

# AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

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## Opportunity Day

**Q2/2024**

4 September 2024



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# Agenda

01

AIMCG Highlights

02

AIMCG Overview

03

Operational Performance

04

Financial Performance

# Key Highlights



## Stabilized Retention Rate with Satisfied and Diverse Tenant Base

The retention rate has been secured through a positive business environment for tenants by tailor-made to unique desires and strong relationship with tenants. A variety of tenant types has been continued to meet the diverse customer needs and preferences.

### 97% Renewal Rate

New Comer

**Klae Ice-cream** famous coconut ice-cream from Chonburi, opened in Apr 2024.

**Too Game** game zone, opened in Apr 2024.

**Yodcha Café** fresh tea from the high mountains in Chiang Mai, opened in Apr 2024.

**Zaza** fashion clothes, opened from May 2024.

Most of lease agreements due in Q2/2024 have been renewed, composing of a diverse range of tenants such as IT Stream Game, Se-Ed, KT Optic, Wacoal Mood, and Lee Phone.

Porto Chino

### 100% Renewal Rate

New Comer

**Ergo Insurance** an insurance company under a major insurance group from Germany, operated since Apr 2024.

All of lease agreements due in Q2/2024 have been renewed, composing of various business types tenants such as Pet Club, Avorin, Rak Pasa, and Tong Garden.

72 Courtyard

### 100% Renewal Rate

All of lease agreements due in Jul 2024 have been renewed, including Membership, Beam Club, and Bar Toro.



## Distribution Payment

### Quarterly Distribution Payment

of THB **0.0900** per unit for Q2/2024

On account of operational performance and retained earning, AIMCG has announced distribution payment of THB 0.0900 per unit for Q2/2024.

UD Town

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# AIMCG Overview



## AIM Commercial Growth Freehold and Leasehold Real Estate Investment Trust

**Symbol:** AIMCG

**Establishment:** 3 July 2019

**Listed on SET:** 12 July 2019

**REIT Manager:** AIM Real Estate Management Company Limited

**Trustee:** SCB Asset Management Company Limited

### Investment Policy

AIMCG's diversified investment policy encompasses various types of commercial real estate including lifestyle malls, shopping centers, retail space, office buildings, and convention centers.

### Investment Assets



#### UD Town

Location: Udon Thani  
Leasable Area: 25,785 Sq.m.  
Remaining Lease: 15.8 Years



#### Porto Chino

Location: Samut Sakhon  
Leasable Area: 14,362 Sq.m.  
Remaining Lease: 30.0 Years



#### 72 Courtyard

Location: Bangkok  
Leasable Area: 2,156 Sq.m.  
Remaining Lease: 8.3 Years



#### Noble Solo

Location: Bangkok  
Leasable Area: 908 Sq.m.  
Remaining Lease: Freehold



## Q2/2024 Snapshot

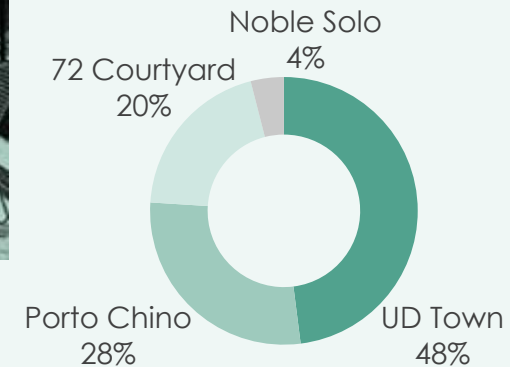
**Total Leasable Area**  
**43,211 Sq.m.**

