

(Translation)



AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

Information of AIMCG for the Year 2020
for the Trust Unitholders



(Translation)

AIMRE 027/2563

10 April 2020

Subject Distribution of the Annual Information of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust for the Year 2020 to the Trust Unitholders

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

Attachments

1. The 2019 Annual Report (accessible through QR Code)
2. Guidelines for Trust Unitholders to Send Question or Inquiry in Relation to AIMCG and the Annual Information of AIMCG for the Year 2020

Reference is made to the Board of Directors' Meeting No. 2/2020 on 31 March 2020 of AIM REIT 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**"), which approved the cancellation of the 2020 Annual General Meeting of Trust Unitholder of AIMCG and the REIT Manager will provide, in writing, the Annual Information of AIMCG for the Year 2020 to the Trust Unitholders as well as guidelines for trust unitholders to send question or inquiry, by post to the trust unitholders whose names appear in the list from determining the trust unitholders entitled to attend the 2020 Annual General Meeting of Trust Unitholders on 3 April 2020 (Record Date) from determining the trust unitholders eligible, in lieu of Holding the 2020 Annual General Meeting of Trust Unitholders. The Company would like to deliver the Annual Information of AIMCG for the Year 2020 to the Trust Unitholders with the following details.

Item No. 1 To acknowledge the operation performance of AIMCG for the year 2019

Background and Rationale

Details of the operation performance of AIMCG for the year 2019 are as appeared in the 2019 Annual Report which is delivered to the trust unitholders together with this Annual Information of AIMCG for the Year 2020 in electronic form accessible through QR Code as appeared in the **Attachment 1**. The key operating results and financial status of AIMCG are summarized as follows;

(1) Operating Results

For the operating period from 3 July 2019 (the establishment date of AIMCG) to 31 December 2019, AIMCG had net investment income of Baht 111.73 million, derived from total revenues of Baht 188.32 million and total expenses of Baht 76.59 million.

Revenues:

The total revenues consisted of:

1. Rental and service income in the amount of Baht 187.94 million or equivalent to 99.90 percent of the total income, consisting of rental and service income from UD Town project in the amount of Baht 100.06 million, accounting for 53.13 percent of the total income, rental and service income from Porto Chino project in the amount of Baht 55.00 million, accounting for 29.21 percent of the total income and rental and service income from 72 Courtyard project in the amount of Baht 31.72 million, accounting for 16.85 percent of the total income. In addition, AIMCG received rental and service income from Noble Solo project, invested by AIMCG on 28 November 2019, in the amount of Baht 1.16 million, accounting for 0.61 percent of the total income. In this regard, all invested assets of AIMCG have the average occupancy rate for the entire year of 2019 at 100 percent, which consist of the areas leased to general tenants, and the areas leased to the previous asset owners and its affiliates, e.g. lease areas for small retail shops, lease areas with short-term leases (not exceeding 1-year period) or areas having daily rental fees or having rapid change in tenants, used for such purposes as activity court, marketing areas, restaurants and beverage shop, in order for enhancing flexibility and effective lease management, and causing accurate and constant income of AIMCG.

2. The revenue derived from interest of Baht 0.38 million equivalent to 0.20 percent of the total revenues.

Expenses:

AIMCG had total expenses of Baht 76.59 million, of which were mainly comprised of operating expenses of Baht 50.52 million or equivalent to 26.83 percent of the total revenues, and other expenses such as REIT Manager fee, property management fee for AIMCG's assets, trustee fee, register fee and professional fee, etc. Additionally, AIMCG had financial cost which was interest from the long-term loan from financial institution of Baht 210.00 million or equivalent to 0.51 percent of the total revenues.

Additionally, AIMCG had realized and unrealized net profits from investments in securities of Baht 0.65 million, from management of excess liquidity by investing in investment units and unrealized net profits from investment in immovable properties of Baht 58.78 million. According to the annual asset appraisal, AIMCG had an increase in net assets from its operation of Baht 171.17 million.

(2) Financial Status of AIMCG

Assets:

As at 31 December 2019, AIMCG had total assets of Baht 3,333.08 million, of which were mainly investment in immovable properties of Baht 3,115.98 million (Fair Value Base), totaling 93.49 percent of total

assets, including the investment in Noble Solo project at 28 November 2019 of Baht 225.98 million (Fair Value Base).

Liabilities:

As at 31 December 2019, AIMCG had total liabilities of Baht 336.75 million, of which were mainly long-term loan from financial institution of Baht 210.00 million, caused by the long-term loan from financial institution for the additional investment in Noble Solo project. The interest rate of the said long-term loans is based on MLR minus the rate as specified in relevant the loan agreements.

The loan ratio of AIMCG as of 31 December 2019 was equal to 6.30 percent of total assets which is in accordance with relevant regulations specifying that REITs may procure a loan at an amount not exceeding 35 percent of the total asset value of the REITs, or an amount not exceeding 60 percent of the total asset value of the REITs in case the REIT has the latest rating level in the investment grade.

Net Assets:

As at 31 December 2019, AIMCG had total net asset of Baht 2,996.33 million, consisting of capital from trust unitholders of Baht 2,880.00 million and retained earnings of Baht 116.33 million. The net asset per trust unit is Baht 10.4039.

(3) Future REIT Management Direction

The key management policy of REIT Manager is to reasonably and efficiently manage the invested assets to create suitably stable return. In addition, the REIT Manager intends to strengthen the REIT's fundamental by continually investing in quality assets to constantly increase total asset value as well as return to unitholders. Meanwhile, to support the growing numbers of invested assets and to efficiently operate existing assets, the REIT Manager has set up the Information Management System in order to access and accurately manage the information on revenue collection, expense control, verification and evaluation of property managers' performances. Moreover, the Information Management System is a part of Business Continuity Plan (BCP) that the REIT Manager is carefully aware of to ensure that the operations can be run seamlessly even during the abnormality where there could be an internal or external threat, that can potentially affect the operations of the invested assets and/or the operations of the REIT itself.

