
Market Value by Appraisal	THB 1,620.00 million
Assets Appraisers	KNIGHT FRANK CHARTERED (THAILAND) CO., LTD.



Appraisal Report
dated 20 Dec 2024

List of the top 5 trust unitholders as of 30 December 2022

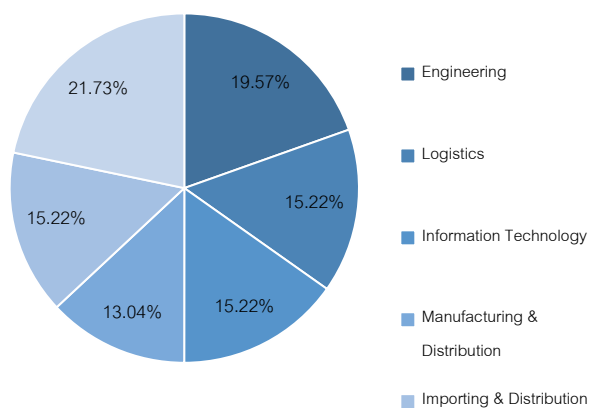
List of the trust unitholders		Unit	%
1.	Social Security Office	37,948,100	21.08
2.	MR. KRIS NARONGDEJ	29,611,700	16.45
3.	Muang Thai Insurance Public Company Limited	12,417,200	6.89
4.	Muang Thai Life Assurance Public Company Limited	11,079,900	6.15
5.	MR. KRIT SRICHAWLA	11,000,000	6.11
Total		102,056,900	56.68
Foreign Limit			100.00
Current Foreign Holding			0.50

Dividend Payout Policy

The REIT Manager shall distribute dividends to the trust unitholders of no less than ninety percent (90%) of the adjusted net profit for each fiscal year or at the end of the accounting period during which the dividends are paid, whichever applies. The distribution will be made within ninety (90) days from the end of the fiscal year or the end of the accounting period when the distribution occurs, whichever applies. The distribution will be made to the trust unitholders no more than four (4) times per accounting period, unless the REIT increases its capital, in which case distributions may exceed four (4) times per accounting period for the benefit of existing trust unitholders. Investors can find more details in Section 3 Information on trust units and trust unitholders.

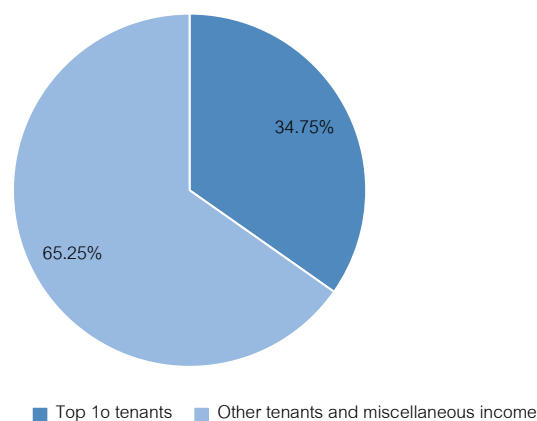
During its initial fiscal period from 13 December 2024 (Date of KPNREIT Establishment) - 31 December 2024, KPNREIT recorded a net profit of 1,674,826.26 THB, equivalent to 0.0093 THB per unit. As this falls below the 0.10 THB per unit threshold, the trust has opted to defer the distribution for this period. The accumulated benefits will instead be carried forward and included in the next scheduled quarterly distribution.

Tenant Proportion by Business Sector (Existing Main Investment Assets)



Note: as of 31 December 2024

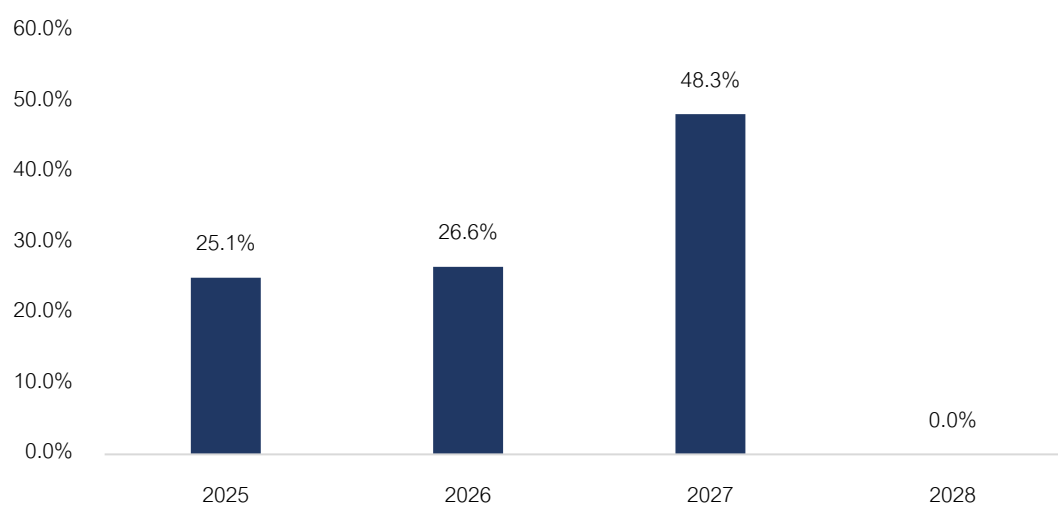
Proportion of Income Received From the Top 10 Anchor Tenants to Total Rental and Service Income



Note: as of 31 December 2024

Proportion of Leases Expiring as of 31 December 2024

WALE = 1.61 years



Note: as of 31 December 2024

Tenant Renewal Rate

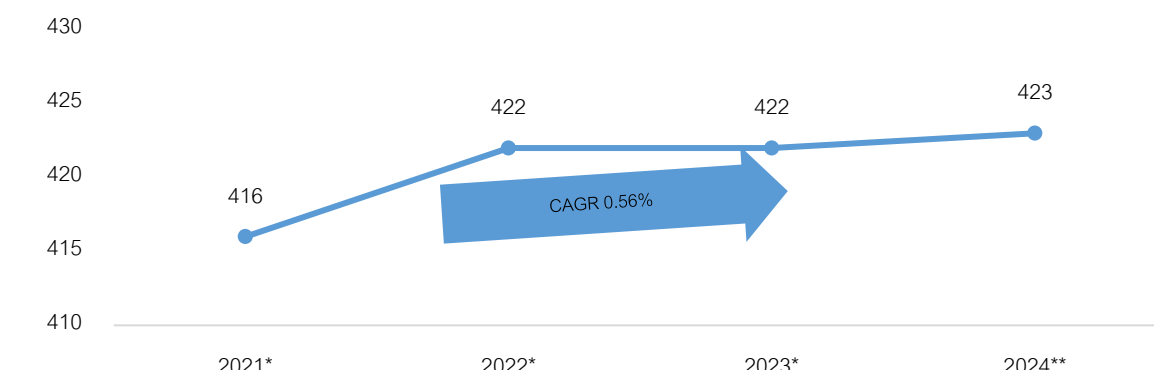
Year	2021	2022	2023	2024
Tenant Renewal Rate (%)	72.73 ^{/1}	73.08 ^{/1}	96.55 ^{/1}	95.00 ^{/2}

Note: ^{/1} information of KPNPF

^{/2} information as of year end of KPNREIT

Overview Historical Performance of KPNREIT's Main Assets

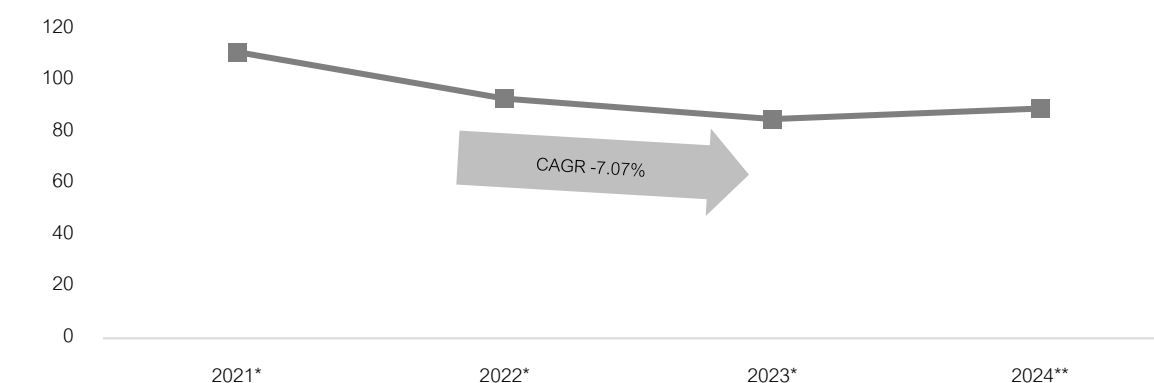
Average Rental Rate



Remark: * information of KPNPF Y2021-Y2023

**Information as of year end of KPNREIT, KPNREIT establishment date since 13 December 2024

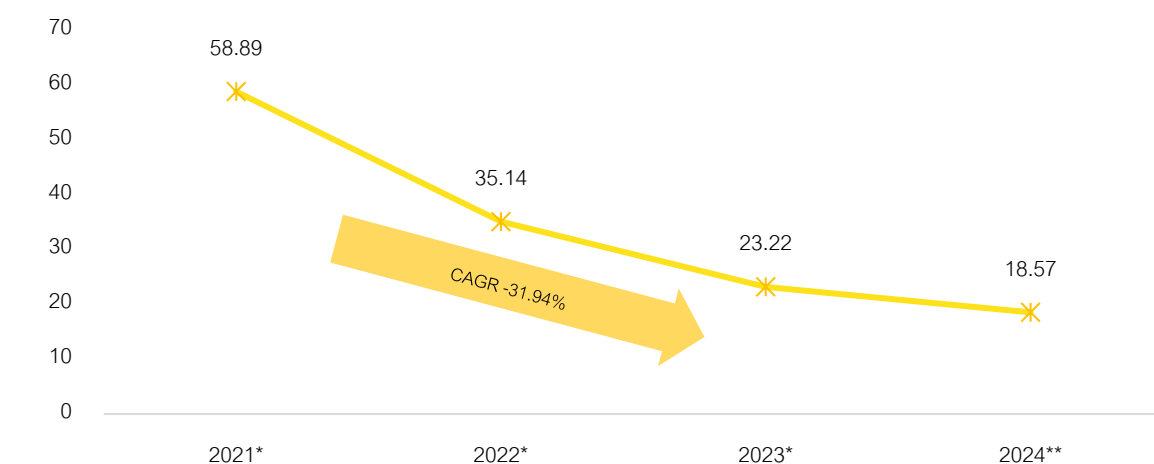
Rental and Service Income (Revenue)



Remark: * information of KPNPF Y2021-Y2023

**Information as of year end of KPNREIT, KPNREIT establishment date since 13 December 2024

Earnings before Interest Expense, Income Taxes, Depreciation and Amortization (EBITDA)



Remark: * information of KPNPF Y2021-Y2023

**Y2024 is the total of the performance of KPNPF and KPNREIT for the performance period from 13 Dec 2024 (establishment date) - 31 Dec 2024.

Key financial Information	31 December 2024
Rental and service income (million Baht)	1.83
Interest income and other income (million Baht)	2.16
Earnings before interest expense, income tax, depreciation and amortization (million Baht)	1.67
Net profit (million Baht)	1.67
Earnings per unit (Baht)	0.01
Dividend per unit (Baht)	0.00
Capital reduction (Baht per unit)	0.00
Debt-to-assets Ratio (times)	0.02
Interest cost (%)	0.00%
Cash flow from operating activities (Baht)	1.67
Cash flow from investing activities (Baht)	0.00
Cash flow from financing activities (Baht)	0.00
Net assets per unit (Baht)	9.3629
Closing price-to-net assets per unit (times)	0.2969
Dividend-to-closing price at the end of the period (%)	0.00%
Market value (million Baht)	500.40
Closing price at the end of the period (Baht)	2.78

Management Discussion and Analysis

KPNREIT was established on 13 December 2024, following the conversion of the KPN Property Fund (“KPNPF”) into KPNREIT. On 23 December 2024, KPNREIT completed the transfer of the KPN Tower project from KPNPF. As of the transfer date, KPNREIT had a net asset value of THB 1,683.65 million, equivalent to THB 9.3536 per unit. The units of KPNREIT commenced trading on the Stock Exchange of Thailand on December 27, 2024. Blue Whale Asset Co., Ltd. serves as KPNREIT Manager, SCB Asset Management Co., Ltd. serves as Trustee, and KPN Land Co., Ltd. acts as the Property Manager.

At present, KPNREIT's core investment asset is the KPN Tower office building, which is undergoing a major renovation to enhance its revenue-generating potential. In parallel, KPNREIT is actively exploring new investment opportunities to drive portfolio growth and diversify risk. KPNREIT aims to expand its investment portfolio across various real estate asset classes to broaden its revenue base. Targeted asset types for future acquisitions include warehouses, factory buildings, distribution centers, rental storage facilities, and other real estate assets that support or complement the leasing business within these categories.

STATEMENT OF FINANCIAL POSITION

Unit: Baht	13 December 2024 (Incorporation Date) – 31 December 2024
Assets	
Investments in properties at fair value	1,620.00
Cash and cash equivalents	84.97
Accounts receivable	
From rental and services	2.98
From interest	0.01
Other receivables	5.63
Other assets	2.15
Total Assets	1,715.75
Liabilities	
Accrued expenses	2.82
Rental and service received in advance	1.05
Deposits received from tenants	22.40
Other liabilities	4.16
Total Liabilities	30.43
Net Assets	1,685.32
Net asset value per unit (Baht)	9.3629

As of 31 December 2024, KPNREIT's total assets amounted to THB 1,715.75 million, primarily comprising an investment in real estate at fair value, totaling THB 1,620.00 million. The primary asset was the investment in real estate with a fair value of THB 1,620.00 million. The fair value was determined by an independent appraiser, as per the valuation report dated December 20, 2024, using the Income Approach method.

KPNREIT held cash and cash equivalents totaling THB 84.97 million, a portion of which was reserved for the major renovation of the KPN Tower scheduled for 2025. This renovation includes both exterior and interior refurbishments to enhance the building's image, meet tenant demands, and improve its competitive position.

KPNREIT's total liabilities amounted to THB 30.43 million, primarily comprising Deposits received from tenants of THB 22.40 million, accounting for 73.63% of total liabilities. KPNREIT had no outstanding long-term financial debt.

As of 31 December 2024, KPNREIT reported a net asset value (NAV) of THB 1,685.32 million, equivalent to THB 9.3629 per unit.

STATEMENT OF PROFIT AND LOSS

Unit: Baht	13 December 2024 (Incorporation Date) – 31 December 2024
Income	
Rental & Service and Other Income	3.97
Interest Income	0.01
Total Income	3.99
Expenses	
Cost of rental and service	0.65
REIT Manager fee	0.10
Trustee fee	0.10
Registrar fee	0.01
Property management fee	0.22
Professional fee	0.15
Other expenses	1.09
Total Expenses	2.31
Net Investment Income	1.67

For the period 13 December 2024 (the establishment date of KPNREIT) – 31 December 2024 KPNREIT reported total revenue of THB 3.99 million, primarily derived from rental & service and other income from the KPN Tower project, which totaled THB 3.97 million and accounted for 99.6% of total revenue.

Total expenses amounted to THB 2.31 million, with rental and service costs comprising THB 0.65 million, or 28.14% of total expenses. Other expenses totaled THB 1.09 million, including a one-time cost of THB 0.5 million related to the conversion of KPNPF into KPNREIT.

KPNREIT reported a net investment profit of THB 1.67 million, reflecting a net investment profit margin of 42.01%.

Table of Fees and Expenses charged to the REIT

Fees and Expenses	THB	% of Net Investment Income	% of NAV
REIT Manager Fee	95,981	5.73%	0.01%
Trustee Fee	98,162	5.86%	0.01%
REIT Registrar's Fee	10,646	0.64%	0.00%
Professional Fee	150,000	8.96%	0.01%
Property maintenance expenses	566,587	33.83%	0.03%
Property Manager Fees	215,035	12.84%	0.01%
Financial Advisor Fee		None	
Trust Unit Management Fee			
- The first issuance and offering of the trust units or the additional issuance and offering of trust units or the capital increase of the REIT in the future.		None	
- Sale of trust units on the stock exchange of Thailand			
Acquisition fee	None	None	None
Insurance premium	21,289	1.27%	0.00%
Related taxes	62,660	3.74%	0.00%
Advertising, public relations and sales promotion expenses	None	None	None
Any other expenses exceed 0.01% of NAV	None	None	None
Other expenses ^{/1}	1,091,756	65.19%	0.06%

Note: ^{/1}including the cost of converting the KPNPF into KPNREIT of THB 0.5 million, which is a one-time expense

Summary of Key Risk Factors

1. Risks associated with the REIT or the REIT's operations
 - 1.1 The risk that KPNREIT is in the first year of operation after being established, so there is no historical performance data that investors can refer to and consider before making an investment decision
 - 1.2 The risk arising from KPN Land Company Limited (formerly KPN Group Corporation Company Limited) investing in other assets that may compete with the KPN Tower Project business.
 - 1.3 The risk that KPNREIT may lose the REIT Manager, Property Manager, senior executive personnel and/or key individuals with expertise in procuring benefits from the assets.
 - 1.4 The risks related to insurance coverage.
 - 1.5 The risks associated with KPNREIT's borrowing of funds to invest in new assets in the future.
2. Risks associated with the ability to derive benefits from the assets.
 - 2.1 The risk of losing anchor tenants
 - 2.2 The risk arising from economic fluctuation that may impact real estate.
 - 2.3 The risk of increased competition and changes in lifestyle, which may affect tenant procurement, occupancy rates, and rental rates
 - 2.4 The risk of expropriation of land on which KPNREIT's invested assets are situated, either wholly or substantially, under the Land Expropriation Act. Such expropriation could hinder KPNREIT's ability to utilize these assets effectively and may have a detrimental impact on KPNREIT's operating results.
 - 2.5 The risk that the land on which the KPN Tower Project is located does not have direct access to Rama 9 Road (public road).
 - 2.6 The risk that certain plots of land on which the KPN Tower Project is situated may be subject to asset obligations.
 - 2.7 The risk that major renovations or repairment of the assets may affect operations of minor tenants and the adequacy of reserve funds for such improvements.
 - 2.8 The risk that KPNREIT may incur higher asset expenses
3. Risks associated with asset investment
 - 3.1 The risk of verifying asset information prior to investment
 - 3.2 The risk that the assets held by KPNREIT may incur higher asset-related expenses and operational costs. The gross profit from the assets or the value of KPNREIT's assets could be negatively affected by various factors, including the distribution of dividends to the trust unitholders.
 - 3.3 The risk that the value of the assets invested in by KPNREIT, as assessed by the asset appraisers, may not reflect the real value of the assets.
4. Risks related to regulations, laws, taxes, and general considerations.

- 4.1 The risk of changes in tax rates, duties, and fees related to asset investment and the procurement of benefits from the asset, including related laws.
- 4.2 The risk of impacts from changes in accounting standards or related laws.
- 4.3 The risk of political condition in Thailand.
- 4.4 The risk of complying with environmental laws.
5. Risks associated with investing in trust units of KPNREIT
 - 5.1 The general risks associated with investing in trust units
 - 5.2 The risk that KPNREIT's trust unit price may fluctuate after the offering.
 - 5.3 The risk that the trust unitholders may be unable to sell their trust units back.
 - 5.4 The risk of a lack of liquidity in trading trust units on the Stock Exchange of Thailand
 - 5.5 The risk regarding the ability of KPNREIT to pay dividends.
 - 5.6 The risk associated with the offering of additional trust units in a potential future capital increase (subsequent to the completion of the conversion), where the offering price per trust unit may be lower than the Net Asset Value (NAV) or the reference price of the trust units on the SET at that time.
 - 5.7 The return of capital upon dissolution of KPNREIT may be less than the amount invested by the trust unitholders.
 - 5.8 Changes in tax policies related to investing in trust units of KPNREIT.

Investors can find more details on the REIT's risk factors in Section "Risk Factors."

General Information

REIT Manager	Blue Whale Assets Company Limited
Address	No. 63, 18 th Floor, Room No. 1802, Athenee Tower Building, Witthayu Road, Lumpini Subdistrict, Pathumwan District, Bangkok
Tel.	02-625-3166
URL	http://www.kpnreit.com ^{/1}
	Remark: ^{/1} The aforementioned URL is currently under development. However, it will be available for use once the application for the Offer for Sale of Securities becomes effective.
Trustee	The Siam Commercial Mutual Fund Management Securities Company Limited
Address	No. 18, 7 th – 8 th Floor, Building 1, Siam Commercial Bank Park Plaza, Ratchadaphisek Road, Chatuchak Subdistrict, Chatuchak District, Bangkok 10900
Tel.	02-949-1500
URL	https://www.scbam.com

More information is available in the 56-REIT1 on www.sec.or.th or www.kpnreit.com

Investment Policy, Business Overview, and Procurement of Benefit

Objectives of the Project

KPNREIT was established on 13 December 2024, following the conversion of the KPN Property Fund (“KPNPF”) into KPNREIT. On 23 December 2024, KPNREIT completed the transfer of the KPN Tower project from KPNPF. As of the transfer date, KPNREIT had a net asset value of THB 1,683.65 million, equivalent to THB 9.3536 per unit. The units of KPNREIT commenced trading on the Stock Exchange of Thailand on December 27, 2024. Blue Whale Asset Co., Ltd. serves as KPNREIT Manager, SCB Asset Management Co., Ltd. serves as Trustee, and KPN Land Co., Ltd. acts as the Property Manager.

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Investment Highlights

- The main assets are strategically located, easily accessible by MRT and connected to major transportation, the convenient travel to other parts of Bangkok and Suvarnabhumi Airport.
- Stable income, supported by most tenants' leases with an average term of 3 years or more, and a variety of tenant mix.
- High growth potential from continuous improvements to serve the changing target group and maintain competitiveness.
- Opportunity to expand the investment portfolio by investing in a variety of new high-quality properties to generate additional benefits and generate stable and sustainable returns.

Investment Policy and Strategy

The REIT Manager has devised strategies and plans to enhance revenue generation and returns for unitholders, with policies and strategies for the growth of the REIT as follows:

Phase I: The strategy to enhance competitiveness and strengthen income base from the core asset (Year 2025) The strategy is directed towards enhancing the revenue-generating potential of core assets, thereby fostering a stable income foundation and bolstering operational adaptability. The REIT manager plans to acquire a new target segment with high growth potential. The objective is to enhance the diversity of the existing tenant base and achieve a balanced lease structure to reduce revenue volatility. This will involve

adjusting the proportion of tenant types to increase diversity, aligning with changes in business operations, lifestyles, and better meeting the needs of target demographics.

