

**Frasers Property Thailand Industrial
Freehold & Leasehold REIT**

Financial statements for the year ended
30 September 2023
and
Independent Auditor's Report

Independent Auditor's Report

To the Unitholders of Frasers Property Thailand Industrial Freehold & Leasehold REIT

Opinion

I have audited the financial statements of Frasers Property Thailand Industrial Freehold & Leasehold REIT (“the Trust”), which comprise the statement of financial position and details of investments as at 30 September 2023, the statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Trust as at 30 September 2023 and its financial performance, changes in net assets and cash flows for the year then ended in accordance with the accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust issued by the Association of Investment Management Companies as approved by the Securities and Exchange Commission.

Basis for Opinion

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

Valuation of investments in freehold and leasehold properties	
Refer to Notes 3 and 5 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>Investments in freehold and leasehold properties are measured at fair value and are material to the Trust's financial statements. The fair value of investments in freehold and leasehold properties is determined by income approach using discounted future cash flows based on future operating results of each property. The Trust engaged independent external valuers to assist in valuing the fair value of these investments.</p> <p>Identification and assessment of the fair value require significant judgment in determining the key assumptions. Therefore, such matter is an area that my audit is particularly concentrated on.</p>	<p>My audit procedures included</p> <ul style="list-style-type: none"> • Understanding and evaluating the basis upon which the Trust identified and assessed the fair value of assets. • Evaluating the independence, qualification and competence of valuers of the Trust. • Using the work of external expert engaged by KPMG in considering the reasonableness of measurement basis and key assumptions used for estimating fair value of assets. • Evaluating the reasonableness of the key assumptions used in the valuation by comparing them against historical data, considering the reasonableness of significant movement in the asset valuation from the prior year, sampling check the relevant documents, and recomputing the valuation based on the discounted cash flow. • Evaluating the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

Other Information

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

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

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

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

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 accordance with the accounting guidance for Property Fund, Real Estate Investment Trust, Infrastructure Fund and Infrastructure Trust issued by the Association of Investment Management Companies as approved by the Securities and Exchange Commission, and for such internal control as REIT manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, REIT manager is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless REIT manager either intends to liquidate 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 TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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.

(Yuvanuch Thepsongvaj)
Certified Public Accountant
Registration No. 5371

KPMG Phoomchai Audit Ltd.
Bangkok
3 November 2023

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Statement of financial position

		30 September	
	<i>Note</i>	2023	2022
		<i>(in Baht)</i>	
<i>Assets</i>			
Investments in freehold and leasehold properties at fair value	5	49,824,978,799	46,319,379,400
Cash and cash equivalents	6, 13	279,665,390	331,281,812
Rent and service receivables	4, 13	149,604,566	148,528,572
Interest receivables	13	992,535	352,267
Insurance receivable	13, 19	29,433,342	-
Other receivables	13	1,913,070	1,633,258
Deferred expenses	7	-	2,728,043
Other assets		113,724,144	87,455,566
Total assets		50,400,311,846	46,891,358,918

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

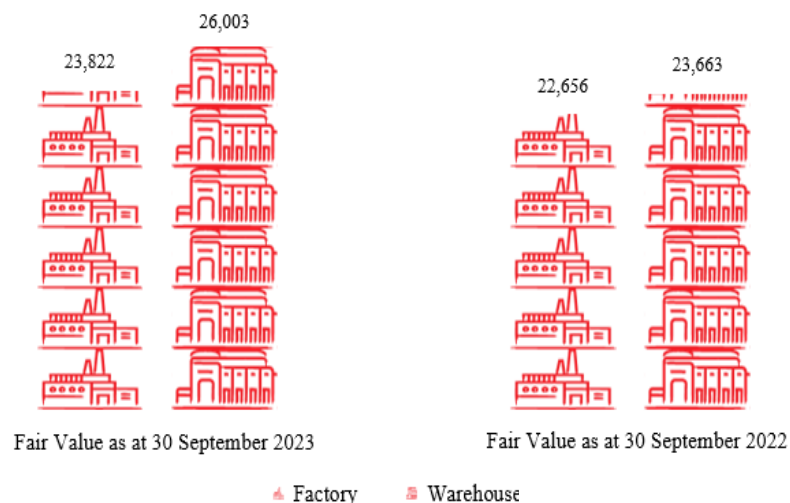
Fraser's Property Thailand Industrial Freehold & Leasehold REIT

Statement of financial position

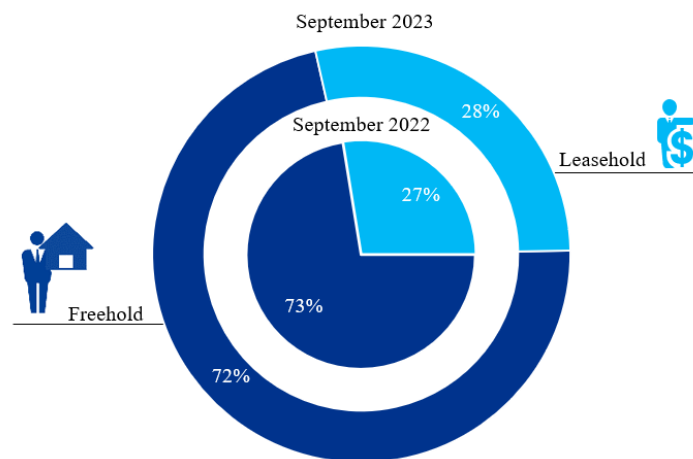
		30 September	
	<i>Note</i>	2023	2022
		<i>(in Baht)</i>	
<i>Liabilities</i>			
Short-term borrowings	2, 4, 8	3,549,700,000	1,752,010,000
Accrued expenses	2, 13	146,235,999	100,541,231
Accrued interest expenses	2, 13	109,272,254	94,705,920
Withholding taxes payable		638,176	26,466,264
Deposits from rental and service	2, 4, 13	1,282,488,454	1,157,629,405
Lease liabilities	2, 4, 8, 13	176,364,608	180,403,903
Debentures	2, 4, 8, 9, 13	11,332,131,850	10,331,787,808
Other liabilities		35,373,507	40,330,615
Total liabilities		16,632,204,848	13,683,875,146
Net assets		33,768,106,998	33,207,483,772
<i>Net assets</i>			
Trust registered capital		29,213,377,906	29,213,377,906
Capital from trust unitholders		31,118,590,048	31,118,590,048
Retained earnings	11	2,649,516,950	2,088,893,724
Net assets		33,768,106,998	33,207,483,772
Net asset value per unit (Baht)		11.0231	10.8401
Number of trust units issued at the end of year (units)		3,063,387,048	3,063,387,048

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

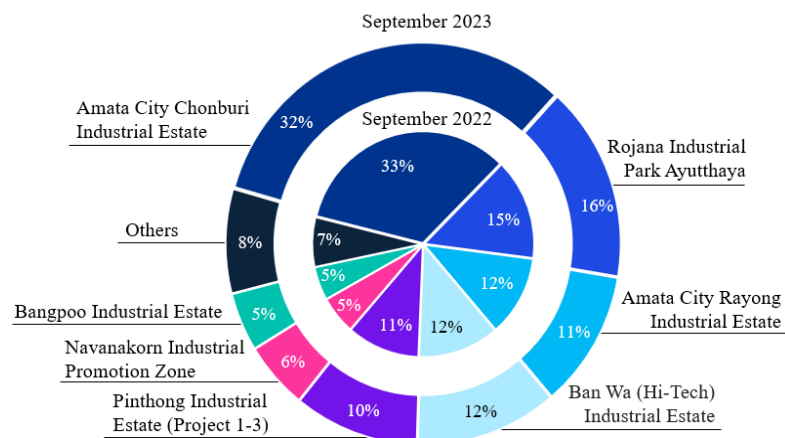
Fair Value by asset type (in million Baht)



