

SUB SRI THAI PROPERTY FUND

STATUTORY FINANCIAL STATEMENTS

27 DECEMBER 2019

(DISSOLUTION DATE)



Independent auditor's report

To the Unitholders of Sub Sri Thai Property Fund

My opinion

In my opinion, the financial statements of Sub Sri Thai Property Fund ("the Fund") present fairly, in all material respects, the financial position of the Fund as at 27 December 2019 (Dissolution date), and its financial performance and its cash flows for the period from 1 January to 27 December 2019 in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The Fund's financial statements comprise:

- the balance sheet as at 27 December 2019;
- the details of investments as at 27 December 2019;
- the statement of income for the period then ended;
- the statement of changes in net assets for the period then ended;
- the statement of cash flows for the period then ended;
- the significant financial information for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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 Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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. I determine one key audit matter: "The dissolution of the Fund". The matter was 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 the matter.



Key audit matter

How my audit addressed the key audit matter

The dissolution of the Fund

Refer to Note 1 to financial statements, through the Extraordinary General Meeting of Unitholders No. 1/2019 date 18 September 2019, the unitholders approved unanimously to dissolve the Fund, converting the Fund to Trust for investing in investment properties by sale investment properties for trust units and redeem unitholder with trust units.

The Meeting included the significant agendas which are 1) the approval to transfer assets and liabilities to the Trust and 2) the convertible of the Fund to the Trust for investment in investment properties by sale investment properties for trust units. The trust units to paid for investment properties calculate from the ratio of 1 of the Fund's unit to 1.1 of the Trust's unit which is 74,250,000 trust units. The trust for investment in investment property Sub Sri Thai is the trust fund which invested in this conversion. As a result of conversion, the loss from sale of investment properties was Baht 179.8 million.

The dissolution of the Fund and the sale of investment properties are a transaction which has a significant impact to the financial statements for the period then ended.

I give specific attention to this area because it may have a significant impact to financial statements and in the interest of unitholders and the general public.

My audit procedures for process and transaction related to the dissolution of the Fund are as follows:

- Test the dissolution of the Fund was proceeded according to the Securities and Exchange Commission's regulation and the transaction of sale of investment property was proceeded in accordance with Revenue Department and Land Department's regulation.
- Obtained and read the minute of meeting and related documents to ensure the Fund complied to the Securities and Exchange Commission's regulation.
- Obtained and read the minute of meeting and sale agreement and agreed the sale's value in the agreement to accounting record.
- Examined the value of trust units with supporting documents to ensure the appropriateness, completeness and correctness of the value of related account record.
- Examined the related expenses with supporting documents to ensure the appropriateness, completeness and correctness of the account record for the sale of investment properties.

From these procedures, I found that the accounting records that relate to the dissolution of the Fund was appropriated and in accordance with Thai Financial Reporting Standards.



Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the Fund's management.

Responsibilities of the Fund's management for the financial statements

The Fund's management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRSs, and for such internal control as the Fund's 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, the Fund's 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 the Fund's management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Fund's management is responsible for overseeing the Fund's financial reporting process.

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 scepticism 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 the Fund's management.
- Conclude on the appropriateness of the Fund's 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 the Fund's 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 the Fund's 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, related safeguards.

From the matters communicated with the Fund's 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.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink that reads 'Sa-nga Chokenitisawat'.

Sa-nga Chokenitisawat
Certified Public Accountant (Thailand) No. 11251
Bangkok
7 February 2020

Sub Sri Thai Property Fund
Balance Sheet
As at 27 December 2019 (Dissolution date)

	Notes	27 December 2019 Baht	31 December 2018 Baht
Assets			
Investment in properties at fair value (at cost of Baht 675,000,000)	3,8	-	625,300,000
Cash and cash equivalents	9	59,032,216	24,341,279
Rental receivable from related party, net	10,15	-	29,036,463
Account receivable from selling investments		51	-
Prepaid expense		-	49,589
Other assets		16,009	243,065
Total assets		59,048,276	678,970,396
Liabilities			
Accrued expenses	15	1,897,344	742,993
Other liabilities	11	57,150,932	1,605,526
Total liabilities		59,048,276	2,348,519
Net assets		-	676,621,877
Net assets:			
Capital received from unitholders (67,500,000 units, Baht 9.79 each)	12	-	660,825,000
Retained earnings (deficits)			
Equalisation	12	163,892,270	-
Retained earnings(deficits)	12	(163,892,270)	15,796,877
Net assets		-	676,621,877
Net assets per unit (Baht)		-	10.0240
Number of units outstanding at the end of the period/year (units)		-	67,500,000

The notes to financial statements from pages 12 to 21 are an integral part of these financial statements.

