

Summary of Significant Matters in the Form of Questions and Answers from the 2024 Two-way Communication of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust (AIMCG)

AIM Real Estate Management Company Limited (the “Company” or the “REIT Manager”) as the REIT Manager of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust (“AIMCG”) has convened the 2024 Two-way Communication on Friday, 26 April 2024 at 10.00 hrs., at Silom and Sala Daeng Room, 21st Floor, Crowne Plaza Bangkok Lumpini Park Hotel, located at no. 952, Rama IV Road, Suriya Wong Sub-District, Bangrak District, Bangkok 10500, where the trust unitholders can ask additional information in such two-way communication.

In this regard, the REIT Manager would like to inform the trust unitholders that the REIT Manager has gathered questions from the trust unitholders from the Two-way Communication and the answers of the REIT Manager and the relevant persons and prepared a summary of significant matters in the form of questions and answers. The details of which are as follows:

Topic 1	Key issues regarding REIT management and future management plan
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Question 1 As for the fund raised for the initial investment in 2019, AIMCG has used the fund to invest in the properties with an occupancy rate of 100 percent, has AIMCG received revenue from the lease at a full rental rate for such 100 percent occupancy? Additionally, as AIMCG has made the distribution payment in the form of both dividend and capital reduction, please explain the criteria for making the distribution payment in the form of capital reduction.

Answer AIMCG had an average occupancy rate of 100 percent throughout the year 2023 according to the undertaking agreements entered into between AIMCG and the property owners of UD Town Project and Porto Chino Project which specify that within 5 years from the date of initial investment by AIMCG, the property owners shall act as the lessee for all vacant spaces in such Projects. However, AIMCG did not receive full rent payment according to such occupancy rate due to some tenants being unable to pay rent, especially during COVID-19 pandemic period. Therefore, AIMCG presented the proposals for such rental payment to the trust unitholders’ meeting for consideration and the trust unitholders’ meeting approved such proposal to manage such outstanding debt according to the rent repayment plan on 29 April 2022. In this regard, AIMCG has closely monitored rental payments according to such rent repayment plan.

For the distribution payment, AIMCG has the Distribution Payment Policy that it will pay to unitholders the distributions of at least 90 percent of the adjusted net profit for each accounting period which is in accordance with the criteria specified in the Trust Deed. In this regard, REIT Manager has announced the distribution payment to trust unitholders from the operating results

of the year 2023 at the aggregate amount of 0.4227 Baht per trust unit and made the distribution payment in the form of capital reduction at the aggregate amount of 0.0673 Baht per trust unit, totaling the aggregate amount of Baht 0.4900 per trust unit. The distribution payment in the form of capital reduction was made for the reason that AIMCG had excess liquidity from the accounting records of non-cash expense item, thus, AIMCG had excess cash in hand and intended to distribute such cash to the trust unitholders. However, considering the financial statement, AIMCG's accumulated profits were insufficient to make the whole distribution payment in the form of dividend payments, therefore, AIMCG made the distribution payment to trust unitholders partially in the form of capital reduction.

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

Question 1 Why did the expected credit losses stated in the financial statement decrease from 61.97 million Baht in the year 2022 to 2.47 million Baht in the year 2023?

Answer In 2022, AIMCG recorded a loss from expected credit loss of 61.97 million Baht. This includes discounts on receivables for UD Town Project and Porto Chino Project totaling 59.59 million Baht, as approved by the Annual General Meeting of Trust Unitholders in April 2022. Such amount is a special accounting expense that does not involve any actual cash outflow. The remaining amount is an expected credit losses related to tenants who have made late rental payments. In 2023, AIMCG recorded a loss from expected credit loss of 2.47 million Baht due to late rental payments and an estimate of potential losses. However, these items are only accounting entries and have not yet been uncollectible.

Question 2 Are those debtors of receivables from rental and services with an outstanding term of more than 12 months, amounting to 62.58 million Baht still renting the spaces of AIMCG?

