

Summary of Significant Matters in the Form of Questions and Answers from the 2025 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 2025 two-way communication on Friday, 25 April 2025 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.

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
Question 1	What are the amounts of the outstanding debts held by Udon Plaza Co., Ltd. (“Udon Plaza”) and D-Land Property Co., Ltd. (“D-Land”), and what proportion does this debt represent relative to the total outstanding debt?
<u>Answer</u>	<p>The majority of the outstanding debts are subject to existing repayment plans. However, a portion of this debt, although included in the repayment plans, remains unpaid as the debtors have been unable to meet the scheduled payments. The debt amounts related to each project for Udon Plaza and D-Land are summarized as follows:</p> <ul style="list-style-type: none"> - Outstanding debt under the repayment plan as of the end of quarter 4, 2024: <ul style="list-style-type: none"> ○ UD Town Project: approximately THB 73 million ○ Porto Chino Project: approximately THB 15 million - Future debt obligations: <ul style="list-style-type: none"> ○ UD Town Project: approximately THB 78 million in 2025, and THB 37 million in 2026 ○ Porto Chino Project: approximately THB 45 million in 2025, THB 18 million in 2026, and THB 2 million in the first half of 2027 - Total outstanding debt under the repayment plan (including current and future obligations): <ul style="list-style-type: none"> ○ UD Town Project: approximately THB 298 million ○ Porto Chino Project: approximately THB 156 million

AIMCG applies a penalty interest rate of 7.5% per annum to overdue amounts not paid according to the repayment schedule.

Question 2 What is the approximate proportion (in percentage terms) of the leased area that Udon Plaza and D-Land have leased back for self-operation, compared to the total area in each respective project?

Answer Udon Plaza and D-Land leased back the area for self-operation for approximately 50% of all the area in each project.

Topic 2	Financial position and performance of AIMCG for the year 2024 ending 31 December 2024
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Question 1 According to Note 9 to the financial statements, there are outstanding lease receivables, with THB 59 million of such receivables overdue for more than 12 months. Are these overdue lease receivables attributable to small-scale tenants or to the property owners who have leased the properties back (Sellers)?

Answer The aforementioned accounts receivable (AR) do not involve small-scale tenants. All such outstanding receivables are attributable to tenants who are the property owners and have leased the property back for self-operation (Sellers).

Question 2 Is the total amount of THB 218 million in lease and service receivables entirely attributable to tenants who are the property owners and have leased the properties back for self-operation (Sellers)?

Answer The gross accounts receivable (AR) before deducting the allowance for expected credit losses amounts to THB 410 million. Of this total, lease and service receivables are THB 218 million as of the end of 2024, representing the net accounts receivable (AR) after deducting the allowance for expected credit losses. The composition of these receivables by project is as follows:

- UD Town project: approximately THB 156 million
- Porto Chino project: approximately THB 35 million
- The remaining balance comprises general receivables from small-scale tenants

It should be noted that a reconciliation of the aforementioned figures to isolate only the receivables attributable to tenants who are property owners and have leased the assets back for self-operation (Sellers) cannot be performed, as the receivable data includes small-scale tenants.

Question 3 What criteria are used to determine the allowance for expected credit losses?

Answer The auditor evaluates the historical payment behavior of the debtor in assessing credit risk and determining the allowance for expected credit losses. The recognition of such allowances is recorded in accordance with the relevant accounting standards.

Question 4 Did the decrease in fair value result from a reduction in rental income rates or from a reduction in leased area?

Answer The assessment of fair value in this instance involves several factors that impact the fair value of the assets, in addition to rental income. These factors include the rental rates and the reduction in the remaining term of the leasehold rights.

Topic 3 The appointment of auditors and determination of audit fee of AIMCG for the year 2025

There were no questions from trust unitholders in this matter.

Topic 4 Other matters (if any)

Question related to Porto Chino project

Question 1 Please clarify the current status or progress regarding the transfer of ownership of Porto Chino project, which is owned by D-Land, to AIMCG in order to restructure and alleviate D-Land's outstanding debt with AIMCG?