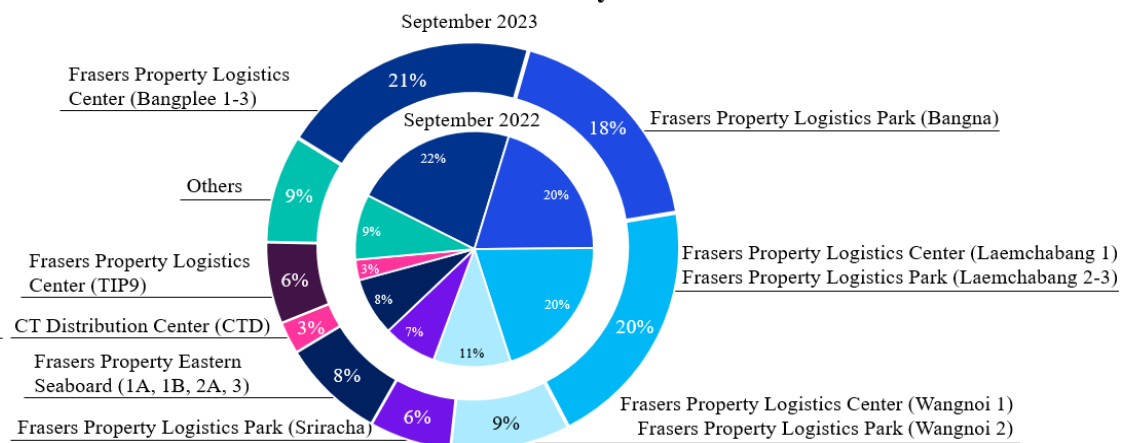
Area size by property ownership (square metre)



Fair Value of Factory by location



Fair Value of Warehouse by location



Frasers Property Thailand Industrial Freehold & Leasehold REIT
Details of investments

Details of investments are presented by investment category.

Type of investments	Locations	30 September 2023				30 September 2022			
		Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)	Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)
Investments in freehold and leasehold properties (Note 5)									
Freehold on land and factories									
	Amata City Industrial Estate Rayong, Sai Chachoengsao-Sattahip Road, Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province	81,750	1,980,491,177	2,267,534,056	4.55	81,750	1,980,491,177	2,260,579,621	4.88
	Pinthong Industrial Estate 1, Sai Nong Kho-Laem Chabang Road, Nong Kham Sub-district, Sri Racha District, Chonburi Province	39,250	882,229,880	1,000,389,096	2.01	39,250	917,000,000	1,007,931,681	2.18
	Pinthong Industrial Estate 2, Sai Nong Kho-Laem Chabang Road, Nong Kham Sub-district, Sri Racha District, Chonburi Province	12,300	299,179,903	326,330,468	0.65	12,300	299,179,903	316,932,243	0.68
	Pinthong Industrial Estate 3, Sai Nong Kho-Laem Chabang Road, Bo Win and Bueng Sub-district, Sri Racha District, Chonburi Province	33,225	859,034,804	889,634,000	1.79	33,225	859,034,804	858,475,400	1.85
	Hi-Tech Industrial Estate, Sai Asia Road, Banlane Sub-district, Bang Pa-in District, Ayutthaya Province	104,303	2,279,739,525	2,594,402,621	5.21	104,953	2,269,255,543	2,508,144,629	5.41
	Rojana Industrial Park, Rojana-Wangnoi Road, Ban Chang and Uthai Sub-district, Uthai District, Ayutthaya Province	150,482	3,278,045,391	3,607,171,110	7.24	139,382	2,963,772,907	3,146,676,096	6.79
	WHA Industrial Development Chonburi 1, Sai Chachoengsao-Sattahip Road, Bo Win Sub-district, Sri Racha District, Chonburi Province	18,300	505,287,630	479,132,600	0.96	18,300	505,287,630	452,721,000	0.98
	Amata City Chonburi Industrial Estate, Debaratna Road, Bankao, Panthong and Nongkhaka Sub-district, Panthong District and Don Huaro Sub-district, Mueang Chonburi District, Chonburi Province	246,975	6,312,376,196	7,223,459,606	14.50	246,975	6,288,020,459	7,113,045,515	15.36
	Bang Pa-in Industrial Estate, Udomsorayut Road, Klongjig Sub-district, Bang Pa-in District, Ayutthaya Province	32,300	730,911,670	628,682,500	1.26	32,300	730,911,670	659,312,500	1.42
	Bangpu Industrial Estate, Sukhumvit road, Phraek Sa Sub-district, Muang Samut Prakan District, Samut Prakan Province	40,325	919,216,540	1,127,105,355	2.26	40,325	919,216,540	1,091,341,000	2.36
	Nava Nakorn Industrial Promotion Zone, Phahon Yothin Road, Khlong Nueng Sub-district, Khlong Luang District, Patum Thani Province	51,850	1,139,193,593	1,223,660,839	2.46	51,850	1,139,193,593	1,172,773,302	2.53
	Ladkrabang Industrial Estate, Lam Pla Thio Sub-district, Ladkrabang District, Bangkok	1,300	39,887,357	37,200,000	0.07	1,300	39,887,357	35,900,000	0.08

The accompanying notes form an integral part of the interim financial statements.

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Details of investments

Details of investments are presented by investment category.

Type of investments	Locations	30 September 2023				30 September 2022			
		Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)	Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)
Freehold on land and factories (cont')									
	Kabinburi Industrial Zone, Highway No.304 (Kabinburi-Nakhon Ratchasima), Nong Ki Sub-district, Kabinburi District, Prachinburi Province	9,125	200,871,560	192,569,186	0.39	7,125	154,202,374	154,202,373	0.33
	Rojana Industrial Park Prachinburi, Highway No.304, Hua Wa Sub-district, Si Maha Phot District, Prachinburi Province	13,250	322,425,467	299,000,000	0.60	13,250	322,425,467	322,425,466	0.70
	Asia Industrial Estate Suvarnabhumi, Khlong Suan Sub-district Bang Bo District, Samut Prakan Province	11,000	377,405,522	377,405,522	0.75	-	-	-	-
		845,735	20,126,296,215	22,273,676,959	44.70	822,285	19,387,879,424	21,100,460,826	45.55
Freehold on land and warehouses									
	Frasers Property Logistics Center project (Amata City Chonburi), Bankao Sub-district, Phan Thong District, Chonburi Province	19,650	485,500,000	533,740,163	1.07	19,650	485,500,000	535,631,615	1.16
	Frasers Property Eastern Seaboard 2(A) project, Sai Chachoengsao-Sattahip and Sai Nong kho-Phan Sadej Nok Road, Bo Win Sub-district, Sri Racha District, Chonburi Province	34,700	692,620,026	669,697,075	1.34	24,900	479,528,016	459,348,363	0.99
	Frasers Property Wangnoi 1 project, Phahon Yothin Road, Payom Sub-district, Wang Noi District, Ayutthaya Province	89,616	1,893,632,644	2,062,695,067	4.14	89,616	1,893,632,644	2,125,453,013	4.59
	Frasers Property Wangnoi 2 project, Phahon Yothin Road, Payom Sub-district, Wang Noi District, Ayutthaya Province	19,600	380,399,645	375,960,222	0.76	19,600	380,399,645	356,000,000	0.77
	Frasers Property Eastern Seaboard 1(A) project, Sai Chachoengsao-Sattahip and Sai Nong kho-Phan Sadejnok Road, Bo Win Sub-district, Sri Racha District, Chonburi Province	35,430	602,080,180	625,206,309	1.26	35,430	602,080,180	591,028,277	1.28
	Frasers Property Eastern Seaboard 1(B) project, Sai Pluak Daeng-Wang Ta Hin Road, Pluak Daeng Sub-district, Pluak Daeng District, Rayong Province	28,968	565,870,079	530,797,333	1.07	28,968	565,870,079	517,500,000	1.12
	Frasers Property Sriracha project, Bangpra and Surasak Sub-district, Sri Racha District, Chonburi Province	99,768	1,845,351,618	1,670,376,594	3.35	99,768	1,845,351,618	1,712,786,839	3.70
	Frasers Property Laemchabang 1 project, Nong Kham Sub-district, Sri Racha District, Chonburi Province	69,404	1,229,400,000	1,411,486,538	2.83	69,404	1,229,400,000	1,360,519,403	2.94
	Frasers Property Laemchabang 2 project, Nong Kham Sub-district, Sri Racha District, Chonburi Province	99,385	2,355,176,950	2,048,333,248	4.11	81,700	1,916,036,201	1,710,704,476	3.69
	Frasers Property Phan Thong 1 project, Phan Thong Sub-district, Phan Thong District, Chonburi Province	33,916	747,821,537	697,997,385	1.40	30,100	661,755,970	627,559,164	1.34
	Sahathai Property Laemchabang 3 K9 project, Bangkok-Pattaya Motorway Route 7, Thungsukla Sub-District, Sri Racha District, Chonburi Province	80,012	2,127,338,446	1,742,992,723	3.50	80,012	2,127,338,446	1,719,000,000	3.71

The accompanying notes form an integral part of the interim financial statements.