Phase II: Strategy for long-term growth (Years 2026 – 2029)

Strategy for Long-Term Growth and Risk Diversification (Fiscal Years 2569 – 2572):

The strategy focuses on investing in additional properties, particularly warehouses and factories, with steady rental income and growth potential. This aims to reduce the overall revenue volatility of the investment portfolio in the initial stages and create opportunities for sustainable long-term returns. The strategy aims to seek opportunities for further investment in real estate assets. Invested assets will be selected based on clear criteria, focusing on strategic locations supported by government infrastructure development and continuous development plans. Emphasis will be placed on potential assets with strong track record and potential for future income generation.

The REIT will adjust its capital structure and capital cost appropriately by blending funding from both loans and equity to invest in and improve properties, considering liquidity and risk factors associated with debt principal and interest. Upon evaluating the rationale, benefits, advantages, disadvantages, and potential risks associated with the conversion transactions, the proposer believes that the conversion is appropriate to increase growth opportunities and maximize long-term returns for unitholders.

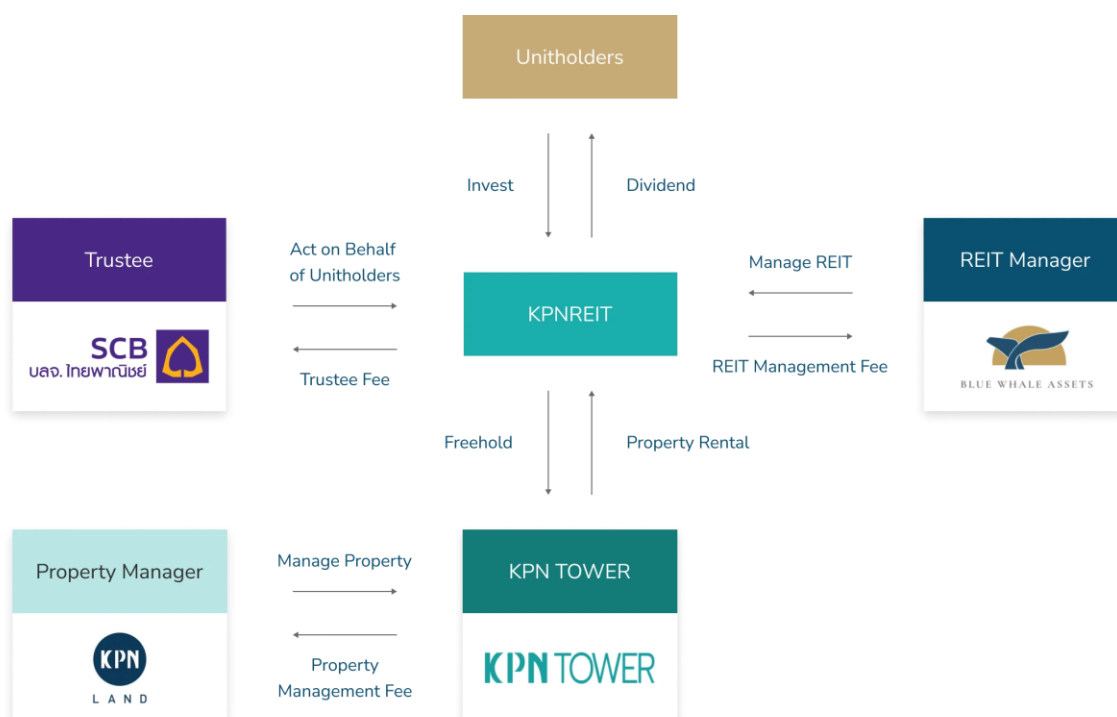
KPNREIT Key Development

KPNREIT was established on 13 December 2024, following the conversion of the KPN Property Fund (“KPNPF”) into KPNREIT, following the unit holders' meeting of KPNPF on 8 March 2567, Resolution No. 1/2567 was passed, approving the operational guidelines for the conversion and other related matters. On 23 December 2024, KPNREIT completed the transfer of the KPN Tower project from KPNPF. As of the transfer date, KPNREIT had a net asset value of THB 1,683.65 million, equivalent to THB 9.3536 per unit. The units of KPNREIT commenced trading on the Stock Exchange of Thailand on December 27, 2024. Blue Whale Asset Co., Ltd. serves as KPNREIT Manager, SCB Asset Management Co., Ltd. serves as Trustee, and KPN Land Co., Ltd. acts as the Property Manager.

Changes in the parties responsible for the management of KPNPF and KPNREIT after the conversion of KPNPF into KPNREIT as specified in the meeting invitation letter of KPNPF can be summarized as follows:

Related Parties	Property Fund	REIT
Fund Manager / REIT Manager	Kasikorn Asset Management Company Limited	Blue Whale Assets Company Limited
Trustee	TMB Thanachart Bank Public Company Limited	SCB Asset Management
Property Manager	KPN Land Co., Ltd.	KPN Land Co., Ltd.

Structure of KPNREIT



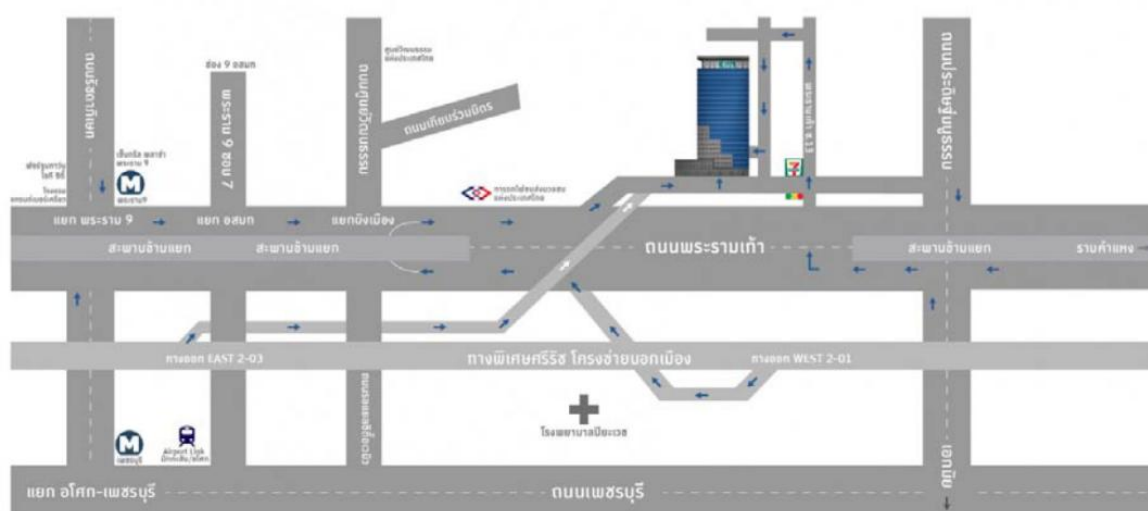
The REIT has SCB Asset Management Company Limited ("SCBAM" or "Trustee") acting as the Trustee, responsible for managing and/or monitoring the REIT Manager to comply with the Trust Deed and other relevant contracts to maximize the benefits of the trust's unitholders (the details of the duties and responsibilities of the Trustee in Part 3, Section 8.3 Trustee, and Blue Whale Assets Company Limited ("Blue Whale") acting as the REIT Manager, responsibilities to manage the REIT, including the management of the REIT's main assets and to operate in accordance with the Trust Deed (the details of the duties and responsibilities of the REIT Manager in Part 3, Section 8.1 REIT Manager).

Detail of Investment Asset

KPN Tower



Location of Property Invested In by the Fund



The KPN Tower office project is strategically located on Rama IX Road, with seamless access to major road networks and multiple expressway entrances and exits. Just 15 minutes from Suvarnabhumi Airport, the project is ideally located along the upcoming MRT Orange line, with a station only 500 meters away and set to open in 2025—offering unparalleled convenience for building users.

KPN Tower is meticulously designed to high structural and safety standards, featuring modern and comprehensive facilities tailored to accommodate the diverse needs of its tenants.

Details of Assets

Type of Investment	Ownership rights in land, office building, related utilities, fixtures and equipment
Building Name	KPN Tower
Type of Project	27-storey office building

Location	719 Rama IX Road, Bang Kapi Sub-district, Huai Khwang District, Bangkok
Age of Building	- 26 years from December 1998 - Major maintenance and renovation in 2010-2011
Title Deeds	25228 - 25235 and 4906
Total Land Area (rai)	2-2-14.7
Usable Area	59,839 m2 , comprising: - Rental area: 25,763.57 m2 - Common area: 34,075.43 m2
Area Utilization	Commercial area (shops): 1st and 7th floors Office area: 2nd –27th floors Storage area: 2nd, and U1-U2 floors Parking area: 1A –10th and U1-U2 floors Advertisement area (outside the building)
Utility Systems	Chilled-water air conditioning system 9 sets of elevators, including: - 7 passenger elevators for office building - 1 elevator for parking building - 1 freight elevator Fire protection systems, including fire alarm system along with smoke and heat detection tools; fire extinguishing system consisting of fire hose cabinet and chemical fire extinguisher; sprinkler system; evaluation system and evacuation routes in the buildings
Fund Holdings	Ownership rights in land, building and fixtures
Latest Appraised Price	THB 1,620.00 million (as of 20 Dec 2024)
Appraisal Method	Income approach with discounted cash flow
Appraiser	KNIGHT FRANK CHARTERED (THAILAND) CO., LTD.
Rental and service income during period 13 - 31 December 2024	THB 1.83 million
Investment Date	23 December 2024

Summary of the valuation report

The fair value of the KPN Tower project is equal to THB 1,620,000,000.00, by Knight Frank Chartered (Thailand) Co., Ltd., on 20 December 2024, referring to the appraisal report dated 23 December 2024.

Method	Value (million baht)
Cost Approach	1,384.00
Income Approach	1,620.00
Market Value	1,620.00

Procurement of Benefit

1. KPNREIT may seek benefits from its core assets through lease, sublease, grant of use, or provision of services similar to lease of real estate, including related services. KPNREIT may not undertake any action in a manner that KPNREIT is used to operate any other business that KPNREIT is restricted from directly operating such as the hotel or hospital, unless where KPNREIT is required to do so due to change of the lessee or during the selection of a new lessee. In such case, KPNREIT may operate such business on a temporary basis.
2. Where KPNREIT is required to temporarily operate other businesses as prescribed above, KPNREIT shall, prior such operations, disclose the report to give clarification on the cause of the change of the lessee and information on the operations of KPNREIT during the selection of a new lessee. In addition, the REIT Manager shall report the process of such operation every 6 months from the date of temporarily operating such other business until the new lessee is selected or in accordance with the relevant rules and applicable laws.
3. KPNREIT may lease or sublease real estate to a person who will use the real estate to operate the business which KPNREIT is restricted from operating such as hotel or hospital, provided that the contract must include the provisions stating that the rent must be determined in advance in a definite amount and that the rent may also be determined based on the operating result of the lessee. Such provisions shall be disclosed in the registration statement and prospectus, the annual registration statement and the annual report.
4. KPNREIT shall not lease and/or sublease real estate to a person who has reasonable cause to believe that he will use the real estate to operate immoral or illegal business. The lease contract shall include the provisions enabling KPNREIT to terminate the lease contract or the sublease contract if it appears that the lessee and/or sublessee use the real estate to operate such business.
5. The REIT Manager shall maintain and keep the core assets in good condition and fit for use for financial gain, including procuring sufficient insurance throughout the period of its investment in the core assets. Such insurance shall at least provide coverage against loss to the real estate and liability to a third party who may sustain damage from the real estate or the operation in the real estate.

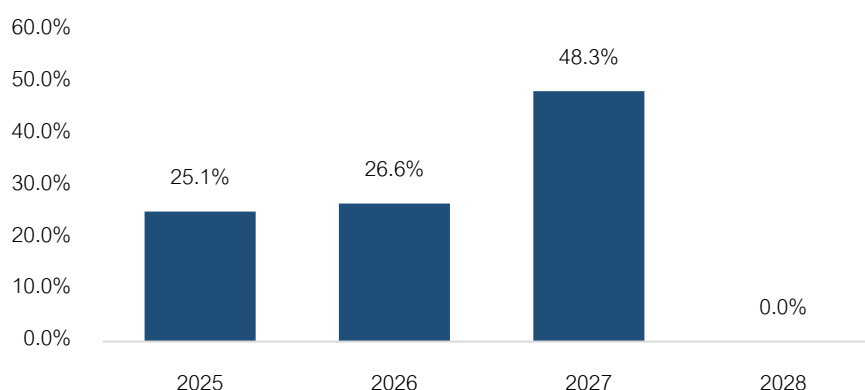
6. The management of KPNREIT shall be performed by the Trustee and the REIT Manager appointed by the Trustee under the Trust Deed with the scope of power, duties and responsibilities as shown in the Power and Duties of Trustee and REIT Manager section of the Trust Deed. In this respect, the power, duties and responsibilities of the REIT Manager shall be mainly related to the management of KPNREIT, including investment in KPNREIT's core assets and the power, duties and responsibilities of the Trustee shall be mainly related to the supervision of the performance of the REIT Manager and other designated persons (if any) to ensure compliance with the Trust Deed and the securities law, and the maintenance of KPNREIT's assets. In the event that KPNREIT invests in other assets than the core assets, the management of investment in such other assets shall be performed by the Trustee, the REIT Manager or any other person designated by the Trustee or the REIT Manager, in accordance with the Trust Deed and any other related agreement. In the event that the Trustee desires to make any amendment to any term or condition in the contract relating to the seeking of benefits from the core assets and/or other assets, it may do so only upon a mutual agreement with the REIT manager. In the event that a mutual agreement cannot be reached, both parties shall reserve the right to convene a unitholders' meeting to find the solution. The REIT Manager shall convene the unitholders' meeting in accordance with the procedures for requesting for a resolution of, and convening, the unitholders' meeting as stated in the Trust Deed.

Items	13 December (Establishment Date) - 31 December 2024
Total Income (THB million)	3.99
Total Expenses (THB million)	2.31
Net Investment Income (THB million)	1.67
Occupancy rate ^{/1}	45.7%
ARR (THN/Sq.m.)	423

Note: ^{/1} as of 31 December 2024

Proportion of Leases Expiring as of 31 December 2024

WALE = 1.61 years



Note: as of 31 December 2024

Top 10 tenants

No.	Name	Proportion of rental and service income	Type
1	GIVAUDAN (THAILAND) CO., LTD.	8.1%	Wholesale
2	IRC TECHNOLOGIES LIMITED.	6.2%	Wholesale
3	NORDSON (THAILAND) LTD.	4.9%	Wholesale
4	JOHNSON CONTROLS-HITACHI AIR CONDITIONING (THAILAND) COMPANY LIMITED	4.3%	Manufacturing
5	ACA PACIFIC GROUP CO., LTD.	3.2%	Technology
6	THE VALUATION & CONSULTANTS CO., LTD.	3.0%	Consultant
7	APOLLO TYRES (THAILAND) COMPANY LIMITED	2.8%	Manufacturing
8	DAIHEN ELECTRIC CO., LTD.	2.8%	Manufacturing
9	FIRST ONE SYSTEMS COMPANY LIMITED	2.8%	Wholesale
10	UNITED BUSINESS SOLUTIONS LIMITED	2.6%	Consultant

Note: as of 31 December 2024

Detail of tenants (Related Parties)

In 2024, KPN Group rented 2.6% of the total office space rented at the end of 2024. The rental and service rates of KPN Group are reasonable and in line with market rental rates, as follows:

Tenant	Sqm.	%
KPN Land	402	3.5
Other tenants	11,224	96.5
Total	11,626	100.0

PROPERTY MANAGER



KPNREIT has appointed KPN Land Co., Ltd. (KPN LAND) as property manager to manage KPN Tower project under the property management agreement, following the conversion of KPN Property Fund (KPNPF). With over 20 years of experience, KPN LAND specializes in managing diverse real estate projects, including residential, office, and commercial spaces, supported by an efficient management system. Having managed the KPN Tower from construction to completion, KPN Land possesses deep operational knowledge of the building and builds a strong network of quality tenants across various industries.

Information of Property Manager

Company Name	KPN Land Co.,Ltd.
Address	719 KPN Tower, Rama 9 Road, Bangkapi, Huakwang, Bangkok
Company Registration	0105535140197
Tel.	02-717-0111
Fax	02-717-0875
Registered capital	800,000,000 Baht
Paid-up capital	800,000,000 Baht
Number of issued and paid-up shares	8,000,000 ordinary shares
Name of directors	1. Mr. Kris Narongdej 2. Mr. Korn Narongdej
Authorized directors	Mr.Kris Narongdej jointly sign together with another director with the company seal

Shareholder of Property Manager as of 31 December 2024

	Name	Number of shares held	%
1	KPN Holding Co.,Ltd	7,999,996	100.00
2	Mr. Kris Narongdej	1	0.00
3	Mr. Nop Narongdej	1	0.00
4	Mr. Korn Narongdej	1	0.00
5	Mr. Kasem Narongdej	1	0.00
	Total	8,000,000	100.00

Property Management Fee

1. Base Fee: 2.75 percent of rent and service fee and not more than 2 percent of NAV per annum

2. Leasing commission

Renewing Lease: 50 percent of monthly rent and service fee per month per contract (in case of such a contract has its terms of three years or above)

New Lease : 100 percent of monthly rent and service fee per month per contract (in case of such a contract has its terms of three years or above)

Borrowing

KPNREIT may engage in borrowings or create encumbrances, provided that it shall be under the following conditions:

- (1) To invest in immovable properties or leasehold in immovable properties.
- (2) To invest in additional immovable properties or leasehold rights in additional immovable properties.
- (3) To invest in other assets as prescribed and notified by the Office of the SEC, the SEC and/or the Capital Market Supervisory Board.
- (4) To undertake the management of KPNREIT and the assets of KPNREIT.
- (5) To maintain, make improvement or repair of the assets of KPNREIT, or the immovable properties in which KPNREIT has the leasehold rights or possession to ensure that they are in a good and serviceable condition for generating income or in line with changing market conditions or demand as well as to improve the image of the assets.
- (6) To make improvement, repair, or replacement of moveable properties or equipment related to the immovable properties of KPNREIT, or the immovable properties in which KPNREIT has the leasehold rights or possession to ensure that they are in a good and serviceable condition for generating income.
- (7) To make addition to, or cause additional construction on the buildings located on the existing land which are invested in by KPNREIT, or which KPNREIT has the leasehold rights or possession for benefit of KPNREIT.
- (8) To use as working capital of KPNREIT.
- (9) To make repayment of the loans or encumbrances of KPNREIT.
- (10) To restructure loans for repayment of existing loans or encumbrances (Refinance).
- (11) To restructure the capital structure of KPNREIT.
- (12) To prevent currency exchange risks and/or interest rate risks due to obtaining loans or issuing debt instruments.
- (13) Any other objectives the REIT Manager deems appropriate for the management of KPNREIT and for the benefit of trust unitholders.

In obtaining loans, the REIT Manager will take into consideration the interests of KPNREIT and the trust unitholders. If KPNREIT invests in the leasehold rights of immovable properties or movable properties, in obtaining the loan for the objectives specified in Clause (5), (6), or (7) above, the REIT Manager must also take into account the remaining lease term under the relevant lease agreement. In the case of borrowing by KPNREIT, the indebtedness amount shall not exceed any of the following proportions, with the exception where the indebtedness amount which is greater than the specified proportion is not due to additional borrowing:

- (1) 35 percent of NAV.
- (2) 60 percent of NAV if the most recent credit rating of KPNREIT is deemed to be at the Investment Grade rated by a credit rating agency approved by the SEC Office within a period of 1 (one) year before the

date of the borrowing.

Borrowing shall also mean an issuance of instrument or securities, or an entering into any forms of contract with a purpose or substance qualified as borrowing.

At present, REIT has no outstanding debts.

Economic and Industry Overview

Overview of the Office Building Industry¹

The office rental business from 2024 to 2026 is expected to improve in line with the recovery of the Thai economy, led by the service sector, resulting in increased demand for office space. In particular, the Green Office segment is becoming increasingly important. However, the adoption of hybrid workplace policies by many organizations, along with the growing popularity of co-working spaces, has become a factor that reduces the demand for traditional office rentals to some extent.

At the same time, at least 0.8 million sq.m. of new office space is expected to come to market, and this will put downward pressure on the occupancy rate. The outlook for rents will also be mixed. In the CBD area, newly completed office spaces will likely see stable or slightly increasing rents due to high demand from businesses. However, rents will decline in other areas, especially for older buildings. Challenges that operators will have to face include: (i) stiffening competition to attract tenants, a result of supply growth that has outpaced the increase in demand; (ii) costs for developing green office space that will be some 15-20% higher than for developing standard office units; and (iii) the need for owners of older properties to raise their competitiveness, entailing paying for renovations and the installation of more up-to-date technologies

The outlook of the office building rental market in 2025-2026

The office rental business is expected to improve in line with the recovery of the Thai economy, which is projected to grow around 3-4%. However, a greater number of companies, especially in the service sector, are transitioning to the use of hybrid workplaces. For these businesses, employee attendance on-site will increasingly be limited to occasions when they need to meet or work with their colleagues, while other companies will increase their use of co-working spaces. The outlook for the industry is described below. □

Demand for office space is expected to grow by 1.0-2.0% annually over 2024-2026, down slightly from the 2.5% averaging over 2015-2019. Growth will be driven by gradual economic expansion that will then encourage companies to take on more staff, though this will be most noticeable for providers of co-working spaces and players in the consumer goods industries and across the service sector. Demand will also come from overseas companies (around 60% of tenants at present)², which will be in the market for modern, high-

¹ Source: <https://www.officebangkok.com>

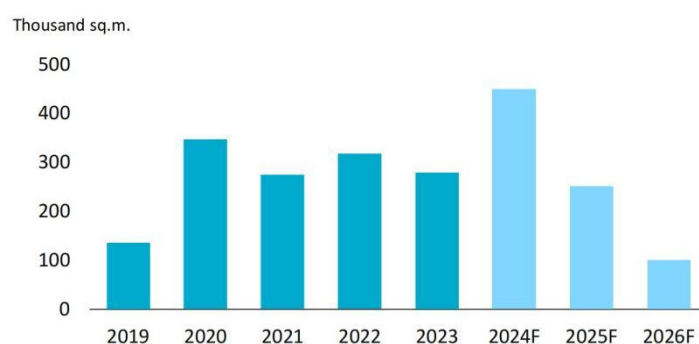
² Source: Jones Lang Laselle (Thailand) Ltd. (JLL)

quality Grade A and Grade A+ space in the CBD. Renters will also consider moving to better-equipped premises.