Sub Sri Thai Property Fund
 Details of Investments
 As at 27 December 2019 (Dissolution date)

Type of investment	Cost		Fair value		Percentage of investment	
	27 December 2019	31 December 2018	27 December 2019	31 December 2018	27 December 2019	31 December 2018
	Baht	Baht	Baht	Baht	%	%
Investment in properties (Note 8)						
Land and buildings						
1) 3 plots of land, total area of 9-2-65 rai						
2) 9 buildings of document warehouse						
total area of 15,340 sqm., public utilities						
and equipment for document warehouse business						
Total investment in properties	-	675,000,000	-	625,300,000	-	100

The notes to financial statements from pages 12 to 21 are an integral part of these financial statements.

Sub Sri Thai Property Fund**Statement of Income****For the period from 1 January to 27 December 2019 (Dissolution date)**

		For the period from 1 January to 27 December 2019 Baht	For the year ended 31 December 2018 Baht
	Notes		
Investment income			
Rental income	15	49,993,204	47,000,000
Interest income		<u>23,102</u>	<u>16,144</u>
Total income		<u>50,016,306</u>	<u>47,016,144</u>
Expenses			
Management fee	14,15	3,350,324	3,326,319
Trustee fee	14	804,078	808,013
Registrar fee	14,15	670,065	665,264
Professional fee		6,635,360	610,200
Bad debt expense		91,797	-
Doubtful debt expense		-	3,531,000
Transferring and disposing asset expense		24,227,479	
Other expenses		<u>1,301,365</u>	<u>209,686</u>
Total expenses		<u>37,080,468</u>	<u>9,150,482</u>
Net investment income		<u>12,935,838</u>	<u>37,865,662</u>
Net loss from investments			
Net realised loss from disposals of investments		(179,799,985)	-
Net unrealised loss from investments	8	<u>-</u>	<u>(3,200,000)</u>
Total net loss from investments		<u>(179,799,985)</u>	<u>(3,200,000)</u>
Net (decrease) increase in net assets from operations		<u>(166,864,147)</u>	<u>34,665,662</u>

The notes to financial statements from pages 12 to 21 are an integral part of these financial statements.

Sub Sri Thai Property Fund
Statement of Changes in Net Assets
For the period from 1 January to 27 December 2019 (Dissolution date)

	Notes	For the period from 1 January to 27 December 2019 Baht	For the year ended 31 December 2018 Baht
Increase in net assets from operations during the period/year			
Net investment income		12,935,838	37,865,662
Net realised loss from disposals of investments		(179,799,985)	-
Net unrealised loss from investments	8	-	(3,200,000)
Net (decrease) increase in net assets from operations		(166,864,147)	34,665,662
Redemption to unitholder	12	(451,356,730)	-
Capital reduction	12	(45,576,000)	-
Dividend paid	13	(12,825,000)	(32,400,000)
(Decrease) increase in net assets during the period/year		(676,621,877)	2,265,662
Net assets at the beginning of the period/year		676,621,877	674,356,215
Net assets at the end of the period/year		-	676,621,877

The notes to financial statements from pages 12 to 21 are an integral part of these financial statements.

Sub Sri Thai Property Fund**Statement of Cash Flows****For the period from 1 January to 27 December 2019 (Dissolution date)**

	For the period from 1 January to 27 December 2019 Baht	For the year ended 31 December 2018 Baht
Notes	Baht	Baht
Cash flows from operating activities		
Net (decrease) increase in net assets from operations	(166,864,147)	34,665,662
Adjustments to reconcile net increase(decrease) in net assets from operations to net cash provided by operating activities :		
Interest income	(23,102)	(16,144)
Bad debt expense	91,797	-
Doubtful debt expense	-	3,531,000
Net realised loss from disposals of investments	179,799,985	-
Net unrealised loss from investments	8 -	3,200,000
Decrease in rental receivable from related party	28,944,666	-
(Increase) in account receivable from selling investments	(36)	-
Decrease in prepaid expense	49,589	1,735
Decrease (Increase) in other assets	218,520	(234,528)
Increase (decrease) in accrued expenses	1,154,351	(1,905,776)
Increase in other liabilities	49,688,676	171,547
	<u>93,060,299</u>	<u>39,413,496</u>
Cash flow from operating activities		
Cash received from interest income	31,638	14,096
	<u>93,091,937</u>	<u>39,427,592</u>
Net cash provided by operating activities		

The notes to financial statements from pages 12 to 21 are an integral part of these financial statements.

