

# **C.P. Tower Growth Leasehold Property Fund**

Financial statements for the period from  
1 January 2024 to 14 November 2024 (Dissolution date)  
and  
Independent Auditor's report



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## Independent Auditor's Report

### To the Unitholders of C.P. Tower Growth Leasehold Property Fund

#### *Opinion*

I have audited the financial statements of C.P. Tower Growth Leasehold Property Fund ("the Fund"), which comprise the statement of financial position and details of investments as at 14 November 2024 (Dissolution date), the statements of comprehensive income, changes in net assets and cash flows for the period from 1 January 2024 to 14 November 2024 (Dissolution date), 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 Fund as at 14 November 2024 (Dissolution date) and its financial performance, changes in net assets and cash flows for the period from 1 January 2024 to 14 November 2024 (Dissolution date) 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 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 Fund 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. *S.*



### *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 leasehold rights to properties at fair value	
Refer to Note 1 and 6 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>On 7 June 2024, the Unitholders' Meeting of the Fund resolved to approve the transfer of investments in leasehold rights to properties at fair value to C.P. Tower Leasehold Real Estate Investment Trust ("the REIT") formed by conversion. The fair value measurement of the investments is material to the financial statements because it refers to the valuations by an independent appraiser using the income approach. The Management Company had to exercise significant judgment in forecasting future performance, including determining of key assumptions.</p> <p>I considered this as the key audit matter because the assumptions in valuing the investments involved significant judgment.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>• understanding and assessing the methods used to determine the fair value of investments in leasehold rights to properties.</li> <li>• assessing the knowledge, competence and independence of an independent appraiser engaged by the Management.</li> <li>• assessing the reasonableness of the fair value based on the valuation model, assumptions, and key data used by an appraiser in valuation of investments in leasehold rights to properties.</li> <li>• considering the adequacy of disclosures.</li> </ul>

### *Emphasis of Matter*

I draw attention to Note 1, which describes that at the Unitholders' Meeting of the Fund held on 7 June 2024, the unitholders passed resolutions to the conversion of the Fund, the conversion plan, the transferring assets and liabilities of the Fund to the REIT formed by conversion, and the receiving of compensation from the REIT as trust units to swap with the fund units held by the Fund's unitholders according to swap ratio of the Fund and the REIT. The swap ratio shall be 1 fund unit to 1 trust unit. The Management Company of the Fund will proceed with the fund's dissolution, and the liquidator will enter the liquidation process. In addition, the REIT manager will proceed for the trust units to be listed securities on the Stock Exchange of Thailand. On 13 November 2024, the Fund transferred the assets and liabilities to the REIT in swap for newly issued trust units, and set 14 November 2024 as the Fund's dissolution date, and entering the liquidation process accordingly. I have not expressed a qualified opinion on this matter.

### *Other Matter*

The statement of financial position and details of investments of C.P. Tower Growth Leasehold Property Fund as at 31 December 2023, the statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes, which are included as comparative information, were audited by another auditor who expressed an unqualified opinion thereon in her report dated 15 February 2024. 5.





### *Responsibilities of Management for the Financial Statements*


Management is responsible for the preparation and fair presentation of the financial statements 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 as approved by The Securities and Exchange Commission, and for such internal control as management 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, management is responsible for assessing the Fund'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 management either intends to liquidate the Fund 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Fund'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 Fund 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 management 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 management 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 management, 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.

A handwritten signature in blue ink, appearing to be 'Sawitree Ongksirimemongkol', written in a cursive style.

(Sawitree Ongksirimemongkol)  
Certified Public Accountant  
Registration No. 10449