Following the flood of space that came to market in 2023 and 2024, the supply of new office buildings should slow to growth of 1.5-2.0% per year over 2025 and 2025. Approximately 80% of office space completed and opened in 2025 and 2026 will be located in Grade A and A+ buildings that meet green building standards

The overall occupancy rate will trend towards a historic low of 80% as new supply continues to come to

New supply of Office Building



Source:: CBRE Research, forecast by Krungsri Research

market (some 15 major projects are due to be developed in the period). Meanwhile, growth in hybrid working is eating into demand and adding to the glut of empty properties. Nevertheless, some segments will benefit from tenants in older buildings (those over 25 years old) moving to newly or recently constructed spaces (i.e., within the last five years).

Office Space in Bangkok Metropolitan Region



Rental rates for office space in the CBD will tend to remain flat or to edge up slightly. These properties are generally of higher quality and are more sought after than those located elsewhere, especially newly built Grade A and Grade A+ buildings that are modern, well-designed, and meet international standards. Prospective tenants are thus generally prepared to pay higher rents for new, high-quality, and fully provisioned office space, allowing building owners to set higher rental rates. However, rental rates for Grade A offices may remain stable or decrease slightly due to the significant influx of new supply, which intensifies competition (with around 52% of the office space expected to be completed between 2024 and 2026 being Grade A and A+). Rental rates for non-CBD offices will come under greater pressure and are expected to decrease, as some tenants tend to move to the CBD for more convenient locations or better quality buildings, even if the rental rates are similar to older Grade A offices in the CBD. However, older buildings with high occupancy rates that are well-maintained or renovated can somewhat alleviate rental pressure.

Near-term challenges facing the industry will include: (i) planned investment in new office buildings that is expected to grow 1.4-fold over 2024-2026 relative to the previous 3 years against only weak expansion in demand, which will add to competitive pressures and reduce the space within which landlords can raise rents; (ii) rising demand for certified buildings (such as green building standards) from renters and especially international operations that need to meet their sustainability targets, though developing these typically raises costs by 15-20%; and (iii) the growing demand at home and abroad for access to more flexible office space, which will again add to the costs faced by developers and landlords.

KPN Tower Strategic Plan

Strategic Renovation to enhance competitiveness.

When strategizing asset enhancement to enhance income generation, factors like exterior aesthetics, MEP system upgrades, and building safety are indeed important. However, the key focus should be on strategic asset enhancement aimed at delivering an exceptional customer experience and enhancing the asset's image and positioning to meet the current tenants' needs and expand into new target groups within the captive market surrounding the asset. The focus is on maximizing the efficiency of rental space utilization and central area usage to derive maximum benefit, as well as enhancing accessibility to the shopping center to accommodate the anticipated completion and commencement of operations of the Orange Line Mass Transit Station within the year 2568.

Expanding the tenant diversity and rebalance Tenant Mix

One crucial strategy is the "Incubator and Inclusivity" strategy, aimed at nurturing the main tenant group for sustainability and tenant balance. This strategy focuses on attracting tenants who benefit the building and attracting new tenant groups. For instance, penetrating the self-storage business, which grows alongside SME expansions, considered a primary tenant group for KPN buildings. Adapting spaces into co-working spaces or service offices to accommodate the growing trend of hybrid working, widespread after the COVID-19 pandemic. Additionally, another key strategy is "Upsell and Diversify," focusing on increasing revenue and reducing the risk of income interruptions. This can be achieved by rebalancing the tenant mix to be more diverse and balanced, considering the changing lifestyles of building users. For example, expanding common areas, extending F&B and food court spaces, adding fitness and outdoor activity areas, and strategically designing the building to align with the increasing demand for green spaces, LEED or ESG certification, or efficient space allocation to enhance tenant comfort. Additionally, improving building accessibility to accommodate the upcoming completion of the Orange Line MRT station in 2568 to attract a more diverse target audience to utilize the building spaces.

Risk Factors

Risks associated with the REIT or the REIT's operations

1. The risk that KPNREIT is operating in its first year after being established, so there is no historical performance data that investors can refer to and consider before making an investment decision

The KPNREIT Trust commenced operations in its first year following the conversion from the KPNPF Fund. Consequently, only historical performance data of the core assets from the KPNPF Fund were available, as these assets were transferred to KPNREIT. Additionally, the assets transferred from KPNPF to KPNREIT underwent changes in the structure of benefit procurement, including diversifying income sources, balancing the tenant structure, optimizing space utilization for greater efficiency, and aligning with evolving workspace demands.

Furthermore, KPNREIT sought to expand into high-growth business sectors to reduce dependency on office building rental income, such as the self-storage business. These strategic adjustments may result in differences in revenue and expenses for the transferred assets compared to their historical financial data. As a result, the audited financial statements of KPNPF in the past could not be used as a basis for projecting KPNREIT's future performance. This uncertainty may make it difficult for trust unit holders to evaluate future performance and predict whether KPNREIT's revenue and expenses from its investments would align with past financial data.

2. The risk arising from KPN Land Company Limited (formerly KPN Group Corporation Company Limited) investing in other assets that may compete with the KPN Tower Project business.

For investment of the REIT, KPN Land Co., Ltd. has entered into an agreement with the REIT to appoint a property manager of KPN Tower Project and a business undertaking contract with the REIT specifying that over the period of five years from the date of the REIT's initial investment, KPN Land Co., Ltd. and its shareholders holding at least 10 percent of shares, as well as its subsidiaries, shall not conduct any business of the same type with KPN Tower management within a 5-km radius of KPN Tower. However, such non-competition agreement is not limited to building management service, and KPN Land Co., Ltd. (including its shareholders and subsidiaries) still has the right to invest in other immovable properties or office buildings and may assign other parties to manage such properties and/or office buildings, without being deemed as violation of the business undertaking contract. Although KPN Land Co., Ltd. does not manage such properties by itself, it can set up the management directions given its ownership and investment in such properties. Therefore, the REIT is exposed to risk that KPN Land Co., Ltd. will invest in other properties per the abovementioned characteristics, which may eventually compete with KPN Tower business.

3. The risk that KPNREIT may lose the REIT Manager, Property Manager, senior executive personnel and/or key individuals with expertise in procuring benefits from the assets.

The REIT might face risks if the counterparty failed to comply with the stipulated terms and conditions or if any event occurred that led to contract termination or breach. Nevertheless, even though the REIT had the right to terminate the contract and claim damages or compensation for lost benefits resulting from the counterparty's breach, it might not have been able to secure the transferred benefits or enforce compliance with the contract's provisions. Consequently, the REIT might have had to engage in legal proceedings by filing a lawsuit in court. However, the REIT manager could not predict the duration of the legal process or the amount of compensation the REIT would receive for the damages incurred. As a result, REIT unit holders were at risk of not receiving the expected returns in the anticipated amount or within the projected timeframe.

4. The risks related to insurance coverage.

The REIT's business operations are exposed to risk related to the use of the REIT's properties. Although the REIT has in place adequate and appropriate insurance coverage per related regulatory requirements, the REIT may not arrange for insurance coverage for certain types of risks (such insurance may exist but with premiums that may not be worth the expected economic benefits), such as damages caused by war, or the REIT may not exercise its right for claim per related insurance policies, whether in whole or in part, or may encounter delay of indemnity payment, which is not the REIT's fault. The REIT may be exposed to risk from financial losses, due to severe incidents, causing inadequate compensation or inability to arrange for related insurance. This situation may produce direct impacts on the expected returns of unitholders.

5. The risks associated with KPNREIT's borrowing of funds to invest in new assets in the future.

The future operations of the REIT may include additional investments in new real estate assets to enhance its long-term performance. To support such investments, the REIT manager may consider securing loans as a source of funding for asset acquisitions. However, such borrowings are subject to risks arising from fluctuations in interest rates, which may be influenced by prevailing economic conditions.

Furthermore, the incurrence of debt would impose financial obligations on the REIT, including interest payments and loan repayments, which could impact its ability to distribute returns to unit holders. Nonetheless, any borrowing undertaken by the REIT must comply with the debt-to-total-assets ratio prescribed under Announcement No. Sor Ror. 26/2555. In addition, the REIT manager is required to implement prudent risk management strategies, such as hedging against interest rate volatility or negotiating extended repayment terms, with a primary focus on safeguarding the interests of the REIT unit holders.

Risks associated with the ability to derive benefits from the assets.

1. The risk of losing anchor tenants

Key business of the REIT is provision of leasable office buildings. If any tenant wishes to terminate the lease and service contract before the end of the contract term or does not wish to renew the lease and service contract upon the end of the contract term, or faces financial problems that affect its payment capability, and the REIT is unable to find new tenant to replace such a tenant, the REIT's business, operating results and financial status may be significantly affected.

2. The risk arising from economic fluctuation that may impact real estate.

Immovable properties invested in by the REIT are exposed to risk from volatilities of Thailand's economic system and may be affected by changes in the overall economic system. In addition, immovable properties may be affected by changes in other macro factors, e.g. city planning, natural disasters, epidemic diseases and domestic unrests, which may affect consumers' purchasing power or number of tenants.

3. The risk of increased competition and changes in lifestyle, which may affect tenant procurement, occupancy rates, and rental rates

The REIT's operating results may be affected by the property market conditions, the rising number of operators and the increase or decrease in rent demand. The higher demand of operators will result in an increase in the supply, causing rising competition to seek tenants.

4. The risk of expropriation of land on which KPNREIT's invested assets are situated, either wholly or substantially, under the Land Expropriation Act. Such expropriation could hinder KPNREIT's ability to utilize these assets effectively and may have a detrimental impact on KPNREIT's operating results.

Currently, there is no expropriation of properties invested in by the REIT, whether in whole or in material parts. However, if any of the properties invested in by the REIT is expropriated after the REIT has already accepted the transfer of land and building ownership rights, whether in whole or in material parts, related contracts specify that the REIT shall conduct necessary actions to gain the compensation per the amount, criteria and methods specified in the Immovable Property Expropriation Act B.E. 2530 (1987) (including its amendments and other related laws). In such a case, the REIT may not gain the compensation per the expropriation law due to non-compliance with certain covenants of the law or the REIT may gain the compensation at an amount lower than: (a) the returns on investments; and/or (b) the losses of expected benefits from the properties invested in by the REIT, which will significantly affect the REIT's business, operating results and financial status, for example, the REIT may not be able to use the properties invested in by the REIT per the investment objectives and the REIT's expected income may significantly changes.

5. **The risk that the land on which the KPN Tower Project is located does not have direct access to Rama 9 Road (public road).**

The KPN Tower project currently has its main entrance and exit located on the southern side of the property, which directly connects to Jaturathit Road (a frontage road parallel to Rama 9 Road). However, the property does not have direct access to Rama 9 Road, which is a public road.

The section of Jaturathit Road that runs in front of the KPN Tower project is situated on two land plots, specifically Land Title Deeds No. 231201 and 6890, which are owned by the Expressway Authority of Thailand ("EXAT"). These land plots were acquired by EXAT through expropriation for the construction of the expressway system, including the Chaeng Watthana–Bang Klo Expressway and the Phaya Thai–Srinakarin Expressway. At present, these two land plots form part of Jaturathit Road, which is accessible for general vehicular traffic at all times. There are no restrictions, barriers, or designated time limits for its usage.

6. **The risk that certain plots of land on which the KPN Tower Project is situated may be subject to asset obligations.**

The land on which the KPN Tower project is situated, as specified under Land Title Deeds No. 25228 and 25230, was transferred to KPNREIT for conversion. This land is subject to encumbrances, both in full and partially (0.40 sqw, respectively), in accordance with Section 13 of the Mass Transit Real Estate Acquisition Act B.E. 2540 (1997), without a specified duration.

These encumbrances are governed by the terms and conditions set forth in the Memorandum of Understanding on Real Estate Encumbrances dated January 18, 2019, and the Agreement on Real Estate Characteristics dated September 27, 2018 (collectively referred to as the "Agreements"). The agreement grants the Mass Rapid Transit Authority of Thailand (MRTA) the right to utilize the land under Land Title Deeds No. 25228 and 25230 for the purposes of the Orange Line MRT project (Cultural Center–Minburi-Suwinthawong Section). The MRTA has the right to construct railway tunnels, stations underground, and to build, modify, or remove any structures as necessary beneath the surface of the land in question, in accordance with engineering specifications. The REIT is responsible for ensuring that no actions are taken that would diminish or interfere with the public use of the property, unless authorized in writing. However, since the MRTA's rights are limited to the use of land beneath the surface, the construction activities associated with the Orange Line MRT project are confined to underground tunnels without affecting the area above ground or the KPN Tower's operational space. These constructions have already

been completed, with the structures not extending to the surface or impacting the usable space of the KPN Tower.

Currently, the surface area of the land beneath the encumbrance is used for the normal vehicular access to the KPN Tower via Jaturathit Road, which connects to Rama 9 Road. Furthermore, the agreement does not include any restrictions on the transfer of the land or the KPN Tower to the REIT or any other party. As a result, the encumbrances do not impede or significantly affect the use or accessibility of the KPN Tower, and the REIT can transfer the land subject to the encumbrance. Additionally, the REIT, KPNPF, has already received full compensation from the MRTA in the amount of 69,497.40 THB.

7. The risk that major renovations or repairment of the assets may affect operations of minor tenants and the adequacy of reserve funds for such improvements.

The REIT manager plans to undertake a major renovation of the KPN Tower project to maintain its competitiveness. This renovation may require significant capital investment and could result in temporary closures of some or all areas of the property in which the REIT has invested. As a result, this could impact the operations of smaller tenants, potentially causing them to terminate leases or service contracts, or choose not to renew them. This, in turn, may affect the REIT's performance and its ability to distribute expected returns to unit holders.

However, for the renovation plan of the KPN Tower in 2024-2025, the REIT manager, in collaboration with the property management team, has planned a phased renovation. The focus will primarily be on enhancing the building's exterior appearance and optimizing certain interior spaces. The plan aims to minimize disruptions to tenant spaces, ensuring no major inconveniences or closures for tenants. Additionally, given the REIT's flexible structure for sourcing and accessing funding, compared to other funds, the REIT may consider alternative financing sources, such as commercial bank loans, should additional capital be required for the renovation. This would reduce the REIT's reliance solely on accumulated profits set aside for building maintenance, thus mitigating the risk that the renovation might affect the distribution of returns to unit holders.

Furthermore, the REIT manager has a policy of continuously reserving funds for property repairs, maintenance, or improvements, regardless of whether such activities take place in a given year. In the event of a major renovation, the REIT manager or the property management team, as applicable, is responsible for evaluating the action plan, assessing the potential impact on income and anticipated returns before proceeding. This includes evaluating the sufficiency and appropriateness of funding sources, as well as the feasibility of the timeline. The REIT manager must prepare estimates and a phased reserve plan for renovation or major repairs from operating cash flow and/or secure additional funding

sources to minimize the impact on operational performance, financial position, and the ability to distribute returns to unit holders. The proposed plan must be submitted to the REIT's investment committee for approval.

8. The risk that KPNREIT may incur higher asset expenses

The ability of KPNREIT to distribute returns to unit holders may be impacted if the REIT incurs higher property-related expenses and operating costs, particularly if its income does not increase or if it increases at a rate lower than anticipated.

Risks associated with asset investment

1. The risk of verifying asset information prior to investment

The REIT Manager has studied the information and details of the Additional Assets by conducting a due diligence examination before making any investment decision, and the REIT Manager has studied the reports issued by the Appraisal Companies, the engineering audit report of the properties, the legal due diligence report on the properties, and considered information and agreements relating to the Additional Assets. However, there is no assurance that the Additional Assets have no damages or defects other than those disclosed in this Registration Statement/ draft prospectus that may require significant expenditure to repair, because the reports of the Appraisal Company, the engineer and the legal advisor may be inaccurate or deficient, as it may be difficult to examine or discover certain defects of the Additional Assets. In addition, the reports of the Appraisal Companies, the engineering audit report, and legal due diligence report on the Additional Assets may have certain deficiencies or may be inaccurate in whole or in part because it may be difficult to examine or discover certain defects of the Additional Assets.

2. The risk that the assets held by KPNREIT may incur higher asset-related expenses and operational costs. The gross profit from the assets or the value of KPNREIT's assets could be negatively affected by various factors, including the distribution of dividends to the trust unitholders.

The income that KPNREIT will generate from its real estate investments depends on various factors, including but not limited to domestic and international economic conditions, rental rates, property management costs, operating expenses, competition, changes in laws and regulations related to the property, natural disasters, and political conditions. As a result, unit holders are exposed to the risk that they may not receive the expected returns, or KPNREIT may not be able to maintain or increase its distribution levels.

If the real estate investments of KPNREIT do not generate sufficient income to cover the REIT's increasing expenses, this could directly affect the REIT's cash flow and its ability to distribute returns. The REIT manager cannot guarantee that the REIT will be able to maintain its current level of distribution or that the distribution level will increase over time.

3. **The risk that the value of the assets invested in by KPNREIT, as assessed by the asset appraisers, may not reflect the real value of the assets.**

The REIT's NAV calculation is based on basic information of valuation of properties invested in by the REIT. Such NAV may be exposed to the following risks: (1) The REIT's NAV may not be the actual value that the REIT will receive upon the disposal of all assets or the REIT's termination. (2) The REIT's NAV may not be the actual value of investment units in the SET.

Risks related to regulations, laws, taxes, and general considerations.

1. **The risk of changes in tax rates, duties, and fees related to asset investment and the procurement of benefits from the asset, including related laws.**

The REIT's operating results may be affected by the changes in tax rates, duties, and fees related to asset investment and the procurement of benefits from the asset, including related law. Therefore, the REIT is unable to assess possible impacts of such incidents and to guarantee that such changes will not affect the REIT's performance.

2. **The risk of impacts from changes in accounting standards or related laws.**

The REIT's operating results may be affected by enforcement of new accounting standards or revision of accounting standards, which is an uncontrollable or predictable factor. Other unpredictable incidents include amendments of laws, announcements, rules, regulations, stipulations, policies and/or instructions of government agencies or competent authorities, such as land and building tax. Therefore, the REIT is unable to assess possible impacts of such incidents and to guarantee that such changes will not affect the REIT's performance.

3. **The risk of political condition in Thailand.**

Political uncertainties may affect Thailand's economy and stock exchange, which may create serious impacts on the REIT's financial status. There is no guarantee that Thailand's current or future political situation, or changes in the government's political policies will not significantly affect the REIT's performance, financial status, operating results and growth.

4. **The risk of complying with environmental laws.**

KPNREIT may incur various costs related to compliance with environmental laws associated with its business operations. Additionally, if there are changes in environmental regulations in the future to align with the principles of sustainable development (ESG), KPNREIT may face additional expenses for complying with these new requirements and/or laws.

Risks associated with investing in trust units of KPNREIT

1. The general risks associated with investing in trust units

General economic and business conditions, including inflation rates, interest rates, foreign exchange rates, consumer goods prices, property prices and financial and fiscal policies of the government, Bank of Thailand and other regulatory agencies affect the REIT's operating results, financial status and investment. Sluggish economy and falling consumer demand may adversely affect the REIT's performance, while investment unit prices in the SET may be higher or lower than the offering price.

2. The risk that KPNREIT's trust unit price may fluctuate after the offering.

The REIT units of the KPNREIT are securities that are registered and traded on the Stock Exchange, the price of which may fluctuate depending on various factors, such as changes in domestic interest rates, the performance of the KPNREIT not meeting expectations, volatility in the stock market, etc. Additionally, external factors such as foreign interest rates, exchange rates, policies or measures, both direct and indirect, affecting the import or export of foreign currency, and global economic conditions may also affect the price of the units. These risk factors cannot guarantee that changes in external factors will not have a significant impact on the price of the units. However, the founder of the REIT, who will serve as the manager of the REIT, will continuously monitor external conditions and factors to ensure that the KPNREIT is managed efficiently.

3. The risk that the trust unitholders may be unable to sell their trust units back.

KPNREIT is a non-redeemable trust, meaning that unit holders cannot sell their units back to the trust. Therefore, there is no guarantee that unit holders will be able to sell their units at the same price they purchased them or at any specific price, and there is no assurance that they will be able to sell their units at all. However, unit holders have the option to sell their units on the Stock Exchange, where liquidity will depend on market conditions. If liquidity is low, the risk that unit holders will not be able to sell their units increases significantly.

4. The risk of a lack of liquidity in trading trust units on the Stock Exchange of Thailand

The REIT is a closed-end fund listed on the Stock Exchange of Thailand. Investment unit liquidity is assessed from the frequency and volume of investment unit trading, based on the volume of bid-offer,

which depends on various factors that are uncontrollable, such as market demand. Therefore, there is a risk that investment units may lack liquidity for trading in the secondary market.

5. The risk regarding the ability of KPNREIT to pay dividends.

Payment of returns to the unitholders, by KPNREIT will be considered based on KPNREIT's performance, and such performance depends on various factors, i.e., economic situation in country and abroad, ability of tenants and sub-tenants to pay rent, costs of real property management, other operational costs, competition between operators, occupancy rate of KPNREIT investment projects, changes in law and regulations relating to the properties, natural disasters, and political situation. Therefore, investors may be subject to the risk that payment of dividends will not be made as anticipated, or KPNREIT may be unable to pay dividends or to increase the dividend rate.

6. The risk associated with the offering of additional trust units in a potential future capital increase (subsequent to the completion of the conversion), where the offering price per trust unit may be lower than the Net Asset Value (NAV) or the reference price of the trust units on the Stock Exchange of Thailand at that time.

The trust manager may decide to issue and offer additional units of the REIT in the future to raise funds for financing or as consideration for acquiring additional assets. The offering price of these units may be lower than the net asset value (NAV) or the reference price in the Stock Exchange at that time, which could result in a decrease in the net asset value per unit, the reference price on the Stock Exchange, or the return on investment per unit following the issuance and offering of additional units. However, when issuing and offering additional units, the trust manager and the trustee will be required to convene a meeting of the unit holders to seek approval for the capital increase, in accordance with the conditions specified in this document.

7. The return of capital upon dissolution of KPNREIT may be less than the amount invested by the trust unitholders.

In the event of the dissolution of KPNREIT, the Settlor cannot guarantee that the unitholders will recover all of their invested capital, whether in full or in part. This is because KPNREIT will undergo a liquidation process, which involves collecting, selling, and distributing its assets in accordance with applicable rules and regulations. The expenses related to establishing and managing KPNREIT, including the settlement of liabilities and other costs, will be deducted from the REIT's assets before any remaining funds or assets are distributed to the unit holders. Consequently, there is a possibility that unit holders may lose part or all of their investment.

