

Information of the Additional Assets (No. 1)
of
Bualuang Office Leasehold Real Estate Investment Trust (B-WORK)

Bualuang Office Leasehold Real Estate Investment Trust (B-WORK) (the “REIT” or “B-WORK”) would like to acquire the additional assets (No. 1) i.e. lands, building, component parts, equipment, tools, M&E systems, and other assets of Bangkok Business Center (the “Additional Assets No. 1”). The details are as follows:

1. Details of the Additional Assets (No. 1)

1.1 Summary of characteristics of the investment in the Additional Assets No. 1

(1) Land

Ownership of two plots of land, which is the current location of Bangkok Business Center building, in Phra Khanong Subdistrict (No. 11 Phra Khanong Nuea), Phra Khanong District, Bangkok, having the total area, as shown in the title deeds, of 1 rai, 3 ngan, 9 square wah.

(2) Building

Ownership of Bangkok Business Center building, a 30-storey office building, with one-storey basement, having the gross floor area (GFA) of approximately 37,089 square metres and the net leasable area (NLA) of approximately 17,480 square metres, consisting of the office spaces and retail spaces for lease, and 283 parking spaces in the building.

(3) Equipment, M&E system, and related assets

Ownership of other buildings and assets which are component parts of the land and building, equipment, tools, M&E systems, and other assets which are related to and necessary for the use and business operation of the land and building of Bangkok Business Center project. M&E systems consist of air-conditioning system, elevator system, CCTV system, wastewater treatment system, electric generator, electric system, water system, sanitary system, communication system, security system, fire protection and extinguishing system, and car parking system.

1.2 Summary of BBC Project



(1) General information

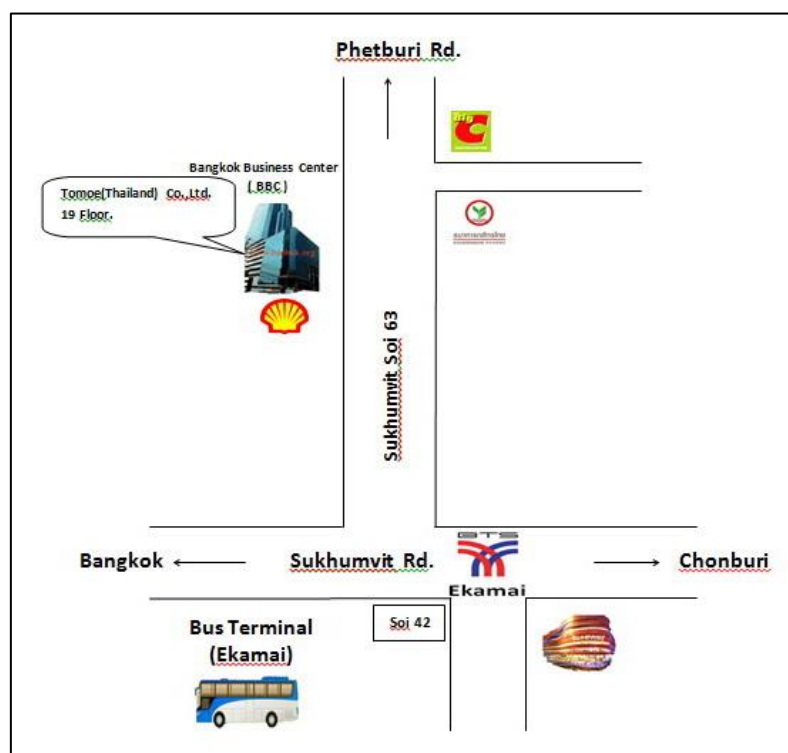
Bangkok Business Center building (“BBC Project”), a 30-storey office building, with one-storey basement, is situated in an area of more than one rai. The building was first opened for business operation in 1995, and the latest major renovation was in 2012. BBC Project is located at the beginning of Sukhumvit 63 Alley (Ekkamai) which is a main business road of Bangkok, making it easy to travel to Asok, Rachada, or travel out of the city to Onnut. The BTS Skytrain – Ekkamai Station is just at the entrance of the alley (approximately 450 meters from the building). In addition, Gateway Ekkamai, Major Sukhumvit, Ekkamai Bus Station, and Big C Super center Ekkamai, are also located nearby the BBC Project.