**NAV per Unit**  
**THB 9.9042/Unit**

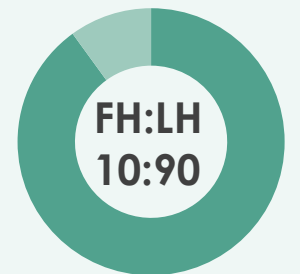
**Total Asset**  
**THB 3,225 mm**

**IBD-to-TAV**  
**5.8%**

### Revenue Contribution



### Investment Type



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# Operational Performance

## Key Metrics (Q2/2024)

Average OR<sup>/1</sup>  
**93.0%**

Renewal Rate  
**98.9%**

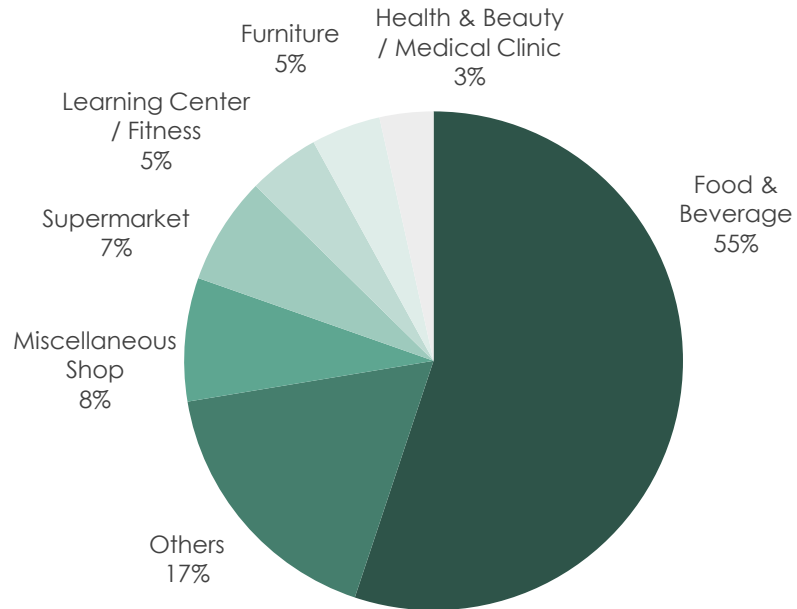
Average Rental Growth  
**(0.1%)**

Lease Expiry  
**0.9%**

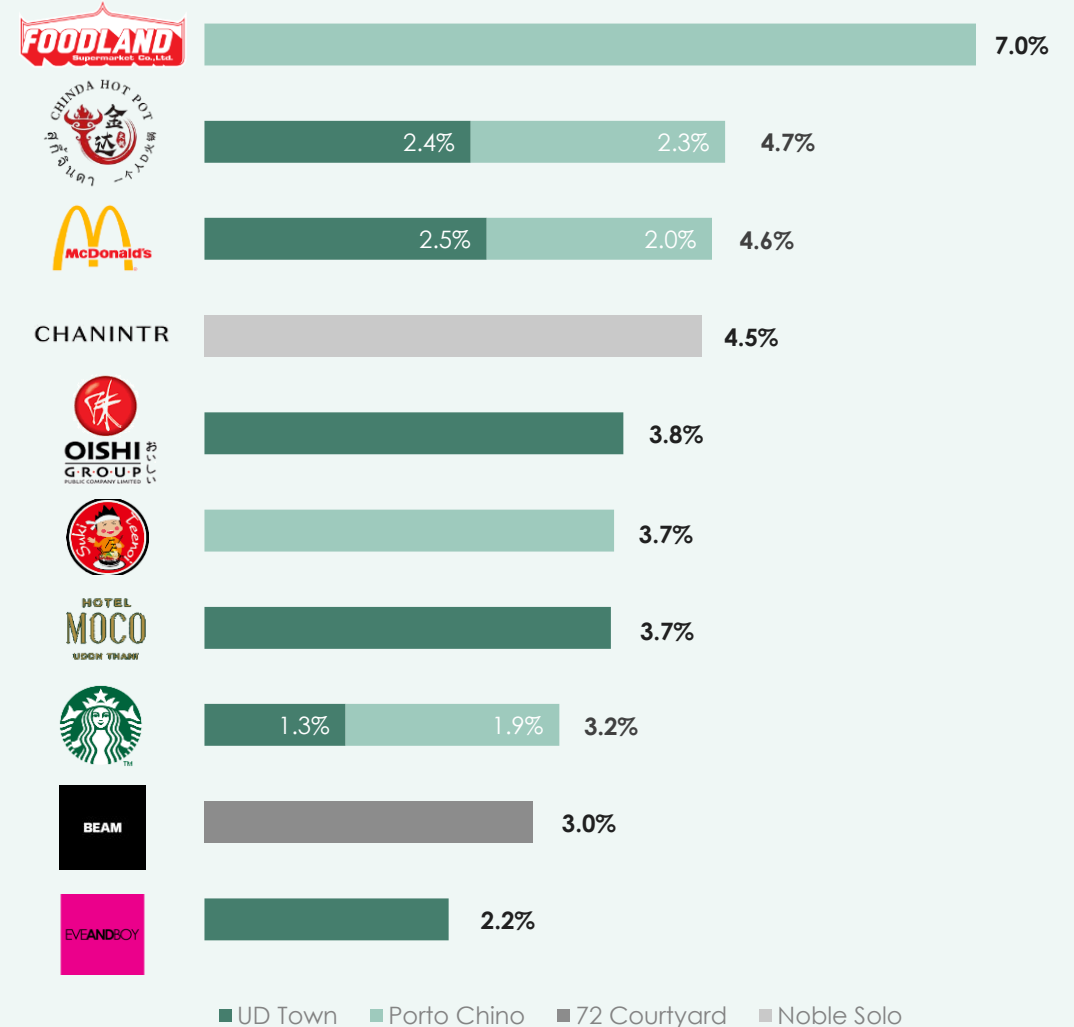
WALE  
**10.1 years**

## Tenant Mix<sup>/2</sup>

Focusing on F&B tenants help alleviating the impact of technological disruption toward consumer shopping habits



## Top 10 Tenants<sup>/2</sup>



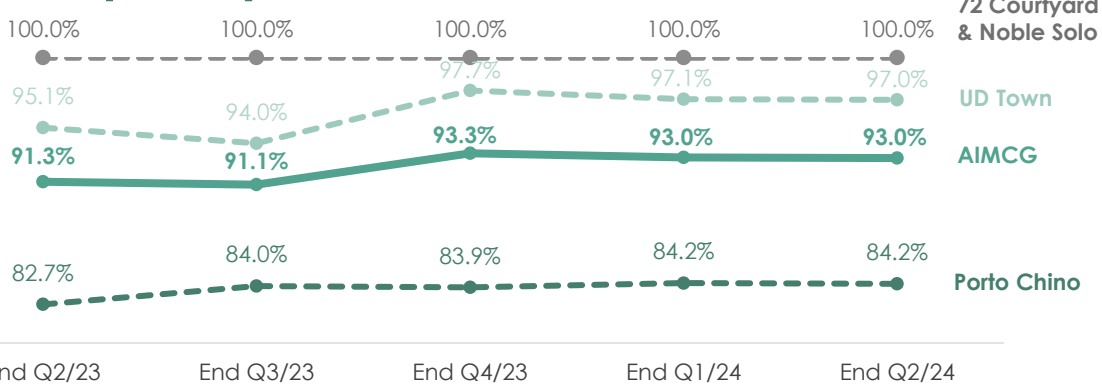
Info as of 30 June 2024 and based on leasable area  
 Note: <sup>/1</sup> Excluding obligation of project owner to fill-in vacant area for the period of 5 years from the investment date  
<sup>/2</sup> Excluding leaseback and unoccupied area



# Q2/2024 Portfolio Overview : Overall (Retail Tenants & Leaseback)



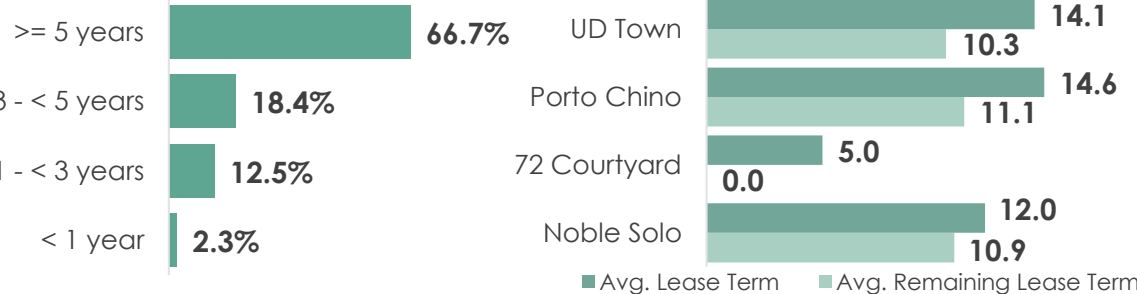
## Occupancy Rate (Excluding Fill-In Area)<sup>1</sup>