Sub Sri Thai Property Fund**Statement of Cash Flows****For the period from 1 January to 27 December 2019 (Dissolution date)**

		For the period from 1 January to 27 December 2019	For the year ended 31 December 2018
	Notes	Baht	Baht
Cash flows from financing activities			
Payment of capital reduction	12	(45,576,000)	-
Dividend paid	13	(12,825,000)	(32,400,000)
Net cash used in financing activities		<u>(58,401,000)</u>	<u>(32,400,000)</u>
Net increase in cash and cash equivalents		34,690,937	7,027,592
Cash and cash equivalents at the beginning of the period/year		<u>24,341,279</u>	<u>17,313,687</u>
Cash and cash equivalents at the end of the period/year		<u><u>59,032,216</u></u>	<u><u>24,341,279</u></u>
 Non cash transactions			
Non cash transactions for the period ended 27 December 2019 and for the year ended 31 December 2018:			
Disposal of investments in properties in exchange with Unitholder	8	625,300,000	-
Capital received from unitholder	12	621,105,730	-

The notes to financial statements from pages 12 to 21 are an integral part of these financial statements.

Sub Sri Thai Property Fund
Significant Financial Information

For the period from 1 January to 27 December 2019 (Dissolution date)

	For the period from 1 January to 27 December 2019 Baht	For the year ended 31 December 2018 Baht		For the year ended 31 December 2017 Baht		For the year ended 31 December 2016 Baht		For the year ended 31 December 2015 Baht		For the year ended 31 December 2014 Baht	
Operating performance (per unit)											
Net assets value at the beginning of the period/year	10,0240	9,9904	10,2570	10,5767	10,5784	10,5600					
<u>Add</u> Income (expense) from investment activities:											
Net investment income	0.1916	0.5610	0.5759	0.6444	0.7172	0.7159					
Net realised (loss) from investments	(2.6637)	-	-	-	-	-					
Net unrealised (loss) from investments	-	(0.0474)	(0.3500)	(0.4012)	(0.0189)	(0.0225)					
Total income (expense) from investment activities	(2.4721)	0.5136	0.2259	0.2432	0.6983	0.6934					
<u>Less</u> Redemption	(6.6867)	-	-	-	-	-					
Capital reduction	(0.6752)	-	-	(0.2100)	-	-					
Dividend paid	(0.1900)	(0.4800)	(0.4925)	(0.3529)	(0.7000)	(0.6750)					
Net assets value at the end of the period/year	(0.0000)	10,0240	9,9904	10,2570	10,5767	10,5784					
Ratio of net (decrease) increase in net assets from operations to average net assets value during the period/year (%)	(24.5762)	5.1214	2.2189	2.3519	6.6172	6.5717					
Significant financial ratios and additional information											
Net assets value at the end of the period/year (Baht)	-	676,621,877	674,356,215	692,347,234	713,927,918	714,048,271					
Ratio of total expenses to average net assets value during the period/year (%)	5.4613	1.3519	1.1841	0.8130	0.7520	0.7584					
Ratio of investment income to average net assets value during the period/year (%)	7.3665	6.9461	6.8390	7.0448	7.5489	7.5435					
Ratio of weighted average purchase and sale of investment during the period/year to average net assets value during the period/year (%)	131.2282	-	-	-	-	-					
Average net assets value during the period/year (Baht)	678,966,859	676,874,576	687,407,954	697,941,950	712,234,144	712,271,335					

The notes to financial statements from pages 12 to 21 are an integral part of these financial statements.

1 General information

Sub Sri Thai Property Fund ("the Fund") was registered on 29 April 2011 with indefinite expiration date. The purpose of the Fund is to raise funds from the investors to invest in properties which consist of land, document warehouses, public utilities and equipment for document warehouse business.

Principal Asset Management Company Limited is the Fund's Management Company ("the Management Company") and Citibank N.A. has been appointed as the Fund's Trustee.

On 22 April 2019, the Management Company had informed the Securities and Exchange Commission to change its name from "CIMB Principal Asset Management Company Limited" to "Principal Asset Management Company Limited".