Frasers Property Thailand Industrial Freehold & Leasehold REIT

Details of investments

Details of investments are presented by investment category.

Type of investments	Locations	30 September 2023				30 September 2022			
		Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)	Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)
Freehold on land and warehouses (cont’)									
	Frasers Property Bangna project, Debaratna Road, Bang Samak and Bang Wua Kanarak Sub-district, Bang Pakong District, Chachoengsao Province	81,175	1,776,842,689	1,955,924,877	3.93	81,175	1,776,842,689	1,947,581,470	4.20
	Cold Storage CTD - Wangnoi project, Cha Map Sub-district, Wang Noi District, Ayutthaya Province	18,354	668,454,696	659,725,614	1.32	18,354	668,454,696	664,800,342	1.44
	Frasers Property Logistics Center (Rojana Ayutthaya) Zone 2 project, Rojana-Wang noi Road, Uthai Sub-district, Uthai District, Ayutthaya Province	18,324	294,000,000	339,690,205	0.68	18,324	294,000,000	315,000,000	0.68
	WHA Industrial Development Chonburi 1 project, Sai Chachoengsao-Sattahip Road, Bo Win Sub-district, Sri Racha District, Chonburi Province	20,700	359,684,210	358,362,097	0.72	20,700	359,684,210	346,200,000	0.75
	Frasers Property Logistics Center (Rojana Prachinburi) project, Sai Chachoengsao-Kabinburi Road, Huawa Sub-district, Si Maha Phot District, Prachinburi Province	14,832	342,545,860	300,000,000	0.60	14,832	342,545,860	290,800,000	0.63
	Frasers Property Logistics Park Eastern Seaboard 3 project, Khao Khan Song Sub-district, Sri Racha District, Chonburi Province	15,350	310,999,956	291,100,000	0.58	15,350	310,999,956	310,999,956	0.67
		779,184	16,677,718,536	16,274,085,450	32.66	747,883	15,939,420,210	15,590,912,918	33.66
Right-of-use									
Leasehold on land and freehold on factories									
	Rojana Industrial Park Zone 2, Rojana-Uthai Road, Banchang Sub-district, Uthai District, Ayutthaya Province	10,900	189,000,000	168,400,000	0.34	10,900	189,000,000	167,400,000	0.36
	Nava Nakorn Industrial Promotion Zone, Phahon Yothin Road, Khlong Nueng Sub-district, Khlong Luang District, Patum Thani Province	5,000	80,900,000	77,000,000	0.15	5,000	80,900,000	78,700,000	0.17
		15,900	269,900,000	245,400,000	0.49	15,900	269,900,000	246,100,000	0.53
Leasehold on land and freehold on warehouse									
	Frasers Property Bangna project, Debaratna Road, Bang Samak and Bang Wua Kanarak Sub-district, Bang Pakong District, Chachoengsao Province	177,085	3,352,403,739	2,718,378,104	5.46	177,085	3,349,373,499	2,828,152,407	6.11
		177,085	3,352,403,739	2,718,378,104	5.46	177,085	3,349,373,499	2,828,152,407	6.11

The accompanying notes form an integral part of the interim financial statements.

Frasers Property Thailand Industrial Freehold & Leasehold REIT

Details of investments

Details of investments are presented by investment category.

Type of investments	Locations	30 September 2023				30 September 2022			
		Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)	Lease Area (square metre)	Cost (in Baht)	Fair value	Percentage of investments (%)
Leasehold on land and factories									
	Hi-Tech Industrial Estate, Sai Asia Road, Ban Len Sub-district, Bang Pa-in District, Ayutthaya Province	11,700	201,900,000	194,700,000	0.39	11,700	201,900,000	195,400,000	0.42
	Amata City Industrial Estate Chonburi, Sai Debaratna Road, Panthong and Nongkhaka Sub-district, Panthong District and Don Huaro Sub-district, Mueang Chon Buri District, Chonburi Province	24,250	539,622,407	489,096,333	0.98	24,250	539,622,407	481,760,867	1.04
	Pinthong Industrial Estate 2, Sai Nong Kho-Laem Chabang Road, Nongkham Sub-district, Sri Racha District, Chonburi Province	8,725	186,600,000	154,300,000	0.31	8,725	186,600,000	160,200,000	0.35
	Pinthong Industrial Estate 3, Sai Nong Kho-Laem Chabang Road, Bo Win Sub-district, Sri Racha District, Chonburi Province	4,875	104,800,000	87,682,500	0.18	4,875	104,800,000	86,100,000	0.19
	Amata City Industrial Estate Rayong, Sai Chachoengsao-Sattahip Road, Map Yang Phon Sub-district, Pluak Daeng District, Rayong Province	18,650	406,741,917	377,012,571	0.76	18,650	406,741,917	386,157,886	0.83
		68,200	1,439,664,324	1,302,791,404	2.62	68,200	1,439,664,324	1,309,618,753	2.83
Leasehold on land and warehouses									
	Frasers Property Bangplee 1 project, Debaratna Road, Srisa Chorakhe Yai Sub-district, Bang Sao Thong District, Samutprakan Province	76,477	1,449,601,143	1,457,500,703	2.92	76,477	1,449,601,143	1,414,341,610	3.05
	Frasers Property Bangplee 2 project, Bang Sao Thong Sub-district, Bang Sao Thong District, Samutprakan Province	124,634	2,087,509,328	1,943,098,762	3.90	124,634	2,087,509,328	1,919,188,816	4.14
	Frasers Property Bangplee 3 project, Debaratna Road, Bangpla Sub-district, Bangplee District, Samutprakan Province	106,692	1,955,288,238	1,926,260,980	3.87	106,692	1,955,288,238	1,910,604,070	4.13
	Frasers Property Logistics Center (TIP 9) project, Bangpu mai Sub-district, Samutprakan District, Samutprakan Province	70,733	1,683,786,437	1,683,786,437	3.38	-	-	-	-
		378,536	7,176,185,146	7,010,646,882	14.07	307,803	5,492,398,709	5,244,134,496	11.32
Total investments in freehold and leasehold properties		2,264,640	49,042,167,960	49,824,978,799	100.00	2,139,156	45,878,636,166	46,319,379,400	100.00

The accompanying notes form an integral part of the interim financial statements.