Answer Such debtors are still renting spaces of AIMCG. Most of the outstanding terms shown in the financial statement resulted from the implementation of the rent repayment plan of UD Town Project and Porto Chino Project as approved by the Annual General Meeting of Trust Unitholders in April 2022 which has a determined repayment schedule and are varied by each Project. Over the period of time, the remaining balance of the outstanding debt will increase in accordance with the debt to be due under the rent repayment schedule. In this regard, for the debtors of receivables from rental and services with an outstanding term of more than 12 months of 62.58 million Baht, approximately 60 million Baht of such amount is related to receivables that will receive discounts for the outstanding receivables for UD Town Project and Porto Chino Project. AIMCG will grant these discounts once the property owners have fully complied with the

agreements regarding the repayment of outstanding debt. If the property owners fail to comply with the agreements, AIMCG will be entitled to immediately collect such outstanding receivables. AIMCG has recognized a provision for credit losses of approximately 60 million Baht in the financial statements for these expected future discounts.

Question 3 Why the outstanding balance of receivables from rental and services with an outstanding term of more than 12 months was at 62.58 million Baht while the receivables balance under the rent repayment plan with the term of over 1 year but not more than 5 years was at 129.87 million Baht?

Answer As appeared in item 9 of the notes to financial statements, the receivables from rental and services with an outstanding term of more than 12 months as of 31 December 2023 of 62.58 million Baht are total receivables of AIMCG which have already been due and missed their payment deadlines. While the outstanding balance of receivables under all rent repayment plan totaling 240.88 million Baht as appeared in item 9 of the notes to financial statements are outstanding balance of receivables under the rent repayment plan only for the amount that has not yet been due which is a part of the outstanding balances of receivables not yet due of 268.87 million Baht. The outstanding receivables under the rent repayment plan comprise the receivables balance due within 1 year of 111.01 million Baht and receivables balance due over 1 year but not more than 5 years of 129.87 million Baht.

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

There were no questions from the trust unitholders in this matter.

Topic 4 Other matters (if any)

Question 1 When will AIMCG receive payment according to the rent repayment plan and when will such rent repayment plan be due?

Answer Overall, as of 31 December 2023, the outstanding receivables according to the rent repayment plan for both UD Town Project and Porto Chino Project as approved by the Trust Unitholders' Meeting amounted to approximately 377 million Baht, which approximately 112 million Baht or 30 percent has been paid. The remaining 70 percent constitutes the outstanding balance that AIMCG has yet to receive in installments according to the rent repayment plan. The rent repayment plan for UD Town Project will end in 2026 and the rent repayment plan for Porto Chino Project will end in 2027.

Question 2 How will the remaining 70 percent of the outstanding receivables according to the rent repayment plan as of 31 December 2023 which will be due in 2026 and 2027 be paid?

Answer For the remaining 70 percent of outstanding receivables, the rent repayment plan specifies that the payment shall be divided into monthly installments with each month having different repayment proportions. The repayment is scheduled to be completed within 2027 i.e. during 2024, approximately 46 percent of the remaining outstanding balance will be repaid, during 2025, approximately 37 percent of the remaining outstanding balance will be repaid, and during 2026 – 2027, approximately 18 percent of the remaining outstanding balance will be repaid.

Question 3 What is the current proportion of AIMCG's revenue received from rent repayment plan and normal rental payment?

Answer The current proportion of AIMCG's revenue received from rent repayment plan and normal rental payment is in the proportion of 50 to 50.

Question 4 What measures does AIMCG have in place to prevent or resolve conflicts of interest that may arise between AIMCG and the property owners? What measures does AIMCG have in place in the event that the property managers fail to fulfill their duties?

Answer Regarding the risk of conflicts of interest between AIMCG and the property owners:

For UD Town Project, where the property owners have developed many businesses around the Project such as convention center and hotel, AIMCG has been assessing whether those businesses may conflict with AIMCG's business. In this regard, the convention center does not engage in the business of renting out spaces like UD Town Project, but instead provides services for organizing trade shows or exhibitions which require large spaces. Such events cannot be held within UD Town Project due to its lack of sufficient space as well as facilities to accommodate such events. Therefore, the types of service user are clearly different. Additionally, the property owner has developed businesses around the Project with the aim to provide full facilities for UD Town Project. Furthermore, when conferences are held at the convention center, there is a chance that the attendees may use the services provided in UD Town Project. Similarly, hotel guests may use the services provided in UD Town Project as the hotel also does not have retail spaces for rent. Therefore, such businesses create a supportive environment between each other. In addition, there are clear differences between the hotel and retail businesses.