(2) Location of the assets

BBC Project is located at 29, Sukhumvit 63 Alley, Khlong Tan Nuea Subdistrict, Wattana District, Bangkok 10110. The location of the building is approximately 450 meters from the BTS Skytrain – Ekkamai Station. The location of BBC Project borders:

- To the North : Other’s land
- To the East : Sukhumvit 63 Alley
- To the West : Other’s land
- To the South : Other’s land

Location map of the BBC Project



Source: www.jobbk.com

(3) Information of the current asset manager

Principal Capital Public Company Limited (“PRINC”) was incorporated in 2000 under the name Metro Star Property Co., Ltd. (“METRO”), operating development of immovable properties as its main business. Later in 2005, METRO was listed in the Stock Exchange of Thailand. In 2013, it changed the name from Metro Star Property Co., Ltd. to Principal Capital Public Company Limited (“PRINC”). Currently, the main business of PRINC is to operate private hospitals and management of private hospitals, together with development of state-of-the-art residential properties for lease by developing quality projects that can satisfy the needs of customers, aiming at developing projects located in central business areas, and all-inclusive management of office building, by a professional working team in management of private hospitals, healthcare, building management, sales service, purchasing service, accounting service, all-inclusive management of building service, in a transparent and fair manner. In addition, the scope of business is also extended to information system service, investment consultancy service, and private hospital service.

After the acquisition of the Additional Assets No. 1 by the REIT, PRINC did not intend to be the property manager of BBC Project. However, the REIT Manager is in the process of selecting the

property manager. Currently, six candidates are proposed for the REIT Manager to select by

- 1) Experience, reputation, and past performance of the property manager
- 2) the appropriateness of the remuneration rate of the property manager
- 3) the scope of the ability to perform their duties and personnel readiness
- 4) the management system of the property manager.

It is expected that the selection should be finished within 3 months from the date of approval for the acquisition of the Additional Assets No. 1 by the trust unitholders.

(4) Land

No.	Title deed no.	Plot no.	Survey page	Land area shown in the title deed	
				rai-ngan-square wah	Square wah
1	8330	450	1675	1-2-26	626.00
2	188885	1354	24745	0-0-83	83.00
Total area according to the deeds				1-3-09	709.00

Source: Land area as shown in the title deeds

(5) Building

BBC Project has the gross floor area (GFA) of approximately 37,089 square metres, with the net leasable area (NLA) of approximately 17,480 square metres. The details are as follows:

Type	Details
Net leasable area (NLA) of approximately 17,480 square meters	
1) Office spaces for lease	16,287 square meters on 11 st floor - 30 th floor
2) Retail spaces for lease	1,193 square meters on the basement and parts of 1 st floor - 3 rd floor
Other areas of the project, of approximately 19,609 square meters	
1) Common area of the office	Hallway, lobby area, meeting rooms on 4 th floor, and parking spaces on 1 st floor-10 th floor, etc.
2) Utilities and system areas	Pump rooms, security rooms, CCTV rooms, generator rooms, electrical rooms, and elevator machine rooms, etc.

Source: Gross Floor Area as shown in the construction permits

(6) M&E system and utilities

M&E system and utilities of BBC Project are air-conditioning system, elevator system, CCTV system, wastewater treatment system, electric generator, electric system, water system, sanitary system, security system, communication system, fire protection and extinguishing system, and car parking system.

1.3 Benefits utilization

After the acquisition of ownership of land, buildings, and structures of BBC Project, the REIT by the trustee will become a party to lease and service agreements with the lessees in lieu of a subsidiary of Principal Capital Public Company Limited (“Property Owner”). After the acquisition of the REIT, the Property Owner may not act as a property manager of BBC Project. The REIT will finish the selection of the property manager within 3 months from the date of approval for the acquisition of the Additional Assets No. 1 from the trust unitholders.