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Statement of comprehensive income

		Year ended 30 September	
	<i>Note</i>	2023	2022
		<i>(in Baht)</i>	
<i>Income</i>			
Rent and service income	<i>13</i>	3,725,205,362	3,594,486,679
Interest income	<i>13</i>	2,794,881	2,810,427
Income from rental guarantees	<i>13</i>	12,620,230	4,696,325
Income from forfeiture of rental and service deposits		9,989,643	20,932,461
Other income	<i>13, 19</i>	28,523,437	22,071,636
Total income		3,779,133,553	3,644,997,528
<i>Expenses</i>			
Cost of rent and service	<i>13</i>	409,621,284	284,461,149
Trust management fee	<i>12, 13</i>	435,302,099	418,312,721
Trustee fee	<i>12, 13</i>	21,840,408	21,264,031
Registrar fee	<i>12</i>	5,122,834	4,577,421
Professional fee		1,862,900	1,855,500
Amortisation of deferred expenses	<i>7</i>	2,728,043	12,446,700
Administrative expenses	<i>13</i>	9,145,558	22,080,602
Finance cost	<i>13</i>	399,987,974	361,102,882
Total expenses		1,285,611,100	1,126,101,006
Net profit on investment		2,493,522,453	2,518,896,522
Net gain (loss) on investment			
Net gain on sale of investment in properties	<i>11</i>	3,661,131	4,602,064
Net gain (loss) on changes in fair value of investments in properties	<i>5, 11</i>	354,853,165	(116,272,797)
Total net gain (loss) on investments		358,514,296	(111,670,733)
Net increase in net assets resulting from operations		2,852,036,749	2,407,225,789

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

Frasers Property Thailand Industrial Freehold & Leasehold REIT

Statement of changes in net assets

		Year ended 30 September	
	Note	2023	2022
		(in Baht)	
Increase (decrease) in net assets resulting from operations during the year			
Net profit on investment	11	2,493,522,453	2,518,896,522
Net gain (loss) on investment		358,514,296	(111,670,733)
Increase in net assets during the year		2,852,036,749	2,407,225,789
Distributions to trust unitholders	11, 14	(2,291,413,523)	(2,110,673,703)
Increase in net assets during the year		560,623,226	296,552,086
Net assets at 1 October 2022 / 2021		33,207,483,772	32,910,931,686
Net assets at 30 September		33,768,106,998	33,207,483,772
Changes in number of Trust unit			
(Baht 9.5363 per unit)			
Trust unit at 1 October 2022 / 2021 (units)		3,063,387,048	3,063,387,048
Trust unit at 30 September (units)		3,063,387,048	3,063,387,048

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

Fraser's Property Thailand Industrial Freehold & Leasehold REIT

Statement of cash flows

		Year ended 30 September	
	Note	2023	2022
		(in Baht)	
Cash flows from operating activities			
Net increase in net assets from operations		2,852,036,749	2,407,225,789
<i>Adjustments to reconcile net increase in net assets from operations to net cash from (used in) operating activities:</i>			
Net gains (losses) on changes in fair value of investments in properties	5	(354,853,165)	116,272,797
Deferred expense amortisation	7	2,728,043	12,446,700
Interest received		2,154,613	3,378,631
Proceed from sale of investment in securities		-	300,000,000
Purchases of investments in properties and property improvement	5	(3,257,722,467)	(1,731,280,423)
Gain from impact of fire		(157,662)	-
Proceed from sale of investment in properties - net		78,661,131	55,802,064
Net gain on sale of investment in properties		(3,661,131)	(4,602,064)
Claim refund and sale scrap from the fire	19	10,080,000	-
Decrease (increase) in rent and service receivables		5,731,447	(12,401,165)
Decrease (increase) in other receivables		1,851,463	(6,193,327)
Increase in other assets		(26,268,578)	(30,503,009)
Increase in accrued expenses		38,315,321	23,428,041
Decrease in withholding taxes payable		(25,828,088)	(674,671)
Increase (decrease) in deposits received from tenants		124,859,049	(5,611,286)
Increase (decrease) in other liabilities		(4,957,108)	10,791,486
Interest income		(2,794,881)	(2,810,427)
(Reversal of) expected credit loss		(8,938,716)	3,026,418
Finance cost		399,987,974	361,102,882
Net cash from (used in) operating activities		(168,776,006)	1,499,398,436

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

Frasers Property Thailand Industrial Freehold & Leasehold REIT

Statement of cash flows

		Year ended 30 September	
	<i>Note</i>	2023	2022
		<i>(in Baht)</i>	
<i>Cash flows from financing activities</i>			
Interest paid		(377,025,944)	(353,108,872)
Proceeds from short-term borrowings		3,782,800,000	4,002,010,000
Repayment of short-term borrowings		(1,985,110,000)	(3,050,000,000)
Repayment of long-term borrowing		-	(1,742,700,000)
Repayment of lease liabilities		(9,683,421)	(9,291,738)
Proceeds from debentures		1,497,592,472	2,595,591,116
Repayment of debenture		(500,000,000)	(1,300,000,000)
Distributions to trust unitholders	<i>14</i>	(2,291,413,523)	(2,110,673,703)
Net cash from (used in) financing activities		117,159,584	(1,968,173,197)
Net decrease in cash and cash equivalents			
Cash and cash equivalents at 1 October 2022 / 2021		331,281,812	800,056,573
Cash and cash equivalents at 30 September	<i>6</i>	279,665,390	331,281,812
<i>Non-cash transaction</i>			
Payables for acquisition of investment in properties		7,588,247	208,800
Insurance receivable	<i>19</i>	29,433,342	-

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

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Notes to the financial statements
For the year ended 30 September 2023

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Frasers Property Thailand Industrial Freehold & Leasehold REIT

Notes to the financial statements

For the year ended 30 September 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors of the REIT manager on 3 November 2023.

1 General information

Frasers Property Thailand Industrial Freehold & Leasehold REIT (“the Trust”) was established as a specific closed-end Real Estate Investment Trust with an indefinite term. The Trust was registered on 12 December 2014 with registered capital of Baht 3,425 million (342.50 million trust units, at Baht 10.00 per unit). Frasers Property Industrial REIT Management (Thailand) Company Limited (“Management Company”) acts as the REIT Manager and Frasers Property Industrial (Thailand) Company Limited and Sahathai Property & Development Company Limited are hired as the Property Management and Thailand Securities Depository Company Limited acts as the Registrar and BBL Asset Management Company Limited acts as Trustee.

The Trust’s objectives are to raise funds from general investors and to use the proceeds from such fundraising to acquire, lease and/or sub-lease of immovable properties. The Trust will take the transfer of the ownership and/or leasehold rights and/or sub-leasehold rights therein and seek benefits from those properties by way of lease, sub-lease, transferring and/or disposing of immovable properties the Trust invests in or acquires. The Trust will also improve, modify, construct and/or develop immovable properties by taking the transfer of a construction permit and/or applying for other permits and/or executing any transactions necessary and advisable for immovable properties, with the aim of generating income and returns for the Trust and its unitholders. This includes investment in other properties and/or securities and/or seeks interest by any other means as prescribed by securities laws and/or other relevant law.

The Trust’s major trust unitholders during the financial year were Frasers Property Thailand (International) Pte. Ltd. that was incorporated in Singapore (21.46% trust unitholding) and Social Security Office that was incorporated in Thailand (11.50% trust unitholding).

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

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with 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 this accounting guidance does not specifically state the practical guidance for a transaction, the Trust shall apply Thai Financial Reporting Standard (TFRS) as announced by Federation of Accounting Professions (“Accounting Guidance”). The financial statements are presented in Thai Baht, which is the Trust’s functional currency.

The preparation of financial statements in conformity with an accounting guidance requires REIT manager to make judgements, estimates and assumptions that affect the application of the Trust’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Frasers Property Thailand Industrial Freehold & Leasehold REIT

Notes to the financial statements

For the year ended 30 September 2023

The Trust has current portion of liabilities and obligation with fall due within next 12 months amount totalling of Baht 6,441.22 million at 30 September 2023 (2022: Baht 3,230.36 million). See in note 4, 13 and 18. The REIT manager has plan to settle the said liabilities and obligation by utilizes unused facilities (see note 8) and forecast to receive cash from operation, issue new debentures and additional loans from financial institutes and issue and offer trust units. Currently, the Trust is in process of filling information for issue and offer trust units for increased in capital to The Securities And Exchange Commission.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Investments measured at fair value through profit or loss*

Investment are initially recognised at fair value through profit or loss when the Trust becomes a party to the contractual provisions of the instrument. Transaction costs that are directly attributable to acquire investments are recognised in profit or loss.

Gains and losses on measurement, including any interest or dividend income, are recognised in profit or loss.

The Trust derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Trust neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Trust currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b) *Investments in freehold and leasehold properties at fair value*

Investments in freehold and leasehold properties are measured at cost, including transaction costs, on initial recognition and subsequently at fair value, with any change recognised in profit or loss and presented as “gain (loss) from changes in fair value of investments in properties”.

