

(Translation)



AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

Invitation to 2024 Two-way Communication

On 26 April 2024, 10.00 a.m.

at Silom & Sala Daeng Room, 21st fl., Crowne Plaza Bangkok Lumpini Park,
No. 952, Rama IV Road, Suriya Wong, Bangrak, Bangkok 10500



No. AIMRE 058/2024

9 April 2024

Subject: Invitation to 2024 Two-way Communication of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust (AIMCG)

To: Trust Unitholders
AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

Attachments:

1. 2023 Annual Report (in QR-Code form)
2. Guidelines on Registration, Attendance, and Proxy for Two-way Communication
3. Proxy Forms
4. Map of the Venue for 2024 Two-way Communication

Reference:

1. Notification of the Office of the Securities and Exchange Commission No. SorRor. 20/2566 Re: Provisions relating to Particular, Terms and Conditions in a Trust Deed of Real Estate Investment Trust (No. 18) dated 1 November 2023
2. Notification of the Capital Market Supervisory Board No. TorJor. 33/2566 Re: Rules, Conditions, and Procedures for Disclosure of Information of Mutual Fund and Real Estate Investment Trust or Infrastructure Trust (No. 12), dated 31 October 2023
(1. and 2. shall collectively be referred to as the “**Relevant Notifications**”)
3. Letter No. NorRor.(Wor) 2/2566 Re: Submission of Notifications regarding Mutual Fund, Real Estate Investment Trust and Infrastructure Trust, and Preparation for the Procedures of Establishing Two-way Communication Channels with Unitholders and Trust Unitholders, dated 6 December 2023

Reference is made to the Relevant Notifications that have revoked the criteria for holding Annual General Meeting and changed the disclosure channels to two-way communication channels in order for disclosing matters related to the real estate investment trust to trust unitholders, whether by direct meetings with trust unitholders or by any other means that allow the trust unitholders to ask additional questions, within 4 months from the end of the fiscal year of the real estate investment trust, as opposed to the previous requirement of disclosing such matters at the Annual General Meeting.

AIM Real Estate Management Company Limited (the “**Company**” or “**REIT Manager**”) acting as the REIT Manager of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust (“**AIMCG**” or “**REIT**”) deemed it appropriate to convene the 2024 Two-way Communication of AIMCG on 26 April 2024, 10.00 a.m. at

Silom & Sala Daeng Room, 21st fl., Crowne Plaza Bangkok Lumpini Park, No. 952, Rama IV Road, Suriya Wong, Bangrak, Bangkok 10500 (Map of the Venue for 2024 Two-way Communication as appeared in [Attachment 4](#)). The registration for trust unitholders will start at 9.00 a.m. The Company shall report the matters as required by the Notification of the Office of the Securities and Exchange Commission No. SorRor. 26/2555 Re: Provisions relating to Particular, Terms and Conditions in a Trust Deed of Real Estate Investment Trust (as amended) (“**Notification No. SorRor. 26/2555**”) and the Notification of the Capital Market Supervisory Board No. TorJor. 20/2561 Re: Rules, Conditions, and Procedures for Disclosure of Information of Mutual Fund and Real Estate Investment Trust or Infrastructure Trust (as amended) (“**Notification No. TorJor. 20/2561**”) as follows:

Topic 1 Key issues regarding REIT management and future management plan

REIT Manager deemed it appropriate to report to the trust unitholders for acknowledgement of the key issues regarding REIT management and future management plan with the details as follows:

1.1 Key issues regarding REIT management

As of 31 December 2023, the details of the main assets invested by AIMCG could be summarized as follows:

| Investment proportion ¹ | Invested Area (sq.m.) | Leasable Area (sq.m.) | Average Lease Duration of the Lease Agreements for Tenants (Year) |
|------------------------------------|-----------------------|-----------------------|---|
| Freehold 10% | 77,564.87 | 43,175.37 | 11.09 |
| Leasehold ² 90% | | | |