For Porto Chino Project, the property manager owns 2 additional projects namely, Porto Go Tha Chin Project and Porto Go Ayutthaya Project. Due to its considerable distance from Porto Chino Project, Porto Go Ayutthaya Project clearly does not compete with Porto Chino Project. For Porto Go Tha Chin Project which is located 15 kilometers away from Porto Chino Project, unlike the community mall-style Porto Chino Project, it functions primarily as a rest area with shops, serving travelers and shoppers. Although shops in the rest area and community mall may share some similarities or differences, due to the varying needs of tenants in terms of location and rental rates for different projects, it is unlikely that property manager can offer rental space in one project to tenants seeking rental space in another project.

There is no conflict of interest concerning 72 Courtyard Project, as there are no projects owned by the property owner located nearby. Additionally, Noble Solo Project also faces no conflict of interest due to the fact that AIMCG is the owner of such project, and its tenants are third parties which enter into long term lease agreements with AIMCG.

Furthermore, the property managers shall also have a strong commitment to fulfilling their duties as well as developing AIMCG's projects, especially considering their outstanding debts which AIMCG has already implemented various measures to address this matter, including to pursue legal proceedings. Therefore, given the financial burden of the property managers with AIMCG, it is difficult for them to avoid fulfilling their responsibilities.

Question 5 What are the competitive advantages or unique selling points of AIMCG's projects that can attract tenants?

Answer The selling point of UD Town Project is that it is the largest project in the Northeastern region with strategic location that can attract tourists from Laos. Additionally, Udon Thani province is also a province with a large number of flights, thus, there is a high chance that there would be a large number of people using the Project's services.

The selling point of Porto Chino Project lies in its proximity to residential areas and Mahachai city. Most of the Project's revenue comes from the nearby residents more than from travelers. Moreover, Porto Chino Project is the only community mall within that area.

The selling point of 72 Courtyard Project lie in its prime location in Thonglor, which is at the heart of Bangkok. This location attracts high demand from tenants or entrepreneurs who want to start businesses. In this regard, when the lease agreement expires, the REIT Manager is of the view that the Project can attract new tenants. Furthermore, there is no restriction that the new tenant must conduct business in the same manner as the previous tenant.

Question 6 After COVID-19 pandemic, consumer lifestyles have undergone significant changes. However, the characteristics of tenants in the Projects remain largely the same. How has AIMCG considered addressing this issue in order to find tenants that fit consumer lifestyles?

Answer AIMCG has conducted a study on the changing consumer lifestyles and observed changes in tenants at each location. AIMCG has closely observed and considered the adaptability of the property managers, such as UD Town Project, which continues to have a satisfactory number of visitors. In terms of rental rates, it may not be possible to adjust them as high as before. However, AIMCG found that tenants have made efforts to adapt to attract more customers, such as some tenants switching from selling only in-store products to selling online as well.

Question 7 Regarding the lease agreements of 72 Courtyard Project which are due to expire this year, is there a possibility for the tenants to renew the lease agreement?

Answer There is a likelihood that the tenants will renew the lease agreement of 72 Courtyard Project which is set to expire this year. However, AIMCG did not consider only the current tenants but also opened up the opportunity for discussion with other interested parties since last year.

Question 8 Is it correct that if the normal rent and installment payments according to the rent repayment plan are paid in full, the distribution payment in the form of both dividend and capital reduction would not be less than 0.13 Baht per unit?

Answer Based on last year performance which includes both normal rental income and installment payments received according to the rent repayment plan and there are still outstanding receivables under the rent repayment plan, thus, if such outstanding receivables according to the rent repayment plan are paid in full, it may be expected that the distribution payment in the form of both dividend and capital reduction shall not be less than before. However, it should be noted that the distribution payment of such amount is also based on the assumptions that the performance and revenue from tenants remain at the same level and that no other unusual situations arise.

Question 9 What measure does AIMCG have in place when the undertaking agreements expire this July 2024 which may impact the financial statement for the 3rd quarter of 2024?