1.4 Previous performance

Previous performance of the Property Owner according to the audited financial statements for the year ended 31 December 2018, 31 December 2019, and 31 December 2020, is detailed as follows:

Performance of BBC Project for years ended 31 December	2018	2019	2020
Total income	133.4	133.2	127.4
Lease and service costs	(83.0)	(85.9)	(84.8)
Sale and management costs	(10.6)	(10.1)	(4.3)
Earnings before interest and tax	39.8	37.1	38.3
Depreciation and amortization added back	28.9	28.3	26.4
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	68.7	65.5	64.6

Source: Audited financial statements of the subsidiary of Principal Capital Public Company Limited, prepared by PricewaterhouseCoopers ABAS Ltd.

1.5 Average rental fee and occupancy rate of BBC Project

Rental fee and occupancy rate of BBC Project from 2018 to 2020 are detailed as follows:

Details	2018	2019	2020
Approximate Net Leasable Area (NLA) (square meters)	17,146	17,184	17,480
Average occupancy rate (per cent)	88	85	82
Average rental fee and service fee (THB/square meters/month)	567	583	601

Remarks: Annual average rental fee and occupancy rate as of 31 December 2020

Source: Property Owner

1.6 Information of business and top 10 tenants

No.	Tenants	Business	Leased area (Square meters)	Ratio to total leased area (per cent)
1	Orion Investigations Co., Ltd.	Legal consultant	1,800	10
2	Intuitive Logistic Resources Co., Ltd.	Logistics	906	5
3	TS Tech Asian Co., Ltd.	Research and development of automobiles	900	5
4	Senko Group	Logistics	700	4
5	Stone One Public Company Limited	Production and sale of construction materials	680	4
6	SMC Consulting Engineers Co., Ltd.	Engineering consultant	660	4
7	Principal Capital Public Company Limited Group	Hospital	537	3
8	McConnell Dowell Constructors Thai Ltd.	Construction	450	3
9	Lux Royal (Thailand) Co., Ltd.	Sale of housewares	450	3
10	Friedrich Naumann Foundation	Foundation	450	3
Total			7,533	43

Source: Property Owner, as of 31 December 2020

1.7 Term of lease agreements for tenants in BBC Project

Year in which the lease agreements for tenants in BBC Project expire is detailed below.

Expiry year	Leased area (square meters)	Ratio to total leased area (per cent)
2021	6,479	37
2022	4,396	25
2023	3,063	17
2024	300	2
Vacant area	3,242	19
Total	17,480	100

Source: Property Owner, as of 31 December 2020

1.8 Value of assets to be acquired

The REIT Manager appointed two asset appraisal companies, namely, Jones Lang LaSalle (Thailand) Limited (“JLL”) and C.I.T. Appraisal Co., Ltd. or Colliers International Thailand (“Colliers”) (collectively referred to as the “Appraisers”), which are the qualified appraisers under the criteria of the Office of the Securities and Exchange Commission (the “SEC Office”) to conduct valuation of the Additional Assets (No. 1), which can be summarized as per below:

Appraiser	Appraisal by income approach (THB million)	Date of appraisal	Investment value of the additional assets (THB million)	Higher than the lowest appraised value by (Per centage)
JLL	1,449.00	1 October 2021	Not exceeding 1,550	Not exceeding 6.97
Colliers	1,471.00	1 October 2021		

Remarks: The information of the appraised value (using income approach) was derived from the asset appraisal report of JLL and Colliers dated 8 March 2021. The appraisal date 1 October 2021 is the starting date of financial projection period.

The Appraisers used income approach to conduct valuation of the Additional Assets (No. 1), which is based on the Additional Assets (No. 1)’s ability to generate cash flow in the future, using the estimated future cash flow stream discounted by the appropriate discount rate to reflect the investment risks. The REIT Manager was of an opinion that this method is appropriate as it reflects the assets’ ability to generate cash flow based on rental fees and service fees collected from both office and retail components, income from parking spaces, and other incomes, discounted by the relevant costs and expenses. Therefore, the REIT Manager opined that the use of discounted cash flow (DCF) analysis to find the present value of expected future cash flows of the assets is appropriate and suitable for the proposed transaction, as it supports the future cash flow estimation and reflects the investment risks using the discount rate.