Remark

¹ calculated from the fair value as of 31 December 2023

² Remaining Lease Period (Weighted Average): 19.60 years

AIMCG has significant changes and developments as follows:

| Date | Significant changes and developments |
|-------------|--|
| 3 July 2019 | AIMCG was established under the Trust Act with SCB Asset Management Co., Ltd. as the Trustee and AIM Real Estate Management Co., Ltd. as the REIT Manager. |
| 5 July 2019 | AIMCG entered into the investment agreements with Udon Plaza Company Limited (“ Udon Plaza ”), Membership Company Limited (“ Membership ”) and D-Land Property Company Limited (“ D-Land ”) to acquire the leasehold right over the properties in UD Town Project, 72 Courtyard Project and Porto Chino Project with the investment value of approximately Baht 2,880 million and appointed Udon Plaza, Chetchot Company Limited and D-Land as the property managers of such Projects (respectively). |

| Date | Significant changes and developments |
|-------------------|--|
| 12 July 2019 | The trust units of AIMCG were listed on the Stock Exchange of Thailand, with the registered capital of Baht 2,880 million. |
| 28 November 2019 | AIMCG entered into the sale and purchase agreement of the condominiums in Noble Solo Project with Noble Development Public Company Limited (“Nobel”) and registered the transfer of ownership of such condominiums and related movable properties from Nobel, with the investment value of approximately Baht 226 million and appointed Nobel as the property manager of Noble Solo Project. |
| 2 February 2022 | AIMCG opened for submission of the bid for the leasehold right and/or the long-term sublease of the leasehold right of AIMCG in 72 Courtyard Project. The period for submission of the bid was from 2 February 2022 to 3 March 2022. However, no bidder submitted the bid within the specified period. |
| 29 April 2022 | AIMCG unitholders’ meeting approved a proposal regarding the rental payment for Porto Chino Project as well as a proposal regarding the rental payment for UD Town Project. |
| 30 September 2022 | AIMCG has completed the registration for the acquisition of the leasehold right of the lands and buildings of Porto Chino Project for a period of 5 years from the expiration date of the current land and building lease agreements whereby AIMCG will not be required to pay any further rental fees and any expenses for the additional lease period, in which case it is considered to be the partial payment of D-Land’s outstanding debts as the amount of Baht 32 million as the resolution of the Trust Unitholders Meeting approved the proposal of D-Land. |

1.2 Future management plan

In 2023, both public and private sectors have adapted well to tackle the COVID-19 pandemic and most people are starting to get back to normal life which has and positive impact on many business sectors. Nevertheless, the continuously rising interest rates and the slowdown of the business sector have affected consumer confidence and spending behavior, including the intensifying competition in the retail, department store, and community mall businesses as well as online sellers. As a result, the community mall and lifestyle mall businesses that AIMCG has invested in and managed still face ongoing challenges, including the tenants in the projects as this situation has caused some tenants to pay rent late. However, REIT Manager has a policy of closely monitoring rent arrears, thus, rent arrears are still at a manageable level.

In this regard, in 2024, REIT Manager will continue its policy to closely monitor the rent arrears through various measures as appropriate, for example, issuing a notice, forfeiting the deposit, including taking legal actions in order to solve the problems that have arisen as a result of the situation in the past period. REIT Manager will also

work closely with the property manager for each Project to plan and manage each Project efficiently, as well as to maintain and improve assets in the Project to meet the needs of both tenants and customers.

Opinion of the REIT Manager

REIT Manager deemed it appropriate to report to the trust unitholders for acknowledgement of the key issues regarding REIT management and future management plan to be in compliance with the Notification No. SorRor. 26/2555 and Notification No. TorJor. 20/2561 which require that such matters shall be reported to the trust unitholders for acknowledgement.

Topic 2 Financial position and performance of AIMCG for the year 2023 ending 31 December 2023

REIT Manager has prepared the summary of the financial position and performance of AIMCG for the year 2023 ending 31 December 2023. Such details are in accordance with the Notification No. TorJor. 20/2561 including the financial statement and the profit and loss statements at the end of the accounting period of the REIT (ended on 31 December of every year) according to generally accepted accounting principles, which have been audited by Grant Thornton Limited, the details of which appear in the 2023 Annual Report (Part 4 AIMCG Performance: Financial Statement) in the [Attachment 1](#) which has been delivered to the trust unitholders together with this Invitation to Two-way Communication. The details could be summarized as follows:

| Statement | 2023 (Unit: Baht) | 2022 (Unit: Baht) |
|---|----------------------|----------------------|
| <i>Statement of Financial position</i> | | |
| Total assets | 3,204,436,083 | 3,318,888,574 |
| Total liabilities | 363,972,154 | 413,146,456 |
| Net asset value | 2,840,463,929 | 2,905,742,118 |
| Net asset value per unit | 9.8627 | 10.0893 |
| <i>Statement of Comprehensive Income</i> | | |
| Total income | 358,490,997 | 338,267,188 |
| Total expenses | 113,444,126 | 166,059,821 |
| Net profit on investments | 245,046,871 | 172,207,367 |
| Net loss on investments | (166,330,060) | (10,533,221) |
| Net increase (decrease) in net assets from operations | 78,716,811 | 161,674,146 |
| <i>Statement of cash flows</i> | | |
| Net cash from operating activities | 206,984,158 | 157,360,670 |
| Net cash used in financing activities | (179,681,946) | (145,643,432) |
| Net increase in cash and cash equivalents | 27,302,212 | 11,717,238 |
| Cash and cash equivalents at the beginning of year | 186,441,751 | 174,724,513 |
| Cash and cash equivalents at the end of year | 213,743,963 | 186,441,751 |

As AIMCG has the Distribution Payment Policy that it will pay to unitholders the distributions of, in aggregate, at least 90 percent of the adjusted net profit for each accounting period. The distribution payment to trust unitholders shall be made no more than 4 times in each accounting period, except in the event of a capital increase, where AIMCG may pay distributions more than 4 times in an accounting period in the best interests of trust unitholders holding trust units prior to the capital increase which is in line with the criteria set out in the Trust Deed. In this regard, REIT Manager has announced the distribution payment to trust unitholders from the operating results from 1 January 2023 to 31 December 2023 at the aggregate amount of Baht 0.4227 per trust unit and made the distribution payment to trust unitholders in the form of capital reduction from the operating results from 1 October 2023 to 31 December 2023 at the aggregate amount of Baht 0.0673 per trust unit by decreasing the par value of the trust unit from Baht 9.8000 per trust unit to Baht 9.7327 per trust unit which is in accordance with the causes of the reduction of paid up capital specified in the Trust Deed, for the reason that AIMCG had excess liquidity from the accounting records of non-cash expense items which could not to be used in the calculation of the adjusted net profit.

The table showing the distribution to the trust unitholders from the operating results from 1 January 2023 to 31 December 2023 is as follows:

| Operation Period | Distribution Payment Date | Distribution Rate (Baht/Unit) | | |
|-----------------------------------|---------------------------|-------------------------------|-------------------|---------------|
| | | Dividend | Capital Reduction | Total |
| 1 January 2023 – 31 March 2023 | 13 June 2023 | 0.1500 | - | 0.1500 |
| 1 April 2023 – 30 June 2023 | 6 September 2023 | 0.1300 | - | 0.1300 |
| 1 July 2023 - 30 September 2023 | 13 December 2023 | 0.0800 | - | 0.0800 |
| 1 October 2023 - 31 December 2023 | 28 March 2024 | 0.0627 | 0.0673 | 0.1300 |
| Total | | 0.4227 | 0.0673 | 0.4900 |

Opinion of the REIT Manager

REIT Manager deemed it appropriate to report to the trust unitholders for acknowledgement of the financial position and performance of AIMCG for the year 2023 ending 31 December 2023 which have been audited by the certified public auditor to be in compliance with the Notification No. SorRor. 26/2555 and Notification No. TorJor. 20/2561 which require that such matters shall be reported to the trust unitholders for acknowledgement.

Topic 3 The appointment of auditors and determination of audit fee of AIMCG for the year 2024

REIT Manager has appointed auditors of the REIT, who were approved and have the qualifications without any prohibited qualifications pursuant to the Notification of the Office of the Securities and Exchange Commission No. SorChor. 39/2553 Re: Approval in relation to the Auditors in Capital Market (as amended). In this regard, REIT

Manager has considered the qualifications and capability of the auditors based on the criteria on qualification, quality of the auditors, work performance, and the independency of the auditors with no relations nor conflict of interest in a manner that may affect the duty of auditors of the REIT. The appointment of auditors and determination of audit fee for the year 2024 are as follows:

3.1 Appointment of auditors

Auditors from Grant Thornton Limited as follows:

- Ms. Lakshmi Deetrakulwattanaphol License no. 9056 or
- Ms. Kesanee Srathongphool License no. 9262 or
- Ms. Saranya Akharamahaphanit License no. 9919 or
- Mr. Paisan Boonsirisukapong License no. 5216

The above-named auditors and Grant Thornton Limited have no relationship or interest or transaction which may result in a conflict of interest with the REIT Manager or Trustee or any persons relating to the REIT Manager or Trustee.