8. **Changes in tax policies related to investing in trust units of KPNREIT.**

Unitholders may be subject to tax obligations related to their investments or the buying and selling of REIT units, and they may incur higher tax rates if there are changes to tax laws, regulations, or other related matters.

Legal Dispute

As of 31 December 2024, KPNREIT is not facing any material legal actions, either as a petitioner or a party in a lawsuit, or any significant disputes in arbitration proceedings or other significant legal disputes which directly relates to KPNREIT's business that the REIT Manager believes will have a material adverse effect on the financial position, operating result and future operation plans worth more than 5% of the NAV of KPNREIT. Moreover, KPNREIT is not facing any legal disputes that would significantly impact the procurement of benefits from the real property that KPNREIT manages.

Other Key Matters

For more information on the conversion of KPNPF to KPNREIT, please visit the SEC website or

<https://market.sec.or.th/public/ipo/IPOSEQ01.aspx?TransID=633183&lang=th>.

Information of Trust Units

Information of Trust Units

1. Information of Trust Units as of 31 December 2024

Paid-up capital	1,683,648,000 THB
No. Of Trust units	180,000,000 unit
PAR Value	9.3536 THB per unit
NAV per unit	9.3629THB per unit

2. Information of Unit Prices

Closing Value as of 30 December 2024	2.78 THB per unit
Highest Price	3.00 THB per unit
Lowest Price	2.78 THB per unit
Average Price	2.89THB per unit
Market Capitalization as of 30 December 2024	500,400,000 THB
Trading Value per Year	500,400,000 THB
Trading Volume per Year	500,400,000 THB

3. Capital Reduction

- None-

Instruments Issued by KPNREIT

- None-

Major Unitholders

List of major unitholders as of 30 December 2024.

	Name	No. of Trust Units	%
1.	Social Security Office	37,948,100	21.08
2.	MR. KRIS NARONGDEJ	29,611,700	16.45
3.	Muang Thai Insurance Public Company Limited	12,417,200	6.89
4.	Muang Thai Life Assurance Public Company Limited	11,079,900	6.15
5.	MR. KRIT SRICHAWLA	11,000,000	6.11
6.	MR. KORN NARONGDEJ	6,735,000	3.74
7.	Mr. A Sachdev	3,732,300	2.07
8.	MR. SUCHART CHOKPIPATKUL	1,315,000	0.73
9.	Mr. Virot Vivitthanaporn	1,227,100	0.62
10.	Mrs. Leelawadee Sutheparak	1,121,000	0.62

Distribution of Returns Policy of KPNREIT

The REIT Manager shall distribute dividends to the trust unitholders of no less than ninety percent (90%) of the adjusted net profit for each fiscal year or at the end of the accounting period during which the dividends are paid, whichever applies. The distribution will be made within ninety (90) days from the end of the fiscal year or the end of the accounting period when the distribution occurs, whichever applies. The distribution will be made to the trust unitholders no more than four (4) times per accounting period, unless the REIT increases its capital, in which case distributions may exceed four (4) times per accounting period for the benefit of existing trust unitholders. Investors can find more details in Section 3 Information on trust units and trust unitholders.

During its initial fiscal period from 13 December 2024 (Date of KPNREIT Establishment) - 31 December 2024, KPNREIT recorded a net profit of 1,674,826.26 THB, equivalent to 0.0093 THB per unit. As this falls below the 0.10 THB per unit threshold, the trust has opted to defer the distribution for this period. The accumulated benefits will instead be carried forward and included in the next scheduled quarterly distribution.

Currently, the main asset that KPNREIT has invested in is the KPN Tower project, which is undergoing a major renovation to increase its potential. The reserve fund for such repairs and renovations will not exceed 10 million baht, which will be used as an adjustment item for net profit calculation to pay returns to trust's unitholders in accordance with the SEC announcement.

Management Structure

REIT Manager

Information of REIT Manager



Blue Whale Asset Co., Ltd., as the REIT Manager, was established in Thailand on July 31, 2017. The company specializes in real estate investment and management, focusing on managing real estate investment trusts (REITs), particularly in Thailand and the Asia-Pacific region.

REIT Manager	Blue Whale Assets Company Limited
Address	No. 63, 18 th Floor, Room No. 1802, Athenee Tower Building, Witthayu Road, Lumpini Subdistrict, Pathumwan District, Bangkok
Tel.	02-625-3166
URL	http://www.kpnreit.com
Paid-Up Capital	61,000,000 THB
Names of Directors	1.Mr. Pornthep Srisa-an 2.Ms. Thitinan Kiatphaibool 3.Mrs. Pompring Suksantisuwan
Authorized Directors	Mr. Pornthep Srisa-an or Ms. Thitinan Kiatphaibool sign with the company seal affixed.

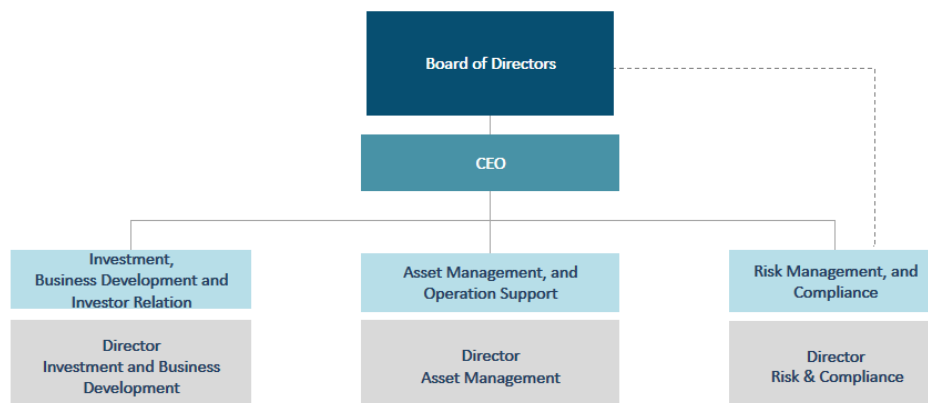
Shareholders' structure

Shareholders of the REIT Manager as of 31 December 2024 are as follow:

No.	Name	No. Of shares	%
1	Mr. Pornthep Srisa-an	2,592,500	42.50
2	Ms. Thitinan Kiatphaibool	2,592,500	42.50
3	Mr.Rungyos Chantapasa	305,000	5.00
4	Mr.Kittipong Wongvisanupong	305,000	5.00
5	Ms.Natcha Seehabutr	305,000	5.00
Total		6,100,000	100.00

Management Structure

Blue Whale Assets Organization Structure



Board of Director of the Company

The list of members of the board of directors, educational qualifications and experience related to investment or real estate management are as follows:



Mrs. Pornpring Suksantisuwan

Independent Director

Education

- Bachelor's degree in Business Administration from Chulalongkorn University.
- MBA from American University for Human Sciences

Experience

- Director, Finansia Syrus Securities Public Company Limited (2008 – present)
- Director, FSS International Investment Advisory Securities Co., Ltd. (2008 – present)



Mr. Pornthep Srisa-an

Director

Education

- Bachelor of Science Degree in Electrical and Computer Engineering degree from Carnegie Mellon University
- Master of Science Degree in Electrical and Computer Engineering degree from Carnegie Mellon University
- MBA from Sloan School of Management (MIT)

Experience

- Chief Executive Officer, The Quant Group (2012 – present)



Thitinan Kiatphaiboon

Director

Education

- LLM, Corporate Finance from George Washington University; and an LLM, International and Comparative Law from American University
- a Bachelor of Law from Chulalongkorn University.

Experience

- Chief Executive Officer, Sonder Living (Thailand) co.,ltd. (2017 – present)
- Chief Executive Officer, Profile Development co.,ltd. (2010 – present)

The REIT Manager shall have a board of directors comprising not less than three qualified directors (directors with the qualifications in accordance with the criteria specified in the Notification of the Capital Market Supervisory Board regarding Application for and Approval of Offer for Sale of Newly Issued Shares). At least one-third of the total qualified directors of the Company shall be the independent directors. In addition, the directors and the authorized management person shall not possess any prohibited characteristics according to the Notification of Capital Market Supervisory Board relating to the Prohibited Characteristics of Personnel in the Capital Market Business, mutatis mutandis, by virtue of Clause 12(4) of the Notification No. SorChor. 29/2555, or according to other regulations prescribed by the SEC Office which may be amended in the future.

Board of Directors of the REIT Manager is the key player in approving the REIT Manager's vision, mission, strategy, direction and policy regarding short-term and long-term business operations and plans; providing financial policies, risk management and corporate overview; regulating and evaluating the performance of the REIT Manager and employees to maintain operation efficiency in accordance with the established policies and business plans, the scope of the REIT Manager appointment agreement, the Trust Deed, Registration Statement, prospectus, objectives and article of association of the REIT Manager, resolution of the Board of Directors meeting, resolution of the Trust Unitholders meeting and related laws, for the best benefits of BOFFICE and the Trust Unitholders. In addition, the Board of Directors of the REIT Manager also plays an important role in the regulation of compliance with the implementation and disclosure of information that may present a conflict of interest, in accordance with the regulations of the Office of Securities and Exchange Commission, Stock Exchange, and related regulators.

The REIT Manager shall have a board of directors comprising not less than three qualified directors (directors with the qualifications in accordance with the criteria specified in the Notification of the Capital Market Supervisory Board regarding Application for and Approval of Offer for Sale of Newly Issued Shares). At least one-third of the total qualified directors of the Company shall be the independent directors. In addition, the directors and the authorized management person shall not possess any prohibited characteristics according to the Notification of Capital Market Supervisory Board relating to the Prohibited Characteristics of Personnel in the Capital Market Business, mutatis mutandis, by virtue of Clause 12(4) of the Notification No. SorChor. 29/2555, or according to other regulations prescribed by the SEC Office which may be amended in the future. In addition, the selection of independent directors of the REIT manager must have at least the qualifications specified in the "Operation manual and internal control system".

Roles, Duties, and Responsibilities of the Board of Directors

The scope of authority and responsibility for the Board of Directors of the REIT Manager is as follows:

- (1) Perform duties in accordance with the laws, objectives and regulations of the REIT Manager, as well as the resolution of the Board of Directors meeting of the REIT Manager, and the resolution of the Trust Unitholders meeting, with duty of loyalty, duty of care, accountability, and ethic.
- (2) Manage KPNREIT under the supervision of the Trustee, and establish long-term business strategies and plans, organize an appropriate organizational structure, and regulate business policies, such as the investment of KPNREIT, KPNREIT's performance, annual budget draft and business plan for KPNREIT, explore risk factors that may affect the interest of KPNREIT, operational performance of

- (3) Regulate and provide necessary advice that enables the performance of executives and employees to support the operation of the REIT Manager to be in accordance with the contracts and regulations regarding the responsibilities of the REIT Manager.
- (4) Regularly regulate and monitor the performance of the REIT Manager, as well as provide necessary advice to ensure that the operation of the REIT Manager will achieve the goals, overcoming challenges and solving problems that may arise in a timely and appropriate manner.
- (5) Review, regulate, and provide necessary advice for the REIT Manager to have an internal control system, including efficient and productive work system as the REIT Manager.
- (6) Review, regulate, and take necessary actions to review and update important policies and plans related to the REIT Manager's role to be up-to-date and suitable for the business.
- (7) Responsible for considering, supervising and providing necessary advice for the benefit of the REIT, appointing, removing and evaluating the performance of the Managing Director.
- (8) Review and regulate the performance evaluation of the Property Manager, providing necessary advice to ensure that the Property Manager will perform assigned tasks in accordance with rules and terms of relevant contracts for the benefits of KPNREIT.
- (9) The Board may assign one or more directors or any other person to perform any action on behalf of the Board. However, such action may not include the authorization or sub-authorization that grants directors or the authorized person the authority to approve actions that involve the interest of the directors or related persons, or any benefits that would conflict with the interest of KPNREIT
- (10) Acknowledgement of matters specified in the "Operation manual and internal control system"
- (11) Approval of investment decisions, approval of disposal of the core assets of the REIT, or management of the REIT by the Business Development, Investor Relations Department, Administration and Risk Management Department to comply with the trust deed, information list, prospectus, and Securities Laws and other relevant criteria in the Notification, as follows:
 - a) Procedures for Acquisition of Core Assets and Accessories

For the future investment in additional assets of the REIT, the Board of Directors must consider and ensure that the REIT Manager has carried out its operations in compliance with the criteria of investment in assets as stipulated in the notification of the SEC Office. The acquisition of additional core assets may be made on the conditions as follow:

- 1) With respect to the essence of the transaction, the acquisition shall be the transaction with the following descriptions::

- 1.1) Being in compliance with this Trust Deed and other applicable laws;
- 1.2) Being for the best interest of KPNREIT;
- 1.3) Being reasonable and using a fair price;
- 1.4) Having the expenses incurred from entering into the transaction collected from KPNREIT at the fair and reasonable rate (if any); or
- 1.5) Being entered into based on the decision made without involvement of a person with special interest in such transaction
- 2) With respect to the approval system, the REIT Manager shall undertake actions as follows:
 - 2.1) Requesting for approval of the Trustee demonstrating that the transaction is in compliance with the Trust Deed and other applicable law;
 - 2.2) In case of the acquisition of the core assets with the value not less than 10% of the aggregate value of assets of KPNREIT, requesting for the approval resolution of the Board of Directors of the REIT Manager;
 - 2.3) In case of the acquisition of the core assets with the value not less than 30% of the aggregate value of the assets of KPNREIT, requesting for the resolution of the unitholders' meeting passed with the affirmative votes not less than three-fourths of the total votes of the unitholders present at the meeting and entitled to vote.
- b) Disposal of core assets of the REIT

Where the REIT Manager finalizes the selection of the core assets to be disposed of and it deems appropriate to dispose of them, the disposal of such core assets shall be in compliance with the following protocols:

- 1) The REIT Manager shall arrange for an evaluation of the core assets in accordance with the trust deed.
- 2) The process of disposal of core asset shall comply with:
 - 2.1) The REIT Manager shall arrange for an open disposal, which includes disclosure of the substance of the transaction in compliance with the criteria in the trust deed:
 - 2.1.1) In accordance with the Trust Deed and relevant laws;
 - 2.1.2) For the best interest of KPNREIT
 - 2.1.3) Reasonability and fair prices;

- 2.1.4) Transaction expenses collected from KPNREIT (if any) are at the fair and suitable rate;
- 2.1.5) Person having conflict of interest in the transaction shall not be involved in the decision making of such transaction.
- 2.1.6) And the process for requesting approval from the trustee or resolution from the unitholders' meeting as specified in the trust deed or relevant law, relatively.

2.2) The disposal of principal assets that fall under the following conditions: In addition to complying with the disposal requirements for the principal assets specified in the preceding clause, such disposal must also be necessary and appropriate, and it must receive approval from the Board of Directors of the trust manager.

2.2.1) Disposal of a principal asset within one (1) year from the date on which the trust acquired the principal asset.

2.2.2) Disposal of a principal asset for which the trust has acquired title, by selling it to the original owner.

c) The procurement activities of the trust manager shall be conducted in accordance with the "Operation Manual of the REIT Manager". Furthermore, during voting, if any director has a conflict of interest regarding any matter, that director shall not be entitled to vote on that matter.

In cases of necessity and urgency, obtaining a resolution from the Company's Board of Directors may be conducted in the form of a unanimous written resolution; however, such a resolution must not conflict with or contradict the criteria that require the resolution to be passed only during a duly convened Board meeting.

(12) Approval of the following matters:

- a) To define the short-term and long-term operating strategies and plans, organizational structure and policies, risk factors that may affect the benefit procurement of the REIT, as proposed by the managing director.
- b) To consider and approve the financial statements and the distribution payment to the unitholders
- c) To consider and approve the annual budget
- d) To consider and approve the annual business plan, including operating strategies of the REIT.

- e) To consider and approve the policies, code of conduct, and procedures to manage any related conflicts of interest, especially between KPNREIT and the REIT Manager and Connected Person of the REIT Manager and Trustee. This includes the measures or guidelines to sustain the maximum interest of KPNREIT or the unitholders as a whole upon the occurrence of a conflict of interest.
- f) To consider and approve the transactions that may cause a conflict of interest with the operations of the REIT.
- g) Guidelines for handling important disputes and complaints regarding to the operation of the REIT.
- h) The selection of the property manager and related costs and expenses (if any)
- i) The selection of the Auditor, financial advisors, independent financial advisors or other advisors.
- j) To consider and approve the special expenses and/or capital expenditure budget beyond the annual budget that request by the REIT Manager.
- k) To consider and approve initial investments and disposal of core assets of the REIT.
- l) Management of legal disputes.
- m) Any other matters that require consideration and approval by the trust unitholders' meeting.
- n) To consider and approve the evaluation and supervision result of the performance of duties by the relevant departments.
- o) To consider and approve the results of internal audit system.
- p) To consider and approve of any other matters that related to laws and trust deed incomply with the "Operation manual and internal control system"

Independent Director

The selection of an independent director of the REIT Manager involves at least the following qualifications

- 1) Holds no more than 1% of the total number of shares with voting rights in the REIT Manager, parent company, subsidiary company, associated company, major shareholder, company authority, or a related person. This shall include shares held by related parties according to Section 258 of the Securities Act of such independent director as well.

- 2) Must not be or never been involved in the management. Also, shall not be an employee, staff, consultant who receives a regular salary, or an authority of the REIT Manager, parent company, subsidiary company, associated company, sister company, or a related person. Such involvement and interest shall not be presented for at least two years.
- 3) Must not be or never been the auditor of the REIT Manager, parent company, subsidiary company, associated company, or a related legal entity. The auditor must not be the major shareholder, nonindependent director, executive or the managing partner of the audit firm, by which the auditor of the company, parent company, subsidiary company, associated company or a related legal entity works for, unless such involvement has not be presented for at least two years.
- 4) Must not be or never been a service provider of any professional, including legal and financial consultant who receives a service fee of more than 2 million Baht per year from the REIT Manager, parent company, subsidiary company, associated company or a related legal entity. The state of being a legal entity of the service provider also includes being the major shareholder, non-independent director, executive or managing partner of such service provider, unless such involvement has not be presented for at least 2 years.
- 5) Must not have or never had a business relationship with the REIT Manager, parent company, subsidiary company, associated company or a related legal entity that may hinder the ability to make an independent judgment. The independent director shall not be or never been a major shareholder, non-independent director, or an executive of a party having a business relationship with the REIT Manager, its parent company, subsidiary company, associated company or a legal entity that it may share a connection, unless has not been involved in such position for at least two years.
- 6) Must not be a director appointed to represent the director of the REIT Manager, the major shareholder, or a shareholder, which is related to the major shareholder of the REIT Manager. No relation in bloodline or any registration as father, mother, spouse, family member and child, also spouse of the child, director, major shareholder, authority or person to be nominated as the director, authority of KPNREIT or its subsidiary.
- 7) Not operating business with the same nature and in competition with the REIT Manager, or its subsidiaries, nor being a significant partner in a partnership or a director involved in administration or an employee, officer, salaried advisor or holding shares more than one percent of the total shares with voting rights of other company with the same nature and in competition with the REIT Manager or its subsidiaries.
- 8) Must not be a person deemed as unsuitable for being a director as per the regulation set forth by the Stock Exchange, and shall not be a person deemed as untrustworthy according to the notification of

the Office of Securities and Exchange Commission regarding untrustworthy characteristics of company directors and executives.

- 9) Must never been convicted, by lawfully authorized entity, of an offense under the securities law, capital business law, securities business law, credit foncier business law, commercial banking law, non-life insurance law, anti-money laundering law, or similar laws related to financial business, both Thai and foreign laws, or offenses relating to unfair trading practices in securities or fraudulent, deceitful, and corrupted management.
- 10) Must have no characteristics that hinder the ability to make an independent opinion of the operation of the REIT Manager.

Scope of Authority and Responsibility of the Independent Director of the REIT Manager

- (1) Supervise and provide necessary advice to the REIT Manager for the implementation of the preparation and disclosure of information in financial reports of the REIT Manager and KPNREIT in an accurate, complete, adequate, reliable and timely manner.
- (2) Supervise and provide necessary advice to the REIT Manager for the implementation of the internal control system and suitable work system as the REIT Manager.
- (3) Review and provide comments on related matters or matters that may lead to a conflict of interest with KPNREIT so that they are in accordance with the related laws and regulations. This is to ensure that such matters are reasonable and in the best benefit of KPNREIT.
- (4) Other operations as assigned by the Board of Directors of the REIT Manager that are deemed beneficial to KPNREIT
- (5) Require relevant parties of the REIT Manager to regularly report to the independent director for approval and acknowledgment in order to provide necessary advice on the following matters:
 - 5.1) Matters related to or may lead to the conflict of interest with KPNREIT.
 - 5.2) Weaknesses and improvement needed in the internal control system and the work system in acting as the REIT Manager, as well as the progress in the improvement.

The selection of the independent directors will use the same process as the selection of the directors and the managing director. Please consider the details in Section “Trust Manager Management Structure”.

Information of management team



Mr. Rungyos Chnatapasa

Chief Executive Officer

Experience

Director of Marketing and Business Development, Gaysorn Group (2005 – 2016)



Mr. Kittipong Wongvisanupong

Director

Asset Management and Operation

Experience

- Business Development, Magnolia Finest co.,ltd (2013 – 2018)
- Business Development, PTT Retail Management, (2011 – 2012)



Ms. Natcha Seehabutr

Director

Business Development, Investment and Investor Relation

Experience

- Director of Investment and Finance, Blue Whale Assets co.,ltd. (2017 – present)
- Director, The Quant Group (2011 – 2014)
- Analyst, Central Pattana Public Company Limited (2009 – 2011)

The Managing Director

The scope of authority and responsibility of the Managing Director is as follows:

- 1) Define the organizational structure, management method, as well as responsible for the selection, training, hiring and dismissal of the REIT Manager, setting of wages, salaries, compensation, bonuses and various benefits for the employees.
- 2) Responsible for, oversee and manage the operation and/or day-to-day management, including the regulation of overall operation of the REIT Manager to ensure that it is in accordance with related regulations and contracts, as well as the resolution of the Board of Directors meeting.
- 3) Oversee and regulate the operation of the REIT Manager.
- 4) Represent the REIT Manager, as well as being authorized to contact government agencies and related regulators.
- 5) Have an authority to issue, amend, update rules, orders and regulations related to the operation of the REIT Manager.
- 6) Have an authority to sub-authorize and/or assign another person to perform a specific task on its behalf through sub-authorization and/or such sub-authorization must be within the scope of the power of attorney provided, and/or shall be in accordance with the regulations, requirements or orders set by the REIT Manager's Board of Directors. Such authorization and power of attorney granted by the Board of Directors must not be an authorization or sub-authorization that allows the Board of Directors or the authorized party to approve matters that involve the interest of oneself or the related party, or that may conflict with the interest of KPNREIT.
- 7) Have an authority and responsibility as assigned by the Board of Directors of the REIT Manager

Duties of the REIT Manager

1. The REIT Manager shall possess qualification and no disqualification and obtain approval for being the REIT Manager from the SEC Office pursuant to Notification No. SorChor. 29/2555.
2. The REIT Manager shall have duties as assigned by the Trustee to manage KPNREIT with respect to the business operations which include investment, borrowing, change and create encumbrance on the assets of KPNREIT, execution of contracts and taking actions for KPNREIT, including preparation and disclosure of information of KPNREIT and submission to the Trustee the information, including information pursuant to Section 56 and Section 57 of the Securities Act, within the scope, rules and conditions provided in the REIT Manager appointment agreement.