The transaction size of the proposed acquisition of the Additional Assets (No. 1) is not exceeding THB 1,550 million in total (exclusive of VAT, transfer fees, specific business tax, and other related fees and expenses), which is approximately 6.97 per cent higher than the lowest appraised value rendered by the Appraisers. The REIT Manager was of an opinion that the investment value is reasonable for trust unitholders, both in term of rate of return and investment risks, considering

several factors e.g. rental income rate, location of the assets, past performance of the assets, and rental growth rate.

The REIT Manager is of the opinion that the maximum total value that the REIT will invest differs from the minimum appraised value by the appraiser, since the appraiser applies a discount rate of around 9.00 per cent per year. If the maximum investment value does not exceed THB 1,550 million, and the cash flow projection according to the appraiser who gives the lowest number, JLL, the internal rate of return (IRR) for the investors will be around 8.07 per cent per year. However, the aforesaid IRR depends on various assumptions and uncertain factors, the results of which cannot be guaranteed. For the above reason, the REIT Manager sees that the maximum investment value of not exceeding THB 1,550 million is reasonable and interesting.

Summary of assumptions of the appraisal report

Details	JLL	Colliers
Income assumption		
Estimation period	1 October 2021 to 30 September 2022	
(Average Rental and Service Rate) (THB/month/sq. m.)	<u>First year rental and service fee rate</u> Office area: THB 600 Retail area: THB 600	<u>First year rental and service fee rate</u> Office area: THB 600 Retail area: THB 600
	<u>Office area and retail area</u> Rental and service rate is according to the current agreements, and/or the letter of intent to reserve the area, and/or survey and collection of rental and service fee rate. Rental and service fee rate will increase on the renewal or execution of agreements, by 3.00 per cent per year.	
Occupancy Rate (%)	<u>Occupancy rate during the estimation period</u> Office lease area: 85% to 90% Retail lease area: 60% to 80%	<u>Occupancy rate during the estimation period</u> Office lease area: 84% to 90% Retail lease area: 63% to 80%
	Occupancy rate is according to the current agreements, and/or the letter of intent to reserve the area.	
Non-NLA	According to the current lease and service agreements, increased by 3.00 per cent per year	

Details	JLL	Colliers
Utility Income	Proportion of the rental and service fee income, referenced from the past performance	
Other Income	Proportion of the rental and service fee income, referenced from the past performance	
Expenses assumption		
Utility expenses	Proportion of the rental and service fee income, referenced from the past performance	
Management expenses	Proportion of the rental and service fee income, referenced from the past performance	
Insurance premium	Referenced from the insurance policy, and increased by 3.00 per year.	
Land and building tax	Referenced from actual expenses, and increased by 4.00 per year.	
Reserve CAPEX	4 per cent of the total income, referenced from the operation plan of the REIT Manager	
Other expenses	Proportion of the rental and service fee, referenced from the past performance.	
Property Management Fee	<ul style="list-style-type: none"> ● Standard fee: Not exceeds 3.00 per cent of the total income ● Special fee: Not exceeds 7.00 per cent of the total operation income ● Agreement execution service fee: Not exceeds 3 months of the rental fee and/or service fee income for an execution of a new agreement or a renewal of the agreement, for a period of 3 years, and varies according to the term of agreement 	
Discount Rate	9.00 per cent	
Capitalization Rate	6.00 per cent	

Remarks: This is according to the appraisal report of two appraisers approved by the SEC Office, namely Jones Lang LaSalle (Thailand) Limited (“JLL”), and Colliers International (Thailand) Company Limited (“Colliers”), dated 8 March 2021.

BBC Building Cost Approach Valuation

Appraised value is based on cost approach method and is used for reference in considering suitable insurance contract for BBC building that the REIT will invest.

Appraisal	Land Value	Building Value	Depreciated Replacement Cost (Mill.Baht)	New Replacement Cost (Mill.Baht)
JLL	709.00	473.11	1,182.11	1,737.50
Colliers	602.65	620.29	1,222.94	1,636.98

Remarks: The information of the appraised value (using income approach) was derived from the asset appraisal report of JLL and Colliers dated 8 March 2021.