Answer The REIT Manager has been in continuous negotiations with D-Land to find a solution for managing D-Land's outstanding debt. The REIT Manager has conducted an asset review and found that D-Land's only owned asset is Porto Chino project, with no encumbrances. Other projects are leased by D-Land and carry additional debts with financial institutions. Given this situation, the REIT Manager has focused on Porto Chino project as D-Land's owned asset, aiming to negotiate its transfer to settle outstanding debt with AIMCG. Legal action might not be the most appropriate route for the following reasons:

1. The legal process takes a long time.
2. There are ongoing costs throughout the process.
3. Even if legal proceedings are fully executed, there is a strong possibility of receiving the same asset to settle the debt.

Therefore, the REIT Manager is of the opinion that direct negotiations for a quick resolution are a more suitable approach to effectively address the outstanding debt. Previously, D-Land had agreed to transfer ownership of Porto Chino project to settle the debt. However, the discussions are still ongoing regarding specific terms and legal matters. Negotiations have been ongoing for over a year, as D-Land needs to carefully consider the terms, since Porto Chino project is the only asset that D-Land owns. The agreement's details and conditions are being carefully reviewed by both parties. Once an agreement is reached, a Memorandum of Understanding (MOU) will be executed, and the meeting of the trust unitholders will be convened for approval of the proposed course of action. Both parties aim to complete this process by the end of 2025.

If the trust unitholders approve the debt settlement by transferring the property with the details to be proposed, the REIT Manager will proceed accordingly. However, if the trust unitholders do not approve, the REIT Manager will continue with legal action as needed.

Question 2 If the ownership of Porto Chino project is transferred to AIMCG, how does the REIT Manager plan to negotiate regarding areas such as the activity zone, parking lots, advertising spaces, or vacant spaces on the second floor that D-Land has leased back? Additionally, once Thonglor Management Co., Ltd. takes over the management of the project, what approach will be taken to manage these areas, and are there any limitations in managing these spaces?

Answer The area in Porto Chino project is divided into 2 parts:

- (1) Area leased directly by small-scale tenants from AIMCG; and
- (2) Area that D-Land has leased back for self-operation, which includes the central area of the first floor up to the escalators, as well as part of the second floor.

Currently, Thonglor Management Co., Ltd., as the new property manager, is only able to manage the area that AIMCG leased to small-scale tenants. It cannot manage the area leased back to D-Land, as D-Land still holds rights under the existing leaseback agreement.

As a result, the REIT Manager would have to negotiate with D-Land both as a debtor and a leaseback tenant. The primary goal is to end the leaseback arrangement and return the full management rights of all areas to AIMCG. This would enable Thonglor Management Co., Ltd. to manage the entire project and tenant mix effectively. The approach to this process is outlined in the **Answer to Question 1.**

Question 3 When comparing the appraised value of Porto Chino project with the outstanding debt, how does the valuation relate to the amount owed?

Answer At this stage, the property is yet to be in the process of valuation.

Question 4 Is Porto Chino project the only asset that D-Land can offer to settle its outstanding debt?

Answer D-Land operates community mall retail centers, with three projects in total:

1. Porto Chino project

This is the project in which AIMCG has invested in leasehold rights to the land and buildings, with approximately 30 years remaining on the lease.

2. Porto Go projects

This includes two rest area locations—Tha Chin and Ayutthaya—where D-Land leases the land and has constructed the buildings. However, the assets of both locations are currently under encumbrance with financial institutions.

After review, the REIT Manager has concluded that Porto Go projects, being leasehold and encumbered with financial institutions, could impose additional burdens on AIMCG. Therefore, the REIT Manager has prioritized Porto Chino project, which is the only asset that D-Land owns outright. Preliminary due diligence has revealed no contracts indicating that Porto Chino is encumbered or pledged as collateral to any financial institution.

Question 5 What is the overall financial status of D-Land?

Answer From the data tracking, D-Land has consistently recorded financial losses over time. However, the REIT Manager is unable to disclose specific financial figures of D-Land, as such information is considered sensitive and pertains to an external party.