Answer AIMCG has been planning for the operations post-expiration of the undertaking agreement all along.

For UD Town Project which currently has 90 percent occupancy rate, excluding obligation of project owner to fill-in vacant area, AIMCG has discussed and emphasized with the property

manager to maintain the occupancy rate although the average rental rate is not higher than that of before the COVID-19 situation. Then, if the business is going well, there may be a discussion about the increase in rental rate per square meter in the future.

For Porto Chino Project with low revenue, the REIT Manager must carefully consider the use of funds for property improvement. If there is no adequate plan provided by the property manager or if the rental rate does not increase as agreed upon in the property manager appointment agreement, the REIT Manager may consider selecting a new property manager, which the REIT Manager has already discussed with several operators. However, the selection of a new property manager to manage the Project must thoroughly consider qualification, capability, experience, and management plan.

For 72 Courtyard Project with the lease agreements expiring this year, AIMCG has been in discussions with both existing and new tenants. Negotiations are currently underway.

In this regard, after the undertaking agreements expire, the revenue of AIMCG will consist of actual rental income according to the lease agreements and the installment payments according to the rent repayment plan for the outstanding receivables.

Question 10 Is it correct that after the undertaking agreements expire, AIMCG's revenue will come from actual rental income and revenue from outstanding debts?

Answer That is correct. Once the undertaking agreement has expired, the revenue of AIMCG will come from actual rental income according to the lease agreements and revenue from installment payments of the outstanding debts.

Question 11 Given that AIMCG currently has relatively low debt with the ratio of debt to total asset value of only approximately 6 percent, thus, AIMCG should still have the ability to increase more debt. In this regard, is there a possibility that AIMCG will increase its capital to invest in additional assets to increase the number of trust unit traded in the Stock Exchange of Thailand in order to increase trust units' liquidity? Due to the small size of the assets, it may be difficult for institutional investors to invest in AIMCG, resulting in illiquidity of the trust units.

Answer The REIT Manager continues to actively consider investing in new assets. Nevertheless, various factors, such as declining trust unit price, unfavorable market conditions for fundraising, and high interest rates, have impacted and constrained the issuance and offering of additional units for investment in new assets. Nonetheless, the REIT Manager continues to seek new assets, and the type of assets to be considered will depend on the balance of AIMCG's portfolio.

Nonetheless, at present, trust unitholders may not be interested in community mall projects, so the REIT Manager may consider other types of projects.

Question 12 With respect to the period after 2027, when all outstanding debts have been fully paid and the revenue of AIMCG will solely consist of rental income, what should be the remaining yield?

Answer Due to the fact that the period after 2027 is 3 years from now, the yield will depend on the project management plan and the rental rate at that time, which cannot be specified as a specific return figure at this time. However, the REIT Manager will strive to manage AIMCG as best as possible.

Question 13 Could AIMCG increase the rental rates for 72 Courtyard Project which the lease agreements are expiring?

Answer AIMCG is currently in negotiations and will try to secure the best possible rental rate.

Question 14 Would changing the property manager require a resolution of the trust unitholders' meeting? What is the impact of changing the property manager? Are there any conditions prohibiting the change of property manager whether in whole or in part?

Answer According to AIMCG's structure, the REIT Manager serves as the property manager and then hires property managers to manage the Projects. This allocation of roles ensures smooth operation of AIMCG, allowing immediate change of property manager if any issues arise, without the approval from the trust unitholders' meeting. Since it is not possible to split the management of a single project between two property managers, there will be no partial change of property manager for each project. Additionally, the key performance indicators (KPIs) that the property manager must be comply with has been indicated in the agreement. If the property manager fail to meet these KPIs, AIMCG can change the property manager to ensure the best interests of the trust unitholders.

Question 15 The trust unitholders proposed that a summary of performance and public relations information to unitholders should be provided in paper-based form and distributed along with the distribution payment documentation as some trust unitholders might have difficulty accessing information electronically.

Answer The REIT Manager welcomes the suggestion from the trust unitholder and will take it for further consideration.



Yours Sincerely,

AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

AIM Real Estate Management Company Limited acting as REIT Manager

(Mr. Amorn Chulaluksananukul)

Chief Executive Officer and Director