3. The REIT Manager may assign any other person to perform works under its responsibilities on its behalf by specifying the scope of power and duties of such assigned person in the related agreements. The REIT Manager shall exercise prudence and due care in selecting the assigned person and shall oversee and review the performance of such assigned person. Such assignment shall not be materially contrary to or in conflict with the securities law or other applicable law.
4. The REIT Manager may make disbursement from the assets of KPNREIT only in case of disbursement from the operating account of KPNREIT under the limit approved by the Trustee, and the REIT Manager shall prepare and submit the disbursement report to the Trustee for review and approval within 5 business days from the date of submission of such report by the REIT Manager to the Trustee.
5. In case of request for a resolution of the unitholders, the REIT Manager holding trust units shall exercise the voting right in a manner that, in its opinion, will ensure the best interest of the unitholders as a whole.
6. In operating the business of an REIT manager, the REIT Manager shall adhere to the business conduct principles as follows:
 - 6.1 Performing duties by using knowledge and professional expertise with due care and diligence and honesty; ensuring fair treatment to the unitholders, acting in the best interest of unitholders as a whole, including complying with the laws, the Trust Deed, the REIT Manager appointment agreement, intentions of establishment of KPNREIT, and the resolution of the unitholders;
 - 6.2 Maintaining sufficient capital for the business operations and liabilities which may arise from the performance of duties as the REIT Manager;
 - 6.3 Disclosing, giving opinions on, or providing sufficient, significant and related information for the decision-making by the investors, and such information shall be clearly conveyed and shall not be deceptive and misleading;
 - 6.4 Not using information acquired from performance of duties of the REIT Manager in an inappropriate manner for its own benefit, or to cause damage or impact on the overall benefit of KPNREIT;
 - 6.5 Performing works with prudence in order to avoid conflict of interest, and in case of a conflict of interest, taking actions to ensure that the investors shall receive fair and appropriate treatment;
 - 6.6 Complying with the Securities Act, the Trust Act, and other applicable laws on the operation of KPNREIT, including the code of professional ethics and standards prescribed by an association relating to the securities business, or an organization relating to the securities recognized by the SEC Office, mutatis mutandis, and refusing to support, instruct, or cooperate with any person in violation of such laws or regulations;

- 6.7 Cooperating in the performance of duties of the Trustee or the SEC Office, including disclosing information which may materially affect the management of KPNREIT, or other information which should be notified to them;
- 7. In executing transactions relating to real estate for KPNREIT, the REIT Manager shall comply with the following rules:
 - 7.1 Ensuring that the disposal of real estates, or the execution of contracts in relation to the real estate for KPNREIT is correct and legally enforceable;
 - 7.2 Ensuring that the investment in real estate by KPNREIT is conducted in an appropriate manner, by at least taking actions as follows:
 - 7.2.1 conducting an evaluation of its readiness to manage such real estate prior to accepting to be the REIT Manager or making additional investment in such real estate for KPNREIT, as the case may be; and
 - 7.2.2 Conducting the possibility study and analysis and due diligence on the real estate including potential risks from the investment in such real estate, and preparing the risk management guideline. In this regard, risks shall include risk relating to development or construction of real estate (if any) and risks from delay in construction such as inability to generate benefit from the real estate.
- 8. The REIT Manager shall convene the unitholders' meeting as stated in the Trust Deed;
- 9. In case of appointment of an advisor for giving consultation and advices on the investment in and management of real estate, the REIT Manager shall appoint the advisor who does not have any interest in the matters relating to the advisor's duties. However, if it appears that such advisor is an interested person, the REIT Manager shall comply with the following rule:
 - 9.1 Causing the advisor to report its interest on the matter being considered; and
 - 9.2 Prohibiting the advisor having interest in the matter being considered whether directly or indirectly from participating in the consideration of such matter.
- 10. The REIT Manager shall prepare and report the disclosure of information on the financial position and operating result of KPNREIT in accordance with the rules prescribed in Notification No. TorJor. 51/2555 and any other relevant notification, and submit such reports to the SEC Office or related agency within the specified period of time as follow:
 - 10.1 Annual Registration Report of KPNREIT in accordance with Form 56-REIT;

- 10.2 Financial statement of KPNREIT in accordance with the accounting standards prescribed by the law governing accounting profession;
- 10.3 Annual report containing at least the information prescribed in Notification No. TorJor. 51/2555; and
- 10.4 Reports on KPNREIT information such as a report on the net asset value and trust unit value of KPNREIT, a report on the acquisition or disposal of real estate or leasehold interest or subleasehold interest of real estate, a report on progress in the construction of the real estate if KPNREIT has invested in under-construction real estate, and a report on the par value of trust units after the reduction of paid-up capital.

Where the Sec, the SEC Office and/or any other competent agency has otherwise made any amendment, addition, notification, regulation, instruction, or granted approval and/or relaxation, the REIT Manager shall comply accordingly.

Change of REIT Manager

- 1. Causes for change of the REIT Manager;
 - 1.1 Resignation of the REIT Manager
 - 1.2 Removal of the REIT Manager upon occurrence of any of the events stated in the Trust Deed;
 - 1.3 SEC Office's revocation of approval for acting as the REIT manager or order of suspension of the REIT Manager for more than 90 days in accordance with Notification No. SorKhor. 26/2555;
 - 1.4 The REIT Manager ceasing to be a justice person, being under liquidation or receivership, whether or not by absolute receivership order;
 - 1.5 The REIT Manager's failure to maintain capital in accordance with the rules under Notification No. SorChor. 29/2555.
- 2. The Trustee shall have the power to remove the REIT Manager and request for a resolution of the unitholders for appointment of the new REIT Manager within 60 days from the date of occurrence of the prescribed event, and appoint the person approved by the resolution of the unitholders within 30 days from the date of the resolution, in accordance with the Trust Deed.

The former REIT Manager shall take necessary actions to ensure that the Trustee or the new REIT Manager (as the case may be) is able to assume and perform the duties, including signing a statement certifying accuracy and completeness of matters delivered to the Trustee or the new REIT Manager. In addition, the

former REIT Manager shall perform its obligation after the REIT Manager appointment agreement has been terminated by any reason whatsoever, as prescribed in this Trust Deed.



Property Manager

Information of Property Manager

KPNREIT has appointed KPN Land Co., Ltd. (KPN LAND) as property manager to manage KPN Tower project under the property management agreement, following the conversion of KPN Property Fund (KPNPF). With over 20 years of experience, KPN LAND specializes in managing diverse real estate projects, including residential, office, and commercial spaces, supported by an efficient management system. Having managed the KPN Tower from construction to completion, KPN Land possesses deep operational knowledge of the building and builds a strong network of quality tenants across various industries.

Company Name	KPN Land Co.,Ltd.
Address	719 KPN Tower, Rama 9 Road, Bangkok, Huakwang, Bangkok
Company Registration	0105535140197
Tel.	02-717-0111
Fax	02-717-0875
Registered capital	800,000,000 Baht
Paid-up capital	800,000,000 Baht
Number of issued and paid-up shares	8,000,000 ordinary shares
Name of directors	3. Mr. Kris Narongdej 4. Mr. Korn Narongdej
Authorized directors	Mr.Kris Narongdej jointly sign together with another director with the company seal

Shareholder of Property Manager as of 31 December 2024

	Name	Number of shares held	%
1	KPN Holding Co.,Ltd	7,999,996	100.00
2	Mr. Kris Narongdej	1	0.00
3	Mr. Nop Narongdej	1	0.00
4	Mr. Korn Narongdej	1	0.00
5	Mr. Kasem Narongdej	1	0.00
	Total	8,000,000	100.00

Duties of Property Manager

1. Manage and operate property, such management and operation shall comply with annual operation plan, management of KPNPF, and relevant security laws.
2. The Property Manager agrees to provide personnel stationed at the project for overseeing and managing project in the appropriate number with sufficient knowledge and experience in managing assets and with qualification specified by relevant security laws. Expense arising thereunder will be borne by the Property Manager.
3. In case the Property Manager hires any person or appoint any person in whole or in part for performing the Property Manager's duties under this agreement and such person is a related party. The Property Manager agrees and warrants to inspect hire rate or consideration rate that will be paid to such person to be market price.

Property Manager Fee

Base Fee: 2.75 percent of rent and service fee and not more than 2 percent of NAV per annum

Leasing commission

- 1) Renewing Lease: 50 percent of monthly rent and service fee per month per contract (in case of such a contract has its terms of three years or above)
- 2) New Lease : 100 percent of monthly rent and service fee per month per contract (in case of such a contract has its terms of three years or above)



Trustee

Information of Trustee

Name	SCB Asset Management Co.,Ltd.
Address	7-8 th floor. SCB Park Plaza 1, 18 Ratchadapisek Road, Chatuchak, Bangkok 10900
Company registration	0105535048398
Tel.	02-949-1500
Website	http://www.scbam.com/
Registered capital	200,000,000 Baht
Paid-up capital	100,000,000 Baht
Number of issued and paid-up shares	20,000,000 นพทรีพีพี
Name of directors	<ol style="list-style-type: none"> 1. Mrs. Kittiya Todhanakasem 2. Dr. Yunyong Thaicharoen 3. Mrs. Salinee Wangtal 4. Mr. Chalitti Nuangchamnong 5. Mr. Narongsak Plodmechai 6. Mr. Patiphan Lertprasertsiri 7. Mr. Vitoon Pomsakulvanich
Authorized directors	<p>Mrs. Kittiya Todhanakasem Dr. Yunyong Thaicharoen Mr. Narongsak Plodmechai Mr. Vitoon Pomsakulvanich</p> <p>Any two directors jointly sign</p>

Shareholder of Trustee

Name	Number of shares held	%
1. Siam Commercial Bank Public Company Limited	19,999,998	99.999990
2. Ms. Atchara Sattarasart	1	0.000005
3. Mr. Danai Panpiumrat	1	0.000005
รวม	20,000,000	100.000000

Note: As of 2nd January 2025

Rights, Duties and Responsibilities of Trustee

1. The Trustee shall possess qualifications and no disqualification of, and shall obtain approval of the SEC Office to perform duties of, the Trustee of KPNREIT. In case a certain fact subsequently appears that the Trustee lacks independence pursuant to the securities law and other applicable laws, the Trustee shall, within 15 days from the date on which such fact has appeared, notify the SEC Office of such case together with the reasonable and reliable measures demonstrating that the Trustee will be able to perform its duties independently, and shall comply with such demonstrated measures, unless otherwise instructed by the SEC Office.
2. The Trustee shall manage KPNREIT with honesty, integrity, professional prudence and expertise, and ensure fair treatment to the unitholders in the best interest of the unitholders as a whole and in accordance with this Trust Deed, other applicable laws, the resolutions of the unitholders' meeting and additional commitments given to the unitholders, KPNREIT, or the REIT Manager (if any). In performing such duties, the Trustee may seek opinions from any independent professional advisor as it deems appropriate.
3. The Trustee shall oversee and ensure that the REIT Manager or any other assigned person (if any) performs its duties in compliance with the Trust Deed and other related agreements.
4. The Trustee shall attend every unitholders' meeting and give opinions on the matter which a resolution of the unitholders' meeting is sought, as to whether or not such matter complies with the Trust Deed and other applicable laws. In case of request for a resolution of the unitholders' meeting for any action, the Trustee shall respond to any inquiry and give opinions as to whether or not such action complies with the Trust Deed or other applicable laws, or in case such action is not in accordance with the Trust Deed or other applicable laws, raise an objection and inform the unitholders that the proposed action is prohibited.
5. The Trustee shall enforce debt repayment or oversee the enforcement of debt repayment to ensure compliance with the agreements between KPNREIT and other persons.
6. The Trustee shall manage KPNREIT where the REIT Manager is absent or is not able to perform its duties due to certain reasons, in accordance with the rules prescribed in Notification No. GorRor. 14/2555 and other applicable laws.
7. The Trustee shall have the rights, duties and responsibilities as prescribed in Notification No. GorRor. 14/25585 and other applicable laws.
8. The Trustee shall manage and seek benefits from KPNREIT's assets other than the core assets, and undertake any action necessary to ensure that the management of KPNREIT's assets other than the core

assets is in compliance with the Trust Deed and other applicable laws, including considering assigning the REIT Manager to manage KPNREIT with respect to investments in KPNREITs assets other than the core assets on its behalf.

9. The Trustee shall make amendment to the Trust Deed pursuant to the instruction of the SEC Office.
10. The Trustee may not set off the debt which is owed by it to any third person as a result of performance of duties as the Trustee against the debt which is owed by such third party to the Trustee as a result of the management of KPNREIT. In case of action in violation of the provision in this Clause, such action shall be null and void.
11. Where the Trustee enter into juristic acts or transactions with any third party, the Trustee shall, in writing, notify such third party that such act is made in the capacity of the Trustee, and expressly specify in the evidence of such juristic acts or transactions that such act is made in the capacity of the Trustee.
12. The Trustee shall keep the accounts of assets of KPNREIT separate from other accounts of the Trustee. Where the Trustee manages several REITs, accounts of assets of each REIT shall be kept separately. In this respect, the accounts shall be kept accurately, completely and up-to-date. With regard to the management of KPNREIT, the Trustee shall keep KPNREIT's assets separate from it personal assets and other assets possessed by it. Where the Trustee manages several REITs, the assets of each REIT shall also be kept separately.
13. Where Trustee's failure to comply with the provision of Clause 12 causes KPNREIT's assets to be commingled with the Trustee's personal assets to the extent that it is not possible to distinguish KPNREIT's assets from the Trustee's personal assets, it shall be presumed that:
 - 13.1 The commingled assets belong to KPNREIT;
 - 13.2 Any damage and liability arising from the management of the commingled assets shall be borne by the Trustee; and
 - 13.3 Any interest arising from the management of the commingled assets shall belong to KPNREIT.

The commingled assets shall include the commingled assets which are transformed into different form or state.
14. Where the Trustee's failure to comply with the provision in Clause 12 causes the assets of several REITs to be commingled to the extent that is not possible to distinguish to which REIT the asset belong, it shall be presumed that such assets including those that are transformed into different form or state, and any interest or liability arising from the management of the commingled assets shall belong to each REIT proportionate to amount of assets contributed to the commingled assets.

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15. The management of KPNREIT shall be personally performed by the Trustee and may not be assigned to any person, except in the following cases:
- 15.1 It is otherwise prescribed in the Trust Deed;
 - 15.2 The transaction is not of a personal nature and does not require professional capability of a trustee;
 - 15.3 The transaction that is generally assigned to a third person by the owner, whose assets and purposes of management similar to those of KPNREIT;
 - 15.4 The safekeeping of the assets, preparation of the unitholder register, or provision of support operations may be assigned to an affiliate of the Trustee or any person;
 - 15.5 Any other case which is responsible and performed by the REIT Manager pursuant to the provisions of the Trust Deed or the rules prescribed in Notification No. TorJor. 49/2555, Notification No. GorRor. 14/2555 and Notification No. SorChor. 29/2555, including cases which are prescribed by the SEC that must be assigned to third persons, or subject to other relevant requirements. Where the Trustee acts in violation of the aforementioned provision, any action undertaken shall bind the Trustee personally and shall not bind KPNREIT.
16. Where the Trustee duly assign the management of KPNREIT to any person in accordance with Clause 15, the Trustee shall exercise care and diligence in selecting such person and adequately and thoroughly supervise and review the assigned management. In this respect, the following operational measures on delegation of work shall be established in accordance with the rules prescribed in Notification of the SEC No. GorKhor. 1/2553 re: Work System, Investor Communications, and General Business Operations of the Trustee:
- 16.1 Selection of the appropriate assigned person based on the readiness of the work system and personnel of the assigned person, and the conflict of interest between the assigned person and KPNREIT;
 - 16.2 Control and assessment of performance of the assigned person
 - 16.3 Actions undertaken by the Trustee if the assigned person is no longer suitable for the delegation.
- The SEC may issue a notification prescribing details on actions of the Trustee in such case.
17. In case of change of the Trustee, if the new Trustee finds that prior to its assumption of this position, the previous management of KPNREIT was not in accordance with the provisions of the Trust Deed or the Trust Act and caused damage to KPNREIT, the new Trustee shall claim for damages from the liable Trustee and recover assets from a third person, notwithstanding whether such person has acquired the assets directly from the former Trustee, and whether the assets of KPNREIT has been transformed or

converted into other assets, unless such person has acquired the assets in good faith, in exchange of payments, and did not know or have reasonable cause to know that the acquired assets resulted from unlawful management of KPNREIT.

18. With respect to the management of KPNREIT and delegation of the management of KPNREIT to other persons pursuant to Clause 15, if any expense is incurred or the Trustee is required to make payment to any third person with its personal monies or assets due to reasonable necessity, the Trustee shall be entitled to obtain reimbursement of such monies or assets from KPNREIT, unless it is specified in the Trust Deed that such payment in case or with assets shall be liable by the Trustee.

The right to obtain reimbursement of monies or assets of the Trustee under paragraph one shall have priority over the real right or any right of a beneficiary and a third party over KPNREIT and may be exercised immediately, without having to wait for the dissolution of KPNREIT, and if it is necessary to transform or convert the assets of KPNREIT in order to obtain the monies or assets to be reimbursed to the Trustee, the Trustee shall have the power to undertake such action in good faith.

For the purpose of protection of the assets of KPNREIT, the Sec may issue a notification prescribing rules, conditions and procedures on payment of personal monies or other assets of the Trustee to a third party under paragraph one or the exercise of the right by the Trustee under paragraph two. The Trustee shall comply with such rules, conditions and procedures.

19. The Trustee may not exercise the right under Clause 18 until the full repayment of debt payable to KPNREIT has been made by the Trustee, except for the debt which may be set off in accordance with the Civil and Commercial Code.
20. Where the Trustee fails to manage KPNREIT in accordance with the Trust Deed or the Trust Act, the Trustee shall be held liable for the damage sustained by KPNREIT. However, where it is necessary and reasonable for the benefit of KPNREIT, the Trustee may seek approval of the SEC Office prior to manage KPNREIT in any manner other than those prescribed in the Trust Deed. If the Trustee has conducted the management so approved, in good faith and in the best interest of KPNREIT, the Trustee shall not be held liable for any liability.
21. The Trustee shall ensure that the essence of the Trust Deed conforms to any applicable laws. In case of any amendment to the Trust Deed, the Trustee shall act in accordance with the following rule:
 - 21.1 Ensuring that the amendment to the Trust Deed is in compliance with the procedures and conditions set out in the Trust Deed and the rules prescribed by other applicable laws;

- 21.2 Where the amendment to the Trust Deed is not in accordance with the provisions in Clause 21.1, taking actions in accordance with the power and duties specified in this Trust Deed and the Trust Act in order to protect the interests of the unitholders as a whole; and
- 21.3 Where the rules concerning the trust unit offering or the management of KPNREIT issued under the Securities Act and the Trust Act is subsequently amended and the Trust Deed becomes inconsistent with such rules, taking actions to amend the Trust Deed to be consistent with such rules in accordance with the procedures prescribed in this Trust Deed or as instructed by the SEC Office.
22. The Trustee shall monitor, supervise, and review the performance of assigned work by the REIT Manager or other assigned persons (if any) to ensure compliance with this Trust Deed and other applicable laws. Monitoring, supervision, and review shall include the following acts:
- 22.1 Ensuring that the management of KPNREIT is performed by the REIT Manager approved by the SEC Office throughout the period of existence of KPNREIT except the events under Clause 24;
- 22.2 Monitoring, supervising and taking actions as necessary to ensure that the assigned person possesses characteristics and complies with the rules set out in the Trust Deed and other applicable laws, including removal of the former assigned person and appointment of new assigned person;
- 22.3 Supervising the investments of KPNREIT to ensure compliance with the Trust Deed and other applicable laws;
- 22.4 Supervising the disclosure of information of KPNREIT to ensure that full and accurate information is disclosed in accordance with the provisions of the Trust Deed and other applicable laws;
- 22.5 Expressing opinions on the operations or the transactions for KPNREIT by the REIT Manager and other assigned persons (if any) to support the request for a resolution of the unitholders' meeting, the disclosure of information of KPNREIT to the investors or upon request of the SEC Office.
23. Where any action or omission by the REIT Manager causes damage to KPNREIT or the REIT Manager fails to perform any duty under the Trust Deed or other applicable laws, the Trustee shall submit a report of such matter to the SEC Office within 5 business days from the date on which it becomes aware or ought to be aware of such fact, and undertake actions to rectify, mitigate, or remedy the damage to KPNREIT as it deems fit.
24. Where the REIT Manager is not able to perform its duties, the Trustee shall manage KPNREIT as necessary to prevent, mitigate or abate any material damage to the benefits of KPNREIT or the unitholders as a whole, and undertake actions in accordance with the power and duties set out in the

Trust Deed and the Trust Act in appointing a new REIT Manager. The Trustee taking over the management of KPNREIT may assign any person to manage KPNREIT in the interim. Such assigned person shall comply with the scope, rules and conditions set out in the Trust Deed.

