|  |  |  |
| --- | --- | --- |
| Note |  | Contents |
|  |  |  |
| 1 |  | General information |
| 2 |  | Basis of preparation of the interim financial statements |
| 3 |  | Related parties |
| 4 |  | Investments in freehold and leasehold properties at fair value |
| 5 |  | Cash and cash equivalents |
| 6 |  | Rental and service receivables |
| 7 |  | Right-of-use assets / Lease liabilities |
| 8 |  | Retained earnings |
| 9 |  | Segment information |
| 10 |  | Information on fair value level and fair value measurement of investment |
| 11 |  | Commitments with non-related parties |
| 12 |  | Event after the reporting period |
|  |  |  |
|  |  |  |

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

These interim financial statements were approved by the authorised director of the REIT manager on  
9 May 2025.

1. **General information**

Axtra Future City Freehold and Leasehold Real Estate Investment Trust (“the Trust”) was established as a specific closed-end Real Estate Investment Trust with an indefinite term and was registered on 10 September 2024. The Trust was established from the conversion of Lotus’s Retail Growth Freehold and Leasehold Property Fund (“the Fund”) and received the assets and obligations from the Property Fund on 26 November 2024, according to the Rights and Duties Transfer agreement under the Undertaking agreements, consisting of 23 Lotus’s shopping malls.

The Trust is managed by Axtra Future City Property REIT Co., Ltd. (“the REIT Manager”), Krung Thai Asset Management Public Company Limited acts as the Trustee and CP Axtra Public Company Limited acts as the Property Manager.

The Trust’s major unitholders during the financial period were CP Axtra Public Company Limited (25.00 % of trust unitholding) which incorporated in Thailand.

The Trust’s dividend payment policy is in accordance with conditions and procedures as specified in the prospectus.

1. **Basis of preparation of the interim financial statements**

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim

financial statements”) in accordance with Thai Accounting Standard No. 34 *Interim Financial Reporting* and the accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust issued by the Association of Investment Management Companies (“AIMC”) as approved by The Securities and Exchange Commission. In case of transactions not covered by this accounting guidance the Trust applied Thai Financial Reporting Standard (“TFRS”) as announced by Federation of Accounting Professions (“Accounting Guidance”). The interim financial statements   
do not include all of the financial information required for annual financial statements but focus on   
new activities, events and circumstances to avoid repetition of information previously reported.   
Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Trust for the year ended 31 December 2024.

In preparing these interim financial statements, judgments and estimates are made by the REIT manager in estimating fair value of assets in accordance with the Trust’s accounting policy. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2024.

1. **Related parties**

Relationships with related parties and pricing policies have no material changes from the financial statements for the year ended 31 December 2024.

Significant transactions for the three-month period ended 31 March 2025 with related parties were as follows:

| ***For the three-month period ended 31 March*** |  |  | 2025 |
| --- | --- | --- | --- |
|  |  |  | *(in thousand Baht)* |
| ***Income*** |  |  |  |
| Rental and service income |  |  |  |
| CP Axtra Public Company Limited |  |  | 240,045 |
| Krung Thai Bank Public Company Limited |  |  | 9,528 |
| **Total** |  |  | **249,573** |
|  |  |  |  |
| Interest income |  |  |  |
| Krung Thai Bank Public Company Limited |  |  | **1,241** |
|  |  |  |  |
| Other income |  |  |  |
| CP Axtra Public Company Limited |  |  | 9,891 |
| Krung Thai Bank Public Company Limited |  |  | 353 |
| Lotus’s Retail Growth Freehold and Leasehold Property Fund |  |  | 10,981 |
| **Total** |  |  | **21,225** |
|  |  |  |  |
| ***Expenses*** |  |  |  |
| Management fees |  |  |  |
| Axtra Future City Property REIT Co., Ltd. |  |  | **10,739** |
|  |  |  |  |
| Trustee fees |  |  |  |
| Krungthai Asset Management Public Company Limited |  |  | **4,909** |
|  |  |  |  |
| Property management fees |  |  |  |
| CP Axtra Public Company Limited |  |  | **61,108** |
|  |  |  |  |
| Operating expenses |  |  |  |
| CP Axtra Public Company Limited |  |  | **28,274** |