KPMG Phoomchai Audit Ltd.  
Bangkok  
13 December 2024

# C.P. Tower Growth Leasehold Property Fund

## Statement of financial position

		14 November 2024 (Dissolution date)	31 December 2023
		<i>(in Baht)</i>	
<b>Assets</b>			
Investments measured at fair value through profit or loss	5, 7	3,000,000	692,497,195
Investments in leasehold rights to properties at fair value	6	-	8,940,000,000
Cash and cash equivalents	8	1,003,112,405	342,382,215
Rent and service receivables		-	59,960,188
Interest receivables		694,378	35,216
Deferred costs to obtain contracts		-	28,250,994
Other current assets		11,233	9,133,408
<b>Total assets</b>		<b>1,006,818,016</b>	<b>10,072,259,216</b>
<b>Liabilities</b>			
Other payables		7,029,937	60,884,962
Other payables - converted REIT	7	933,202,012	-
Accrued expenses		19,985,106	59,419,600
Payable to the Revenue Department		801,541	1,857,741
Unearned rent and service income		-	22,048,865
Guarantee deposits received from customers		-	276,953,027
<b>Total liabilities</b>		<b>961,018,596</b>	<b>421,164,195</b>
<b>Net assets</b>		<b>45,799,420</b>	<b>9,651,095,021</b>

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

# C.P. Tower Growth Leasehold Property Fund

## Statement of financial position

		14 November 2024 (Dissolution date)	31 December 2023
	<i>Note</i>		
		<i>(in Baht)</i>	
<b>Net assets</b>			
Fund registered			
<i>(31 December 2023: 967,000,000 units of Baht 9.8538 each)</i>	9	-	<b>9,528,624,600</b>
Capital from unitholders			
<i>(31 December 2023: 967,000,000 units of Baht 9.8538 each)</i>		-	9,528,624,600
Retained earnings	10	45,799,420	122,470,421
<b>Net assets</b>		<b>45,799,420</b>	<b>9,651,095,021</b>
<b>Net asset value per unit <i>(in Baht)</i></b>		-	<b>9.9804</b>
<b>Number of units issued at the end of period/year <i>(thousand units)</i></b>		-	<b>967,000</b>

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



C.P. Tower Growth Leasehold Property Fund

Details of investments

Details of investments are presented by investment category.

Type of investments	Areas held	Note	14 November 2024 (Dissolution date)			31 December 2023		
			Cost	Fair value (in Baht)	Percentage of investments (%)	Cost	Fair value (in Baht)	Percentage of investments (%)
Investments in leasehold rights to properties								
C.P. Tower 1 (Silom)		6						
Location Silom Road, Bangrak, Bangkok 10500	3-1-3.0 rai or 91,664 sq.m.		-	-	-	4,062,579,942	3,929,000,000	40.79
C.P. Tower 2 (Fortune Town)								
Location Ratchadaphisek Road, Dindaeng, Bangkok 10400	15-3-3.8 rai or 194,655.35 sq.m.		-	-	-	4,832,332,943	4,293,000,000	44.57
C.P. Tower 3 (Phayathai)								
Location Phayathai Road, Ratchathewi, Bangkok 10400	4-0-0 rai or 29,656 sq.m.		-	-	-	872,726,607	718,000,000	7.45
Total investments in leasehold rights to properties			-	-	-	9,767,639,492	8,940,000,000	92.81

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

## C.P. Tower Growth Leasehold Property Fund

### Details of investments

Details of investments are presented by investment category (continued).

Type of investments	Maturity date	interate rate (% per annum)	Note	14 November 2024 (Dissolution date)			31 December 2023		
				Cost	Fair value (in Baht)	Percentage of investments (%)	Cost	Fair value (in Baht)	Percentage of investments (%)
Investments in securities				5					
Bank of Thailand Bond									
Bank of Thailand 44/91/67	February 2024	-		-	-	-	490,090,928	490,071,105	5.09
Bank of Thailand 47/91/67	February 2024	-		-	-	-	199,426,657	199,426,090	2.07
Fixed accounts									
Krung Thai Bank Public Company Limited <sup>(1)</sup>	February 2025	1.225		3,000,000	3,000,000	100.00	-	-	-
Krung Thai Bank Public Company Limited <sup>(1)</sup>	February 2024	0.875		-	-	-	3,000,000	3,000,000	0.03
Total investments in securities							692,517,585	692,497,195	7.19
Total investments							10,460,157,077	9,632,497,195	100.00