In this regard, Ms. Lakshmi Deetrakulwattanaphol shall audit and provide an opinion on the financial statements of the REIT. In the case that such auditor is unable to perform the duties, Grant Thornton Limited shall provide other certified public auditors of its office as abovementioned to audit accounts and express opinions on AIMCG's financial statements instead of the aforesaid auditor. In this regard, Ms. Lakshmi Deetrakulwattanaphol has been appointed as the auditor of AIMCG from this year 2024 for the first year.

3.2 Audit fee for the year 2024 of THB 1,255,000, excluding non-audit fee. In this regard, the detail of the audit fee for the year 2023 comparing to the year 2024 is as follows:

| Audit fee | Year 2023 | Year 2024 | Change |
|-----------|---------------|---------------|--------|
| | THB 1,255,000 | THB 1,255,000 | - |

Opinion of the REIT Manager

REIT Manager deemed it appropriate to report to the trust unitholders for acknowledgement of the appointment of auditors and audit fee as reported by the REIT Manager to be in compliance with the Notification No. SorRor. 26/2555 and Notification No. TorJor. 20/2561 which require that such matters shall be reported to the trust unitholders for acknowledgement. In this regard, the said auditors have proper and accepted qualifications and experience with high standard of work as well as have been approved in accordance with the Notification of the Office of the Securities and Exchange Commission No. SorChor. 39/2553 Re: Approval of the Auditors in Capital Market (as amended). Grant Thornton Limited also has high experiences in auditing the real estate investment trust. REIT Manager also opined that the proposed audit fee is suitable based on the scope of auditing.

The trust unitholders are cordially invited to attend the 2024 Two-way Communication pursuant to the date, time and place specified in this Invitation Letter. The registration for trust unitholders will start at 9.00 a.m. In case that a trust unitholder is unable to attend the event in person and wish to authorize a person to attend the event on your behalf, please complete and sign a Proxy Form attached to this Invitation to Two-way Communication as appeared in the Attachment 3 and duly affix the stamp duty of Baht 20. For the trust unitholders' convenience and the prompt registration process, REIT Manager would like the trust unitholders to deliver the Proxy Form in advance by sending it to "The REIT Manager of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust" at Unit 803, 8th floor, Tower B, GPF Witthayu Building, No. 93/1, Witthayu Road, Lumpini Subdistrict, Pathumwan District, Bangkok 10330, no later than 24 April 2024 or submit at the venue for 2024 Two-way Communication during the registration prior to commencement of the event.

For the trust unitholders attending the 2024 Two-way Communication themselves and the proxy holders attending the event on the trust unitholders' behalf, please present evidence of your identification for attending the event as per the details appeared in the Attachment 2 which is delivered to the trust unitholders together with this Invitation to 2024 Two-way Communication and submit them to the REIT Manager or a designated person of the REIT Manager, prior to attending the Two-way Communication.

For the trust unitholders' benefit, please study the Guidelines on Registration, Attendance, and Proxy for Two-way Communication as per the details appeared in the Attachment 2 which is delivered to the trust unitholders together with this Invitation to 2024 Two-way Communication. If any trust unitholder has any questions or inquiries relating to the proxies, please contact AIM Real Estate Management Company Limited, Tel. 02-254-0441-2 ext. 207 during office hours and business days.

In this respect, the Company has determined the list of trust unitholders eligible to attend the 2024 Two-way Communication of AIMCG on 18 March 2024 (Record Date)

Yours sincerely,

AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust
AIM Real Estate Management Company Limited acting as a REIT Manager

(Mr. Amorn Chulaluksananukul)
Chief Executive Officer and Director