At the Extraordinary General Meeting of Shareholders No. 1/2019, held on 18 September 2019, the shareholders approved unanimously to dissolve the Fund. The dissolution was registered with the Securities and Exchange Commission on 27 December 2019.

These financial statements were authorised for issue by authorised manager of the Management Company on 7 February 2020.

2 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

2.1 Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act. In addition, the primary financial statements (balance sheet, details of investments, statements of income, changes in net assets, cash flows and significant financial information) have been prepared under the basis and format as required by the Thai Accounting Standard 106 "Accounting for Investment Companies".

The financial statements for the period from 1 January 2019 to 27 December 2019 (Dissolution date) are prepared on a liquidation basis. Under the liquidation basis, all assets are stated at the estimated realisable amounts and all liabilities are stated at the estimated settlement amounts.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

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

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

The fund has adopted revised financial reporting standards that are effective for accounting periods beginning or after 1 January 2019 and are relevant to the Fund. These revised standards do not have a significant impact on the Fund.

The Fund has not equity adopted new and revised financial reporting standards that are effective for accounting periods beginning or after 1 January 2020. The management of the Management Company is currently assessing the impact of initial adoption of these standards.

2.3 Investment in properties

Investment in properties consist of land, document warehouses, public utilities and equipment for document warehouse business which held to earn rentals or for capital appreciation and not used in the ordinary business of the fund.

Investment in properties are initially measured at cost, including transaction costs and borrowing cost.

Investment in properties are subsequently measured at fair value, with change in fair value under fair value model being reconisid in profit or loss.

The fund should be recognised expense after initially measured as assets when it is probable that the future economic benefits associated with the asset will flow to the fund.

The Management Company measured their fair value as at first balance sheet date at the acquisition cost of the properties. At the subsequent balance sheet dates, they are presented at fair value which is based on appraisal value by independent valuers approved by the Securities and Exchange Commission. The Management Company will conduct appraisal of properties every two years from the date of the appraisal for purchase or lease of the properties and will conduct a review of appraisal every year after the date of the latest appraisal. The Management Company will not appoint any appraiser to appraise the property or leased property for more than 2 consecutive times.

2.4 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

2.5 Leases

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2 Accounting policies (Cont'd)

2.6 Provisions

Provisions are recognised when the Fund has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

2.7 Revenues and expenses recognition

Rental income under operating leases is recognised in the statement of income on the straight-line basis over the lease term.

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

Expenses are recognised on an accrual basis.

2.8 Income taxes

The Fund is exempted from Thailand corporate income tax. No provision for corporate income tax has been made in the accompanying financial statements.

2.9 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as board of directors that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

The Fund exposes to a variety of financial risks: market risk (fair value risk), credit risk and liquidity risk. The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

Interest rate risk

The Fund has interest rate risk from borrowings and debentures at fixed and floating interest rates

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

Credit risk

Credit risk is the risk that counterparties might not discharge their obligation causing the Fund to incur a financial loss. Credit risk arises from risk in the collectability of lease rental from counterparties. The Fund have a concentration of credit risk with respect to an account receivable as it has only one customer. The carrying amount of financial assets as recorded in balance sheet represents the Fund's maximum exposure to credit risk.

Liquidity risk

The Fund manages sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities.

3.2 Fair value estimation

The following table presents the financial assets that are measured at fair value, excluding where its fair value is approximating the carrying amount.

	27 December 2019 Level 3 Baht	31 December 2018 Level 3 Baht
Investment in properties	-	625,300,000
Total	-	625,300,000

Fair values are categorised into hierarchy based on input used as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

Transfer between fair value hierarchy

During the period/year, there was no transfers within the fair value hierarchy.

3 Financial risk management (Cont'd)

3.2 Fair value estimation (Cont'd)

Valuation processes

The Fund Management Company arranges the valuation of investment in properties by independent professionally qualified valuer ("independent valuer") who hold a recognised relevant professional qualification and has recent experience in the segment of the investment properties valued. The independent valuer reports directly to the Fund Management Company. For financial reporting purpose, the Fund Management Company reviews the valuation performed by the independent valuer. Review of valuation process and result is held between the Fund Management Company and the Trustee which will evaluate in each accounting period, in line with the Fund's reporting dates.

The main information that the appraiser used for fair value assessment Level 3 such as discount rate was determined from business type, the location of project, generated cash flow, competitive market and risk-free return rate. The appraiser applied 10% of discounted cash flow for valued asset based on yield rate of government bond plus market risk, operational risk, and liquidity risk.