Furthermore, the REIT Manager has prepared internal data integration in relevant to all types of the real estate businesses as well as industry landscape, not restricted only to the sector of the invested assets, to thoroughly understand the business landscape of real estate industry as well as the tenants. And, this database is used as a guideline for the REIT Manager to accurately plan the appropriate directions and operations as well as the strategic move in a timely basis. On top of that, in terms of the financial management, the REIT Manager also conducts a financial analysis incorporating impacts that might have caused by micro



and macro factors that could directly and indirectly affects the REIT's financial status to effectively handle the changing financial market landscape by using the appropriate financial tools to create the efficient financial cost management and control, leading the REIT's optimal capital structure.

REIT Manager's Opinion

The REIT Manager is of the opinion that the operation performance of AIMCG according to the 2019 Annual Report are accurate, proper and in accordance with the provisions specified in the Trust Deed.

Item No. 2 To acknowledge the 2019 financial statements of AIMCG for the fiscal year ended 31 December 2019

Background and Rationale

The financial statements for the fiscal year ended 31 December 2019 of AIMCG has been considered by the Board of Directors of the Company and audited by the auditors from Grant Thornton Limited, the details of which are as appeared in the 2019 Annual Report which is delivered to the trust unitholders together with this Annual Information of AIMCG for the Year 2020 in electronic form accessible through QR Code as appeared in the Attachment 1.

REIT Manager's Opinion

The REIT Manager is of the opinion that the 2019 financial statements of AIMCG for the fiscal year ended 31 December 2019 are accurate and proper.

Item No. 3 To acknowledge the appointment of the auditors as the auditors of AIMCG and determination of the remuneration for the year 2020

Background and Rationale

The Board of Directors of the Company has considered the auditors from Grant Thornton Limited and are of the view that the auditors from Grant Thornton Limited have proper and accepted qualifications and experiences with high standard of work as well as have been approved by the Office of the Securities and Exchange Commission. Grant Thornton Limited also has the highest experiences in auditing a Real Estate Investment Trust. In addition, the Board of Directors of the Company also opined that the proposed remuneration for the auditors is suitable based on the scope of auditing. Therefore, the Board of Directors of the Company approved the following;

(1) Appointment of the following auditors from Grant Thornton Limited to be the auditors of AIMCG for the year 2020:

- Miss Kanyanat Sriratchatchaval License no. 6549 or

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|-----------------|------------------|----------------------|
| - Mr. Somckid | Tiatragul | License no. 2785 or |
| - Mr. Teerasak | Chuasrisakul | License no. 6624 or |
| - Miss Amornjid | Baolorpet | License no. 10853 or |
| - Miss Saranya | Akharamahaphanit | License no. 9919 or |
| - Mr. Narin | Churamongkol | License no. 8593 |

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.

(2) Determination of the remuneration for the auditors for the year 2020 in the amount of Baht 1,300,000. In this regard, the difference between the remuneration for the year 2019 comparing to the year 2020 is 109.68 percent as the audit period for the year 2019 was 6-month period^{/1} while the audit period for the year 2020 covers the entire year. Details of the remuneration are as follows:

Remuneration	Year 2019	Year 2020	Change
	Baht 620,000.00	Baht 1,300,000	109.68%

Remark ^{/1} The audit period for the year 2019 was starting from 3 July 2019 (the incorporation date of AIMCG) to 31 December 2019.

REIT Manager's Opinion

The REIT Manager is of the opinion that the above-named auditors from Grant Thornton Limited have properly performed the duties and 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 whereby they can independently perform the duties. Therefore, it is deemed appropriate to appoint the above-named auditors from Grant Thornton Limited and deemed it appropriate to determine the remuneration for the auditors for the year 2020 in the amount of Baht 1,300,000. In the case that the aforesaid auditors are unable to perform the duties, Grant Thornton Limited shall provide other auditors of its office to audit accounts and express opinions on AIMCG's financial statements instead of the aforesaid auditors. In this regard, Miss Kanyanat Sriratchachaval has been appointed as the auditor of AIMCG since the year 2019.

The trust unitholders may send question or inquiry in relation to AIMCG and the Annual Information of AIMCG for the Year 2020 to the REIT Manager via email at ir@aimrm.co.th from 10 April 2020 to 30 April 2020 (totaling 21 days from the date that the Company delivered the Annual Information of AIMCG for the Year 2020 to trust unitholders). The Guidelines for Trust Unitholders to Send Question or Inquiry in relation to AIMCG and the Annual Information of AIMCG for the Year 2020 are as per the details appeared in **Attachment 2** which is delivered to the trust unitholders together with this Annual Information of AIMCG for the Year 2020.



The REIT Manager will summarize the questions and answers and inform the trust unitholders via channel of the Stock Exchange of Thailand within 14 days from the last day of the said inquiry submission period.

The Company has determined the trust unitholders entitled to receive the Annual Information of AIMCG for the Year 2020 for the Trust Unitholders from the determination of the list of trust unitholders entitled to attend the 2020 Annual General Meeting of Trust Unitholders on 3 April 2020 (Record Date).

Yours sincerely,

AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

By AIM Real Estate Management Company Limited.

The REIT Manager

A handwritten signature in black ink, appearing to be 'Amorn Chulaluksananukul', written over a horizontal line.

(Mr. Amorn Chulaluksananukul)

Chief Executive Officer and Director