1.9 Sources of funds for the acquisition of the Additional Assets (No. 1)

Sources of funds for the acquisition of the Additional Assets (No. 1) consists of 1) capital raised from the issuance and offering of trust units for sale; 2) long-term/short-term loan from financial institutions; and/or 3) issuance and offering of the debentures by the REIT.

2. Estimate of statement of comprehensive income and distribution payment according to the assumption for this estimation period from 1 October 2021 to 30 September 2022

The preparation of the statement of comprehensive income and distribution payment is for the estimation period from 1 October 2021 to 30 September 2021 (12 months), as the REIT Manager forecasts that the REIT can invest in the Additional Assets No. 1 around 4th quarter of 2021, after the SEC Office approves the issuance and offering of the additional trust units no. 1. If the statement of comprehensive income for the current accounting period is made, it will be for the financial year ended on 31 December 2021, so the estimate will be for only 3 months (October to December 2021). In order that the investors can see the distribution of the REIT for an entire year (12 months), the REIT Manager and the financial adviser therefore prepare an estimation for a 12-month period from 1 October 2021 to 30 September 2022, so that the investors can consider the estimate and the REIT's distributions more clearly.

Information stated in this section is not a statement of facts in the past, but a forward-looking statement based on various assumptions as stated in Attachment 7, and is subject to some risks and uncertainties, which may result in a significantly different actual outcome from the estimate. Information in this section should not be seen as a representation, warranty, or a forecast under a correct assumption of the REIT Manager and the financial adviser. It is also not advisable to view

that the estimate is going to succeed or is likely to succeed, as such information is prepared based on the assumption when the financial report according to a hypothetical situation is made.

Actual income or distribution paid to the trust unitholders may differ from the income or distribution paid to the trust unitholders shown in the estimate. In addition, estimate of profit and distribution paid to the trust unitholders will not be adjusted for any events that occur after the date of this document.

Information in this section is under various assumptions. Even if there is a specification of number which the REIT Manager and the financial adviser consider reasonable at the date of preparation of the statement of comprehensive income and distribution payment according to the assumption, the assumption and estimate are subject to uncertainties and business, economic, political risks and major competitions, which are uncontrollable by the REIT Manager and the financial adviser. In addition, it is based on assumptions regarding future business decision that may be subject to changes in the future. Therefore, the REIT Manager and the financial adviser cannot guarantee that such estimate will actually happen. So, financial information as forecasted in this document may significantly differ from the actual consequence. Investors should study the assumption and estimation, and be cautious in using estimated information in this section.

Statement of comprehensive income and distribution payment according to the assumption is a part of future financial information prepared by the REIT Manager and the financial adviser. It was audited by Ms. Sujitra Masena, a Certified Public Accountant, CPA No. 8645, from KPMG Phoomchai Audit Ltd. This statement of comprehensive income and distribution payment according to the assumption is prepared to be a part of an invitation for an extraordinary meeting of the trust unitholders no. 1/2021, and in the registration statement and the prospectus for the sale offering of trust units for the Additional Investment no. 1 of Bualuang Office Leasehold Real Estate Investment Trust.

Statement of comprehensive income and distribution payment according to the assumption for the estimation period from 1 October 2021 to 30 September 2022 (Thousand THB:Unit)	Existing assets	Assets after Additional Investment No. 1
Income		
Rental and service fee income	593,108	730,369
Interest income	469	487
Other income	11,244	13,223
Total income	604,821	744,079
Expenses		
Management fees	(12,477)	(16,586)
Trustee fees	(8,096)	(10,225)
Registrar fees	(1,425)	(1,745)
Property management fees	(49,445)	(56,278)
Rental and service costs	(167,184)	(199,775)
Administration expenses	(9,802)	(11,443)
Finance costs	(38,383)	(72,445)
Total expenses	(286,812)	(368,497)
Net profit from investment	318,009	375,582
<u>Add</u> Difference between financial costs calculated with actual interest rate and actually paid financial costs	-	6,924
<u>Add</u> Deferred costs	528	528
<u>Less</u> Rental payment in kind	(379)	(1,020)
<u>Less</u> Difference between deferred agreement execution service fee and actually paid fee	(5,094)	(8,999)
<u>Less</u> Payment of loan	(50,600)	(50,600)
Estimate of net cash that can be allocated to profit and costs	262,464	322,415
Estimate of profit and cost allocation rate (per cent)	99.5	99.5
Number of investment unit/trust unit (million unit)	368.8	453.0
Distribution estimate	261,151	320,803
Profit allocation/distribution (THB per unit)	0.70811	0.70817