4 Critical accounting estimates, assumptions and judgements

Estimated and judgements are continually evaluated and are based on historical experience and other factor, including expectations of future events that are believed to be reasonable under the circumstances.

Fair value of investment in properties

The fair value of investment in properties that are not traded in an active market is determined by using discounted expected future cash flows received from investment in properties by the appropriate discount rate which reflect related risks. The Fund engages independent appraiser to assess the fair value of properties.

5 Capital risk management

The Fund's objectives when managing capital are to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Fund may adjust the amount of dividends paid to unitholders, return capital to unitholders, issue new units or sell assets to reduce debt (if any).

6 Dividend payment policy

Regulations, policy and criteria for paying dividends to unitholders are as follows:

- 1) If the Fund has net profit in each year, the Fund shall pay dividend to unitholders at the rate of no less than 90 percent of the adjusted net profit. The adjusted net profit means the net profit that deducts unrealised gain from appraisal or reviewed appraisal of real estate or leasehold rights to real estate including other adjustments to align with cash status of the Fund according to the guideline of Securities and Exchange Commission.
- 2) If the Fund has accumulated profits, the Fund may pay dividend to unitholders out of the accumulated profits provided that dividend payment under (1) must not cause increase in its deficit in the period which dividend is paid.

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

7 Segment information

The Fund operates in business which is the investment in properties and the business is only operated in Thailand. Income and expenses from this segment are the same amount with the statement of income. Therefore, the presentation of segment information is not necessary.

8 Investment in properties at fair value

	For the period from 1 January to 27 December 2019 Baht	For the year ended 31 December 2018 Baht
Investment in properties at the beginning of the period/year	625,300,000	628,500,000
Transferring investment in property during period/year	(445,500,000)	-
Net realised loss from disposal of investment	(179,800,000)	-
Net unrealised loss from the revaluation of investment at fair value	-	(3,200,000)
Investment in properties at the end of the period/year	-	625,300,000

On 29 April 2011, the Fund invested in properties, Sub Sri Thai document warehouse Project of Sub Sri Thai Public Company Limited, consisted of 1) 3 plots of land, total area is approximately 9-2-65 rai, 2) 9 buildings of document warehouses total area is approximately 15,340 sqm., public utilities and equipment for document warehouse business. The land and building are located at 115 and 115/7-9, Soi Suksawat 76, Suksawat Road, Tambon Bang Jark, Amphur Prapadang, Samutprakarn.

Sub Sri Thai Property Fund
Notes to the Financial Statements
For the year from 1 January to 27 December 2019 (Dissolution date)

8 Investment in properties at fair value (Cont'd)

Amounts recognised in profit and loss that are related to investment in properties for the period from 1 January to 27 December 2019 and for the year ended 31 December 2018 are follows:

	For the period from 1 January to 27 December 2019 Baht	For the year ended 31 December 2018 Baht
Rental income	49,993,204	47,000,000
Direct operation expense that did not generated rental income	340,000	70,000

The Fund hired an independent appraiser, Global Asset Valuer Co., Ltd., to appraise its investment in properties by using the Income Approach derived from cumulative of present value of net income based on the period of 10 years and its present value of such assets at the end of year 10th, report date 5 August 2019. The valuation technique used significant unobservable inputs such that the Fund classified the fair value measurement as Level 3 of fair value hierarchy according to TFRS 13 Fair value measurement.

Changes in fair value are analysed at each reporting date by the Management Company and the Trustee. As part of this review, the authorized management of the Management Company presents valuation assumption of the independent valuer to explain the reasons for changes in fair value.

There were no changes to the valuation techniques during the period.

9 Cash and cash equivalents

	Principal		Interest rate per annum	
	27 December 2019 Baht	31 December 2018 Baht	27 December 2019 %	31 December 2018 %
Deposits in bank saving accounts - Citibank N.A.	59,032,216	24,341,279	0.05	0.05
Total cash and cash equivalents	59,032,216	24,341,279		

10 Rental receivable from related party, net

	27 December 2019 Baht	31 December 2018 Baht
Rental receivable from related party	-	34,742,463
<u>Less</u> Allowance for doubtful accounts	-	(5,706,000)
Rental receivable from related party, net	-	29,036,463

