**Bhiraj Office Leasehold Real Estate Investment Trust**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2025**

1. **General information**

Bhiraj Office Leasehold Real Estate Investment Trust (“the Trust”) as a specific closed-end real estate investment trust with an indefinite term in order to invest in specific property objectives are to mobilise funds raised from the selling of trust units and loan from financial institution to invest in the leasehold right of BHIRAJ TOWER at EmQuartier project and BHIRAJ TOWER at BITEC project which comprises most of the office rental areas and the associated operation areas, including the transferred ownership of utility and movable property which related to the operation of office buildings.

As at 30 June 2025 and 31 December 2024, the Trust’s major unitholder is BHIRAJ BURI Company Limited which hold 20.27% and 20.22% of issued and fully paid-up trust unit, respectively.

1. **Basis of preparation of interim financial information**

This interim financial information is prepared in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand. The Trust has chosen to present condensed interim financial statements in accordance with TAS 34, Interim Financial Reporting. However, the Trust has presented the statement of financial position, including details of investments, comprehensive income, changes in net assets, and cash flows in the same format as that will be used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Trust. The interim financial information in English language has been translated from the Thai language financial information.

1. **Significant accounting policies**

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2024.

1. **Investments in leasehold right over properties at fair value**

(Unit: Thousand Baht)

|  |  |
| --- | --- |
|  | 30 June 2025 |
| Investments in leasehold right over properties at beginning of the period | 9,051,002 |
| Increase in building improvement | 10,775 |
| Net loss on fair value measurement | (69,634) |
| Investments in leasehold right over properties at end of the period | 8,992,143 |

During the current period, the Trust arranged for its investment in property to be appraised by an independent appraiser which appraised by the income approach. The Trust has recognised net loss on investment of Baht 69.63 million (net of accrued income rental and service) in the statement of comprehensive income for the current period.

As at 30 June 2025, the Trust has mortgaged investments in leasehold right over properties as collateral against business security from a financial institution, as described in Note 6.

1. **Investments in securities at fair value through profit or loss**

|  |  |
| --- | --- |
| (Unit: Thousand Baht) | |
|  | 30 June 2025 |
| At the beginning of the period | 564,185 |
| Purchase (sale) of investments during the period | (12,413) |
| Net gain on change in fair value | 5,242 |
| At the end of the period | 557,014 |

1. **Long-term loans from financial institution**

As at 30 June 2025, long-term loans from financial institution represents loan from Kasikornbank Public Company Limited, the parent company of the trustee. The details are as follows:

|  |  |  |
| --- | --- | --- |
| (Unit: Thousand Baht) | | |
|  |  | 30 June 2025 |
| Long-term loans from financial institution |  | 2,220,000 |
| Less: Repayment |  | (10,000) |
| Less: Deferred transaction costs |  | (4,369) |
| Long-term loans from financial institution - Net |  | 2,205,631 |

The maximum interest rate of the loan is not exceeding MLR minus a percentage stipulated in the agreement, with interest payable monthly and the principal due in 2027.

The loan is secured by a leasehold right over property, as described in Note 4.

The loan agreement contains covenants that, among other things, require the Trust to maintain a certain debt to total asset ratio and debt service coverage ratio.

1. **Retained earnings**

|  |  |
| --- | --- |
| (Unit: Thousand Baht) | |
|  | 30 June 2025 |
| Retained earnings at the beginning of period | 192,826 |
| Add: Increase in net assets resulting from operations | 186,572 |
| Less: Distribution to unitholders | (244,383) |
| Retained earnings at the end of period | 135,015 |

1. **Distribution to unitholders**

Distribution paid during the six-month period ended 30 June 2025 consists, as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Approved date | The operation for the period | Per unit | Total |
|  |  | (Baht) | (Thousand Baht) |
| 26 February 2025 | 1 October 2024 to 31 December 2024 | 0.1762 | 130,013 |
| 14 May 2025 | 1 January 2025 to 31 March 2025 | 0.1550 | 114,370 |
| Total distributions for the year 2025 | |  | 244,383 |

1. **Related party transactions**

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

| (Unit: Thousand Baht) | | |
| --- | --- | --- |
|  | For the three-month periods ended 30 June | |
|  | 2025 | 2024 |
| **Bhiraj Buri Company Limited** |  |  |
| Distribution to unitholders | 23,187 | 22,510 |
| Service income | 776 | 760 |
| Expenses for common area | 153 | 152 |
| **Bhiraj Buri Holding Company Limited** |  |  |
| Distribution to unitholders | 2,520 | 2,463 |
| **Pharindhorn Company Limited** |  |  |
| Rental and service income | 1,120 | 1,003 |
| Cost of rental and service | 9,484 | 10,183 |
| **Bhiraj REIT Management Company Limited** |  |  |
| Trust management fee | 6,756 | 6,731 |
| **Bhiraj Management Company Limited** |  |  |
| Property management fee | 15,330 | 15,646 |
| **Kasikorn Asset Management Company Limited** |  |  |
| Trustee and custodian fee | 2,737 | 2,739 |
| **Kasikornbank Public Company Limited** |  |  |
| Rental and service income | 6,177 | 5,769 |
| Interest income | 217 | 275 |
| Interest expenses | 22,742 | 25,991 |

| (Unit: Thousand Baht) | | |
| --- | --- | --- |
|  | For the six-month periods ended 30 June | |
|  | 2025 | 2024 |
| **Bhiraj Buri Company Limited** |  |  |
| Distribution to unitholders | 49,473 | 46,307 |
| Service income | 1,608 | 1,521 |
| Expenses for common area | 307 | 1,382 |
| **Bhiraj Buri Holding Company Limited** |  |  |
| Distribution to unitholders | 5,385 | 5,076 |
| **Pharindhorn Company Limited** |  |  |
| Rental and service income | 2,267 | 2,041 |
| Cost of rental and service | 18,823 | 20,283 |
| **Bhiraj REIT Management Company Limited** |  |  |
| Trust management fee | 13,443 | 13,453 |
| **Bhiraj Management Company Limited** |  |  |
| Property management fee | 30,750 | 31,431 |
| **Kasikorn Asset Management Company Limited** |  |  |
| Trustee and custodian fee | 5,450 | 5,482 |
| **Kasikornbank Public Company Limited** |  |  |
| Rental and service income | 12,373 | 11,517 |
| Interest income | 461 | 472 |
| Interest expenses | 45,896 | 52,032 |

1. **Information on investment purchase and sales transactions**

The Trust has investment purchase and sales transactions during the six-month period ended 30 June 2025, excluding investments in cash at banks, totaling of Baht 633.19 million which is 8.81% of the average net asset values during the period.

1. **Segment Information**

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

During the periods, the Trust has no major customer with revenue of 10 percent or more of an entity’s revenues.

1. **Event after reporting period**

On 8 August 2025, a meeting of Board of Directors of the REIT Manager passed a resolution to approve the appropriation of an interim distribution of Baht 0.1515 per unit trust, or a total of Baht 111,787,619 The Trust will pay the interim distribution to its unitholders on 5 September 2025.

1. **Approval of interim financial information**

This interim financial information was authorised for issue by the authorised person of the REIT Manager on 8 August 2025.