25. Where the Trustee is also a unitholder of KPNREIT, the Trustee shall, in casting votes or taking any action as a unitholder, take into account and protect the best interest of the unitholders as a whole and adhere to the principles of good faith and care, including avoidance of any conflict with or impact on the performance of duties as the Trustee of KPNREIT.
26. The Trustee shall prepare the unitholder register, or it may assign the securities registrar to perform such duty on its behalf. The unitholder register shall at least contain the following items:
 - 26.1 General details comprising:
 - 26.1.1 Names of the REIT Manager and the Trustee;
 - 26.1.2 Number of trust units, par value, paid-up capital, and date of issuance of the trust units; and
 - 26.1.3 Restriction on transfer (if any)
 - 26.2 Details of each unitholder comprising:
 - 26.2.1 Full name, nationality, and address of the unitholder;
 - 26.2.2 Serial number of the trust units and number of the trust units held (if any);
 - 26.2.3 Date of registration or disposal of the unitholder;
 - 26.2.4 Date of cancellation of trust unit certificates and issuance of replacement certificate (if any);
 - 26.2.5 Serial number of the application for amendment or record of any particular in the register (if any);
 - 26.2.6 Pledge/attachment of or release of the attachment of the trust units/release of mortgage (if any)
27. The Trustee shall prepare and deliver to the unitholders evidence of ownership of the trust units which shall at least comply with the following rules, except preparation of such evidence in accordance with the system of the securities depository center which shall be in accordance with the conditions specified by the securities depository center:
 - 27.1 Containing necessary and sufficient information for use by the unitholder as proof to assert ownership of the unitholders with the Trustee, the REIT Manager, and third persons;

- 27.2 Containing information of persons involved in the management of KPNREIT such as the Trustee, the REIT Manager, the securities registrar for use by the unitholders to contact said persons;
 - 27.3 Containing information showing that the unitholders are unable to sell the trust units back to KPNREIT or redeem the trust units with KPNREIT and in case of any unitholder being subject to any restriction, such restriction shall be clearly specified.
28. Subject to the provisions of Clause 27, upon the request of a unitholder to the Trustee or the securities registrar for issuance of a new evidence of ownership to replace the evidence which has been lost, obliterated, or substantially damaged, the Trustee shall issue or cause the evidence of ownership of trust units to be issued to the unitholder within a reasonable period of time.

Information of Other Persons relating to CPNREIT

Auditor

Name	SP AUDIT COMPANY LIMITED
Address	F16 Siripinyo Building, 475 Sri Ayutthaya Road, Thanon Phaya Thai Subdistrict, Ratchathewi District, Bangkok 10400
Phone	0-2354-2192-4

Trust Unit Registrar

Name	The Thailand Securities Depository Company Limited
Address	93, 14th Floor, Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok
Phone	02 009 9999
Fax	02 009 9991

Appraisal Companies

Name	KNIGHT FRANK CHARTERED (THAILAND) CO., LTD.
Address	33/4, The 9th Tower A, 31st Fl. Rama 9 Road, Huai kwang, Huai kwang Bangkok 10310
Phone	02 643 8223
Website	www.knightfrank.co.th

Corporate Governance

Corporate Governance Policy

The REIT manager is well aware that key success factor of the investment management business is the general public's trust and confidence. The REIT manager is fully ensured that the good corporate governance processes will sustainably enhance the company's performances and is crucial to the achievement of the company's goals, including creation of customers' ultimate satisfaction and generation of maximum value to the trust unitholders, with adherence to the policy of independent investment management and focus on investors' interests prior to the interests of the company, staff and shareholders. The measures to prevent conflicts of interests and to emphasize transparency are in place, based on the good corporate governance principles, along with a management structure to support the achievement of the above-stated goals, while ensuring the competitiveness, business ethics and legal compliance of the company.

Sub Committee

The Structure of directors of the REIT Manager consists of: The Board of Directors and the Executive Committee with details as shown in the topic "Management Structure"

The Meeting of REIT Manager

Board of Directors Meeting

It is stipulated that the Board of Directors shall meet at least four times per year. At each meeting, a quorum shall require the attendance of more than half of all directors, and any resolution shall be adopted by the majority vote of those present. Moreover, any director with a conflict of interest regarding a specific matter must abstain from the discussion and is not entitled to vote. Minutes of the Board meetings and all related documents shall be duly prepared and maintained.

Joint meetings between management and employees shall be held at least once every two weeks, or more frequently if significant matters arise. At each such meeting, if any risk factor is identified that could impact the trust's operations, the meeting will assign the relevant department to continuously monitor the factor and report its status in subsequent meetings. In addition, the group will collaboratively seek appropriate measures to mitigate or reduce the impact of these risk factors.

Noteworthy transactions proposed to the Board of Directors in the past year

For the year ended 31 December 2024, the REIT manager had proposed the following noteworthy transactions for the Board of Directors to consider:

No	Date	Agenda	Resolution	Rationale
1/2024	15 May 2024	Approval and consideration of the conversion plan and related contracts.	Approved as proposed	To comply with the Trust Deed and relevant regulations
2/2024	22 Nov 2024	<ul style="list-style-type: none"> Update conversion progress Approval of other related contacts 	Approved as proposed	To comply with the Trust Deed and relevant regulations

Supervision of other companies or REIT in which the KPNREIT indirectly invests

- None -

Control on the Use of Inside Information

The REIT Manager has established guidelines to supervise the use of internal information, with the Chinese wall system to prevent leakage of customers' data. The list of authorized persons to access the REIT's internal information has been set up; communications of such persons are subject to control and examination, and their workspaces are provided exclusively with a control system to prevent entries of other persons. The REIT Manager has set up an operational procedure related to securities trading of employees and related persons; this operational procedure applies to directors, executives and employees at all levels. If The REIT Manager finds out any use of internal information by directors, executives or employees for their own benefits, the company shall impose serious disciplinary action.

1. Procedures and Factors for Decision Making on Investment and Management

REIT Capital Increase

1. KPNREIT may carry out a capital increase through issuance and offering of new trust units to investors or unitholders in accordance with the terms and conditions under this Trust Deed and the applicable laws.
2. The capital increase shall not be inconsistent with the intention for establishment of KPNREIT and the applicable laws, and shall require approval by a resolution of the unitholders' meeting passed with the affirmative votes of not less than three-fourths of the total votes of the unitholders present at the meeting and entitled to vote; and it shall be in accordance with the following rules.
3. In case of the capital increase through offering of trust units to specific unitholders, the unitholders with the aggregate unitholding exceeding 10% of the total voting rights of the unitholders present at the meeting and entitled to vote, shall not vote against the capital increase.
4. Request for a resolution of unitholders' meeting for the capital increase by general mandate may be made only if it is expressly specified that the allocation of new trust units for the capital increase shall be in accordance with the proportion and rules prescribed in the relevant notifications of the Securities and Exchange Commission of Thailand. In this regard, the capital increase must be completed within 1 year from the date of resolution of the unitholders' meeting approving such capital increase.
5. In case of the capital increase for additional investment in the core assets, the procedures on acquisition of the core assets and accessories as prescribed in this Trust Deed have been complied with and in case of the transaction between KPNREIT and the REIT Manager or any related person of the REIT Manager, the procedures prescribed in this Trust Deed have been complied with.
6. The REIT Manager shall obtain an approval from the SEC Office for the offering of new trust units.

KPNREIT shall undertake actions relating to the capital increase of KPNREIT, including but not limited to calling a unitholders' meeting for a resolution to approve the capital increase (if required). The trust units shall be issued in full figure (fraction of trust unit may not be issued), and where the capital increase may cause a conflict of interest between the REIT Manager and its related person, both the REIT Manager and its related person shall abstain from voting on the agenda relating to the capital increase of KPNREIT and the issuance of trust units. In addition, the REIT Manager shall take reasonable actions to ensure that the new trust units shall be listed on the SET within 45 days from the closing date of the trust unit offering.

Causes for Capital Increase

1. Capital increase for investments in real estate or leasehold interest of real estate, or in the core assets of KPNREIT whether directly or indirectly in accordance with the relevant rules and notifications of the SEC or the SEC Office, and in movable properties relating to the business operation of the core assets in addition to the first investment assets of KPNREIT or its existing assets
2. Capital increase for renovation, repair or maintenance of KPNREIT's assets, including real estate of KPNREIT or real estate which KPNREIT holds the leasehold interest to ensure that they are in good conditions and fit for benefit seeking or compatible with the changing market conditions or customer needs
3. Capital increase for addition to existing buildings, or construction of additional buildings or structures on the land of KPNREIT or which KPNREIT holds the leasehold interest for the purpose of KPNREIT's benefit seeking, or to ensure compatibility with the changing market conditions or customer needs
4. Capital increase for repayment of loans or liabilities, including related expenses of KPNREIT
5. Other causes which the REIT Manager deems appropriate subject to approval of the Trustee
6. Other causes as prescribed by the SEC Office and/or the SEC

Any other cause where the capital increase is approved by the resolution of the unitholders' meeting, provided that it is in accordance with this Trust Deed and other applicable laws and notifications

KPNREIT's Investment and Investment Policy

The investment by KPNREIT shall be in compliance with the rules prescribed in Notification No. TorJor. 49/2555 and other relevant notifications, including the provisions of the Trust Deed

Acquisition of Core Assets and Accessories (if any)

KPNREIT shall make investments whether direct or indirect in accordance with the rules as follows:

1. Direct investment, which is the investment in the core assets, shall be in accordance with the following rules:
 - 1.1 KPNREIT shall invest in real estate for acquisition of the ownership or right of possession. The acquisition of the right of possession shall be any of the following cases:
 - 1.1.1 Acquisition of real estate with Nor.Sor.3Gor. Certificate;
 - 1.1.2 Acquisition of leasehold interest and/or subleasehold interest of real estate with a title deed or Nor.Sor.3Gor. Certificate. Where KPNREIT shall invest in the leasehold interest in real

estate in the nature of sublease, the REIT Manager shall provide measures to prevent risks or remedy any damage which may arise from the default of a lease agreement or unenforceability of rights under the lease agreement.

- 1.2 The acquired real estate shall not be subject to any real right or dispute unless the REIT Manager and the Trustee has considered and given written opinions that being subject to such real right or dispute shall not render material effect on the seeking of benefits from such real estate and the conditions for acquisition of such real estate are beneficial to the unitholders as a whole.
- 1.3 The agreement for acquisition of the real estate shall not contain any provision or commitment which may prevent KPNREIT from selling such real estate at a fair price (at the time of sale), for example, the provision entitling the parties the pre-emptive right to purchase the real estate of KPNREIT at a price determined in advance, or which may impose undue obligations on KPNREIT other than the ordinary obligations the lessee should bear upon the termination of the lease agreement.
- 1.4 The acquired real estate shall be ready for use to generate benefits with the aggregate value of not less than 75% of the total value of the trust units to be offered for sale, including the amount of loan (if any). KPNREIT may invest in an under-construction project, provided that the investment amount to be acquired and used to complete the development of such real estate for the purpose of benefit seeking shall not exceed 10% of the total asset value of KPNREIT (after offering of trust units) and KPNREIT must be able to demonstrate that its working capital is sufficient for such development without any impact on its going concern status.
- 1.5 The REIT Manager shall cause a full-scope appraisal of the real estate intended for investment, which includes the verification of instruments of title, and for the public purpose of disclosure to investors to be conducted within 6 months prior to the date of submission of the application for offering of trust units by at least 2 appraisers which the REIT Manager and the financial advisor, involved in the preparation of the application for approval of the trust unit offering (if any) deem appropriate and to able to conduct the reliable and sufficient appraisal to reflect the true value of the assets. The qualifications of the appraisers shall be follows:
 - 1.5.1 Being an appraiser approved by the SEC Office
 - 1.5.2 Where the real estate intended for investment is located in a foreign country, the appraiser may be any person whose name appears on the list of persons permitted by a government or regulatory agency of such country to perform an appraisal on such real estate. Where such list does not exist, the appraiser shall have any of the following qualifications:

- (a) Being a professional asset appraiser widely-recognized in the country where the real estate is located;
- (b) Adopting international valuation standards and systems;
- (c) Having an extensive international appraisal network (international firm).

The rules under Clause 1.5 shall be applicable to the real estate transferred from the converted property fund and duly valued in accordance with the rules prescribed in Notification No. TorJor.34/2559.

- 1.6 The acquired real estate shall have the aggregate value of not less than Baht 500,000,000. In this respect, where the amount of fund raised from the issuance and offering of trust units is less than the value of the real estate intended for investment, the REIT Manager shall be able to demonstrate that there are other sources of funds which are sufficient for the acquisition of such real estate.

In addition, in acquiring the core assets and accessories, KPNREIT shall comply with the procedures stated in the Trust Deed.

2. Indirect investment, which is the investment in the core assets of KPNREIT through holding of shares of a company established with the objectives in engaging in similar undertakings to those of KPNREIT pursuant to Notification No. TorJor. 49/2555, shall be in compliance with the rules as follows:

- 2.1 The number of shares held by KPNREIT shall be not less than 99% of the total number of outstanding shares, and shall represent not less than 99% of the total voting rights, of such company.

- 2.2 KPNREIT may provide loan to the company under Clause 2.1 through holding of debt instruments or execution of an agreement constituting lending of money. The lending of money to such company shall be deemed as indirect investment in the core assets.

- 2.3 The real estate intended for indirect investment shall be appraised by KPNREIT and the company of which KPNREIT is the shareholders as follows:

- 2.3.1 The appraisal by KPNREIT shall be performed in accordance with the rules stated in Clause 1.5 above, by taking into consideration the tax burden of KPNREIT as the shareholder and other factors which may affect the price of the real estate intended for indirect investment.

- 2.3.2 The appraisal by the company of which KPNREIT is the shareholder shall be performed in accordance with the rules under Clause 1.5 above.

- 2.3.3 The appraisal of other assets invested by the company of which KPNREIT is the shareholder shall be performed in accordance with the following rule:

- (a) The fair value shall be used in accordance with the rules issued by the Association of the Investment Management Companies on determination of the fair value of the investment fund, *mutatis mutandis*;
- (b) Where the rules under (a) do not accommodate the determination of the fair value of any asset, the value determined in accordance with the generally accepted principle or internationally accepted standards shall be used.

2.3.4 Where KPNREIT has investment in debt instruments or contracts considered as indirect investment, such debt instruments or contracts shall be appraised in accordance with rules under this Clause.

2.3.5 KPNREIT must be able to demonstrate that there are measures or mechanisms to enable the Trustee and the REIT Manager to supervise and control such company to operate its business in accordance with the rules prescribed for REITs having direct investment in the core assets, provided that the rules on the loan ratio set out in the Trust Deed may be considered only by KPNREIT

KPNREIT may acquire assets other than the core assets through investment in other assets which KPNREIT is permitted to invest in or to hold in possession in accordance with the rules stated in the Trust Deed.

Procedures for Acquisition of Core Assets and Accessories (if any)

Prior to each acquisition of the core assets, the REIT Manager shall undertake the following actions:

1. To conduct due diligence on information and contracts relating to the core assets and accessories (if any), such as financial and legal information, for use in the investment decision-making and disclosure of accurate information. Where the owner, the lessor, the transferor of the leasehold interest or the subleasehold interest of the real estate is a related person of the REIT Manager, the REIT Manager shall procure a financial advisor to give opinions on the analysis of such information.
 - 1.1 Appraising the core assets at least in accordance with the provisions of the Trust Deed;
 - 1.2 If KPNREIT plans to invest in the leasehold interest of real estate in the nature of sublease, there must be measures to prevent risk or remedy damage which may arise from default of the lease contract, or unenforceability of rights under the lease contract.
2. The acquisition of additional core assets may be made on the conditions as follows:
 - 2.1 With respect to the essence of the transaction, the acquisition shall be the transaction with the following descriptions:
 - 2.1.1 Being in compliance with this Trust Deed and other applicable laws;

- 2.1.2 Being for the best interest of KPNREIT;
 - 2.1.3 Being reasonable and using a fair price;
 - 2.1.4 Having the expenses incurred from entering into the transaction collected from KPNREIT at the fair and reasonable rate (if any); or
 - 2.1.5 Being entered into based on the decision made without involvement of a person with special interest in such transaction
- 2.2 With respect to the approval system, the REIT Manager shall undertake actions as follows:
- 2.2.1 Requesting for approval of the Trustee demonstrating that the transaction is in compliance with the Trust Deed and other applicable law;
 - 2.2.2 In case of the acquisition of the core assets with the value not less than 10% of the aggregate value of assets of KPNREIT, requesting for the approval resolution of the Board of Directors of the REIT Manager;
 - 2.2.3 In case of the acquisition of the core assets with the value not less than 30% of the aggregate value of the assets of KPNREIT, requesting for the resolution of the unitholders' meeting passed with the affirmative votes not less than three-fourths of the total votes of the unitholders present at the meeting and entitled to vote.

The calculation of the value of the core assets in this Clause shall be based on the aggregate value of the acquisition of assets of each project enabling KPNREIT to be ready for generating income, including the assets related to such project.

- 2.3 With respect to request for an approval of the Trustee or a resolution of the unitholders' meeting, duties of the REIT Manager and the Trustee shall be as follows:
- 2.3.1 The REIT Manager shall prepare documents for requesting for an approval or the invitation letter, as the case may be, by expressing its opinions on the descriptions of transaction under Clause 2.1, together with a clear rationale and supporting information;
 - 2.3.2 The Trustee shall attend the unitholders' meeting to provide opinions on the descriptions of transaction as to whether or not it is in compliance with the Trust Deed or other applicable laws

Selection of Property Manager

The REIT has a policy to invest in immovable properties or leasehold rights in immovable properties conducting business of leasable office building. The REIT Manager has assessed and analyzed property managers'

experience, reputation and past performances. The selection criteria include continually outstanding performances, business management skills, financial structure having low risk arising from borrowing, stable income and cash flow, and business operations with social responsibility.

Monitoring of Property Manager's Operations

The REIT manager has determined criteria for examination or review of property manager's operations against the terms and conditions of contract of property manager appointment and the trust deed. Such criteria include the following: (1) Approval of estimated annual revenues and expenses, and estimated expenses related to property improvement and repair. (2) Review of the estimated revenues and expenses against the actual expenses.

The REIT manager's opinions related to the REIT's immovable property management: In the previous accounting year, the property manager performed their functions in accordance with the established annual budget plan. However, due to certain uncontrollable and unpredictable external factors, the REIT's income did not meet the expectation.

Remuneration of the REIT Manager

The REIT manager fee will consist of two parts, namely, Part 1: Base Fee, which will be calculated in proportion to the value of assets in which the REIT invests, according to the old structure of KPNPF , and Part 2: Performance-related Fee (Outperformance Fee), which will vary by operating profits. This incentive will encourage the REIT Managers to perform their duties with maximum efficiency and in accordance with the REIT's investment policy to generate the highest possible returns for trust unitholders in the long run.

Disclosure of Information of KPNREIT

The REIT Manager shall have duty and responsibility to prepare and disclose information of KPNREIT to the SEC Office, the SET, the Trustee and the unitholders, including submitting the annual report of KPNREIT, together with the invitation letter to annual general meeting to the unitholders and the Trustee.

In addition to the disclosure of information as specified, where any notification or order of the SET and/or the SEC Office specifies that the REIT Manager shall disclose information or submit any information on the management of KPNREIT and its performance of duties, the REIT Manager shall also comply with such notification or order. The Business Development & Investor Relation

The REIT Manager will disclose the reviewed information to related personnel or organization. The details are as follows:

1. Periodic Information Disclosure, as follows:

Information	Period
Quarterly Financial Statement ¹ (reviewed) and audit report according to the Notifications of the SEC Office: Approval of Auditors and 56-REIT3	Delivered together within 45 (Forty-five) days after the end of the quarter
REIT Investment Report (OFAR) or other reporting system	Within 45 (Forty-five) days after the end of the quarter through OFAR
REIT NAV, unit trust value, total asset value, and benefits procurement from non-core assets (if any)	Deliver to Trustee for review within 30 (Thirty) days after the end of the quarter and deliver the reviewed version to the SEC and the stock market within 45 (Forty-five) days after the end of the quarter
Annual Financial Statement ¹ , financial report, delivery form, and audit report according to the Notifications of the SEC Office: Approval of Auditors and 56-REIT3	Within 2 (Two) months after the end of the fiscal year, in case of not submitting the 4th quarter financial statement. Within 3 (Three) months after the end of the fiscal year, in case of submitting the 4th quarter financial statement.
REIT Operating Results	Submit with the financial statement

Note: ¹Preparation and disclosure of REIT financial statement is according to the accounting regulations for each type of transaction.

2. Disclosure of material Events, as follows:

Information	Period
REIT Free Float	Within 14 (Fourteen) days after the closing of the register book for the Annual General Meeting.
Book closing date or record date for trust unitholder general meeting	Immediately and within 14 (Fourteen) days (not less than 7 (Seven) days if stated otherwise) before the trust transfer register book closing date or record date
Trust Unitholder Meeting Notice	<ul style="list-style-type: none"> ▪ Delivered to Trustee for approval within 14 (Fourteen) days before the trust register book ▪ Report to the SET within 7 (Seven) or 14 (Fourteen) days before the meeting date. ▪ Announce the Trust Unitholder Meeting on at least 1 (One) local newspaper within 3 (Three) days before the meeting date.
Simplified Trust Unitholder Meeting Minutes to be uploaded electronically to the Stock Exchange Thailand	a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.

Information	Period
	<p>b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day.</p>
Trust Unitholder Meeting Minutes	<ul style="list-style-type: none"> ▪ Deliver to Trustee for approval within 9 (Nine) days after each trust unitholder meeting. ▪ Report to the SET within 14 (Fourteen) days after each trust unitholder meeting.
Acquisition or Disposal of REIT assets	<p>Report to the SET within</p> <p>a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.</p> <p>b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day. Report to the SET office within 15 (Fifteen) days after the acquisition or disposal of the real estate.</p>
<p>Report important events and change related to REIT and trust unitholder including:</p> <ul style="list-style-type: none"> ▪ Trust Unitholder Meeting Date ▪ Dividend Payment Decision ▪ Increasing, managing, or reducing REIT capital ▪ Issuing new unit trust (Tranche) ▪ Alteration in Trust Unitholder Structure of more than 10 percent of trust unitholder of each unit trust (Tranche) ▪ Acquisition or disposal of important transaction contract such as Core Asset Rental Contract ▪ Acquisition or disposal of Core-Asset ▪ Loaning money or creating obligations to REIT assets or issuing debt instrument in sizable quantity that is of importance to the financial status and operating results ▪ Dissolution of REIT, core asset business, and liquidation ▪ Important change in capital expenditure 	<p>Report to the SET within</p> <p>a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.</p> <p>b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day.</p>
<p>Delay or failure to comply to legal obligations related to financial assistance of at least 5 percent of the total asset value in the financial statement or consolidated financial statement</p>	<p>a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.</p> <p>b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day. Progress report on the failure to pay off debt</p>

Information	Period
	(if any) within 45 days after the end of each quarter or when there is progress, whichever is first.
Transaction with parties related to the Company	<p>a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.</p> <p>b) b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day.</p>
ข้อพิพาทที่สำคัญที่มีผลกระทบเกี่ยวกับการดำเนินงานของ Important disputes relating to REIT operation such as labor disputes, contractors, or suppliers	<p>ทันทีโดยไม่ชักช้า คือ</p> <p>a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.</p> <p>b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day. Report in the REIT annual report and/or financial statement</p>
Important Legal Disputes	<p>a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.</p> <p>b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day. Report in the REIT annual report and/ or financial statement.</p>
Any information affected or may affect the trust unitholder decision making or the unit trust price	<p>a) Within the day of the incident by reporting within 1 hour prior of the SET operating period.</p> <p>b) For force majeure event and cannot comply to a), report within 1 hour prior to the first SET operating period of the following day. Report to the SEC after reporting to the SET</p>

The REIT manager will prepare related documents, evidence, and information to report as stipulated in the Company's policy, Trust Deed, REIT Manager Appointment Agreement, Registration Statement, Prospectus, Regulations, and Related Law by submitting the report to the SEC as printed documents and deliver and upload the information through the SET information dissemination system according to related rules and regulations.