Balances as at 31 March 2025 and 31 December 2024 with related parties were as follows:

|  | 31 March |  | 31 December |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| ***Cash and cash equivalents*** |  |  |  |
| Krung Thai Bank Public Company Limited | **1,534,644** |  | **896,454** |
|  |  |  |  |
| ***Rental and service receivables*** |  |  |  |
| CP Axtra Public Company Limited | 341,585 |  | 304,035 |
| Krung Thai Bank Public Company Limited | 121 |  | - |
| **Total** | **341,706** |  | **304,035** |
|  |  |  |  |
| ***Other receivables*** |  |  |  |
| Lotus’s Retail Growth Freehold and Leasehold Property Fund | **259** |  | **54,481** |
|  |  |  |  |
| ***Other payables and accrued expenses*** |  |  |  |
| CP Axtra Public Company Limited | 52,502 |  | 47,655 |
| Axtra Future City Property REIT Co., Ltd. | 7,298 |  | 5,453 |
| Krungthai Asset Management Public Company Limited | 3,329 |  | 2,226 |
| **Total** | **63,129** |  | **55,334** |
|  |  |  |  |
| ***Rental and service received in advance*** |  |  |  |
| CP Axtra Public Company Limited | 14,528 |  | 15,254 |
| Krung Thai Bank Public Company Limited | 202 |  | 200 |
| **Total** | **14,730** |  | **15,454** |
|  |  |  |  |
| ***Deposits received from tenants*** |  |  |  |
| CP Axtra Public Company Limited | 68 |  | 68 |
| Krung Thai Bank Public Company Limited | 6,905 |  | 7,105 |
| **Total** | **6,973** |  | **7,173** |

1. **Investments in freehold and leasehold properties at fair value**

Movements of investments in freehold and leasehold properties for the three-month period ended 31 March 2025 were as follows:

|  | *Note* |  | 2025 |
| --- | --- | --- | --- |
|  |  |  | *(in thousand Baht)* |
| At 1 January |  |  | 30,164,994 |
| *Add* renovation cost during the period |  |  | 30,895 |
| *Less* lease contract change during the period |  |  | (1,286) |
| Net loss on changes in fair value of investments in freehold and  leasehold properties | *8* |  | (492) |
| **At 31 March** |  |  | **30,194,111** |

The fair value of the investments in freehold and leasehold properties was determined by independent professional valuers, using the income approach by using discounted future cash flows, according to the independent professional valuers’ report in November 2024, and was categorised as a Level 3 fair value.

| **Significant unobservable inputs** |  | **Inter-relationship between key unobservable inputs and fair value measurement** |
| --- | --- | --- |
| * Expected market rental growth (31 March 2025 and 31 December 2024: 3.0%) * Average occupancy rate (31 March 2025 and 31 December 2024: 82.7% - 99.9%) * Risk-adjusted discount rate (31 March 2025 and 31 December 2024: 10.0% - 11.0%) |  | The estimated fair value increase (decrease) if:   * Expected market rental growth were higher (lower) or * Average occupancy rate were higher (lower) or * Risk-adjusted discount rate were lower (higher) |

1. **Cash and cash equivalents**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 31 March 2025 | | |  | 31 December 2024 | | |
|  | Amount |  | Interest rate |  | Amount |  | Interest rate |
|  | *(in thousand Baht)* |  | *(% per annum)* |  | *(in thousand Baht)* |  | *(% per annum)* |
| Cash at banks | 1,672,005 |  | 0.4 |  | 1,042,797 |  | 0.4 |
| **Total** | **1,672,005** |  |  |  | **1,042,797** |  |  |

1. **Rental and service receivables**

The following table provides information about the exposure to credit risk and ECLs for receivables on rental and service receivables.

|  | 31 March |  | 31 December |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| Within credit terms | 371,718 |  | 343,569 |
| Overdue: |  |  |  |
| Less than 3 months | 19,651 |  | 29,543 |
| 3 - 6 months | 1,636 |  | 851 |
| 6 - 12 months | 70 |  | 361 |
| More than 12 months | 11,022 |  | 9,604 |
| **Total** | **404,097** |  | **383,928** |
| *Less* allowance for expected credit loss | (10,289) |  | (10,122) |
| **Net** | **393,808** |  | **373,806** |

The normal credit term granted for receivables on rental and service receivables of the Trust is 7 days.

|  |  |  |  |
| --- | --- | --- | --- |
| ***Allowance for expected credit loss*** |  |  | 2025 |
|  |  |  | *(in thousand Baht)* |
| At 1 January |  |  | 10,122 |
| Increased |  |  | 167 |
| **At 31 March** |  |  | **10,289** |