<sup>(1)</sup> Fixed deposits for electricity consumption guarantee

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

# C.P. Tower Growth Leasehold Property Fund

## Statement of comprehensive income

		For the period	
		from 1 January 2024	For the year ended
		to 14 November 2024	31 December
	<i>Note</i>	(Dissolution date)	2023
		<i>(in Baht)</i>	
<i>Income</i>			
Rent and service income		1,094,960,196	1,276,286,702
Interest income		16,962,867	13,520,895
Other income		7,585,108	3,160,407
<b>Total income</b>		<b>1,119,508,171</b>	<b>1,292,968,004</b>
<i>Expenses</i>			
Costs of rental and service		344,037,767	411,998,563
Management fee	7, 12	11,112,619	13,071,764
Mutual fund supervisor fee	7, 12	1,563,203	1,851,371
Registrar fee	7, 12	1,689,576	2,000,977
Property management fee	7, 12	94,167,456	110,481,934
Professional fees	1	24,380,557	1,440,782
Administrative expenses		12,712,832	12,475,248
<b>Total expenses</b>		<b>489,664,010</b>	<b>553,320,639</b>
<b>Net profit on investments</b>		<b>629,844,161</b>	<b>739,647,365</b>
<b>Net loss on investments</b>			
Loss on changes in fair value of investments	5, 6	(242,161,760)	(430,628,528)
<b>Total net loss on investments</b>		<b>(242,161,760)</b>	<b>(430,628,528)</b>
<b>Net increase in net assets resulting from operations</b>		<b>387,682,401</b>	<b>309,018,837</b>

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



## C.P. Tower Growth Leasehold Property Fund

### Statement of changes in net assets

		For the period from 1 January 2024 to 14 November 2024 (Dissolution date)	For the year ended 31 December 2023
	Note	(in Baht)	
<b>Increase (decrease) in net assets resulting from operations during the period/year</b>			
Net profit on investments		629,844,161	739,647,365
Net loss on investments		(242,161,760)	(430,628,528)
<b>Increase in net assets during the period/year</b>		<b>387,682,401</b>	<b>309,018,837</b>
Payment of investment unit value from capital reduction	9	(219,895,801)	(222,796,800)
Distribution to unitholders	11	(436,697,201)	(448,301,200)
Distribution units of the converted REIT to unitholders	1	(9,336,385,000)	-
<b>Decrease in net assets during the period/year</b>		<b>(9,605,295,601)</b>	<b>(362,079,163)</b>
Net assets at 1 January		9,651,095,021	10,013,174,184
<b>Net assets at 14 November / 31 December</b>		<b>45,799,420</b>	<b>9,651,095,021</b>
<b>Changes in number of fund unit</b>			
Fund unit at 1 January (units)		967,000,000	967,000,000
<b>Fund unit at 14 November / 31 December (units)</b>		<b>-</b>	<b>967,000,000</b>

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

# C.P. Tower Growth Leasehold Property Fund

## Statement of cash flows

		For the period from 1 January 2024 to 14 November 2024	For the year ended 31 December 2023
	Note	(Dissolution date)	(in Baht)
<b>Cash flows from operating activities</b>			
Net increase in net assets from operations		387,682,401	309,018,837
<i>Adjustments to reconcile increase (decrease) in net assets from operations to net cash from operating activities</i>			
Loss on changes in fair value of investments	5, 6	242,161,760	430,628,528
Loss on disposal assets	6	576,730	-
Increase in investments in leasehold rights to properties	6	(2,758,880)	(7,483,550)
Purchases of investments in securities	5	(2,013,917,289)	(1,969,239,091)
Sales of investments in securities	5	2,717,908,126	1,885,000,000
Decrease (increase) in rent and service receivables		5,736,045	(17,851,318)
Increase in accrued interest receivable		(659,162)	(4,232)
Increase in deferred costs to obtain contracts		(9,692,096)	(29,822,315)
(Increase) decrease in other current assets		(148,329)	28,391
(Decrease) increase in other payables		(26,871,815)	4,436,440
Increase (decrease) in accrued expenses		25,661,064	(7,086,315)
Decrease in payable to the Revenue Department		(1,056,200)	(649,127)
Increase in unearned income		3,675,697	745,374
(Decrease) increase in guarantee deposits from tenants		(12,427,708)	7,759,094
Amortisation of deferred costs to obtain contracts		15,996,920	18,752,444
Amortisation of discounts on investments in bonds	5	(14,473,252)	(10,621,328)
<b>Net cash from operating activities</b>		<b>1,317,394,012</b>	<b>613,611,832</b>