Cost includes expenditure that is directly attributable to the acquisition of the investments in freehold and leasehold properties. The fair value is based on appraisal value assessed by independent valuers approved pursuant to the notification of the Securities and Exchange Commission. The Trust will conduct appraisal of properties at least every 2 years, commencing from the date of appraisal the acquired properties or the latest date of appraisal properties or the date of disposal properties or there is any indication of impairment and conduct a review of appraisal at least every year after the date of the latest appraisal. The Trust will not appoint any valuers to appraise the properties for more than 2 consecutive times.

Differences between the proceeds from disposal and the carrying amount of investments in freehold and leasehold properties are recognised in profit or loss and presented as “net realised gain (loss) on investments”.

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Notes to the financial statements
For the year ended 30 September 2023

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition.

(d) Rent and service receivables

Rent and service receivable is measured at transaction price less allowance for expected credit loss.

The Trust estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the rent receivable based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

Accrued rent and service income is presented as part of rent and service receivables.

(e) Equity issuance cost

Equity issuance cost comprise the trust's unit issuance and offering expenses as incurred which consisted of underwriting fees, Trust deed fees, registered fees and other directly related expenses.

The Trust entirely recognised equity issuance cost as a deduction on capital from unitholders. Excepting for the equity issuance cost incurred before 1 January 2020 was amortise as an expense over a period of 5 years on a straight-line basis according to previous accounting policy.

(f) Leases

At inception of a contract, the Trust assesses whether a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Trust allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Trust has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Trust recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use assets are initial measured at cost and classify as investment in property as described in note 3(b). The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred an estimate of restoration costs, and less any lease incentives received.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Trust uses the Trust's incremental borrowing rate to discount the lease payments to the present value. The Trust determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Notes to the financial statements
For the year ended 30 September 2023

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

The accounting policy for lessor is described in note 3(i).

(g) Interest-bearing liabilities

Interest-bearing liabilities are measured at amortised cost.

(h) Provisions

A provision is recognised if, as a result of a past event, the Trust has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(i) 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 date in the principal or, in its absence, the most advantageous market to which the Trust has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Trust uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Trust recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Trust measures assets and assets positions at a bid price and liabilities and liabilities positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Trust determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Notes to the financial statements
For the year ended 30 September 2023

(j) Rental income

At inception or on modification of a contract, the Trust allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Trust considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Trust recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of 'rental income'. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the accounting period in which they are earned. Accrued rent and service income is presented as part of rent and service receivables.

(k) Service income

Revenue is recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Trust expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of trade discounts.

Revenue for rendering of services is recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred.

(l) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(m) Expenses

Other expenses are recognised on accrual basis.

(n) Income tax

The Trust is exempt from corporate income tax in Thailand so that corporate income tax is not recorded in the financial statements.

(o) Distribution to unitholders

The Trust recognises a reduction in retained earnings at the date a distribution is declared.

4 Financial risk

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Notes to the financial statements
For the year ended 30 September 2023

<i>At 30 September 2023</i>	Carrying amount	Level 1	Fair value		Total
			Level 2	Level 3	
			<i>(in thousand Baht)</i>		
<i>Financial liabilities</i>					
<i>measured at amortised cost</i>					
Deposits from rental and service	1,282,488	-	-	1,206,343	1,206,343
Debentures	11,332,132	-	11,113,481	-	11,113,481
<i>At 30 September 2022</i>	Carrying amount	Level 1	Fair value		Total
			Level 2	Level 3	
			<i>(in thousand Baht)</i>		
<i>Financial liabilities</i>					
<i>measured at amortised cost</i>					
Deposits from rental and service	1,157,629	-	-	1,096,890	1,096,890
Debentures	10,331,788	-	10,060,534	-	10,060,534

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Deposits from rental and service	Discounted cash flows
Debentures	Derived by using latest clean price of Thai Bond Market Association Government Bond.

Credit risk

Credit risk is the risk of financial loss to the Trust if a tenant or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Trust's receivables from tenants. However, the related financial assets have short-term maturity, therefore, the Trust does not anticipate material losses from its debt collection.

The REIT manager has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Rent and service receivables

The Trust's exposure to credit risk is influenced mainly by the individual characteristics of each tenant. However, management also considers the factors that may influence the credit risk of its tenant base, including the default risk associated with the industry and country in which tenants operate.

The REIT manager has established a credit policy under which each new tenant is analysed individually for creditworthiness before the Trust's standard payment and conditions are offered.

The Trust limits its exposure to credit risk from receivables by establishing a payment period and outstanding trade receivables are regularly monitored by the Trust. An impairment analysis is performed by the Trust at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables and reflect differences between economic conditions in the past, current conditions and the Trust's view of economic conditions over the expected lives of the receivables.

Frasers Property Thailand Industrial Freehold & Leasehold REIT
Notes to the financial statements
For the year ended 30 September 2023

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

<i>Rent and service receivables at 30 September</i>	2023	2022
	<i>(in thousand Baht)</i>	
Within credit terms	14,162	28,582
Overdue:		
Less than 3 months	15,108	13,046
3 - 6 months	-	-
More than 6 months	143	2,718
Litigation receivables	66,468	72,460
Total	95,881	116,806
Accrued income under operating leases	120,636	105,442
Total	216,517	222,248
Less allowance for expected credit loss	(66,912)	(73,719)
Net	149,605	148,529

<i>Allowance for expected credit loss</i>	2023	2022
	<i>(in thousand Baht)</i>	
At 1 October 2022 / 2021	73,719	79,152
Increase	-	1,882
Reverse	(6,807)	(7,315)
At 30 September	66,912	73,719

Currency risk

The Trust has no financial assets or financial liabilities denominated in foreign currency, therefore, there is no exposure to currency risk.

Market risk

The Trust has no market risk related to return on investment security because the Trust has no holding of investment in equity and debt security.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Trust's operations and its cash flows because loans and debentures (see note 8 and 9) are mainly fixed. So the Trust has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Trust.

Liquidity risk

The Trust monitors its liquidity risk by maintains a level of cash deemed adequate by REIT manager to finance the Trust's operations and to mitigate the effects of fluctuations in cash flows.

Frasers Property Thailand Industrial Freehold & Leasehold REIT

Notes to the financial statements

For the year ended 30 September 2023

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

<i>At 30 September 2023</i>	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 years but less than 5 years	More than 5 years	
			<i>(in thousand Baht)</i>		
Short-term borrowings	3,549,700	3,609,746	-	-	3,609,746
Deposits from rental and service	1,282,488	456,780	743,799	81,909	1,282,488
Lease liabilities	176,365	9,792	41,934	188,352	240,078
Debentures	11,332,132	2,192,859	8,536,732	1,829,100	12,558,691
Total	16,340,685	6,269,177	9,322,465	2,009,361	17,691,003

<i>At 30 September 2022</i>	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 years but less than 5 years	More than 5 years	
			<i>(in thousand Baht)</i>		
Short-term borrowings	1,752,010	1,780,004	-	-	1,780,004
Deposits from rental and service	1,157,629	486,640	601,169	69,820	1,157,629
Lease liabilities	180,404	9,683	40,601	199,477	249,761
Debentures	10,331,788	827,691	7,344,470	3,528,413	11,700,574
Total	13,421,831	3,104,018	7,986,240	3,797,710	14,887,968

Financial risk management policies

The Trust manages potential risk on investment by setting risk management policy, e.g. investment diversification and analysis of investee's financial position.

5 Investments in freehold and leasehold properties at fair value

	Note	2023	2022
		<i>(in thousand Baht)</i>	
At 1 October 2022 / 2021		46,319,379	44,758,330
Acquisitions / lease		3,237,717	1,719,665
Addition on property improvement		27,386	8,857
Disposal		(66,800)	(51,200)
Write-off from the fire	19	(39,356)	-
Gain (loss) on fair value adjustment		354,853	(116,273)
Changes in fair value of investments in properties from disposal		(8,200)	-
At 30 September		49,824,979	46,319,379

Fraser's Property Thailand Industrial Freehold & Leasehold REIT

Notes to the financial statements

For the year ended 30 September 2023

Year ended 30 September

2023 2022
(in thousand Baht)

Amounts recognised in profit or loss

Rent and service income	3,725,205	3,594,487
Repair and maintenance expense:		
- property that generated rent and service income	92,590	49,649
- property that did not generate rent and service income	116,093	49,479

The fair value of investment in freehold and leasehold properties was determined by independent professional valuers, at discounted cash flow using risk-adjusted discount rates, according to the independent professional valuers' report on November 2022, May 2023 and August 2023. The fair value of investment in freehold and leasehold properties has been categorised as a Level 3 fair value.