1. **Right-of-use assets / Lease liabilities**

Movements of right-of-use assets - solar cell rooftop for the three-month period ended 31 March 2025 were as follows:

| ***Right-of-use assets - solar cell rooftop*** |  |  |  | 2025 |
| --- | --- | --- | --- | --- |
|  |  |  |  | *(in thousand Baht)* |
| At 1 January |  |  |  | 239,774 |
| Amortisation |  |  |  | (3,625) |
| **At 31 March** |  |  |  | **236,149** |

At 31 March 2025 and 31 December 2024, maturity of lease liabilities under agreements are as follows:

|  | Solar cell |  |  |
| --- | --- | --- | --- |
|  | rooftop |  | Land |
|  | *(in thousand Baht)* | | |
| ***At 31 March 2025*** |  | | |
| Within 1 year | 25,136 |  | 23,820 |
| Later than 1 year but not later than 5 years | 82,246 |  | 104,159 |
| Later than 5 years | 221,019 |  | 180,284 |
| **Total** | **328,401** |  | **308,263** |
| *Less* Future finance charges on lease agreement | (78,675) |  | (43,762) |
| **Present value of liabilities under lease agreement** | **249,726** |  | **264,501** |
|  |  |  |  |
| ***At 31 December 2024*** |  |  |  |
| Within 1 year | 28,940 |  | 23,589 |
| Later than 1 year but not later than 5 years | 82,388 |  | 103,935 |
| Later than 5 years | 226,091 |  | 182,984 |
| **Total** | **337,419** |  | **310,508** |
| *Less* Future finance charges on lease agreement | (80,825) |  | (45,514) |
| **Present value of liabilities under lease agreement** | **256,594** |  | **264,994** |

1. **Retained earnings**

Movements of retained earnings for the three-month period ended 31 March 2025 were as follows:

|  |  |  | *Note* | 2025 |
| --- | --- | --- | --- | --- |
|  |  |  |  | *(in thousand Baht)* |
| At 1 January |  |  |  | 377,082 |
| Net profit on investments |  |  |  | 557,125 |
| Net loss on changes in fair value of investments |  |  |  |  |
| in freehold and leasehold properties |  |  | *4* | (492) |
| **At 31 March** |  |  |  | **933,715** |

1. **Segment information**

The one main reportable operating segment of the Trust is lease of property investments and the single geographical area of its operations is Thailand. Segment performance is measured based on operating profit or loss. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

1. **Information on fair value level and fair value measurement of investment**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Fair value categorised by measurement***  ***approach*** | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| ***At 31 March 2025*** |  |  |  |  |  |  |  |
| Investments in freehold and leasehold properties at fair value | - |  | - |  | 30,194,111 |  | 30,194,111 |
|  |  |  |  |  |  |  |  |
| ***At 31 December 2024*** |  |  |  |  |  |  |  |
| Investments in freehold and leasehold properties at fair value | - |  | - |  | 30,164,994 |  | 30,164,994 |

Investments categorised in level 3 have significant unobservable data as they are not actively traded. Methods and assumptions used in the measurement are disclosed in note 4.

1. **Commitments with non-related parties**

|  | 31 March |  | 31 December |
| --- | --- | --- | --- |
|  | 2025 |  | 2024 |
|  | *(in thousand Baht)* | | |
| ***Capital commitments*** |  |  |  |
| Renovation agreements of freehold and leasehold properties | 18,255 |  | 7,916 |
|  |  |  |  |
| ***Other commitments*** |  |  |  |
| Letter of guarantee from bank | 65,196 |  | 65,196 |
| **Total** | **83,451** |  | **73,112** |

On 26 November 2024, the Trust pledged its deposit with a financial institution as collateral for issuing the letter of guarantee from the bank in order to collateralise a lease agreement in the amount of   
Baht 65.2 million, and is presented separately in the account as “financial asset pledged as collateral” in the statement of financial position as at 31 December 2024. Subsequently, the Trust converted the letter of guarantee from a secured guarantee to an unsecured guarantee in February 2025.

***Service agreement commitments***

The Trust was committed to pay fees to counterparties under the terms and conditions as specified in the Trust Deed.

1. **Event after the reporting period**

On 9 May 2025, the Board of Directors of Axtra Future City Property REIT Co., Ltd., in its capacity as the REIT Manager of Axtra Future City Freehold and Leasehold Real Estate Investment Trust, resolved to approve the distribution to unitholders based on the operating performance for the period as from  
1 January 2025 to 31 March 2025 at the rate of Baht 0.2203 per trust unit and from retained earnings  
at the rate of Baht 0.0700 per trust unit, resulting in a total distribution of Baht 0.2903 per trust unit, totaling Baht 678.51 million. The payment is scheduled to be made to unitholders on 6 June 2025.