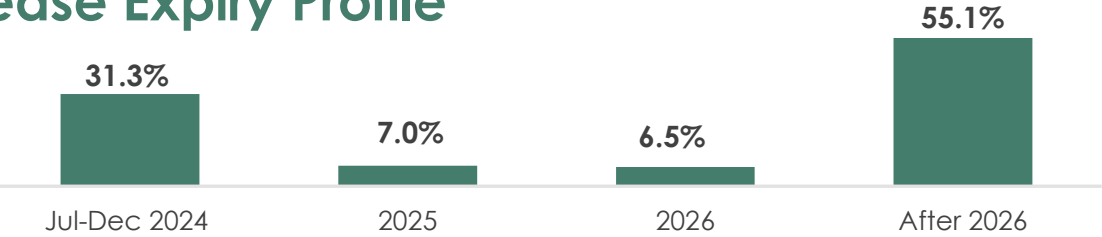
## Key Takeaways

- 1) The overall AIMCG occupancy rate in Q2/2024, including all retail tenant stores and leaseback areas, remained stable at 93.0%, consistent with Q1/2024 across all projects. However, this reflected a slight decline from Q4/2023, primarily due to a minor decrease in occupancy at UD Town.
- 2) Leases with a term of 5 years or more represented 66.7% of our portfolio, with a tenant-weighted average lease expiry of 10.1 years as of Q2/2024. Approximately 31.3% of the leased area is scheduled to expire within 2024. This includes:
  - 1) The lease for the entire 72 Courtyard area, expiring on 4 Jul, 2024. This lease has already been successfully renewed with the current tenant.
  - 2) The area that the project owner of UD Town and Porto Chino required to fill-in vacant areas for the period of 5 years from the investment date, ending on 4 Jul 2024. For the areas currently occupied by existing tenants, most have signed lease agreements directly with AIMCG.

## Tenant Lease Term & Remaining Lease



## Lease Expiry Profile



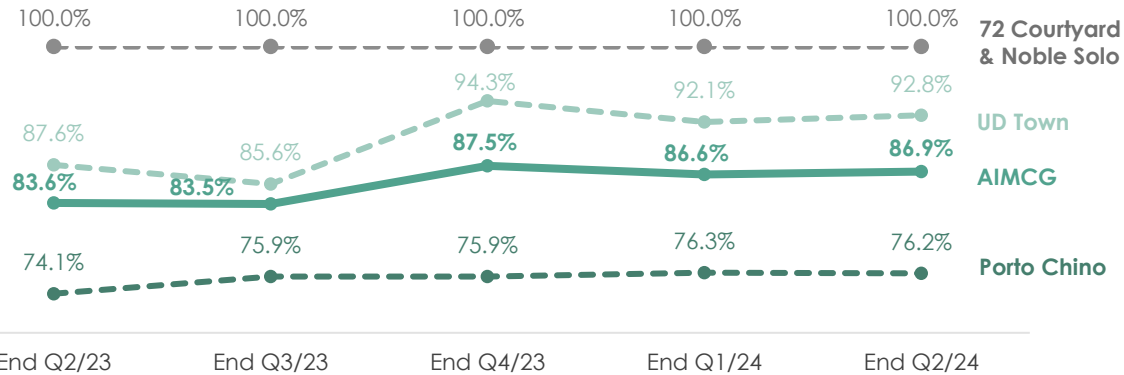
- 3) Through significant efforts to address issues, build trust, and strengthen relationship with tenants, combined with a strategic pricing approach, AIMCG achieved an impressive tenant retention rate of 98.9% in Q2/2024. All well-known magnet tenants continue to stay with us.

Info as of 30 June 2024 and based on leasable area  
 Note: <sup>1</sup> Excluding obligation of project owner to fill-in vacant area for the period of 5 years from the investment date

# Q2/2024 Portfolio Overview : Retail Tenants Only



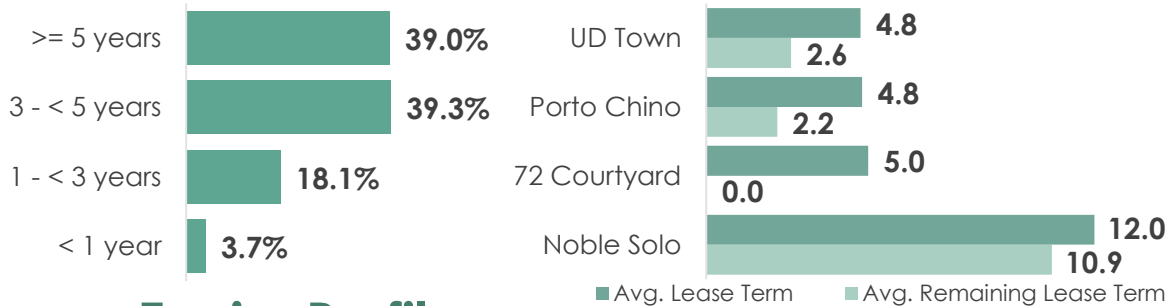
## Occupancy Rate (Excluding Fill-In Area)<sup>1</sup>



## Key Takeaways

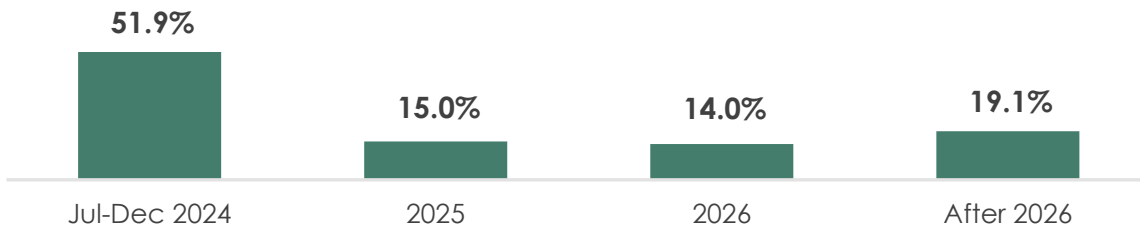
- Excluding leaseback area, AIMCG's average occupancy rate improved to 86.9% in Q2/2024, up by 0.3% from Q1/2024. However, it remains below the 87.5% occupancy rate recorded in Q4/2023, mainly due to decreased occupancy at UD Town.
- Leases with a term of 5 years or more represented 39.0% of our portfolio, with a tenant-weighted average lease expiry of 2.6 years as of Q2/2024. Approximately 51.9% of the leased area is scheduled to expire within 2024. This includes:

## Tenant Lease Term & Remaining Lease



- The lease for the entire 72 Courtyard area, expiring on 4 Jul, 2024. This lease has already been successfully renewed with the current tenant.
- The area that the project owner of UD Town and Porto Chino required to fill-in vacant areas for the period of 5 years from the investment date, ending on 4 Jul 2024. For the areas currently occupied by existing tenants, most have signed lease agreements directly with AIMCG.