Significant unobservable inputs

- Expected market rental growth rates 2.5% - 3.0% (2022: 2.5%).
- Occupancy rate 70.0% - 97.0% (2022: 70.0% - 97.0%).
- Discount rates 8.0% - 9.5% (2022: 8.0% - 9.5%).
- Capitalisation rates 6.0% (2022: 6.0%).

Inter-relationship between key unobservable inputs and fair value measurement

The estimated fair value increase (decrease) if:

- Expected market rental growth rates higher (lower);
- The occupancy rate were higher (lower);
- Discount rates were lower (higher);
- Capitalisation rates were lower (higher).

Significant agreements during the year ended 30 September 2023 and 2022 were as follow:

2023

On 8 September 2023, the Trust entered into purchase agreement of land and constructions in Asia Industrial Estate Suvarnabhumi with Fraser's Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 377.41 million according to the terms and conditions as specified in the agreement.

On 1 September 2023, the Trust entered into purchase agreement of land and constructions in Hi-Tech Industrial Estate, Kabinburi Industrial Zone and Rojana Industrial Park Ayutthaya with Fraser's Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 438.23 million according to the terms and conditions as specified in the agreement.

On 1 September 2023, the Trust entered into purchase agreement of land and constructions in Fraser's Property Eastern Seaboard 2(A) project, Fraser's Property Laemchabang 2 project and Pinthong Industrial Estate 1 with Fraser's Property Industrial (Thailand) Company Limited. Whereby counterparty agreed assets price of Baht 738.30 million according to the terms and conditions as specified in the agreement.

On 30 June 2023, the Trust entered into leasehold right agreement of land and constructions in Fraser's Property Logistics Center (TIP 9) project with a company. Whereby the counterparty agreed the assets price at Baht 1,641.70 million according to the terms and conditions as specified in the agreement. In this regards, the Trust had expenses attributable to the leasehold right agreement of such investments in properties of Baht 42.09 million.

On 28 December 2022, the Trust entered into purchase and sale agreement of certain land and constructions in Hi-Tech Industrial Estate with a company. Whereby the counterparty agreed the assets price at Baht 83.00 million according to the terms and conditions as specified in the agreement. In this regards, the Trust had expenses attributable to the disposal of such investments in properties of Baht 4.34 million.

Frasers Property Thailand Industrial Freehold & Leasehold REIT

Notes to the financial statements

For the year ended 30 September 2023

2022

On 23 September 2022, the Trust entered into purchase agreement of land and constructions in Kabinburi Industrial Zone and Rojana Industrial Park Prachinburi with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 475.42 million according to the terms and conditions as specified in the agreement.

On 15 September 2022, the Trust entered into purchase agreement of land and constructions in Frasers Property Logistics Park Eastern Seaboard 3 project with Frasers Property Industrial (Thailand) Company Limited. Whereby counterparty agreed assets price of Baht 310.09 million according to the terms and conditions as specified in the agreement.

On 1 August 2022, the Trust entered into purchase agreement of land and constructions in Hi-Tech Industrial Estate with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 133.10 million according to the terms and conditions as specified in the agreement.

On 28 June 2022, the Trust entered into purchase agreement of land and constructions in Frasers Property Eastern Seaboard 2(A) project and Frasers Property Phan Thong 1 project with Frasers Property Industrial (Thailand) Company Limited. Whereby counterparty agreed assets price of Baht 599.83 million according to the terms and conditions as specified in the agreement.

On 28 June 2022, the Trust entered into purchase agreement of land and constructions in Nava Nakorn Industrial Promotion Zone and Rojana Industrial Park Ayutthaya with Frasers Property (Thailand) Public Company Limited. Whereby counterparty agreed assets price of Baht 196.68 million according to the terms and conditions as specified in the agreement.

On 9 December 2021, the Trust entered into purchase and sale agreement of certain land and constructions in Nava Nakorn Industrial Promotion Zone with a company. Whereby the counterparty agreed the assets price at Baht 60.00 million according to the terms and conditions as specified in the agreement. In this regards, the Trust had expenses attributable to the disposal of such investments in properties of Baht 4.20 million.

Guarantee income

Frasers Property (Thailand) Public Company Limited and Frasers Property Industrial (Thailand) Company Limited agreed to compensate income with the Trust by counterparties agreed to compensate for rental and service income of vacant or a part of vacant area or lease area that has rental, service and common rates less than the guaranteed rate of the sold and leased properties to the Trust for period of 12 months from transferred date or starting from the termination date of service agreement in compensation area to the date which the Trust entered into lease agreements with tenant (so as to same or new tenant). The guaranteed rental and service rates were the agreed rate as specified in the agreements.

Leases

As a lessee

The Trust leases a number of lands, warehouses and factories for 27 - 28 years. The rental is payable yearly as specified in the contract.

Year ended 30 September

Amounts recognised in profit or loss

Interest on lease liabilities

2023
(in thousand Baht)

2022

5,644

5,769

In 2023, total cash outflow for leases of the Trust was Baht 9.68 million (2022: Baht 9.29 million).

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For the year ended 30 September 2023

As a lessor

The leases of investment properties comprise a number of factories and warehouses that are leased to third parties under operating leases. Each of the leases contains an average non-cancellable period of 3 years. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts, but some leases require the lessee to reimburse the insurance costs of the Trust.

<i>Year ended 30 September</i>	2023	2022
	<i>(in thousand Baht)</i>	
Amounts recognised in profit or loss		
Net gain on sale of investments in properties	3,661	4,602
Lease payments to be received from operating leases at 30 September	2023	2022
	<i>(in thousand Baht)</i>	
1 st year	3,026,465	2,726,290
2 nd year	1,906,267	1,723,398
3 rd year	992,200	804,109
4 th year	452,429	412,812
5 th year	337,650	258,480
After 5 th year	756,911	595,491
Total	7,471,922	6,520,580

6 Cash and cash equivalents

	30 September 2023		30 September 2022	
		Interest rate		Interest rate
	<i>(in thousand Baht)</i>	<i>(%)</i>	<i>(in thousand Baht)</i>	<i>(%)</i>
Cash on hand	76	-	75	-
Cash at banks - current accounts				
Siam Commercial Bank Public Company Limited	6,422	-	6,967	-
Bangkok Bank Public Company Limited	4,206	-	9,080	-
Cash at banks - saving accounts				
Bangkok Bank Public Company Limited	67,435	0.30 - 0.60	69,512	0.125 - 0.30
Siam Commercial Bank Public Company Limited	196,222	0.30 - 0.90	170,442	0.30
United Overseas Bank (Thai) Public Company Limited	4,919	0.35 - 0.45	75,206	0.35
Kiatnakin Phatra Bank Public Company Limited	45	0.55	-	-
Bank of Ayudhya Public Company Limited	340	0.60 - 0.85	-	-
Total	279,665		331,282	

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For the year ended 30 September 2023

7 Deferred expenses

	2023 (in thousand Baht)	2022 (in thousand Baht)
At 1 October 2022 / 2021	2,728	15,175
Recognised as expenses during the year	(2,728)	(12,447)
At 30 September	-	2,728

If the Trust was to recognise the deferred expenses as expenses in full at 30 September 2023, the Trust's net asset value (NAV) would be decreased to Baht 33,768.11 million (2022: Baht 33,204.76 million), and NAV per unit would be Baht 11.0231 per unit (2022: Baht 10.8392 per unit).