Request for Resolution and Unitholders' Meeting of REIT

1. The resolution to approve any matters concerning the management and operation of KPNREIT according to the provisions of the Trust Deed and the Trust Act shall be obtained by convening the unitholders' meeting or by any other mean as prescribed in the notification of the SEC Office.
2. Causes for request for a resolution of the unitholders shall be as follows:
 - 2.1 Acquisition or disposal of the core assets with the value not less than 30% of the total asset value of KPNREIT;
 - 2.2 Issuance of debt instruments or debt securities, or borrowings which KPNREIT is required to provide collateral;
 - 2.3 Capital increase or reduction of the paid-up capital of KPNREIT which is not specified in advance in this Trust Deed;
 - 2.4 Capital increase by general mandate;
 - 2.5 Transaction with the REIT Manager or the related person of the REIT Manager with the transaction value of not less than Baht 20,000,000 or with the transaction size greater than 3% of the net asset value of KPNREIT, whichever is higher;
 - 2.6 Change in distribution and return of capital to the unitholders;
 - 2.7 Change or removal of the Trustee;
 - 2.8 Change or removal of the REIT Manager;
 - 2.9 Amendment to this Trust Deed on the matter significantly affecting rights of the unitholders;
 - 2.10 Dissolution of KPNREIT; or
 - 2.11 Any other matter which the Trustee or the REIT Manager deems necessary or appropriate to propose to the unitholders for consideration and resolution on such matter.
3. The REIT Manager shall convene the annual general meeting within 4 months from the end of the fiscal year of KPNREIT.
4. The unitholders holding a total number of trust units not less than 10% of the total outstanding trust units may jointly sign a notice requesting the REIT Manager to call the unitholders' meeting.
5. Where there is any matter deemed by the Trustee as necessary or appropriate to be proposed to the unitholders' meeting for consideration and resolution, the REIT Manager shall call the unitholders' meeting.
6. The REIT Manager shall convene the unitholders' meeting by complying with the procedures for calling the unitholders' meeting as set out in this Trust Deed.

In case of Clause 4 and Clause 5, if the REIT Manager fails to call the unitholders' meeting within 1 month from the date it receives the notice from the unitholders and/or the Trustee, as the case may be, the Trustee may call the unitholders' meeting.

7. A quorum of a unitholders' meeting shall comprise unitholders attending the meeting of at least 25 persons, or not less than one-half of the total number of unitholders and collectively holding not less than one-thirds of the total outstanding trust units. The Trustee shall appoint one unitholder to chair the meeting. The chairman of the meeting shall have the power and duties as stated in the Trust Deed. If at any unitholders' meeting have an agenda concerning the consideration of a matter in which the Trustee or the REIT Manager has interest, the Trustee or the REIT Manager and their respective representatives shall not be entitled to cast the vote on such agenda (if the Trustee or the REIT Manager and their respective representatives are the unitholders). Where the Trustee has interest in any agenda, the REIT Manager shall propose to the unitholders' meeting the list of persons to be appointed to chair the meeting with respect to such agenda. Where both the Trustee and the REIT Manager have interest in any agenda, the unitholders' meeting shall appoint any person to chair the meeting.
8. The resolution of the unitholders shall comprise the following votes:
 - 8.1 In general, the majority vote of the unitholders present at the meeting and entitled to vote;
 - 8.2 In any of the following cases, the votes of not less than three-fourths of the total votes of the unitholders present at the meeting and entitled to vote:
 - 8.2.1 Acquisition or disposal of the core assets with the value not less than 30% of the total asset value of KPNREIT;
 - 8.2.2 Capital increase or reduction of the paid-up capital of KPNREIT which is not specified in advance in this Trust Deed;
 - 8.2.3 Capital increase by general mandate;
 - 8.2.4 Transaction with the REIT Manager or the related person of the REIT Manager with the transaction size of not less than Baht 20,000,000 or greater than 3% of the net asset value of KPNREIT, whichever is higher;
 - 8.2.5 Change in distribution and return of capital to the unitholders;
 - 8.2.6 Change of the Trustee or the REIT Manager;
 - 8.2.7 Amendment to this Trust Deed on the matter significantly affecting rights of the unitholders; and Dissolution of KPNREIT.

Restriction on right to distribution, Arrangement of Distribution, and Voting Right of Unitholders

1. The allocation of trust units to any person, group of associated persons, the Settlor, the Trustee, the REIT Manager, or foreign investor shall be in accordance with the proportion or rules prescribed in Notification No. TorJor. 49/255 or any other relevant notification.
2. Where KPNREIT invests in real estate located in Thailand, if the laws, rules, or provisions governing such real estate prescribe the investment proportion for the foreign investor, the REIT Manager shall allocate the trust units to such foreign investor in accordance with such laws, rules or provisions. Where KPNREIT invests in several real estate projects, and the laws, rules, or provisions governing such real estate prescribe different investment proportions for the foreign investor, the REIT Manager shall allocate the trust units in accordance with the lowest proportion specified by such laws, rules, or provisions.
3. Where any unitholder whose trust unitholding is greater than the proportion or inconsistent with the provisions in Clause 1 or Clause 2, the REIT Manager shall, without delay, notify such unitholder of the restriction on the voting right and the distribution as set out in this Trust Deed and report the matter to the SEC Office within 5 business day from the day it has become aware or ought to be aware of such matter.
4. Any unitholder or group of associated persons, whose trust unitholding is greater than the proportion or inconsistent with the provisions in Clause 1 or Clause 2, shall be subject to the restriction on distribution, in that such person or group of associated persons shall not be entitled to the distribution for the portion of the excess or inconsistent trust units, and the distribution which may not be made to them shall be allocated to other unitholders in proportion to their respective trust unitholding.
5. The following unitholders shall be subject to the restriction on voting right:
 - 5.1 The unitholders with trust unitholding in excess of the proportion or inconsistent with the rules under Clause 1 or Clause 2 only in respect of the excess or inconsistent portion; and
 - 5.2 The unitholders with special interest in the matter on which the resolution is sought.

Selection and Appointment of Directors and Executives

The REIT Manager has 1 (one) Board of Directors, which comprises of at least 3 (three) qualified directors, at least one third of whom must be independent directors. The independent directors must possess qualifications according to the criteria as specified in the Notifications of the Capital Market Supervisory Board concerning the Application for and an Approval of Offer for Sale of Newly Issued Shares. Moreover, the Board of Directors and executives who are authorized to manage the REIT Manager must not possess characteristics which are prohibited under the Notification of the Capital Market Supervisory Board concerning Prohibited Characteristics of Personnel in Capital Market Industry according to clause 12(4) of Notification of the Office of the Securities and Exchange Commission No. SorChor. 29/2555, Re: Rules, Conditions and Procedures for the Approval of

REIT Manager and Standard Conduct and its subsequent amendments or other relevant regulations that the Office of the SEC may subsequently amend.

Two directors (not independent directors) are authorized to bind the REIT Manager through joint-authorization with company's seal affixed. The Board of Directors may assign one or many directors or other persons to act on the Board's behalf in any matter. Nevertheless, delegation of authority shall not include the delegation or sub-delegation that enables directors or assigned persons by directors to approve transactions that they or other people might have conflict or interests or other benefits in any forms that conflicts with the benefit of KPNREIT.

Remuneration for Auditors

The auditor's remuneration for the operation period from 13 - 31 December 2024, details as follows;

1. Remuneration for Auditors THB 150,000 million
2. No other non-audit fee

Sustainable Development

Social Development

With commitment to strengthening society and communities, the REIT manager has undertaken development of potential of youths and society, and creation of public benefits. Focus has been placed on the development of youths so they become quality population and important force of national development. Cooperation has been forged among the networks of communities, public agencies and people to improve communities' living conditions and environment.

Environmental Development

(a) Environmentally friendly business operations: the REIT manager has committed to environmental operations via providing financial support to environmentally friendly businesses, focusing on reduction of greenhouse gas from KPNREIT's operations, and ensuring that all business processes are based on environmental conservation concept.

(b) Resource conservation, and reduction of resource utilization and waste: the REIT manager has continually promoted efficient use of resource, including water and electricity, and reduction of waste.

Anti-Corruption

The REIT manager has included anti-corruption guidelines, including prohibition of acceptance or offering of bribes and inducements, in the code of conduct, which must be strictly adhered to by the directors and employees.

Internal Control and Risk Management

The REIT manager recognizes the importance of the principles of systematic management and good corporate governance processes. The REIT manager, therefore, has assigned the Risk Management and Compliance Office to supervise, audit and monitor operations, as well as evaluating the effectiveness of key internal controls on the REIT management of the Property Business Management Department and the other relevant Departments in alignment with the Audit Plan to ensure that their operations are effective and in compliance with the laws, regulations of the relevant government agencies, policies, contracts and other related operating regulations. The Risk Management and Compliance Office is a unit that has independence in its own operations and is independent from other departments. It directly reports operating and audit results to the Company's Board of Directors on a regular basis.

Transactions between KPNREIT and REIT Manager or Related Person of REIT Manager

1. With respect to the essence of the transaction, the transaction shall have the characteristics stated in the Trust Deed.
2. With respect to the approval system for transactions between KPNREIT and the REIT Manager or the related person of the REIT Manager, in addition to the disclosure of information in the registration statement and prospectus, actions relating to the application for approval of transaction as specified in the Trust Deed, such as requesting for an approval from the Trustee, shall be undertaken. Additionally, (1) in case of the transaction with the value exceeding Baht 1,000,000 or not less than 0.03% of the net asset value of KPNREIT, whichever is higher, the approval of the Board of Directors of the REIT Manager is required; and (2) in case of the transaction with the value exceeding Baht 20,000,000 or 3% of the net asset value of KPNREIT, whichever is higher, the resolution of the unitholders with the affirmative vote not less than three-fourths of the total voting rights of the unitholders present at the meeting and entitled to vote is required.

Value of Connected Transactions of KPNREIT with REIT Manager and its Connected Persons over the Past Period

List (THB)	13 December 2024 (Incorporation Date) – 31 December 2024
Management Fee	
Blue Whale Assets Company Limited	95,981

Transaction with Conflict of Interest between KPNREIT and Trustee

1. With respect to management of KPNREIT, the Trustee shall not act in any manner which is contrary to the interest of KPNREIT, notwithstanding whether such action shall be undertaken for the benefit of the Trustee or other persons, except for the demand for payment of remuneration of the Trustee, or the transaction with check and balance measures or mechanisms to ensure fair treatment, and the Trustee is able to demonstrate that it has managed KPNREIT in a fair manner and has sufficiently disclosed related information to the unitholders and no objection has been raised by the unitholders. Such disclosure of information and objection shall be in accordance with the rules prescribed by the SEC Office.
2. Unless otherwise prescribed by the SEC Office, the disclosure of information in the following manners shall be deemed as sufficient disclosure of information to the unitholders or investors prior to execution of the transaction which is in conflict of the interest of KPNREIT:
 - 2.1 Disclosure is made through the SET in accordance with the regulations of the SET relating to such matter or any other channel which allows the unitholders to access thorough information on the transaction.
 - 2.2 The disclosure period is reasonable but not less than fourteen (14) days prior to the date of transaction.
 - 2.3 The channel, procedures and period of objection is clearly disclosed. Such period shall not be less than 14 days prior to the date of transaction, unless in case of request for a resolution of the unitholders for execution of such transaction, the objection shall be raised at time of such request.
3. Where the objection is expressly raised in accordance with the procedures disclosed under Clause 2.3 above by the unitholders holding more than one-fourths of the total outstanding trust units, the Trustee may not execute or allow the execution of the transaction which is in conflict with the interest of KPNREIT.

Value of Connected Transactions of KPNREIT with Trustee and its Connected Persons over the Past Period

List (THB)	13 December 2024 (Incorporation Date) – 31 December 2024
Trustee Fee	
SCBAM	98,162

Important Financial Information

Summary of Auditor's report

Auditor have audited the financial statements of KPN Real Estate Investment Trust ("the Trust"), which comprise the statement of financial position and the details of investments as at 31 December 2024, and the statement of comprehensive income, changes in net assets and cash flows for the period stated 13 December 2024 (incorporation date) through 31 December 2024, and notes to the financial statements, including a summary of significant accounting policies.

In auditor's opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2024, and its financial performance, changes in its net assets and cash flows for the period stated 13 December 2024 (incorporation date) through 31 December 2024 in accordance with accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust for investment companies as stipulated by Association of Investment Management Companies and endorsed by the Securities and Exchange Commission.

Management Discussion and Analysis

KPNREIT was established on 13 December 2024, following the conversion of the KPN Property Fund ("KPNPF") into KPNREIT. On 23 December 2024, KPNREIT completed the transfer of the KPN Tower project from KPNPF. As of the transfer date, KPNREIT had a net asset value of THB 1,683.65 million, equivalent to THB 9.3536 per unit. The units of KPNREIT commenced trading on the Stock Exchange of Thailand on December 27, 2024. Blue Whale Asset Co., Ltd. serves as KPNREIT Manager, SCB Asset Management Co., Ltd. serves as Trustee, and KPN Land Co., Ltd. acts as the Property Manager.

At present, KPNREIT's core investment asset is the KPN Tower office building, which is undergoing a major renovation to enhance its revenue-generating potential. In parallel, KPNREIT is actively exploring new investment opportunities to drive portfolio growth and diversify risk. KPNREIT aims to expand its investment portfolio across various real estate asset classes to broaden its revenue base. Targeted asset types for future acquisitions include warehouses, factory buildings, distribution centers, rental storage facilities, and other real estate assets that support or complement the leasing business within these categories.

STATEMENT OF FINANCIAL POSITION

Unit: Baht	13 December 2024 (Incorporation Date) – 31 December 2024
Assets	
Investments in properties at fair value	1,620.00
Cash and cash equivalents	84.97
Accounts receivable	
From rental and services	2.98
From interest	0.01
Other receivables	5.63
Other assets	2.15
Total Assets	1,715.75
Liabilities	
Accrued expenses	2.82
Rental and service received in advance	1.05
Deposits received from tenants	22.40
Other liabilities	4.16
Total Liabilities	30.43
Net Assets	1,685.32
Net asset value per unit (Baht)	9.3629

As of 31 December 2024, KPNREIT's total assets amounted to THB 1,715.75 million, primarily comprising an investment in real estate at fair value, totaling THB 1,620.00 million. The primary asset was the investment in real estate with a fair value of THB 1,620.00 million. The fair value was determined by an independent appraiser, as per the valuation report dated December 20, 2024, using the Income Approach method.

KPNREIT held cash and cash equivalents totaling THB 84.97 million, a portion of which was reserved for the major renovation of the KPN Tower scheduled for 2025. This renovation includes both exterior and interior refurbishments to enhance the building's image, meet tenant demands, and improve its competitive position.

KPNREIT's total liabilities amounted to THB 30.43 million, primarily comprising Deposits received from tenants of THB 22.40 million, accounting for 73.63% of total liabilities. KPNREIT had no outstanding long-term financial debt.

As of 31 December 2024, KPNREIT reported a net asset value (NAV) of THB 1,685.32 million, equivalent to THB 9.3629 per unit.

STATEMENT OF PROFIT AND LOSS

Unit: Baht	13 December 2024 (Incorporation Date) – 31 December 2024
Income	
Rental & Service and Other Income	3.97
Interest Income	0.01
Total Income	3.99
Expenses	
Cost of rental and service	0.65
REIT Manager fee	0.10
Trustee fee	0.10
Registrar fee	0.01
Property management fee	0.22
Professional fee	0.15
Other expenses	1.09
Total Expenses	2.31
Net Investment Income	1.67

For the period 13 December 2024 (the establishment date of KPNREIT) – 31 December 2024 KPNREIT reported total revenue of THB 3.99 million, primarily derived from rental & service and other income from the KPN Tower project, which totaled THB 3.97 million and accounted for 99.6% of total revenue.

Total expenses amounted to THB 2.31 million, with rental and service costs comprising THB 0.65 million, or 28.14% of total expenses. Other expenses totaled THB 1.09 million, including a one-time cost of THB 0.5 million related to the conversion of KPNPF into KPNREIT.

KPNREIT reported a net investment profit of THB 1.67 million, reflecting a net investment profit margin of 42.01%.

Factors Affect Performance

Due to the prolonged use of the KPN Tower—one of the principal assets in which the REIT invested following its conversion—the building’s condition, including its critical systems, has significantly deteriorated. Consequently, it is necessary to consider a Major Renovation to enhance its current revenue-generating potential. This renovation may require a substantial investment from the REIT’s accumulated profits and could adversely affect the usable space for some smaller tenants, as well as the future operations of the REIT.

However, for the renovation plan scheduled for 2024–2025, the REIT manager, in collaboration with the property management team, has devised a phased approach. The plan primarily focuses on upgrading the building’s exterior appearance, with selective improvements to certain interior areas and enhancements to space utilization. It is anticipated that this plan will not necessitate the closure of tenant-occupied areas, thereby allowing the REIT to continue generating benefits from the property on an ongoing basis.

Furthermore, given the REIT’s more flexible structure for sourcing and accessing capital compared to traditional funds, it may consider securing additional funding—such as commercial bank loans—if necessary for future renovations. This strategy could reduce reliance solely on accumulated profits for repairs and help mitigate the risk that the renovation might negatively impact distributions to unit holders.

The REIT manager will carefully assess the adequacy of cash flow, the need to reserve funds for the renovation (including any necessary debt repayment reserves), and the appropriate timing for implementation, so as to minimize any adverse effects on the REIT’s operational performance, financial condition, and distribution capabilities.

This operational plan must be submitted to the Investment Committee of KPNREIT and subsequently approved by the trustee. In addition, the REIT’s future performance may be affected by external factors such as the nation’s economic growth, inflation, interest rates, government policies, or the growth rate of businesses leasing office space, among other factors.

Trustee Report



TRUSTEE REPORT

February 19th, 2025

To: Trust Unitholders
KPN Real Estate Investment Trust

SCB Asset Management Company Limited (the “Trustee”), as the Trustee of KPN Real Estate Investment Trust (the “REIT”) which managed by Blue Whale Asset Company Limited (the “REIT Manager”), would like to inform you that for the period of December 13th, 2024 to December 31st, 2024, the REIT Manager had managed the REIT properly and efficiently as well as in compliance with applicable laws, regulations and the trust deeds in a way that protects interests of the REIT and Trust unitholders as a whole.

Yours faithfully,
SCB Asset Management Company Limited

(Mrs. Tipaphan Puttarawigorm) (Mr. Paeree Ichayapreug)

Trustee

บริษัทหลักทรัพย์จัดการกองทุน ไทยพาณิชย์ จำกัด (สำนักงานใหญ่)
ชั้น 7-8 อาคาร 1 ไทยพาณิชย์ปาร์ค พาเลซ เลขที่ 18 ถนนรัชดาภิเษก แขวงจตุจักร เขตจตุจักร กรุงเทพฯ 10900
โทรศัพท์ 0 2949 1500 โทรสาร 0 2949 1501

SCB Asset Management Co.,Ltd. (Head Office)
7-8 SCB Park Plaza 1 Fl. 18 Ratchadapisek Rd., Chatuchak, Bangkok 10900 Thailand Tel. 0 2949 1500 Fax. 0 2949 1501

WWW.SCBAM.COM

Financial Statement

KPN REAL ESTATE INVESTMENT TRUST

FINANCIAL STATEMENTS AND AUDITOR'S REPORT

FOR THE PERIOD STARTED 13 DECEMBER 2024 (INCORPORATION DATE)
THROUGH 31 DECEMBER 2024



SP AUDIT CO.,LTD.

บริษัท เอส พี ออดิท จำกัด

475 Siripinyo Building, 16 Floor, Unit 1601, Sriyuthaya Road, Thanon Phayathai, Ratchathewi, Bangkok, 10400 T: +66 2 354-2192-4
เลขที่ 475 อาคารสิริปัญญ ชั้น 16 ยูนิต 1601 ถนนศรีอยุธยา แขวงถนนพญาไท เขตราชเทวี กรุงเทพมหานคร 10400 โทร. +66 2 354-2192-4

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of KPN Real Estate Investment Trust

Opinion

I have audited the financial statements of KPN Real Estate Investment Trust ("the Trust"), which comprise the statement of financial position and the details of investments as at 31 December 2024, and the statement of comprehensive income, changes in net assets and cash flows for the period stated 13 December 2024 (incorporation date) through 31 December 2024, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 31 December 2024, and its financial performance, changes in its net assets and cash flows for the period stated 13 December 2024 (incorporation date) through 31 December 2024 in accordance with accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust for investment companies as stipulated by Association of Investment Management Companies and endorsed by the Securities and Exchange Commission.

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 including Independence Standards issued by the Federation of Accounting Professions ("Code of Ethics for Professional Accountants") that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with Code of Ethics for Professional Accountants. 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.

► email : spaudit@spaudit.co.th

SP Audit Co., Ltd.

Measurement of Investments in Properties

As discussed in Note 5 to the financial statements, as at 31 December 2024, the Trust had the investments in properties in the amount of Baht 1,620.00 million. The fair value of such investments was a key audit matter, due to the REIT manager therefore determined the fair value of these investments based on the value appraised by an independent appraiser. As the 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, there is therefore significant risk with respect to the measurement of such investments.

Key audit procedures

I gained an understanding and evaluating the basis upon which the Trust identified and assessed the fair value of investments in properties. I also assessed the competence and independence of the independent appraiser. In addition, I reviewed the data and key assumptions used in the measurement of fair value, by comparing them against historical data, considering the reasonableness of significant movement in the property valuation from the prior year, checked them to the lease agreements, and recalculation of the fair value models.

And I reviewed disclosure the disclosure of information related to the measurement of the fair value of investments in properties, its adequacy and conformity to the requirements of accounting guidance for property fund, real estate investment trust, infrastructure fund and infrastructure trust for investment companies as stipulated by Association of Investment Management Companies with approval from the Thai Securities and Exchange Commission.

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.

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



SP Audit Co., Ltd.