## Lease Expiry Profile



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# Financial Performance

## Key Metrics (Q2/2024)

Total Income  
**THB 89.6 mm**

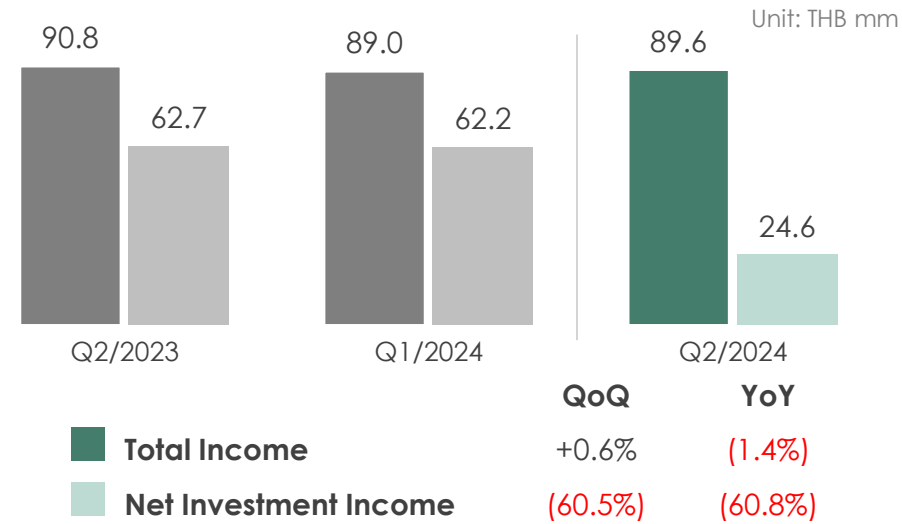
Net Investment Income  
**THB 24.6 mm**

Net Profit  
**THB 24.6 mm**

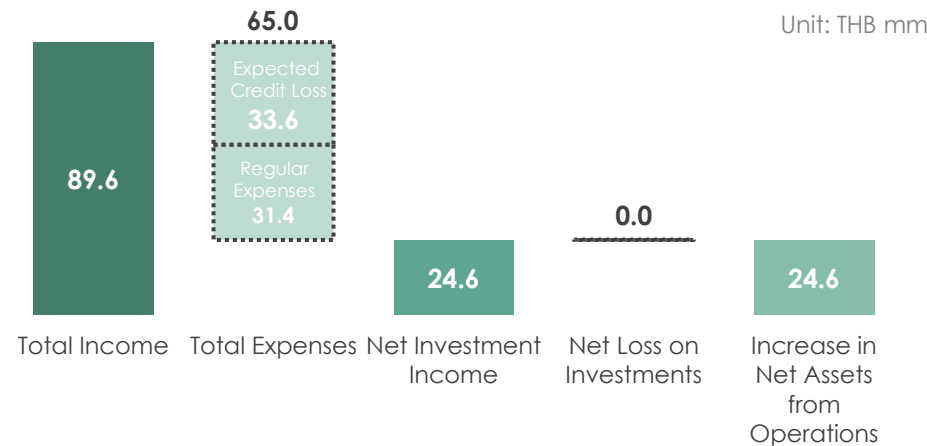
EBITDA<sup>/1</sup>  
**THB 28.4 mm**

EBITDA Margin  
**31.6%**

## Profit and Loss



## Financial Statement



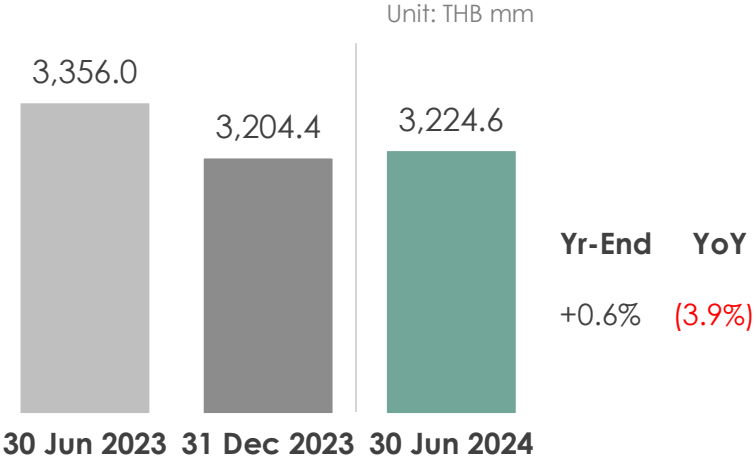
## Key Takeaways

- 1 Rental and service income is recognized on a straight-line basis over the lease term in accordance with accounting standards, which means that actual rental and service income in lease agreement and actual rental revenue collection could be lower than what is presented in the income statement.
- 2 The total income for Q2/2024 was reported at THB 89.6 mm, remaining relatively stable QoQ and YoY.
- 3 In Q2/2024, net investment income was THB 24.6 mm, representing a significant decline of 61% compared to both QoQ and YoY. This decrease was mainly due to an accounting expense item: a loss from expected credit loss of rental and services receivables of THB 33.6 mm this quarter, compared to a reversal of loss from expected credit loss of THB 0.4 mm in Q1/2024 and THB 0.5 mm in Q2/2023.
- 4 Since there was no net loss or gain on investments in Q2/2024, net profit was also THB 24.6 mm, the same as the net investment income.