8 Interest-bearing liabilities

	Note	2023 (in thousand Baht)	2022 (in thousand Baht)
Unsecured			
Short-term borrowings		3,549,700	1,752,010
Lease liabilities		176,365	180,404
Debentures	9	11,332,132	10,331,788
Total interest-bearing liabilities		15,058,197	12,264,202

Changes in liabilities arising from financing activities

	Other borrowings	Lease liabilities (in thousand Baht)	Total
At 1 October 2021	11,572,063	183,927	11,755,990
Changes from financing cash flows	511,735	(3,523)	508,212
At 30 September 2022 / 1 October 2022	12,083,798	180,404	12,264,202
Changes from financing cash flows	2,798,034	(4,039)	2,793,995
At 30 September 2023	14,881,832	176,365	15,058,197

As at 30 September 2023 the Trust had unutilised credit facilities totalling Baht 3,111.00 million (2022: Baht 13,648.00 million).

2023

On 30 September 2023, the Trust has short-term loans from a financial institution amounting to Baht 3,549.70 million, bearing interest rates at fixed rate per annum prescribed in the agreement. The principles are payable within September 2024.

2022

On 30 September 2022, the Trust has short-term loans from a financial institution amounting to Baht 170.00 million, bearing interest rates at BIBOR plus fixed rate per annum prescribed in the agreement. The principles are payable within October 2022 and interests are payable on maturity date.

On 30 September 2022, the Trust has short-term loan from a financial institution amounting to Baht 1,582.01 million, bearing interest rate at BIBOR plus fixed rate per annum prescribed in the agreement. The principle is payable within June and September 2023 and interest is payable on a semi-annually basis.

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9 Debentures

Type of debenture	Interest rate (%)	Age (year)	Issued date	Maturity date	Number of debenture 30 September 2023	Number of debenture 30 September 2022	Amount 30 September 2023	Amount 30 September 2022
					(unit)		(in thousand Baht)	
Unsubordinated and unsecured debenture								
No. 1/2017								
- Tranche 2	4.18	7	5 April 2017	5 April 2024	1,000,000	1,000,000	1,000,000	1,000,000
					<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
No. 1/2018								
- Tranche 3	3.65	7	28 June 2018	28 June 2025	380,000	380,000	380,000	380,000
- Tranche 4	4.06	10	28 June 2018	28 June 2028	1,260,000	1,260,000	1,260,000	1,260,000
					<u>1,640,000</u>	<u>1,640,000</u>	<u>1,640,000</u>	<u>1,640,000</u>
No. 2/2018								
- Tranche 7	4.19	10	19 December 2018	19 December 2028	600,000	600,000	600,000	600,000
					<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
No. 1/2019								
- Tranche 1	2.63	4	8 August 2019	8 August 2023	-	500,000	-	500,000
- Tranche 2	3.14	7	8 August 2019	8 August 2026	500,000	500,000	500,000	500,000
					<u>500,000</u>	<u>1,000,000</u>	<u>500,000</u>	<u>1,000,000</u>
No. 1/2020								
- Tranche 1	3.00	7	3 April 2020	3 April 2027	450,000	450,000	450,000	450,000
- Tranche 2	3.30	10	3 April 2020	3 April 2030	550,000	550,000	550,000	550,000
					<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
No. 1/2021								
- Tranche 1	1.69	3	24 June 2021	24 June 2024	850,000	850,000	850,000	850,000
- Tranche 2	2.54	5	24 June 2021	24 June 2026	700,000	700,000	700,000	700,000
- Tranche 3	3.30	7	24 June 2021	24 June 2028	700,000	700,000	700,000	700,000
- Tranche 4	3.97	10	24 June 2021	24 June 2031	250,000	250,000	250,000	250,000
					<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>	<u>2,500,000</u>
No. 2/2021								
- Tranche 1	1.84	3	16 December 2021	16 December 2024	1,000,000	1,000,000	1,000,000	1,000,000
					<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
No. 1/2022								
- Tranche 1	3.05	3	31 May 2022	31 May 2025	1,000,000	1,000,000	1,000,000	1,000,000
- Tranche 2	3.85	5	31 May 2022	31 May 2027	600,000	600,000	600,000	600,000
					<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
No. 1/2023								
- Tranche 1	3.12	3	14 March 2023	14 March 2026	1,000,000	-	1,000,000	-
- Tranche 2	3.51	5	14 March 2023	14 March 2028	150,000	-	150,000	-
- Tranche 3	3.80	7	14 March 2023	14 March 2030	350,000	-	350,000	-
					<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>
Total					<u>11,340,000</u>	<u>10,340,000</u>	<u>11,340,000</u>	<u>10,340,000</u>
Less unamortised cost relating to the issuance of debentures							(7,868)	(8,212)
Debentures - net							<u>11,332,132</u>	<u>10,331,788</u>

Interest on debentures is due for repayment on a semi-annually basis.

The debentures contained certain restriction, such as the limitation of debt-to-total assets ratio of not exceed 60% at the end of year throughout the age of debentures, the limitation of the resistance of additional borrowing, the limitation of debt or the limitation of obligation except those incurred under normal commercial term or normal business of transactions.

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For the year ended 30 September 2023

10 Capital from trust unitholders

At the 2023 Annual General Meeting of the Trust unitholders, held on 27 January 2023, the unitholders approved as follows:

- Approved the capital increase of the Trust by means of a general mandate through issuance totalling of not exceeding 919,016,114 trust units;
- Approved the offering and allocation of the additional trust units to be issued and offered for sale by means of a general mandate.

The resolution of the trust unitholders in relation to the capital increase by means of a general mandate will be valid for 1 year from the date on which the resolution is passed as proposed, or the date of next annual general meeting of trust unitholders, whichever is earlier.

At the Board of Directors Meeting of the REIT Manager held on 30 August 2023, the Board approved the capital increase of the Trust by means of a general mandate through the issuance totalling of not exceeding 220,000,000 additional trust units.

11 Retained earnings

	2023	2022
	<i>(in thousand Baht)</i>	
At 1 October 2022 / 2021	2,088,894	1,792,342
Net profit on investments	2,493,552	2,518,897
Net gain on sale of investments in properties	3,661	4,602
Gain (loss) on changes in fair value of investments in properties	354,853	(116,273)
Distributions to trust unitholders	(2,291,414)	(2,110,674)
At 30 September	<u>2,649,517</u>	<u>2,088,894</u>

12 Expenses

Management fee, trustee fee and registrar fee are calculated as follows:

(a) Trust management fee

Base fee	0.25% per annum of the Trust's total assets
Property management fee	3.00% per annum of net income from rental and service agreement
Incentive fee	5.00% per annum of Trust's net operating income
Commission fee for acquiring a new lessee	In proportion to rental and service periods but not over 3 months based on the latest rental and service rate of new lessee
Commission fee for buying/ selling/ transferring leasehold/ receiving leasehold	Not more than 3.00% of the value of buying/ selling/ transferring leasehold/ receiving leasehold

- (b) Trustee fee
- | |
|---|
| 0.060% per annum of total asset value for a portion not exceed Baht 15,000 million |
| 0.045% per annum of total asset value for a portion that exceed Baht 15,000 million up to Baht 30,000 million |
| 0.030% per annum of total asset value for a portion that exceed Baht 30,000 million |

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- (c) Registrar fee Actual paid but not over Baht 5 million per annum excluding the other relevant expenses

The above fees (a)-(b) are calculated and charged to the Trust's account on a monthly basis.

Operating expenses include expenses incurred specifically for the Trust such as the Trust deed fees, utilities expenses, insurance premium, bank charge, postage expenses and various expenses which are incurred legally and others in accordance to the actual payment.

13 Related parties

A related party is a person or entity that has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of the Trust; a person or entity that is under common control or under the same significant influence as the Trust; or a person or entity over which the Trust has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making.