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

# C.P. Tower Growth Leasehold Property Fund

## Statement of cash flows

		For the period from 1 January 2024 to 14 November 2024 <i>Note</i> (Dissolution date)	For the year ended 31 December 2023
		<i>(in Baht)</i>	
<b><i>Cash flows from financing activities</i></b>			
Capital return to fund unitholders	9	(219,895,801)	(222,796,800)
Distributions to unitholders	11	(436,697,201)	(448,301,200)
Transfer cash to the converted REIT		(70,820)	-
<b>Net cash used in financing activities</b>		<b>(656,663,822)</b>	<b>(671,098,000)</b>
 <b>Net increase (decrease) in cash and cash equivalents</b>		 <b>660,730,190</b>	 <b>(57,486,168)</b>
Cash and cash equivalents at 1 January		342,382,215	399,868,383
<b>Cash and cash equivalents at 14 November / 31 December</b>		<b>1,003,112,405</b>	<b>342,382,215</b>
 <b>Non cash items</b>			
Transfer investments in leasehold rights to properties at fair value to converted REIT		8,700,000,000	-
Transfer net assets to converted REIT		(9,633,272,832)	-

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



# **C.P. Tower Growth Leasehold Property Fund**

## **Notes to the financial statements**

**For the period from 1 January 2024 to 14 November 2024 (Dissolution date)**

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# **C.P. Tower Growth Leasehold Property Fund**

## **Notes to the financial statements**

**For the period from 1 January 2024 to 14 November 2024 (Dissolution date)**

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 Management Company of the Fund on 13 December 2024.

### **1 General information**

C.P. Tower Growth Leasehold Property Fund (“the Fund”) is a specific closed-end property fund with specific properties to be purchased or leased as stated in the Fund’s prospectus. The Fund was established and registered as a mutual fund on 2 December 2013 with 30-year project life from the date that the Fund has initially invested. The Fund’s objectives are to raise funds from general investors and to use the proceeds from such fundraising for lease of and seek benefits from those properties. The Fund will also improve, modify, develop and/or dispose immovable properties the Fund invests in or acquires by way of letting, subletting and/or disposing or other process, with the aim of generating income and returns for the Fund 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 laws.

On 16 December 2013, the Stock Exchange of Thailand approved the listing of the Fund’s investment units and permitted their trading from 16 December 2013 onwards.

Krung Thai Asset Management Public Company Limited (“the Management Company”) acts as the Fund Manager. Bank of Ayudhaya Public Company Limited acts as the Mutual fund supervisor, and C.P. Land Public Company Limited (“C.P. Land”) acts as the Property Manager.

On 7 June 2024, the Unitholders’ Meeting considered and approved the following.

- 1) The conversion of C.P. Tower Growth Leasehold Property Fund (“the Fund”) to C.P. Tower Leasehold Real Estate Investment Trust (“the REIT”), the conversion plan, the transfer of assets and liabilities of the Fund to the REIT and the receiving of compensation from the REIT in trust units.
- 2) The amendment of Fund Scheme to be in accordance with the conversion of the Fund and the conversion plan.
- 3) The dissolution of the Fund, the liquidation and the appointment of the liquidator.
- 4) The appointment of other person other than the Management Company as the REIT Manager.
- 5) The appointment of other person other than the Supervisor as the Trustee.

On 26 June 2024, CP Land REIT Growth Co., Ltd. (“the REIT Manager”) filed an application for approval, the registration statement, and the draft prospectus with the Office of the Securities and Exchange Commission (“the SEC”) for the conversion of the Fund into the REIT. In order that, the SEC granted approval on 11 October 2024 and the Registration Statement and Draft Prospectus became effective on 18 October 2024.