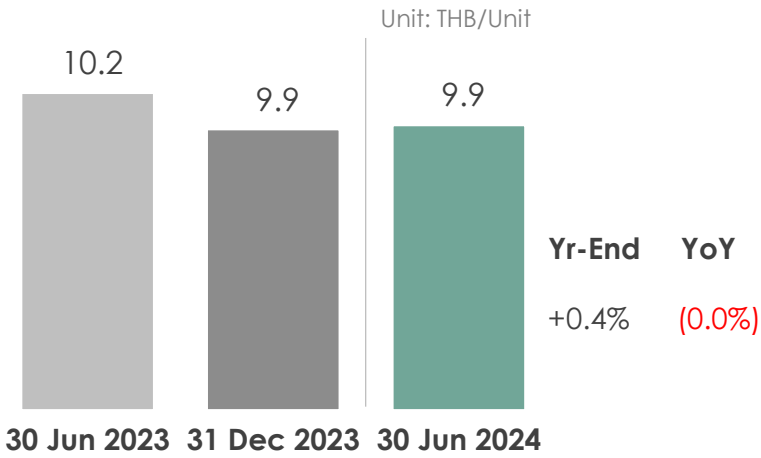
# Financial Position



## Total Assets



## Net Asset Value (NAV)

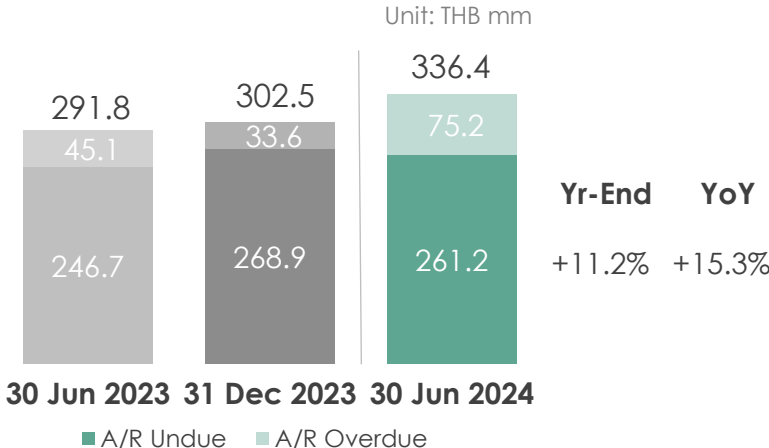


## Key Takeaways

- As at 30 Jun 2024, total assets were reported at THB 3,224.6 mm, showing a marginal increase comparing to the end of Dec 2023. This increase was primarily driven by rental and services receivables, influenced by repayment plans and delayed payments from UD Town and Porto Chino.
- Most of the rental and service receivables were undue portion, accounting for 77.7% of total receivables. The increase in accounts receivables was driven by overdue amounts from asset sellers, which were continuously under close monitoring and debt collection processes. In Q2/2024, AIMCG recognized an additional allowance for expected credit loss at THB 33.5 mm, predominantly related to the seller portion.
- Regarding overall account receivables, only 1.8% was from retail tenants, while the majority was from sellers: Udon Plaza (UD Town) accounted for 57.9%, D-Land Property (Porto Chino) 34.9%, and Membership (72 Courtyard) 5.4%.

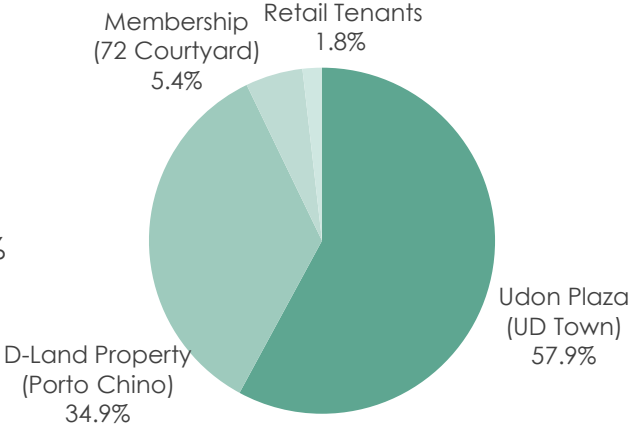
## Account Receivable

(Breakdown into Undue and Overdue Portion)



## Account Receivable

(By Tenant)



