

Information Memorandum on Asset Acquisition of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust in Additional Leasehold Right in Porto Chino Project

1. **Transaction Date** : After obtaining the approval in relevant matters from the Trust Unitholders' Meeting of AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust ("AIMCG"), and D-Land Property Co., Ltd. ("D-Land") has entered into an agreement and/or take any action enabling leasing out the Lands and Buildings in the Porto Chino Project (as defined below) according to the Proposal of D-Land

2. **Counterparty and relationship with AIMCG** : D-Land, which is the owner of the Lands and Buildings in the Porto Chino Project (as defined below) located in Nadi Subdistrict Mueang Samut Sakhon District Samut Sakhon Province ("Porto Chino Project"),

On 5 July 2019, AIMCG has invested in the Porto Chino Project as the first investment and has leased out the invested area in the Porto Chino Project to D-Land under the Lease-Back Agreement in relation to Porto Chino Project¹ and the Lease-Back Agreement according to Undertaking Agreement of the Porto Chino Project,² including entering into the Agreement regarding the Investment of AIMCG in the Porto Chino Project³ which consists of an agreement on measures to reduce the risk of loss of rental income and service fees of AIMCG whereby D-Land agrees to pay the difference between an actual rental fee and the specified expected rental income to AIMCG, from the first investment date of AIMCG in Porto Chino Project until 4 July 2024, and D-Land agrees that, in the period of 5 years starting

¹ Lease-back Agreement in relation to the Porto Chino Project between AIMCG and D-Land dated 5 July 2019

² Lease-back Agreement in relation to the Porto Chino Project between AIMCG and D-Land dated 5 July 2019

³ Letter regarding an agreement on the investment of AIMCG in the Porto Chino Project between AIMCG and D-Land dated 5 July 2019

from the date that AIMCG invested in the Porto Chino Project, if any part of the invested area is not occupied by a tenant, D-Land and/or the person designated by D-Land has agreed to lease the aforementioned areas from AIMCG with the lease term expiring no later than 4 July 2024 by entering into the lease agreement with AIMCG from time to time.

3. **General characteristics of the transaction** : The Company received the Proposal of D-Land. Since D-Land has the D-Land Outstanding Debt with AIMCG, and D-Land would like to offer to repay partial payment of D-Land Outstanding Debt by allowing AIMCG to lease the Lands and Buildings in the Porto Chino Project for a period of 5 years, starting from the date of the termination of the Lands and Buildings Lease Agreements,⁴ whereby AIMCG will not be required to pay any further rental fees and any expenses for such additional lease period, in which case it is considered as the partial payment of the D-Land outstanding debt as to the amount of 32,000,000 Baht (Thirty Two Million Baht) which is the amount of lower leasehold appraised value from 2 appraisal companies, whose names are in the approval list of the Securities and Exchange Commission (the "Office of the SEC") and the partial D-Land Outstanding Debt amount of 32,000,000 Baht (Thirty Two Million Baht) mentioned will be extinguished when AIMCG and D-Land have entered into an agreement and/or take any action enabling leasing out the Lands and Buildings of the Porto Chino Project according to the Proposal of D-Land.

The actions to comply with the proposal mentioned above may be considered as an acquisition of the main assets of AIMCG.

4. **Details of the Additional Leasehold Right in Porto Chino Project** : The details of the Lands and Buildings in the Porto Chino Project are as per the summary of acquisition assets in the below table ("Lands and Buildings in the Porto Chino Project")

⁴ Terms of Lands and Buildings Lease Agreements will be expired on 4 July 2049

5. **Size of the transaction and consideration** : The acquisition of asset in the Additional Leasehold Right in the Porto Chino Project for a period of 5 years with a total net value of 32,000,000 Baht (Thirty Two Million Baht)

The size of the transaction of the acquisition of the Additional Leasehold Right in the Porto Chino Project for a period of 5 years based on the total value of consideration basis is calculated to be 0.96 percent of the total asset value of AIMCG (as of 31 December 2021 total assets of AIMCG are 3,344,135,387 Baht (Thirty Thousand Three Hundred Forty-Four Million One Hundred Thirty-Five Thousand Three Hundred Eighty-Seven Baht))

6. **The Value of Additional Leasehold Right in Porto Chino Project** : The value of the Additional Leasehold Right in the Porto Chino Project that AIMCG will acquire has a total value of 32,000,000 Baht (Thirty Two Million Baht)

In this regard, the total value of the Additional Leasehold Right in the Porto Chino Project has been appraised by 2 appraisal companies which are Sims Property Consultants Company Limited and Grand Asset Advisory Company Limited. (altogether referred to as the “Appraisers”), whose names are in the approval list of the Office of SEC, to appraise the value of each of the Additional Leasehold Right in the Porto Chino Project. Both appraisers selected to apply the Income Approach method for valuation of the Additional Leasehold Right in the Porto Chino Project. The appraised value of the Additional Leasehold Right in the Porto Chino Project for a period of 5 years are the amount of 32,000,000 Baht (Thirty Two Million Baht) and 37,000,000 Baht (Thirty Seven Million Baht) respectively. The details of the appraised value are specified in the Summary of the Valuation Report of the Appraisers, **Attachment 4** of the invitation to the trust unitholders meeting.

In addition, the Company has arranged the financial advisor to prepare a report on the opinion on such matter, with the details

provided in Attachment 5 of the invitation to the trust unitholders meeting.