On 25 October 2024, the Management Company announced the book closing date for suspending the transfer of investment units to allow the right for exchanging of investment units of the Fund units with the REIT units, as well as the schedule for the Fund dissolution plan to the Stock Exchange of Thailand (“the SET”). The details are as follows:

# C.P. Tower Growth Leasehold Property Fund

## Notes to the financial statements

For the period from 1 January 2024 to 14 November 2024 (Dissolution date)

Date	Actions
7 November 2024	Last trading day of investment units of the Fund on the SET.
8 - 20 November 2024	Posting of sign for trade suspension of the investment units of the Fund on the SET (SP).
12 November 2024	Book closing date for determining the right to swap investment units of the Fund with trust units of the REIT.
13 November 2024	The Fund transfers assets and liabilities to the REIT in exchange for newly issued trust units of the REIT.
14 November 2024 (Dissolution date)	<ul style="list-style-type: none"><li>- The Management Company dissolves the Fund.</li><li>- The liquidator will begin the liquidation process.</li></ul>
21 November 2024	<ul style="list-style-type: none"><li>- The investment units of the Fund are delisted from being listed securities in the SET.</li><li>- First day trade of the newly issued trust units of the REIT in the SET.</li></ul>

The trust units were issued and offered to the Fund amounting to 967 million units. The exchange ratio of trust units with the assets and liabilities of the Fund is considered from the ratio of 1 unit of the Fund per 1 trust unit of the REIT. The conversion from the Fund into the REIT will make the investors become trust unitholders. Subsequently after the transfer of assets and liabilities of the Fund to the REIT is completed, the Management Company may pay dividends and/or reduce the registered capital of the Fund (if any) to the investors of the Fund before proceeding to dissolve and liquidate the Fund.

The Fund incurred expenses related to the conversion from the Fund into the REIT for the period from 1 January 2024 to 14 November 2024 (Dissolution date), these expenses amounted to Baht 19 million.

## 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 Fund 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 Fund’s functional currency.

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

## 3 Significant accounting policies

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



## **C.P. Tower Growth Leasehold Property Fund**

### **Notes to the financial statements**

**For the period from 1 January 2024 to 14 November 2024 (Dissolution date)**

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

Investment are initially recognised at fair value through profit or loss when the Fund 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 Fund 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 Fund 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 Fund 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 properties at fair value***

Investments in 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) on changes in fair value of investments”

Cost includes expenditure that is directly attributable to the acquisition of the investments in 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 Fund 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.

#### **(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) *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 Fund 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 Fund 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.

## **C.P. Tower Growth Leasehold Property Fund**

### **Notes to the financial statements**

**For the period from 1 January 2024 to 14 November 2024 (Dissolution date)**

The Fund 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 Fund 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 Fund 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.

#### **(e) *Rental income***

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

The Fund 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 rental income is presented as part of rent and service receivables.

#### **(f) *Service income***

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

#### **(g) *Interest***

Interest income and expense is recognised in profit or loss on an accrual basis based on the effective interest rate.

#### **(h) *Expenses***

Other expenses are recognised on accrual basis.

#### **(i) *Income tax***

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

#### **(j) *Distribution to unitholders***

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

# C.P. Tower Growth Leasehold Property Fund

## Notes to the financial statements

For the period from 1 January 2024 to 14 November 2024 (Dissolution date)

### 4 Financial risks

#### *Credit risk*

Credit risk is the risk of financial loss to the Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations. However, the related financial assets have short-term maturity, therefore, the Fund does not anticipate material losses from its debt collection.

#### *Rent and service receivables*

The Fund's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. The Fund limits its exposure to credit risk from receivables by establishing a payment period and outstanding trade receivables are regularly monitored by the Fund.

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

	Note	14 November 2024	31 December 2023
		<i>(in thousand Baht)</i>	
Not yet due		21,414	13,907
Past due			
Up to 3 months		29,142	42,481
3 - 6 months		1,255	1,599
Over 6 months		3,040	2,600
Total		54,851	60,587
Less: allowance for expected credit losses		(627)	(627)
Less: transfer to the converted REIT	I	(54,224)	-
Net		-	59,960

### 5 Investments measured at fair value through profit or loss

	14 November 2024	31 December 2023
	<i>(in thousand Baht)</i>	
At 1 January	692,497	597,782
Acquisitions	2,013,917	1,969,239
Disposal	(2,717,908)	(1,885,000)
Amortisation of discounts on investments in bonds	14,473	10,621
Gain (loss) on changes in fair value of investments	21	(145)
Total	3,000	692,497

# C.P. Tower Growth Leasehold Property Fund

## Notes to the financial statements

For the period from 1 January 2024 to 14 November 2024 (Dissolution date)