# Financial Structure

## Key Metrics (Q2/2024)

IBD/<sup>1</sup>  
**THB 188.3 mm**

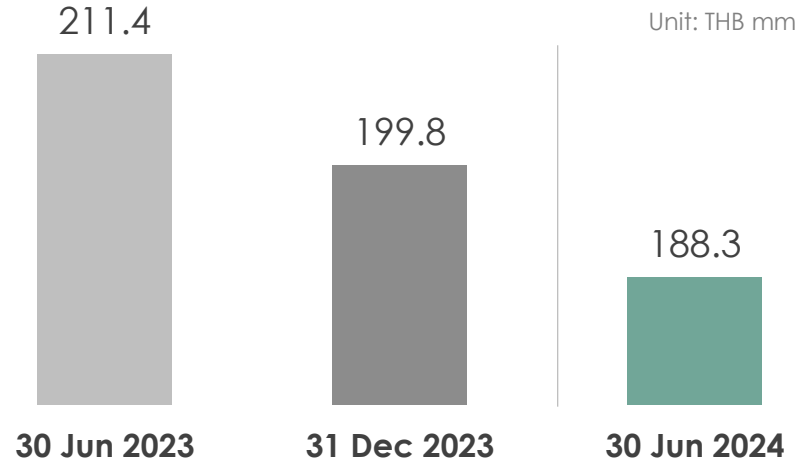
IBD to TAV  
**5.8%**

D/E  
**0.1x**

Average Cost of Borrowing  
**5.8%**

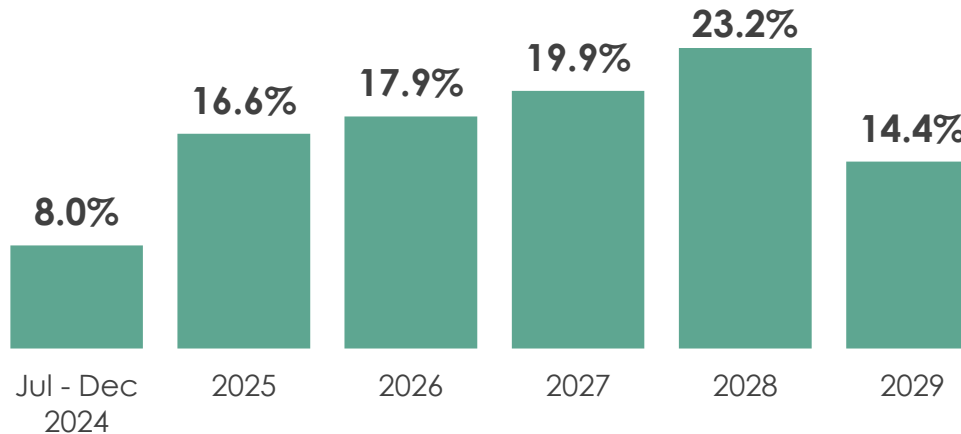
Loan Maturity  
**5.3 Years**

## Total Interest Bearing Debt



## Loan Maturity Profile

% of Loan Outstanding as of 30 Jun 24<sup>2</sup>



## Key Takeaways

- 1 IBD level has been consistently lessen following the repayment schedule, specifying a gradual reduction in risk for AIMCG.
- 2 Gearing ratio was shown at low level, IBD to TAV ratio at 5.8% and D/E ratio at 0.1 times. AIMCG had lower financial risk and less affect from interest rate fluctuation.
- 3 The loan repayment profile was moderately flat, without substantial principle due at the maturity. Therefore, repayment risk was relatively low.

Info as of 30 June 2024

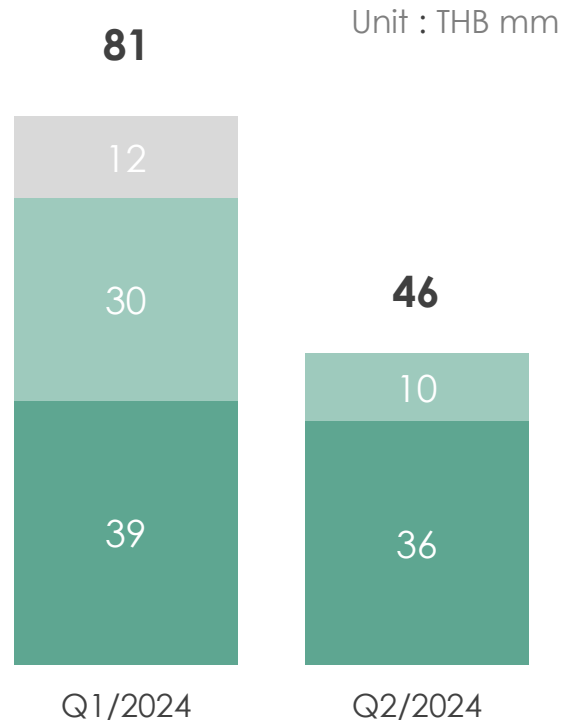
Note: <sup>1</sup> Interest Bearing Debt (IBD) consisting of short-term and long-term loan

<sup>2</sup> Actual Long Term Loan outstanding amount was THB 148.3 mm

# Revenue in Cash Basis

## Revenue in Cash Basis

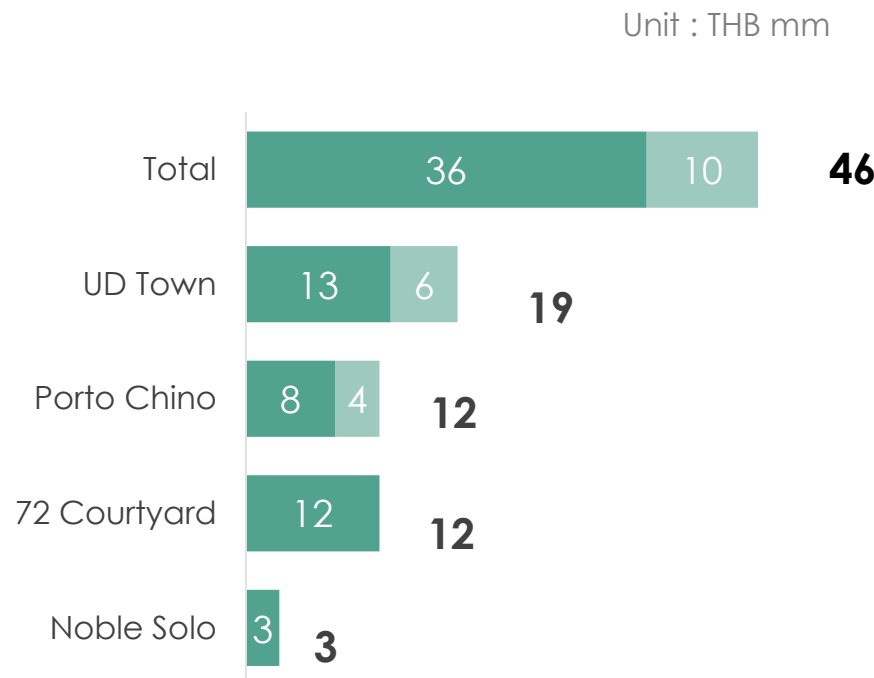
(Q1/2024 vs Q2/2024)



■ Direct Lease ■ Installment ■ Deposit

## Q2/2024 Revenue in Cash Basis

(Breakdown by Project)



■ Direct Lease ■ Installment Plan

## Key Takeaways

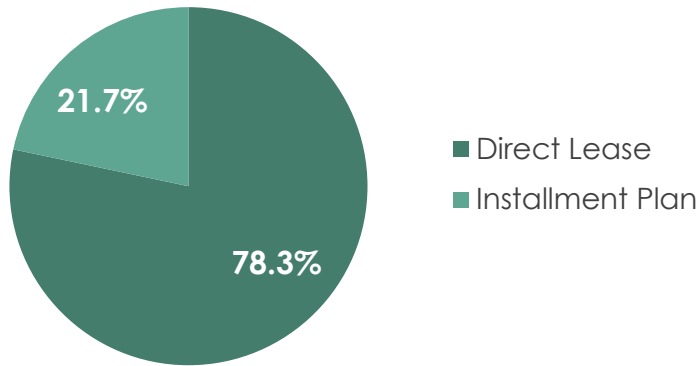
- 1 In Q2/2024, total revenue on a cash basis was THB 46 mm, with contributions from UD Town at 41.3%, Porto Chino at 26.1%, 72 Courtyard at 26.1%, and Noble Solo at 6.5%. Revenue sources included direct leases at 78.3% and installment plans at 21.7%. There was no withholding rental deposits in this quarter.
- 2 As at 30 June 2024, both Udon Plaza (UD Town) and D-Land Property (Porto Chino) had a zero balance in rental deposits since the end of Q1/2024.
- 3 72 Courtyard has fully repaid its debt installment since Q1/2024.