Question 6 What framework of management that Thonglor Management Co., Ltd. established for the operation of Porto Chino project, and are there any plans for building renovations or infrastructure improvements under its management?

Answer Thonglor Management Co., Ltd. has established a management framework for Porto Chino project that prioritizes cleanliness and safety within the premises. Following that, it will implement proactive marketing efforts in parallel.

As for building maintenance in Porto Chino project, it is part of AIMCG's operational plan, with reserves already allocated for the maintenance of the property. Maintenance activities will be carried out alongside marketing initiatives. Furthermore, should the occupancy rate show signs of improvement, additional renovations will be undertaken in necessary areas in an appropriate and phased manner.

Question 7 What is the approximate percentage of unoccupied rental space within Porto Chino project relative to the total leasable area of the project?

Answer At present, the occupancy rate of Porto Chino project is approximately 70%.

Question 8 Has the REIT Manager engaged with prospective retail tenants possessing strong potential to attract more customers or visitors for Porto Chino project?

Answer The REIT Manager has already initiated contact with more than 50 potential retail tenants. However, a key factor contributing to the delay in securing new tenants is the safety concerns

related to Rama 2 Road, where Porto Chino project is located. This is an external factor beyond the control of AIMCG.

Question related to UD Town project

Question 1 Please provide details regarding the debt and assets of Udon Plaza, as well as an update on the progress of negotiations with Udon Plaza, which is the debtor related to UD Town project.

Answer The amount of debt relating to the UD Town project exceeded that of Porto Chino project. The assets of Udon Plaza consist of leasehold in certain businesses, which are still held by Udon Plaza.

The REIT Manager has been actively seeking solutions to manage Udon Plaza's outstanding debt. Currently, negotiations are ongoing with Udon Plaza. Due to the large scale of the community mall and Udon Plaza's financial situation, which involves outstanding debt with AIMCG, the negotiations have proven to be more complex than those with D-Land regarding Porto Chino project. As a result, no conclusion has been reached yet. Once the negotiations are concluded, the REIT Manager will inform the trust unitholders of the outcome and the next steps to be taken.

Question 2 Is the approach to negotiations with Udon Plaza similar to the approach taken with D-Land? Is there a defined timeline for the negotiations, and what are the risks or opportunities that the negotiations may take for a prolonged period without reaching an agreement?

Answer The approach to negotiations with Udon Plaza is similar to the approach taken with D-Land. The REIT Manager has carefully considered various solutions and aims to reach a conclusion as soon as possible. Currently, the negotiations are still ongoing, and no final conclusion has been reached. The REIT Manager has been consulting with the management team, financial advisors, and trustees to find the best possible outcome. Once a conclusion is reached, the REIT Manager will disclose the information to the trust unitholders and seek approval for further actions.

The reason that the REIT Manager has not reported on the progress of negotiations with Udon Plaza yet is due to careful consideration. Revealing uncertain information to the public could potentially impact on the market price of the trust units and the success of the negotiations. Therefore, any disclosure of information must be done carefully, considering the potential impacts.

Question 3 Udon Plaza currently holds approximately 4 percent of the trust units in AIMCG. In this regard, would it be possible to enforce a forced sale of such trust units to repay the outstanding debt?

Additionally, considering that AIMCG continues to make distributions to trust unitholders, would it be permissible to apply such distributions payable to Udon Plaza toward the settlement of its outstanding obligations to AIMCG? Furthermore, can the expected distributions be used as a part of the negotiation framework with Udon Plaza?

Answer

The trust units are owned by Udon Plaza and are not pledged as collateral to secure any contractual obligations with AIMCG. As such, AIMCG does not have the authority to directly enforce a sale or take any direct action against those trust units, including applying the distributions that Udon Plaza may be entitled to receive toward its outstanding debt with AIMCG. However, since the trust units constitute an asset of Udon Plaza, they may be incorporated into the debt settlement negotiations. In such case, a due diligence review would be required to confirm that the trust units are free of encumbrance. If the trust units are found to be encumbered, it may be necessary to negotiate with other creditors or consider alternative assets as part of the settlement discussions.