7. **Criteria on determining value of the transaction** : The value of the Additional Leasehold Right in the Porto Chino Project will be determined based on appraisal value from the Appraisers who apply the Income Approach method for valuation of the Additional Leasehold Right in the Porto Chino Project.
8. **Benefits from investment in the assets** : The acquisition of the Additional Leasehold Right in the Porto Chino Project for a period of 5 years has potential to generate income from rental fees and service fees and to strengthen the operating result of AIMCG in the future, which will result in further benefits to the AIMCG and trust unitholders.
9. **Approval of transaction** : The entering into the transaction above is considered as a transaction of the acquisition of the main assets of AIMCG with the value of transaction in the amount of 32,000,000 Baht (Thirty Two Million Baht), when calculating the size of the transaction on the total value of consideration criteria, it is the transaction having a value of 0.96 percent of the total asset value of AIMCG (as of 31 December 2021, the total asset value of the AIMCG is 3,344,135,387 Baht (Thirty Thousand Three Hundred Forty-Four Million One Hundred Thirty-Five Thousand Three Hundred Eighty-Seven Baht) which does not require the approval from the trust unitholders' meeting of the AIMCG to enter into a transaction.

However, the Company considers that entering into this transaction, which is the acquisition of the main assets of AIMCG, is part of the Proposal of D-Land to restructure the outstanding debt, rental fees and the Rental Income Difference to AIMCG, which is a significant transaction of AIMCG, the Company, thus, considers that the acquisition of Additional Leasehold Rights in the Porto Chino Project should be presented with the Proposal of D-Land for the trust unitholders to be considered. However, due to the transaction size of the acquisition of Additional Leasehold right in the Porto Chino Project, the value is less than 30 percent



of the total asset value of AIMCG. Therefore, it is not required an approval from the trust unitholders' meeting by a vote of not less than 3/4 (three-fourth) of all votes of trust unitholders attending the meeting and having the right to vote but the approval of the relevant agenda must be approved by the trust unitholders' meeting with a majority vote of the trust unitholders attending the meeting and having the right to vote.

10. **The opinion of the board of the directors of the REIT Manager to approve the entering into the transaction** : The board of the directors of the REIT Manager considered the acquisition of the Additional Leasehold Right in the Porto Chino Project for a period of 5 years according to Proposal of D-Land consists of significant actions both in terms of REIT management, business operations, and the benefits of the AIMCG and considered that it is an issue that the trust unitholders should consider and decide the implementation that will be the most beneficial to the trust unitholders themselves. Therefore, the REIT Manager considers that it is appropriate to propose the Proposal of D-Land to the unitholders meeting of AIMCG to consider and approve the implementation of the Proposal of D-Land, which includes the acquisition of the Additional Leasehold Right in the Porto Chino Project.
11. **Dissenting opinion of the director of the REIT Manager which is different from the opinion of the Board of Directors in item 10.** : None

Details of Lands and Buildings in Porto Chino Project

No.	Asset	Owner	Approximate land area (Rai-Ngan-Square Wah)	Approximate land area that AIMCG invests (Rai-Ngan-Square Wah)	Investment Period of AIMCG	The Period that AIMCG acquire the Leasehold Right
1	The leasehold rights of partial land (Title Deed No. 120935) located in Nadi Subdistrict Mueang Samut Sakhon District Samut Sakhon Province, buildings and utilities according to Land and Buildings Lease Agreement of Porto Chino Project (Title Deed No. 120935) dated 5 July 2019 between D-Land and AIMCG, which AIMCG currently has the leasehold right.	D-Land	11-3-19.3	10-2-19.3	30 years from 5 July 2019. The remaining lease term under the lease agreement, as of 15 March 2022, is approximately 27 years and 3 months.	5 years from the expiration date of Lands and Buildings Lease Agreement ²
2	The leasehold rights of land (Title Deed No. 117042) located in Nadi Subdistrict Mueang Samut Sakhon District Samut Sakhon Province, buildings and utilities according to Land and Buildings Lease Agreement of Porto Chino	D-Land	0-0-84.9	0-0-84.9	30 years from 5 July 2019. The remaining lease term under the lease agreement, as of 15 March 2022, is	5 years from the expiration date of Lands and Buildings Lease Agreement ²

No.	Asset	Owner	Approximate land area (Rai-Ngan-Square Wah)	Approximate land area that AIMCG invests (Rai-Ngan-Square Wah)	Investment Period of AIMCG	The Period that AIMCG acquire the Leasehold Right
	Project (Title Deed No. 117042) dated 5 July 2019 between D-Land and AIMCG, which AIMCG currently has the leasehold right.				approximately 27 years and 3 months.	
3	The leasehold rights of land (Title Deed No. 117043) located in Nadi Subdistrict Mueang Samut Sakhon District Samut Sakhon Province, buildings and utilities according to Land and Buildings Lease Agreement of Porto Chino Project (Title Deed No. 117043) dated 5 July 2019 between D-Land and AIMCG, which AIMCG currently has the leasehold right	D-Land	3-1-55.8	3-1-55.8	30 years from 5 July 2019. The remaining lease term under the lease agreement, as of 15 March 2022, is approximately 27 years and 3 months.	5 years from the expiration date of Lands and Buildings Lease Agreement ²
Total			15-1-60.0	14-0-60.0		

Remarks

¹ Lands and Buildings Lease Agreements are (1) Land and Buildings Lease Agreement of Porto Chino Project (Title Deed No. 120935) dated 5 July 2019 (2) Land and Buildings Lease Agreement of Porto Chino Project (Title Deed No. 117042) dated 5 July 2019 and (3) Land and Buildings Lease Agreement of Porto Chino Project (Title Deed No.117043) dated 5 July 2019

² Terms of Lands and Buildings Lease Agreements will be expired on 4 July 2049