### 6 Investments in leasehold rights to properties at fair value

	Note	14 November 2024	31 December 2023
		<i>(in thousand Baht)</i>	
At 1 January		8,940,000	9,363,000
Acquisitions		2,759	7,484
Disposal		(577)	-
Loss on changes in fair value		(242,182)	(430,484)
Transfer to the converted REIT	1	(8,700,000)	-
<b>Total</b>		<b>-</b>	<b>8,940,000</b>

The Fund presented investments in leasehold rights to properties at fair value have been categorised as a Level 3, which were determined based on valuations performed by an independent appraiser, using the income approach. The main assumptions used in valuation are rental and service rates, occupancy rates, discount rates, and growth rate.

#### Significant unobservable inputs

- Rental and service rates  
(500 - 1,010 Baht per square meter)
- Occupancy rates (75% - 95%)
- Discount rates (9.5%)
- Growth rate (3%)

#### Inter-relationship between key unobservable inputs and fair value measurement

- The estimated fair value increase (decrease) if:
- Rental and service rates were higher (lower); or
  - The occupancy rates were higher (lower); or
  - The discount rates were lower (higher); or
  - Expected market rental growth were higher (lower).

### 7 Business transactions with related parties

The fund has significant transactions with related parties for the period from 1 January 2024 to 14 November 2024 (Dissolution date) and for year ended 31 December 2023 as follows:

	For the period from 1 January 2024 to 14 November 2024 (Dissolution date)	For year ended 31 December 2023
	<i>(in thousand Baht)</i>	
<b>Krung Thai Asset Management Public Company Limited</b>		
Management fee	11,113	13,072
Registrar fee	1,690	2,001
<b>Bank of Ayudhaya Public Company Limited</b>		
Rental and service income	4,452	5,638
Mutual fund supervisor fee	1,563	1,851
Interest income	786	313
<b>C.P. Land Public Company Limited</b>		
Rental and service income	12,520	13,290
Property management fee	94,167	110,482

# C.P. Tower Growth Leasehold Property Fund

## Notes to the financial statements

For the period from 1 January 2024 to 14 November 2024 (Dissolution date)

	For the period from 1 January 2024 to 14 November 2024 (Dissolution date) (in thousand Baht)	For year ended 31 December 2023
Charoen Pokphand Group		
Rental and service income	584,950	646,804
Krung Thai Bank Public Company Limited		
Rental and service income	1,412	1,622
Interest income	31	24

As at 14 November 2024 (Dissolution date) and as at 31 December 2023, the Fund has significant outstanding transactions with related parties as follows:

### ***Balances with related parties as at***

	14 November 2024 (Dissolution date) (in thousand Baht)	31 December 2023
Krung Thai Asset Management Public Company Limited		
Accrued management fee	435	1,150
Accrued registrar fee	66	175
Bank of Ayudhaya Public Company Limited		
Cash equivalents	949,252	34,913
Rent and service receivables	-	21
Other payables	-	139
Accrued mutual fund supervisor fee	61	162
Guarantee deposits received from customers	-	1,221
C.P. Land Public Company Limited		
Rent and service receivables	-	1,232
Accrued property management fee	-	9,471
Guarantee deposits received from customers	-	2,626
Charoen Pokphand Group		
Rent and service receivables	-	25,324
Other payables	-	243
Unearned rent and service income	-	18,379
Guarantee deposits received from customers	-	127,912
Krung Thai Bank Public Company Limited		
Investments in securities - fixed accounts	3,000	3,000
Rent and service receivables	-	8
Guarantee deposits received from customers	-	379
C.P. Tower Leasehold Real Estate Investment Trust		
Other payables - converted REIT	933,202	-

### ***Significant agreements with related parties***

As at 14 November 2024 (Dissolution date), the Fund has transferred the rights and duties in Long-term lease agreement and Property management agreement to the converted REIT as follows:

# C.P. Tower Growth Leasehold Property Fund

## Notes to the financial statements

For the period from 1 January 2024 to 14 November 2024 (Dissolution date)

### *Transfer of rights and duties agreement*

On 13 November 2024, the Fund entered into an agreement to transfer the rights and duties under the land and building lease agreement with C.P. Land and the Management Company as the trustee of the C.P. Tower Real Estate Investment Trust (“the REIT”). All parties agreed to the transfer of all rights, benefits, duties, responsibilities, and obligations of the Fund under the long-term lease agreement to the REIT. This transfer becomes effective on the date of the asset and liability transfer, making the REIT the contracting party under the long-term lease agreement with C.P. Land in place of the Fund.