# Distribution Payment

## Q2/2024 Distribution Detail

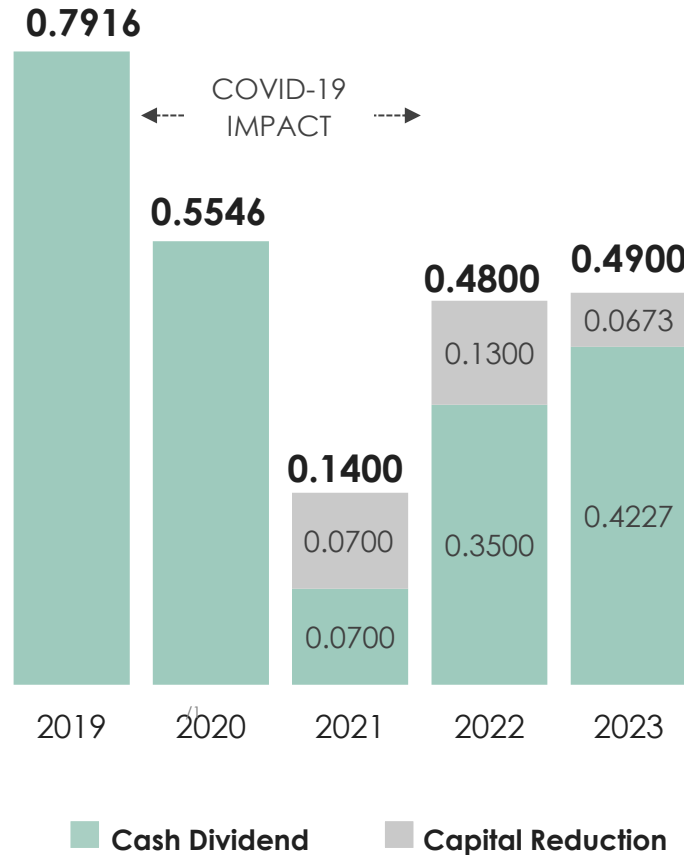
Operating Period	1 April – 30 June 2024
Distribution Type	Cash Dividend
Distribution per Unit	THB 0.0900
Ex-Dividend	26 Aug 2024
Book Closing	28 Aug 2024
Payment Date	13 Sep 2024

## Contribution of DPU



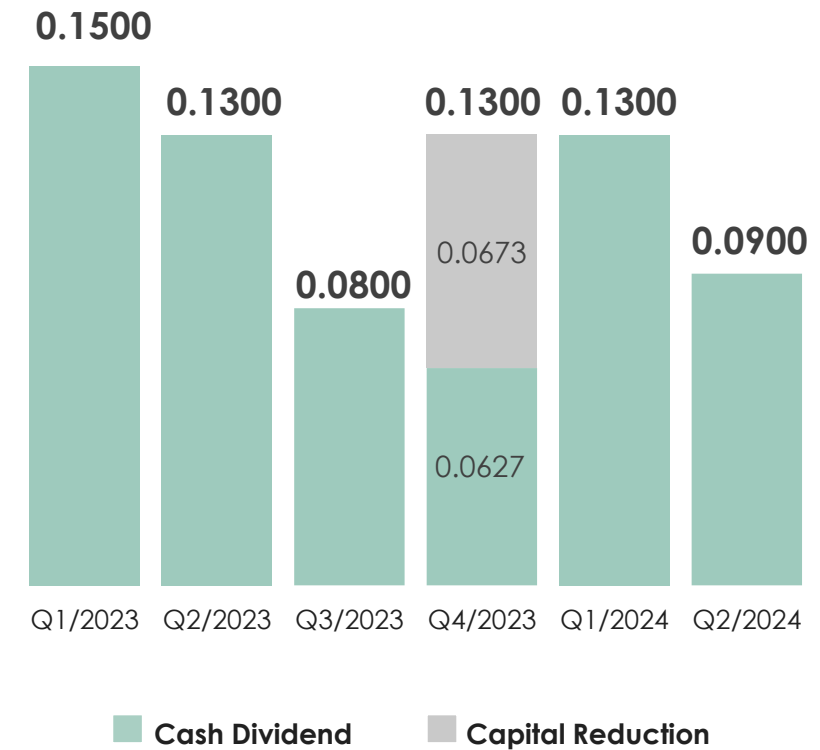
## Yearly Distribution Payment

Unit: THB/Unit



## Quarterly Distribution Payment

Unit: THB/Unit





# A/R Status & Action Plan

## A/R Status

During Q2/2024, A/R increased following the rental payment plans of UD Town and Porto Chino (approved in Annual General Meeting of Trust Unitholders of AIMCG in Apr 2022) and delay payment of UD Town, Porto Chino and 72 Courtyard. Principal portion of this increase was overdue A/R, which has been closely monitored. The REIT manager has continually pursued the debt collection and reinforced the measurement in debt collection for the optimal possible outcome.