Responsibilities of the REIT manager for the Financial Statements

The REIT manager is responsible for the preparation and fair presentation of the financial statements in accounting guidance for property fund, real estate investment trust, infrastructure fund and infrastructure trust for investment companies as stipulated by Association of Investment Management Companies with approval from the Thai Securities and Exchange Commission., and for such internal control as the 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, the 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 the Trust 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 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 Standards on Auditing, 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 the REIT manager.



SP Audit Co., Ltd.

- Conclude on the appropriateness of the 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 the 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 the 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.

SP Audit Company Limited



(Mr Kiatisak Vanithanont)

Certified Public Accountant (Thailand) No. 9922

Bangkok

19 February 2025

KPN REAL ESTATE INVESTMENT TRUST
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	(Unit : Baht)
Assets		
Investments in properties at fair value	5	1,620,000,000.00
Cash and cash equivalents	6	84,974,525.53
Accounts receivable		
From rental and services	7, 12	2,983,778.90
From interest	12	5,587.37
Other receivables	12	5,631,877.99
Other assets		2,154,105.05
Total Assets		<u>1,715,749,874.84</u>
Liabilities		
Accrued expenses	12	2,821,929.30
Rental and service received in advance		1,045,306.60
Deposits received from tenants	12	22,402,657.45
Other liabilities	12	4,155,744.21
Total Liabilities		<u>30,425,637.56</u>
Net Assets		<u>1,685,324,237.28</u>
Net Assets :		
Trust capital from the unitholders	8	1,683,649,411.02
Retained earnings	9	1,674,826.26
Net Assets		<u>1,685,324,237.28</u>
Net asset value per unit (Baht)		9.3629
Unit trust outstanding at the end of the period (Units)		180,000,000.00

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

KPN REAL ESTATE INVESTMENT TRUST

THE DETAILS OF INVESTMENTS

AS AT 31 DECEMBER 2024

Details of investments are classified by type of investment.

Type of investments	Cost (Baht)	Fair Value (Baht)	Percent of investment
Investments in properties at fair value			
Investment in KPN Tower Building Project	1,620,000,000.00	1,620,000,000.00	100.00
Location: 719, Rama 9 Road, Bangkok,			
Huaykwang, Bangkok			
Ownership in land and office building, including			
utility systems, related components and equipment			
Total investments in properties at fair value	1,620,000,000.00	1,620,000,000.00	100.00

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

KPN REAL ESTATE INVESTMENT TRUST
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD STARTED 13 DECEMBER 2024 (INCORPORATION DATE)
THROUGH 31 DECEMBER 2024

	Note	(Unit : Baht)
Income		
Rental and service income	12	1,831,037.92
Interest income	12	14,501.62
Other income		2,141,403.08
Total Income		<u>3,986,942.62</u>
Expenses		
Cost of rental and service	12	650,536.27
REIT Manager fee	10, 12	95,980.99
Trustee fee	10, 12	98,162.37
Registrar fee	10	10,645.65
Property management fee	11, 12	215,034.87
Professional fee		150,000.00
Other expenses		1,091,756.21
Total Expenses		<u>2,312,116.36</u>
Net Investment Income		<u>1,674,826.26</u>
Increase in Net Assets from Operations		<u><u>1,674,826.26</u></u>

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

KPN REAL ESTATE INVESTMENT TRUST
STATEMENT OF CHANGES IN NET ASSETS
FOR THE PERIOD STARTED 13 DECEMBER 2024 (INCORPORATION DATE)
THROUGH 31 DECEMBER 2024

	Note	(Unit : Baht)
Increase in Net Assets from Operations during the Period		
Net investment income		1,674,826.26
Net Increase in Net Assets from Operations		1,674,826.26
Increase in Capital Received from Unitholders during the Period		
Increase in capital during the period	18	1,683,649,411.02
Net Increase in Capital Received from Unitholders		1,683,649,411.02
Net Increase in Net Assets during the Period		1,685,324,237.28
Net Assets at Beginning of the Period		-
Net Assets at End of the Period		1,685,324,237.28
		(Unit : Units)
<u>Changes in number of investment units</u>		
(Par value Baht 9.3536 per unit)		
Trust Units at Beginning of the Period		-
Increase in trust units during the period		180,000,000.00
Trust Units at End of the Period		180,000,000.00

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

KPN REAL ESTATE INVESTMENT TRUST
STATEMENT OF CASH FLOWS
FOR THE PERIOD STARTED 13 DECEMBER 2024 (INCORPORATION DATE)
THROUGH 31 DECEMBER 2024

	(Unit : Baht)
Cash Flows from Operating Activities	
Increase in net assets from operations	1,674,826.26
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities	
Decrease in accounts receivable from rental and service	633,267.16
Increase in accounts receivable from interests	(5,587.37)
Increase in other receivables	(1,222,325.23)
Increase in other assets	(381,326.32)
Decrease in accrued expenses	(2,162,527.21)
Decrease in rent received in advance	(1,174,561.80)
Increase in other liabilities	3,005,117.80
Net Cash Provided by Operating Activities	<u>366,883.29</u>
Cash Flows from Financing Activities	
Cash received from the conversion of the Fund	<u>84,607,642.24</u>
Net Cash Provided by Financing Activities	<u>84,607,642.24</u>
Net Increase in Cash and Cash Equivalents	84,974,525.53
Cash and Cash Equivalents at Beginning of the Period	-
Cash and Cash Equivalents at End of the Period	<u><u>84,974,525.53</u></u>

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

FOR THE PERIOD STARTED 13 DECEMBER 2024 (INCORPORATION DATE)
STATEMENT OF CASH FLOWS
FOR THE PERIOD STARTED 13 DECEMBER 2024 (INCORPORATION DATE)
THROUGH 31 DECEMBER 2024

(Unit : Baht)

Additional information

Non-Cash Transactions

Net assets that agreed to be transfer to the Trust

Investments in properties	1,620,000,000.00
Cash at banks	84,607,642.24
Accounts receivable from rental and services	3,617,046.06
Other receivables	4,409,552.76
Other assets	1,772,778.73
Accrued expenses	(4,984,456.51)
Rental and service received in advance	(2,219,868.40)
Deposits received from tenants	(22,402,657.45)
Other liabilities	(1,150,626.41)

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

KPN REAL ESTATE INVESTMENT TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD STARTED 13 DECEMBER 2024 (INCORPORATION DATE)
THROUGH 31 DECEMBER 2024

1. NATURE OF KPN REAL ESTATE INVESTMENT TRUST

KPN 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 (“Trust Act”) in accordance with the Trust Deed signed on 13 December 2024. The Trust is a closed-end trust with no maturity date. The Trust was established from the conversion of KPN Property Fund (“the Fund”). The Trust has registered capital of Baht 1,683.65 million (Allotted to 180.00 million trust units 9.3536 Baht each).

The Trust’s objectives of supporting the Fund’s conversion and/or raise funds from investors. The Trust will focused on core assets such as immovable properties and/or leasehold properties estate (including sub-leasehold). These assets are utilized to generate income in the form of rental and service fees or other similar types of income. The Trust also aims to improve, renovate, develop the potential of, and/or dispose of these assets to generate income and returns for the Trust and the unitholders. This may include investment in other properties and/or other securities and/or deriving benefit by other means as prescribed by securities law and/or other relevant laws.

The Stock Exchange of Thailand approved the listing of the Trust’s investment trusts and permitted their trading from 27 December 2024 onwards.

Blue Whale Assets Company Limited (“REIT Manager”) acts as the REIT Manager, SCB Asset Management Company Limited acts as the Trustee and Thailand Securities Depository Company Limited acts as the Trust Registrar. KPN Land Company Limited acts as the Property manager.

As at 31 December 2024, Social Security Office and Narongdej Group are the major unitholders, holding 21.08% and 20.19%, respectively, of the Trust.

2. DISTRIBUTION POLICY

The Trust has policies to pay distributions to unitholders as follows:

2.1 The REIT Manager shall pay distributions to the Trust's unitholders that, in aggregate, amount to not less than 90% of adjusted net profit for the accounting period, with such distributions to be divided into a year-end distribution and an interim distribution (if any). The REIT Manager shall pay distributions to unitholders not more than 4 distributions in an accounting period, unless the Trust increases capital.

The adjusted net profit means net profit less reserve as follow:

- 1) For repair, maintenance, or improvement of the trust's real estate according to the plan.
- 2) For repayment of loan or obligation from borrowing of the Trust.
- 3) For distribution payment to unitholders with the first priority to obtain benefits or return of capital (if any).

2.2 In case the Trust has retained earnings base on adjusted net profit of each year for any accounting periods, the REIT Manager may pay the distributions to the Trust's unitholders from the retained earnings.

2.3 In case the Trust has accumulated losses remaining, the REIT Manager will not pay distributions to the Trust's unitholders.

2.4 For consideration of the distributions to unitholders, the REIT Manager shall consider the necessary with the appropriate cash flows in accordance with the Office of Securities and Exchange Commission's guideline.

In considering the payment of interim distribution, if the value of interim distribution per unit to be paid is lower than or equal to Baht 0.10, the REIT Manager reserves the right not to pay distribution at that time and to bring such distribution forward for payment together with the next distribution payment.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements has been prepared in accordance with accounting guidelines for the Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust established by the Association of Investment Management Companies and endorsed by the Securities and Exchange Commission, Thailand ("Accounting Guidelines"), while for those matters not covered by the Accounting Guidance, the entity is to follow the financial reporting standards issued by the Federation of Accounting Professions Under the Royal Patronage of His Majesty the King ("TFAC") that are effective in that financial reporting period.

An English version of the financial Statement has been prepared from the statutory financial statements that are in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Investment properties

Investment properties are measured at cost on initial recognition. Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Subsequent to initial recognition, investment properties are measured at fair value.

Gains or losses arising from changes in fair values of the investment properties are recognised in the statement of comprehensive income in the period in which they arise.

The Trust is determined Fair value at each reporting date, using the appraisal value assessed by an independent appraiser approved by Thai Valuer Association and The Valuers Association of Thailand (Pursuant to the Notification of the Office of the Securities and Exchange Commission concerning the granting of approval of valuation companies and principle values for public use). Valuation will be made when economic conditions change, but at least every two years, commencing from the date of the appraisal made for the purposes of investing or leasing the properties. In addition, the valuation will be reviewed within one year after the latest valuation date.

The Trust derecognises a investments in properties when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal.

On derecognition of a investment properties, the difference between the carrying amount of the asset and the sum of the consideration received are recognised in the statement of comprehensive income in the year of retirement or disposal.

4.2 Financial instruments

Financial assets and financial liabilities

Recognition and initial investment

The Trust initially recognise in financial assets and financial liabilities on the trade date - the date on which the Trust commits to purchase or sell the investment.

Financial assets and financial liabilities at fair value are initially recognised at fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value recognised immediately in profit or loss as expense.

Classification and subsequent measurement

All financial assets are classified financial assets are subsequently measured at fair value.

All financial liabilities are classified financial liabilities are subsequently measured at amortise cost except derivative liabilities are subsequently measured at fair value.

Gains and losses arising from changes in the fair value of the financial assets or financial liabilities are subsequently measured at fair value are recognised in the statement of comprehensive income.

Derecognition

The Trust derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received and receivable are recognised in the statement of comprehensive income.

The Trust derecognises a financial liability when its contractual obligations are discharge or cancelled, or expire.

On derecognition of a financial liabilities, the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable are recognised in the statement of comprehensive income.

4.3 Accounts Receivable from Rental

Accounts receivable from rental are stated at their invoice value less allowance for expected credit losses.

The Trust applies a simplified approach in calculating expected credit loss to consider impairment of Accounts receivable from rental.

4.4 Revenues and Expenses Recognition

Rental incomes are recognised as revenues in the statement of comprehensive income on a straight-line basis over the lease term. The recognised revenue which is not yet due per the operating lease agreements has been presented under the caption of "Accounts receivable from rental" at the end of reporting year.

Service income is recognised over time when services have been rendered.

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

The premium (discount) on debt instruments is amortised by the effective rate method. The amortised amount is presented as an adjustment of the interest income.

Expenses are recognised on an accrual basis.

4.5 Related Party Transactions

Related parties of the Trust comprise enterprises and individual which directly or indirectly own a voting interest of at least 10 percent in the Trust or individual management personnel who are responsible for the management of the Trust, determining its policies or making decisions as to how to achieve the Trust's objectives.

In addition, related parties include enterprises and individual that control or are controlled by the Trust or have the significant influence over the Trust or the Trust have significant influence over them.

4.6 Long-Term Leases

Lease of assets not transferred a significant portion of risks and rewards of ownership to lessee are classified as operating leases. The Trust as the lessor, receives money under operating leases are charged to the income statement on a straight-line basis over the year of the lease.

4.7 Use of Judgements and Estimates

The preparation of financial statements in conformity with Accounting Guidelines requires management to make adjustment and estimates that affect the reported amounts of assets, liabilities, revenues, expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

4.8 Distributions to Unitholders

The Trust records decreases in retained earnings are recognised as at the date a distribution is declared.

5. INVESTMENT IN PROPERTIES AT FAIR VALUE

Movement of investments in properties at fair value for the period started 13 December 2024 (incorporation date) through 31 December 2024 were as follows:

	(Unit : Baht)
Beginning of the period	-
Add Transfer from KPN Property Fund	1,620,000,000.00
End of the period	<u>1,620,000,000.00</u>

As described in Note 18 of the financial statements, On 23 December 2024, the Trust received immovable properties and movable properties of KPN Tower Project, which includes land, building, furniture and fixtures and related systems from the KPN Property Fund with a total value of Baht 1,620.00 million. The fair value of investments in property using the income approach was assessed by an independent appraiser's report dated 20 December 2024. The main assumptions used in the property rental and service rate, rental area, discount rate, market rental and service rate, market growth rental and service rate, occupancy rate and expenses relevant to cost of rental and services.

Amounts recognised in profit and loss that are related to investments in leasehold properties for the period started 13 December 2024 (incorporation date) through 31 December 2024 were as follows:

	(Unit : Baht)
Rental income	1,831,037.92
Direct operating expense that generated rental income	650,536.27

As at 31 December 2024, undiscounted lease payments to be received on a maturity of operating lease as follows.

	(Unit : Million Baht)
1 st year	52.42
2 nd year	34.95
3 rd year	11.33
Total	98.70

6. CASH AND CASH EQUIVALENTS

As at 31 December 2024, cash and cash equivalents consisted of:

<u>Bank</u>	Principle (Baht)	Interest rate (%)
Saving account		
The Siam Commercial Bank Public Company Limited	84,974,525.53	0.40

7. ACCOUNTS RECEIVABLE FROM RENTAL

As at 31 December 2024, accounts receivable from rental and service as follows.

	(Unit : Baht)
Within credit terms	747,787.57
Overdue:	
Less than 3 months	2,235,991.33
Grand total	<u>2,983,778.90</u>

8. TRUST CAPITAL FROM THE UNITHOLDERS

Movement in trust units are as follows:

	Value per unit	Number of units	(Unit : Units) Amount
	(Baht)	(Units)	(Baht)
Balance at 13 December 2024	-	-	-
Transfer from the Fund as a result of conversion (Note 18)	9.3536	180,000,000.00	1,683,649,411.02
Balance at 31 December 2024	<u>9.3536</u>	<u>180,000,000.00</u>	<u>1,683,649,411.02</u>

9. RETAINED EARNINGS

Movement of retained earnings for the period started 13 December 2024 (incorporation date) through 31 December 2024 were as follows:

	(Unit : Baht)
Beginning of the period	-
Net investment income	1,674,826.26
End of the period	<u>1,674,826.26</u>

10. EXPENSES

The REIT manager fee, trustee fee and registrar fee are summarised as follows:

<u>Expenses</u>	<u>Percentage</u>
REIT manager fee	<ul style="list-style-type: none"> - Base fee is not over 0.30% per annum of the Trust's total asset value - Outperformance fee is 20% difference between actual and reference return. (Waived for first year)
Trustee fee	Not over 1.00% per annum of the Trust's total asset value
Registrar fee	Rate is specified by Thailand Securities Depository Company Limited

The above fees exclude value added taxes.

11. PROPERTY MANAGEMENT FEE

The property manager is entitled to receive property management compensation from the Trust, which can be summarised as follows:

- (1) The property management fee is calculated at a rate of 2.75% of the rental and service income plus 0.25% of the Trust's net asset value. The total compensation must not exceed 2% per annum of net asset value at the last business day of the previous month.
- (2) The operating fee for the renewal of an existing lessee is equivalent to 0.5 time of monthly rental and service income per lease agreement depending on the lease period.
- (3) The operating fee for new lessee is one month of rental and service income per lease agreement depending on the lease period.

The above fees exclude value added taxes.

The Trust has appointed a company to be the agent for leasing and renewing the lease agreement for office space. Therefore, for the Projection Period the Property Manager will not charge a such fee. Property manager has engaged CBNP (Thailand) Company Limited to act as the property manager. The two companies have relations involving authorised directors and major shareholders

12. RELATED PARTY TRANSACTIONS

The Trust had significant business transactions with its related parties which comprise the REIT manager, trustee, the companies which related to the REIT Manager or trustee, and by way of common shareholders unit holders and/or directors and other funds which are managed by the same trustee. Below is a summary of those transactions for the period started 13 December 2024 (incorporation date) through 31 December 2024 as follows:

			(Unit : Baht)
			<u>Pricing Policy</u>
Blue Whale Assets Company Limited			
REIT manager fee	95,980.99	Note 10	
KPN Land Company Limited			
Rental and service income	45,402.57	Contract price	
CBNP (Thailand) Company Limited			
Property management fee	215,034.87	Note 11	
Service fee	3,500.00	Mutually agreement price	
SCB Asset Management Company Limited			
Trustee fee	98,162.37	Note 10	
The Siam Commercial Bank Public Company Limited			
Interest income	8,368.99	Market rate	

As at 31 December 2024, the Trust had the significant outstanding balances with the related companies as follows:

	(Unit : Baht)
Blue Whale Assets Company Limited	
Accrued REIT manager fee	99,226.72
Other payables	506,213.37
KPN Land Company Limited	
Accounts receivable from rental and services	10,562.31
Deposits from rental and services	1,248,056.10
CBNP (Thailand) Company Limited	
Accrued property management fee	661,199.75
Accrued service fee	3,745.00
SCB Asset Management Company Limited	
Accrued trustee fee	101,481.87

(Unit : Baht)

The Siam Commercial Bank Public Company Limited

Cash at bank 84,974,525.53

Interest receivables 5,587.37

KPN Property Fund

Other receivables 5,567,464.00

13. INVESTMENT TRADING INFORMATION

The Trust had no investment trading transactions for the period started 13 December 2024 (incorporation date) through 31 December 2024 excluding investments in promissory notes and certificates of deposit.

14. COMMITMENTS

As at 31 December 2024, the Trust had commitments to pay as follows:

- Committed to pay the REIT manager fee, trustee fee and registrar fee under the terms and conditions specified in Note 10.
- Committed to pay the property management fee and conditions specified in Note 11.
- Commitment to pay for a security service agreement, elevator maintenance service fees, cleaning fees and sign fees with a monthly Baht 0.69 million

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 on 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. FAIR VALUE HIERARCHY AND FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement, except there is no active market or when a quoted market price is not available. The Trust endeavors to use relevant observable inputs as much as possible.

The Trust measure fair values using the following fair value hierarchy, which are observable and the significance of the inputs to the fair value measurement and significance of the inputs used in making the measurements as follow:

- 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

As at 31 December 2024, the Trust had the assets that were measured at fair value using different levels of inputs as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	(Unit: Baht) <u>Total</u>
<u>Assets measured at fair value</u>				
Investments in properties	-	-	1620,000,000.00	1620,000,000.00

The Trust estimated the fair value of financial instruments as follow:

- Investment in properties are estimated their fair value as the appraisal value assessed by an independent appraiser using the income approach.

Reconciliation of Level 3 fair values

	(Unit : Baht)
Beginning of the period	-
Transfer from KPN Property Fund	1620,000,000.00
End of the period	<u>1620,000,000.00</u>

During the current period, there were no transfers within the fair value hierarchy.

17. DISCLOSURE OF FINANCIAL INSTRUMENTS

Interest Rate Risk

The Trust's exposure to interest rate risk relates primarily to its investments in marketable debt securities, cash at bank and long-term loan. However, since most of the Trust's financial assets bear fixed interest rates which are close to the market rate or floating interest rates, the interest rate risk is expected to be minimal.

As at 31 December 2024, significant financial assets and liabilities classified by type of interest rates are summarised as follows:

	(Unit : Baht)	
	Floating <u>interest rate</u>	Non- interest <u>bearing</u>
<u>Financial assets</u>		
Cash at cash equivalents	84,974,525.53	-
Accounts receivable from rental and services	-	2,983,778.90
Accounts receivable from interest	-	5,587.37
Other receivables	-	5,631,877.99
<u>Financial liabilities</u>		
Accrued expenses	-	2,821,929.30
Deposits received from tenants	-	22,402,657.45
Other liabilities	-	3,821,175.84

Credit risk

The Trust has credit risk which results from the failure of a counterparty to settle its contractual obligations specified in financial instruments. The Trust has only receivables. However, the related financial assets have short-term maturity, therefore, the Trust does not anticipate material losses from its debt collection.

The Trust has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. 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 rent and service received in advance and deposits from tenant as collateral in case of default. The carrying amount of financial assets as recorded in the statement of financial position represents the Trust's maximum exposure to credit risk.

18. CONVERSION OF THE FUND TO THE TRUST

The conversion of KPN Property Fund into the KPN Real Estate Investment Trust has been completed. On 23 December 2024, the Trust received the transfer of assets and liabilities from the Fund in exchange for issued trust units of the Trust 180,000,000 units. These registered trust units were used to swap with the investment units of the Fund which the swap ratio was at the ratio of 1 trust unit to 1 investment unit of the Trust. After conversion of the Fund into the Trust, all agreements entered into by the Fund with other persons who are still in effect at that time shall be transferred from the Fund to the Trust.

The details of the assets and liabilities transferred from the Fund are as follows:

	(Unit : Baht)
Investments in properties	1,620,000,000.00
Cash at banks	84,607,642.24
Accounts receivable from rental and services	3,617,046.06
Other receivables	4,409,552.76
Other assets	1,772,778.73
Accrued expenses	(4,984,456.51)
Rental and service received in advance	(2,219,868.40)
Deposits received from tenants	(22,402,657.45)
Other liabilities	(1,150,626.41)
Total net assets received	<u>1,683,649,411.02</u>

19. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorised persons of the Trust on 19 February 2025.



BLUE WHALE ASSETS

REIT Manager

Blue Whale Assets Company Limited

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