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11 Other liabilities

	27 December 2019 Baht	31 December 2018 Baht
Account payable-unitholder	51,432,767	-
Revenue department payable	5,718,165	1,605,526
Total other liabilities	57,150,932	1,605,526

12 Unitholders' equity

	For the period from 1 January to 27 December 2019		For the year ended 31 December 2018	
	Number of units	Amount Baht	Number of units	Amount Baht
Units registered				
Issued and paid-up	-	-	67,500,000	660,825,000
Capital received from unitholders				
Beginning balance for the period/year	67,500,000	660,825,000	67,500,000	660,825,000
Capital reduction	-	(45,576,000)	-	-
Redemption	(67,500,000)	(615,249,000)	-	-
Ending balance for the period/year	-	-	67,500,000	660,825,000

As at 31 December 2018 : 67,500,000 units of Baht 9.79 par value registered.

As at 17 December 2019, the Management Company has announce the decrease of registered capital 67,500,000 units by reducing par value from Baht 9.7900 each to Baht 9.1148 each. The Fund has registered the capital reduction with the Office of The Securities and Exchange Commission ("the Office of SEC") on 20 January 2020.

As at 27 December 2019, the Fund repurchase units from Unitholders by redeemed with Trust units. The ratio of the redemption is 1 of the Fund's unit to 1.1 of the Trust's unit which is 74,250,000 Trust units amounting to 445,500,000 Baht.

Movements in retained earnings (deficits) for the period from 1 January to 27 December 2019 and for the year ended 31 December 2018 are as follows:

	For the period from 1 January to 27 December 2019 Baht	For the year ended 31 December 2018 Baht
Beginning balance for the period/year	15,796,877	13,531,215
<u>Add</u> Net investment income	12,935,838	37,865,662
<u>Less</u> Net realised loss from disposals of investments	(179,799,985)	-
Net unrealised loss from investment	-	(3,200,000)
Dividend paid to unitholders (Note 13)	(12,825,000)	(32,400,000)
Ending balance for the period/year	(163,892,270)	15,796,877

13 Dividend

The detail of dividends Movements in retained earnings for the period from 1 January to 27 December 2019 and for the year ended 31 December 2018 are as follows:

No.	The operation for the period	Payment date	Per unit Baht	Total Million Baht
1	1 July 2018 - 31 December 2018	29 March 2019	0.19	12.83
				12.83

No.	The operation for the year	Payment date	Per unit Baht	Total Million Baht
1	1 July 2017 - 31 December 2017	29 March 2018	0.20	13.50
2	1 January 2018 - 30 June 2018	26 September 2018	0.28	18.90
				32.40

14 Fees

The management fee, trustee fee, and registrar fee are calculated as follows:

Management fee

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

Trustee fee

The Trustee is entitled to receive a monthly remuneration at a rate not exceeding 0.50% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net assets value of the Fund as calculated by the Management Company and verified by the Trustee. The foregoing does not include other expenses as actually incurred such as the expenses for the inspection of the Fund's assets.

Registrar fee

The Registrar fee shall be at a rate not exceeding 0.10% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net assets value of the Fund as calculated by the Management Company and verified by the Trustee.

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15 Related party transactions

Types of relationship of related companies are as follows:

<u>Name of companies</u>	<u>Type of relationship</u>
Principal Asset Management Co., Ltd.	The Fund's Management Company and Registrar
Sub Sri Thai Public Co., Ltd.	The major unitholder which held 33.33% in the Fund and the lessee of land, building, public utilities and equipment.

Significant transactions with related parties are as follows:

Significant income and expenses for the period from 1 January to 27 December 2019 and for the year ended 31 December 2018 are as follows:

	<u>For the period from 1 January to 27 December 2019 Baht</u>	<u>For the year ended 31 December 2018 Baht</u>
a) Revenue		
<u>Sub Sri Thai Public Co., Ltd.</u>		
Rental income	49,993,204	47,000,000
b) Expense		
<u>Principal Asset Management Co., Ltd.</u>		
Management fee	3,350,324	3,326,319
Registrar fee	670,065	665,264

Balances with related parties as at 27 December 2019 and 31 December 2018 are as follows:

	<u>27 December 2019 Baht</u>	<u>31 December 2018 Baht</u>
<u>Sub Sri Thai Public Co., Ltd.</u>		
Rental receivable, net	-	29,036,463
<u>Principal Asset Management Co., Ltd.</u>		
Accrued management fee	169,939	307,634
Accrued registrar fee	33,988	61,527