3. Estimate of distribution payment according to the assumption for the year started 1 October 2021 to 30 September 2022

According to the Statement of comprehensive income and distribution payment according to the assumption for the estimation period from 1 October 2021 to 30 September 2022, it is assumed that there is no issuance and offering of additional trust units and additional loan for the case where there is no additional investment (“Existing Assets”), and for the case where there is an additional investment (“Assets After Additional Investment No.1”), it is assumed that the fundraising for an investment in the Additional Asset No. 1 is made by an issuance and offering of additional trust units no. 1 around 84.2 million units, and there is a loan from a financial institution. Debt level of the REIT will still comply with relevant standards, and the estimate of cash distribution and reduction of capital per unit (DPU) of the REIT for the year stated 1 October 2021 to 30 September 2022 of the Existing Assets compared with the Assets After Additional Investment No. 1 can be detailed as follows:

Cash Distribution and Reduction of Capital Per Unit	Existing Assets (THB per unit)	Assets After Additional Investment No.1 (THB per unit)
- Distribution	0.70811	0.70817
- Reduction of capital	-	-
Total Cash Distribution and Reduction of Capital	0.70811	0.70817

The estimate of cash distribution and reduction of capital per unit is just a forecast for the year started 1 October 2021 to 30 September 2022. This number cannot be guaranteed.

4. Major risks relating to the investment in the Additional Assets No. 1

4.1 Risk from the spread of COVID-19 disease

The spread of COVID-19 disease or any other fatal diseases that results in a global economic recession may affect the business operation and the ability to pay rental fee of tenants in the Additional Assets No. 1. Lately, the property manager of BBC Project was requested by some tenants to consider alleviation measures for COVID-19. In 2020, BBC Project reduced rental fees for some good clients (only for businesses that were affected by COVID-19) around 1-2 months, totaling around THB 800,000 - 900,000. In 2021, the property manager of BBC Project still has not been requested by tenants to reduce rental fees. However, the REIT Manager foresees that, due to the commencement of COVID-19 vaccination in Thailand, the infection rate

of COVID-19 would be less, then business operation would begin to recover, which will be beneficial for the REIT as the owner of assets and the landlord.

4.2 Risk from potential non-renewal of agreements by the tenants

It is possible that several lease agreements in the Additional Assets No. 1 will expire at the same period of time, since all lease agreements are short-term lease agreements (with a term not exceeding 3 years). In this regard, frequency of lease agreements renewal and the method of rental fee calculation will cause the REIT to be sensitive to fluctuation of market price, especially when the office building for lease market's demand decreases due to whatever reasons. That case may result in more vacant area and/or the REIT's need to discount the rental fee rate in order to enhance the REIT's competitiveness in the office building for lease market, and decrease of the REIT's income from rental and service fee. The REIT's ability to generate income will be directly affected. In addition, some current tenants may not consider renewing the lease agreements, or may renew the lease agreements with the terms less favorable to the REIT than those in the existing agreement. If the new rental rate at the renewal or execution of new agreements is significantly less than the expected rate, this will cause adverse effects to the REIT's performance and financial status. In addition, if any tenants terminate the lease agreement or do not renew the agreement, the REIT Manager cannot guarantee that the REIT can lease out the vacant area at the same rate.

Nevertheless, the REIT Manager will use its best efforts to manage the Additional Assets No. 1 to ensure that the current tenants will still renew the lease agreements with the REIT in the terms not less favorable to those the REIT is currently enjoy, and the REIT will not face a problem in finding new tenants.