## 8 Cash and cash equivalents

	14 November 2024	31 December 2023	14 November 2024	31 December 2023
	Interest rate (% per annum)		Principal (in thousand Baht)	
<b>Petty cash</b>	-	-	-	263
<b>Savings accounts</b>				
Bank of Ayudhaya Public Company Limited	0.50	0.50	949,249	34,908
Bangkok Bank Public Company Limited	0.40	0.60	39,659	90,925
The Siam Commercial Bank Public Company Limited	0.50	0.55	4,941	11,585
United Overseas Bank (Thai) Public Company Limited	1.10	1.15	9,260	204,696
<b>Current accounts</b>				
Bank of Ayudhaya Public Company Limited	-	-	3	5
<b>Total</b>			<b>1,003,112</b>	<b>342,382</b>

## 9 Fund registered and capital from unitholders

	Note	Par value (in Baht)	Number (in thousand units)	Amount (in thousand Baht)
<b>Fund registered and capital from unitholders</b>				
At 1 January 2024		9.8538	967,000	9,528,625
Less Capital return to fund unitholders on 21 February 2024		(0.0514)	-	(49,704)
Less Capital return to fund unitholders on 16 May 2024		(0.1585)	-	(153,270)
Less Capital return to fund unitholders on 16 August 2024		(0.0175)	-	(16,922)
Transfer to the converted REIT	1	(9.6264)	(967,000)	(9,308,729)
<b>At 14 November 2024</b>		-	-	-

At the Investment Committee Meeting of the Fund held on 21 February 2024, the committee approved a capital reduction of the Fund by reducing par value of Baht 0.0514 per unit, amounting to Baht 49.70 million which was repaid to the unitholders in March 2024.

# C.P. Tower Growth Leasehold Property Fund

## Notes to the financial statements

For the period from 1 January 2024 to 14 November 2024 (Dissolution date)

At the Investment Committee Meeting of the Fund held on 16 May 2024, the committee approved a capital reduction of the Fund by reducing par value of Baht 0.1585 per unit, amounting to Baht 153.27 million which was repaid to the unitholders in June 2024.

At the Investment Committee Meeting of the Fund held on 16 August 2024, the committee approved a capital reduction of the Fund by reducing par value of Baht 0.0175 per unit, amounting to Baht 16.92 million which was repaid to the unitholders in September 2024.

## 10 Retained earnings

	Note	14 November 2024	31 December 2023
		<i>(in thousand Baht)</i>	
At 1 January		122,470	261,753
Net profit on investments		629,844	739,647
Loss on changes in fair value of investments		(242,162)	(430,629)
Distributions to unitholders	11	(436,697)	(448,301)
Distributions to unitholders to the converted REIT	1	(27,656)	-
<b>Total</b>		<b>45,799</b>	<b>122,470</b>

## 11 Distributions to unitholders

Detail of dividend for the period from 1 January 2024 to 14 November 2024 (Dissolution date) was as follows:

For the period	Dividend announcement date	Per unit (Baht)	Total (in thousand Baht)
1 October 2023 - 31 December 2023	21 February 2024	0.1266	122,422
1 January 2024 - 31 March 2024	16 May 2024	0.0295	28,527
1 April 2024 - 30 June 2024	16 August 2024	0.1555	150,368
1 July 2024 - 30 September 2024	15 October 2024	0.1400	135,380
		<b>0.4516</b>	<b>436,697</b>

Detail of dividend for the year ended 31 December 2023 was as follows:

For the period	Dividend announcement date	Per unit (Baht)	Total (in thousand Baht)
1 October 2022 - 31 December 2022	20 February 2023	0.1615	156,171
1 January 2023 - 31 March 2023	19 May 2023	0.1185	114,589
1 July 2023 - 30 September 2023	17 November 2023	0.1836	177,541
		<b>0.4636</b>	<b>448,301</b>

## 12 Expenses

### Management fee

The Management Company is entitled to receive a monthly management fee from the Fund at the rate not exceeding 1.00% per annum (exclusive of value added tax, specific business tax or any other similar taxes) of the Fund's net asset value as calculated by the Management Company and verified by the mutual fund supervisor.