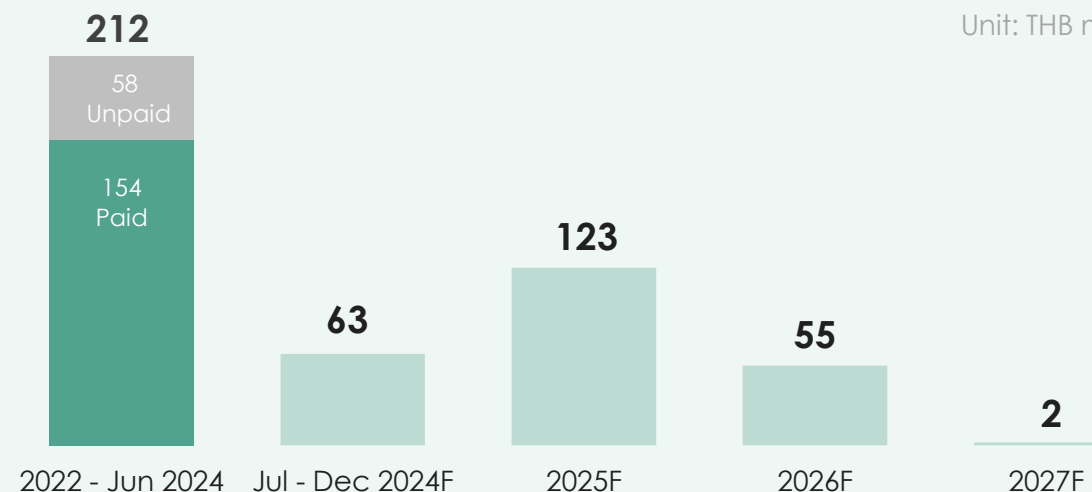
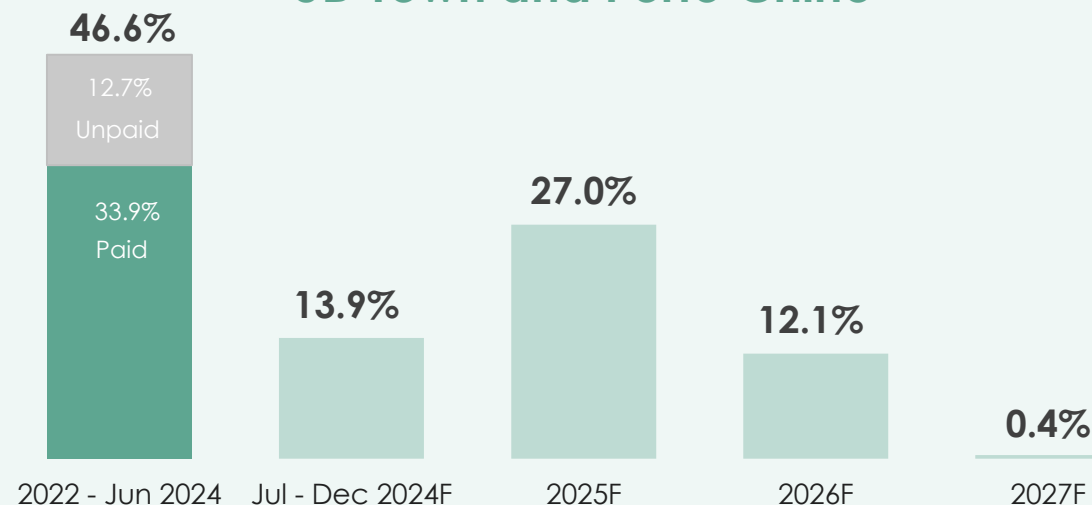
## Action Taken

- Intensive and on-going follow up with all existing contact channels such as telephone calls, face-to-face interactions, and warning letters
- Late payment fee charge
- Rental deposit withholding
- Negotiation with key persons to find way to resolve overdue payment
- Legal action preparation in parallel if no other appropriated solutions available

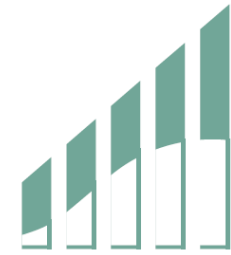
## Debt Collection Target

To ensure effective and efficient debt recovery for maximizing benefit of unitholders, REIT manager is aim to collect debts in an advantage and prompt manner, while preserving the valued business relationships with business partners.

## Expected Installment Plan Payment from UD Town and Porto Chino



Unit: THB mm



# AIMCG

## AIM Real Estate Management Company Limited



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AIM Group

# Appendix

# AIMCG Structure



# AIMCG Asset Profile



	UD TOWN	PORTO CHINO	72 COURTYARD	NOBLE SOLO
				
				
<b>LOCATION</b>	UDON THANI	SAMUT SAKHON	BANGKOK (THONGLOR)	BANGKOK (THONGLOR)
<b>ASSET TYPE</b>	LIFESTYLE MALL	LIFESTYLE MALL	LIFESTYLE MALL	RETAIL SPACE
<b>INVESTMENT TYPE</b>	LEASEHOLD APPROX. 20.8 YEARS <sup>/1</sup>	LEASEHOLD 35 YEARS <sup>/2</sup>	LEASEHOLD APPROX. 13.2 YEARS	FREEHOLD
<b>REMAINING LEASEHOLD LIFE</b>	15.8 YEARS (30 APR 2040)	30.0 YEARS (4 JUL 2054)	8.3 YEARS (30 SEP 2032)	-
<b>PROPERTY MANAGER</b>	UDON PLAZA CO., LTD.	D-LAND PROPERTY CO., LTD.	CHETCHOT CO., LTD.	NOBLE DEVELOPMENT PCL.
<b>LAND AREA</b>	23-1-70 RAI <sup>/1</sup>	14-0-60 RAI	1-0-53 RAI	3-1-55 RAI
<b>INVESTMENT AREA</b>	37,428 SQ.M. <sup>/1</sup>	33,694 SQ.M.	5,019 SQ.M.	1,424 SQ.M.
<b>LEASABLE AREA</b>	25,785 SQ.M. <sup>/1</sup>	14,362 SQ.M.	2,156 SQ.M.	908 SQ.M.
<b>REVENUE CONTRIBUTION<sup>/3</sup></b>	49%	26%	21%	4%

Note: Info as of June 2024

<sup>/1</sup> Excluded short-term leasehold right with minor areas that expired at the end of December 2022

<sup>/2</sup> Initial investment for 30 years in July 2019 with additional investment for 5 years in September 2022 as part of the debt restructuring plan in accordance with the AGM's resolutions

<sup>/3</sup> Based on percentage of total rental revenue from contracts in June 2024 of all projects

# AIMCG Background & Milestones

REIT Manager license was granted by Securities and Exchange Commission (SEC) on 18 January 2019

JAN 2019

REIT MANAGER LICENSE

AIMCG was listed on SET on 12 July 2019

JUL 2019

AIMCG LISTED ON SET



ADDITIONAL ASSET INVESTMENT

JUL 2019

AIMCG was established with initial assets investment worth Baht 2.8 billion on 3 July 2019



UD TOWN



PORTO CHINO

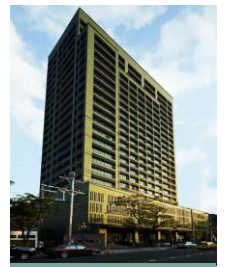


72 COURTYARD

NOV 2019

AIMCG successfully invested in additional asset worth Baht 0.2 billion on 28 November 2019

NOBLE SOLO



NOBLE SOLO