4.3 Risks from renovation of major part of the property which will affect the operation

Additional Assets No. 1 may need a repair and major renovation for substantial part so that the property will be modern and be more suitable for tenants' use, and will attract more tenants to lease the property in which the REIT invests. Generally, the routine repair or maintenance does not significantly affect the REIT's operation, but the major repair or renovation (especially those outside the scope of ordinary business) may need to be done to change internal and external look of the property in which the REIT invest, including change of important system, which will costs significantly to the REIT. In addition, such major repair or renovation may require a temporary shut-down of some area in the property, which may significantly affect the property in an adverse manner, or may cause the tenants to terminate the lease or service agreements

or not to consider renewing the lease or service agreements. Therefore, if the property to be invested by the REIT needs a major repair or renovation, it is likely to cause a significantly adverse effects to the REIT's financial status and performance.

Nevertheless, in the past, the Additional Assets No. 1 have been repaired and renovated routinely as necessary and appropriate, by changing equipment or spare parts that are deteriorated or damaged, so as to maintain the building in a good condition and to be appropriate for use. Such repair and renovation never affected the operation. In addition, the maintenance costs each time are not high, such as painting, system development, a repair, and change of consumables.

In a long-term future, the project may have a major repair or renovation according to its condition, at high cost. This kind of renovation may happen from time to time other than ordinary building repair. In the past, this kind of renovation does not frequently happen, and does not significantly affect the operation. The last major renovation of BBC Project was in 2012 to modernize the external look of the building, and develop the system in the building that is important for the building operation.

In such case, the REIT Manager will use its best efforts to ensure that the REIT's renovation of building will affect the operation of the REIT and business of the tenants least possible, so that the tenants can maintain their business even if there is a renovation.

4.4 Risks from the turnover of the REIT that will depend on capability of the property manager

The REIT Manager will appoint a property manager of the Additional Assets No. 1. The property manager will be responsible for managing the Additional Assets No. 1 as assigned by the REIT Manager, such as looking for new tenants, renewing lease agreements with existing tenants, maintaining good relationship with the tenants, advertising about the lease, and maintaining or repairing property to be in a good condition and to be appropriate for use. Therefore, capability of the property manager will directly affect the REIT's performance. However, the REIT Manager will select the property manager with prudence and care, so that a property manager with qualifications, knowledge, ability, and experience, is selected to manage property of the REIT. The REIT Manager will also execute the agreement to appoint the property manager to be in line with and not contradict the trust deed, and control and review the performance of duties of the property manager, so that it carries on its duties and responsibilities according to the trust deed, this agreement, appointment of property manager agreement, and relevant laws and

regulations, so as to ensure best interests of the trust unitholders and general investors. If the REIT Manager finds that the property manager does not perform according to the appointment of property manager agreement, or act or fails to acts in a way that lacks credibility in performance according to the appointment of property manager agreement, the REIT Manager must terminate the agreement with that property manager, so that the REIT Manager can perform the duty itself, or appoint a new property manager.

4.5 Risks concerning servitude for entrance/exit of the neighboring land

BBC Project is located on two plots of land, represented by title deeds Nos. 8330 and 188885, having an area of approximately 1 rai 2 ngan 26 square wah, and 83 square wah, respectively. The title deed no. 188885, in which the external car park and garbage room are situated, is subject to servitude as entrance and exit for nearby land owned by others. The REIT therefore may not fully utilize such land. Nevertheless, the building and structures of BBC Project are entirely located on the title deed no. 8330. Therefore, the REIT Manager is of the opinion that the title deed no. 188885 being subject to servitude does not prevent the REIT from or significantly affect the operation of BBC Project. In addition, there exists a wall between the area of the title deed no. 188885 in which the REIT will invest, and the nearby land owned by others, and such servitude has not been used as entrance and exit for a long time, and there is other entrance and exit for the nearby land owned by others (the dominant property that enjoy the servitude as entrance and exit in land title deed no. 188885 in which the REIT will invest). Based on assumptions and other related documents, the REIT Manager and the legal adviser, Baker & McKenzie Ltd., opine that such servitude has not been used for a long time. From a legal perspective, the servitude extinguishes if it has not been used for 10 years. However, there will still exist the servitude in the registration, until the relevant parties proceed with the cancellation registration of the servitude.