Question 4

Why the occupancy rate is high but the income from the rental is decreases?

Answer

The occupancy rate of up to 95% pertains to the space leased to small tenants within the project, from which AIMCG continues to generate rental income. Udon Plaza has remained capable of managing the project, resulting in a lively atmosphere and a consistently high occupancy rate in this area.

However, revenue from the common areas—leased back and managed by Udon Plaza—has not recovered to pre-existing levels, affecting Udon Plaza's ability to service its debt. This decline is attributable to several external factors. For example, the COVID-19 pandemic, which directly impacted consumer behavior and reduced income-generating activities in common areas. These included flea markets, food courts, and large-scale events, all of which have seen a decrease due to shifts in consumer preferences and usage patterns, thereby reducing the expected income from these areas.

Question 5

How does Udon Plaza solve the common area problem so that Udon Plaza can pay off its debt?

Answer

Currently, Udon Plaza has developed new facilities across UD Town project such as a convention hall and a hotel to attract more visitors. Additionally, Udon Plaza has been actively maintaining the physical condition of UD Town project, ensuring it remains in good shape.

Udon Plaza also adjusted its operational plans to be in line with the changing of consumer behavior. Currently, Udon Plaza is organizing morning markets opposite the convention hall, refurbishing the food court, and reconfiguring various zones within the project. In addition,

because of a rental payment default, AIMCG has withheld property management fees from Udon Plaza, as Udon Plaza did not make its payment on time.

Other questions

Question 1 Please explain the advantages and disadvantages of leasing the area back to the property owner (Seller) for management.

Answer The advantages include the fact that the property owner (the Seller) remains obligated to AIMCG. However, the COVID-19 pandemic significantly impacted consumer behavior. Consequently, the transaction structure in each period continues to consider various factors. In this regard, AIMCG has carefully considered historical financial information and various factors to determine the appropriateness of the transaction structure at each time, with an emphasis on adapting to changing circumstances.

Question 2 In negotiating with the debtor, will there be a reduction in the amount of outstanding debt?

Answer At this stage, a clear answer cannot be given by the REIT Manager because the amount of debt and related conditions are still being considered in all aspects. Nonetheless, the REIT Manager will consider the approach that will create the highest benefit for trust unitholders. For example, if it is necessary to reduce the amount of outstanding debt to achieve the best results, such a course of action may be pursued by the REIT Manager, but the advantages and disadvantages must be explained in detail before being submitted to the meeting of the trust unitholders for consideration and approval. Alternatively, if the potential costs associated with legal proceedings are assessed to be less than those incurred by a debt reduction, pursuing legal action may be contemplated.

Question 3 Please clarify the legal procedures in the event that a debtor under the repayment plan is unable to comply with the specified conditions. What are the next steps or measures that the REIT Manager will take?

Answer Legal action is still under consideration by the REIT Manager. The REIT Manager places special importance on prescription of the case. The REIT Manager believes that AIMCG should manage its expenses to maximize the benefits of its operations and avoid expenses related to litigation. Therefore, legal action should be the last option if an alternative solution that is more efficient and appropriate can be found. The decision on such an approach will be at the discretion of the trust unitholders, and the REIT Manager will seek approval from the meeting of the trust unitholders once a conclusion has been reached.

Question 4 Does the REIT Manager have guidelines for considering and selecting assets with good performance to be under the management of AIMCG? Are there any assets currently under consideration or negotiation to be included in AIMCG?

Answer The current sluggish capital market has made raising funds for investment or liquidity more challenging. Simultaneously, securing funds from financial institutions remains difficult due to stricter lending policies, including the consideration of AIMCG's performance, which can affect loan approval. Consequently, finding sources of funds for new asset investment is particularly challenging at this time.

Yours Sincerely,

AIM Commercial Growth Freehold and Leasehold

Real Estate Investment Trust

By AIM Real Estate Management Company Limited as the REIT Manager

(Mr. Charasrit A.Voravudhi)

Chief Executive Officer and Director