Other related parties which the Trust had significant transactions during the year with were as follows:

Name of entities	Country of incorporation	Nature of relationships
Frasers Property (Thailand) Public Company Limited	Thailand	The parent company of REIT Manager
Frasers Property Industrial (Thailand) Company Limited	Thailand	Property Manager
Sahathai Property & Development Company Limited	Thailand	Property Manager
Frasers Property Industrial REIT Management (Thailand) Company Limited	Thailand	The REIT Manager
BBL Asset Management Company Limited	Thailand	Trustee
TICON Industrial Growth Leasehold Property Fund	Thailand	Common management
Bangkok Bank Public Company Limited	Thailand	The major shareholder of Trustee
Indara Insurance Public Company Limited	Thailand	Common director of the parent company of REIT Manager
Berli Jucker Logistics Co., Ltd.	Thailand	Common director of the parent company of REIT Manager
Frasers Property Demco Power 6 Co., Ltd.	Thailand	Joint venture of the parent company of REIT Manager
Frasers Property Demco Power 11 Co., Ltd.	Thailand	Joint venture of the parent company of REIT Manager
Kasemsubbhakdi Co., Ltd.	Thailand	Joint venture of the parent company of REIT Manager
Frasers Property Corporate Services Pte. Ltd.	Singapore	Subsidiary of the parent company of REIT Manager

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Significant transactions with related parties
Year ended 30 September

	2023	2022
	<i>(in thousand Baht)</i>	
Frasers Property (Thailand) Public Company Limited Group		
Rent and service income	319	333
Income from rental and service guarantees	12,620	4,696
Other income	20	48
Acquisition of investment properties	1,549,900	1,715,120
Trust management fee	432,716	418,313
Commission fee from sale of investment in properties	2,586	1,867
Commission fee from purchase of investment in properties recognised as cost of investment in properties	32,011	-
Common area service fee	30,607	30,978
Repair and maintenance expenses	30,644	18,182
Utility expenses	57	37
Other service expenses	836	20,870
Finance cost	5,644	5,769
Bangkok Bank Public Company Limited		
Interest income	255	163
Finance cost	3,477	14,120
BBL Asset Management Company Limited		
Trustee fee	21,840	21,264
Berli Jucker Logistics Co., Ltd.		
Rent and service income	58,434	58,108
Indara Insurance Public Company Limited		
Insurance reimburse income	6,648	-
Insurance reimburse income from the fire	29,433	-
Other service expenses	24,806	6,614

Balances with related parties
At 30 September

	2023	2022
	<i>(in thousand Baht)</i>	
Frasers Property (Thailand) Public Company Limited Group		
Rent and service receivables	1,913	1,640
Accrued trust management fee	34,957	70,813
Accrued expenses	65,517	24,844
Prepaid expense	76	-
Other deferred income	5	-
Deposits from rental and service	79	79
Lease liabilities	176,365	180,404
Bangkok Bank Public Company Limited		
Cash and cash equivalents	71,640	78,592
Accrued interest income	90	19
Accrued interest expense	3,326	6,765
Debentures	330,000	330,000
TICON Industrial Growth Leasehold Property Fund		
Other receivables	2	1
BBL Asset Management Company Limited		
Accrued trustee fee	3,857	1,826

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Balances with related parties
At 30 September

	2023	2022
	<i>(in thousand Baht)</i>	
Berli Jucker Logistics Co., Ltd.		
Rent and service receivables	926	1,096
Deposits from rental and service	11,772	11,772
Indara Insurance Public Company Limited		
Insurance receivable	29,433	-
Prepaid expense	22,358	12,998
Accrued expenses	172	118

Commitments with related party
Future minimum lease payments required under
non-cancellable common service contract

Within 1 year	24,118	24,118
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Significant agreement with related party

The Trust entered into a common service agreement with a related party for period of 1 year which expired in December 2022. Currently, the Trust is in process of renewal the agreement. Therefore, the terms and conditions including service fee still remained as specified in the latest agreement.

The Trust purchased properties from related parties. See in note 5.

14 Distribution to trust unitholders

During 2023 and 2022, the Trust has distributed dividends to trust unitholders as follows:

For the year ended 30 September 2023				
The operation for the period	Approved date	Payment date	Amount per unit	Amount
			<i>(in Baht)</i>	<i>(in thousand Baht)</i>
1 July 2022 - 30 September 2022	4 November 2022	2 December 2022	0.1870	572,853
1 October 2022 - 31 December 2022	2 February 2023	2 March 2023	0.1870	572,853
1 January 2023 - 31 March 2023	3 May 2023	1 June 2023	0.1870	572,854
1 April 2023 - 30 June 2023	2 August 2023	31 August 2023	0.1870	572,854
				2,291,414

For the year ended 30 September 2022				
The operation for the period	Approved date	Payment date	Amount per unit	Amount
			<i>(in Baht)</i>	<i>(in thousand Baht)</i>
1 July 2021 - 30 September 2021	5 November 2021	2 December 2021	0.1690	517,712
1 October 2021 - 31 December 2021	2 February 2022	3 March 2022	0.1700	520,778
1 January 2022 - 31 March 2022	6 May 2022	1 June 2022	0.1750	536,092
1 April 2022 - 30 June 2022	2 August 2022	1 September 2022	0.1750	536,092
				2,110,674

15 Information on investment purchase and sale transactions

The Trust's purchase and sale transactions during the year ended 30 September 2023, excluding investments in cash at banks, amounted to Baht 3,307.44 million which was 1.75% of the average net asset values during the year (2022: Baht 1,779.72 million which was 0.81% of the average net asset values during the year).

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16 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 of immovable properties. Its operation is carried on only in 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.

17 Information on fair value level and fair value measurement of investment

Fair value categorised by measurement approach

	Note	Level 1	Level 2 (in thousand Baht)	Level 3	Total
At 30 September 2023					
Investments in freehold and leasehold properties at fair value	5	-	-	49,824,979	49,824,979
At 30 September 2022					
Investments in freehold and leasehold properties at fair value	5	-	-	46,319,379	46,319,379

Investment in freehold and leasehold properties at fair value categorised in level 3 have significant unobservable data as they are not actively traded.

18 Commitment with non-related party

	2023 (in thousand Baht)	2022
Future minimum lease payments under non-cancellable common service contracts		
Within 1 year	1,680	1,680
After 1 year but within 5 years	6,720	6,720
After 5 years	18,761	20,441
Total	27,161	28,841

The Trust entered into common service agreement with a company for period of 19 years which will expire in November 2039.

19 Impact of fire

In February 2023, a factory building of the Trust has been affected by the fire incident located at Pinthong Industrial Estate 1, Chonburi Province with a net book value of the damaged area totalling amount of Baht 39.35 million. In addition, the Trust received contribution for damage from tenant, reimbursement from insurance company in terms of the All Risk Insurance Policy and revenue from sale scrap totalling amount of Baht 39.51 million during September and October 2023. In this regards, the Trust has the Business Interruption Insurance policy with a sum insured amount of Baht 7.18 million. Currently, the insurance company is assessing the compensation payable under the policies to the Trust. The management assessed that the Trust would have no any disadvantage from the incident.

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20 Litigation

On 17 March 2022, the Trust was filed as a co-defendant in a civil case for the compensation of warehouse damages totalling Baht 118.28 million. The lawsuit is currently in the judicial process and the Trust assessed that there was an uncertainty to compensate such damages. Accordingly, no provision was recognised as at 30 September 2023. In this regards, the Trust and the Property Manager have the public liability insurance with limit of liability by Baht 100.00 million. Then the court has pretrial conference in October 2023 and has an appointment to examine the prosecution's witness and the defendant's witness in November 2023, respectively.

21 Events after the reporting period

At the Board of Directors Meeting of the REIT Manager held on 3 November 2023, the Board approved the resolutions as follows;

- Approved the appropriation of distribution of Baht 0.1870 per unit, totalling Baht 572.85 million. Such distribution will be paid to trust unitholders in November 2023.
- Resolved to propose to the annual general meeting of trust unitholders of the trust in January 2024 to consider to approve the capital increase of the Trust by means of a general mandate through issuance of trust unit totalling of not exceeding 919,016,114 units and approved the issuing and offering debenture of REIT with maximum outstanding amount at any time totalling not more than Baht 17,000 million. Other detailed related with the offering and allocation of the additional trust units to be issued and offered by means of a general mandate and the issuing and offering debenture of REIT are to be determines at the discretion of the REIT manager.