# **C.P. Tower Growth Leasehold Property Fund**

## **Notes to the financial statements**

**For the period from 1 January 2024 to 14 November 2024 (Dissolution date)**

### ***Mutual fund supervisor fee***

The mutual fund supervisor is entitled to receive a monthly remuneration at the rate not exceeding 0.10% per annum (exclusive of value added tax, specific business tax or any other similar taxes) of the Fund's net asset value as calculated by the Management Company and verified by the mutual fund supervisor. The foregoing does not include other expenses as actually incurred such as the expenses for the inspection of assets of the Fund.

### ***Registrar fee***

The expenses for the work of the Investment Unit Registrar shall be at the rate not exceeding 0.10% per annum (exclusive of value added tax, specific business tax or any other similar taxes) of the Fund's net asset value as calculated by the Management Company and verified by the mutual fund supervisor.

### ***Property management fee***

Fees and expenses of the Property Manager shall be payable to the Property Manager on a monthly basis according to the Property Management Agreement between the Fund and the Property Manager. The details are summarised as follows (the rate excludes value added tax, specific business tax or any other similar taxes):

- (1) Fee for rental collection on behalf of the Fund at the rate of 3.50% per annum of the monthly total property income. Total property income includes income from parking services, income from sales promotion, income from kiosk, and income from gas, and excludes interest income, land and building tax income received from customers, and utilities income. This is calculated and charged on a monthly basis.
- (2) Fee for utilities management is calculated at the rate of 0.50% per annum of the monthly income from utilities services. This is calculated and charged on a monthly basis.
- (3) Property management fee is calculated at the rate of 0.30% per annum of the Fund's net asset value calculated as at the last day of previous month. This is calculated and charged on a monthly basis.
- (4) Incentive fee for the Property Manager is calculated and charged on a monthly basis at the rate of 2.35% per annum of the net property income. Net property income means all revenues derived from properties (exclusive of interest income, revenue from land and building tax collected from lessee, revenue from electricity and water supply provision) deducted by cost and all expenses incurred from procuring benefits from the property. Such expenses do not include the fees stated in (1), (2), (3) and land and building tax.
- (5) Leasing commission for procuring tenants and management of all tenants of the Fund upon entering into new lease agreements with new tenants or renewal of lease agreement is calculated at the rate of 0.5 to 1.0 times of the monthly rental fees, depending on the type and terms of lease agreements.
- (6) Overseeing work, fee is charged at a rate of 2.00% of renovation cost approved by the Fund based on the actual cost. The fee does not include the building maintenance and costs of assets purchased under normal course of operation.

## **13 Information on investment purchase and sale transactions**

The Fund's purchase and sale transactions during the period from 1 January 2024 to 14 November 2024, (Dissolution date) excluding investments in cash at banks, amounted to Baht 4,726 million which was 50.01% of the average net asset values during the period (31 December 2023: Baht 3,848 million which was 32.27% of the average net asset values during the year).

# **C.P. Tower Growth Leasehold Property Fund**

## **Notes to the financial statements**

**For the period from 1 January 2024 to 14 November 2024 (Dissolution date)**

### **14 Segment information**

Operating segment information is reported in a manner consistent with the 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 Fund 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, 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 exclusively to the aforementioned reportable operating segment and geographical area.

### **15 Commitments**

#### ***Capital commitments***

As at 31 December 2023, the Fund has commitments in respect of property renovation agreements amounted to Baht 3 million.

#### ***Service agreement commitments***

The Fund was committed to pay fees to counterparties under the terms and conditions as specified in Note 12 to the financial statements.

#### ***Guarantees***

As at 14 November 2024, the Fund had outstanding bank guarantees of approximately Baht 38 million issued by a bank on behalf of the Fund to a government agency for electricity consumption guarantee and the Fund placed fixed deposit of Baht 3 million as collateral against such guarantee (*31 December 2023: Baht 38 million and Baht 3 million*).