

3Q23 QUARTERLY HIGHLIGHTS (July 1 - Sep 30, 2023)

- **Total income** in 3Q23 was THB 154.02mn
- **Net profit on investment** in 3Q23 was THB 80.74mn
- As of September 30, 2023, **Net Asset Value (NAV)** was THB 3,647.97mn, or THB 9.8914 per unit

NOTE: Due to the rounding, numbers presented throughout this document may not add up precisely to the total

SIGNIFICANT EVENT IN 3Q23

On September 11, 2023, B-WORK has announced Changes in main tenants and lease & service agreement renewal via ELCID of SET. The details are summarized as follows:

- 1) True Tower 2 will see the non-renewal of lease agreements totaling 7,861 sq.m. (31.4% of the total leasable area of the project) upon expiring at the end of 2023. These include agreements expiring in September 2023, amounting to 2,370 sq.m. (9.5% of total leasable area of the project); agreements expiring in October 2023, amounting to 299 sq.m. (1.2% of total leasable area of the project); and agreements expiring in December 2023, amounting to 5,192 sq.m. (20.7% of total leasable area of the project).
- 2) In 2024, True Tower 2 will have lease agreements expiring, covering a total area of 11,941 sq.m. (47.7% of the total leasable area of the project). These agreements include those ending in June 2024, amounting to 1,894 sq.m. (7.6% of the total leasable area of the project); August 2024, amounting to 85 sq.m. (0.3% of the total leasable area of the project); and December 2024, amounting to 9,962 sq.m. (39.8% of the total lease area of the project).

KEY PERFORMANCE INDICATOR

Projects	NLA (sqm)	3Q23		3Q22	
		Occupancy rate (%)	Average Rental Rate (THB/sqm/month)	Occupancy rate (%)	Average Rental Rate (THB/sqm/month) ⁽²⁾
True Tower 1	37,827 ⁽¹⁾	99.4%	714	100%	691
True Tower 2	25,041	93.6%	649	100%	640
Total	62,868	97.1%	689	100%	670

(1) In 3Q23, B-WORK reclassified the leased area according to the purpose of the area usage, resulting in the net lettable area of 37,827 sqm in 3Q23 compared to 37,302 sqm in 2Q23.

The blended occupancy rate in 3Q23 was 97.1 percent; the blended average monthly rental rate in 3Q23 was THB 689 per sqm, increasing 2.84% from last year.

FINANCIAL PERFORMANCE

Unit (THB mn)	3Q23	3Q22	YoY (%)	2Q23	QoQ (%)
Total Income	154.02	150.90	2.1%	161.89	(4.9%)
Rental income	57.10	58.05	(1.6%)	59.60	(4.2%)
Services income	93.72	89.84	4.3%	98.95	(5.3%)
Interest income	0.63	0.20	218.8%	0.72	(12.7%)
Other incomes	2.57	2.82	(8.6%)	2.62	(1.6%)
Total Expense	73.28	75.67	(3.1%)	77.46	(5.4%)
Costs of rental and services	40.71	35.87	13.5%	42.31	(3.8%)
Fees and expenses for property management	19.75	20.56	(3.9%)	22.42	(11.9%)
Administrative expenses	0.48	9.59	(95.0%)	0.75	(35.9%)
Amortization of deferred expenses	-	0.13	n/a	-	n/a
Finance costs	12.33	9.51	29.6%	11.98	3.0%
Net profit on investment	80.74	75.24	7.3%	84.42	(4.4%)
Net gain (loss) on investment	(482.53)	90.91	(630.8%)	(0.90)	n/a
Net increase (decrease) in net assets resulting from operations	(401.79)	166.15	(341.8%)	83.52	(581.0%)

TOTAL INCOME

Total income for 3Q23 was THB 154.02mn, increasing 2.1% YoY but decreasing 4.9% QoQ. The details are as follows:

- Rental income was THB 57.10mn, decreasing 1.6% YoY and 4.2% QoQ, which came mainly from the rental rate in a lease agreement, recognized based on a straight-line basis, and the decrease in occupancy rate compared with the same period last year
- Services income was THB 93.72mn, increasing 4.3% YoY but decreasing 5.3% QoQ. The details are as follows:
 - Service agreement income of THB 68.21mn, similar to the same period last year but decreasing 3.6% QoQ, which came from the service rate in the service agreement, recognized based on a straight-line basis, and the decrease in occupancy rate compares with the same period last year
 - Utility income of THB 24.95mn, increasing 17.0% YoY but decreasing 9.5% QoQ, which was in line with the increase in utility costs
 - Parking revenue was THB 0.57mn, decreasing 15.5% YoY and 14.2% QoQ
- Interest income was THB 0.63mn, increasing 218.8% YoY from the increase in deposit interest rates, but decreasing 12.7% QoQ
- Other incomes were THB 2.57mn, decreasing 8.6% YoY and 1.6% QoQ. Since 4Q22, the profits from amortizing the low portion of securities (bonds) investments were recognized in interest income instead of other incomes according to the accounting policy

TOTAL EXPENSE

Total expense for 3Q23 was THB 73.28mn, decreasing 3.1% YoY and 5.4% QoQ. The details are as follows:

- Costs of rental and services were THB 40.71mn, increasing 13.5% YoY but decreasing 3.8% QoQ, mainly from the change in utility costs
- Fees and expenses for property management were THB 19.75mn, decreasing 3.9% YoY and 11.9% QoQ, which came mainly from the decrease in property management expense
- Administrative expenses were THB 0.48mn, decreasing 95.0% YoY and 35.9% QoQ
- Finance costs were THB 12.33mn, increasing 29.6% YoY and 3.0% QoQ, due to the increase in interest rates

NET PROFIT ON INVESTMENT

B-WORK recorded a net profit on the investment of THB 80.74mn, increasing 7.3% YoY but decreasing 4.4% QoQ, due mainly to a decrease in rental and services income.

NET LOSS ON INVESTMENT

B-WORK recorded a net loss on investment of THB 482.53mn, as a result of net loss on revaluation of investment in leasehold properties, accounted as a new fair value, by an income approach method from an independent appraiser.

NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS

Regarding net loss on investment, B-WORK recorded a net decrease in net assets resulting from operations of THB 401.79mn, decreasing 341.8% YoY and 581.0% QoQ

CLARIFICATION OF OPERATING PERFORMANCE CHANGE OVER THAN 20% COMPARED TO THE SAME PERIOD OF PREVIOUS YEAR

B-WORK recorded net decrease in net assets resulting from operations of THB 401.79mn, decreasing 341.8% YoY, which was changed over than 20 percent from the same period last year, due mainly to net loss on investment of 482.53mn, resulting from the revaluation of investment in leasehold properties. The details are as follows:

- In 3Q22, B-WORK recorded net gain on investment of THB 90.91mn, the details are mentioned below:
 - Net gain on changes in fair value of investments in leasehold properties of THB 90.95mn, as a result of net gain on revaluation of investment in leasehold properties, accounted as a new fair value, by an income approach method from an independent appraiser.
 - Net loss on changes in fair value of investments measured of THB 0.05mn
- In 3Q23, B-WORK recorded net loss on investment of THB 482.53mn, the details are mentioned below:
 - Net loss on changes in fair value of investments in leasehold properties of THB 482.44mn, as a result of net loss on revaluation of investment in leasehold properties, accounted as a new fair value, by an income approach method from an independent appraiser.
 - Net loss on changes in fair value of investments measured of THB 0.09mn

BALANCE SHEET

Unit (THB mn)	As of 30-Sep-2023	As of 30-Jun-2023
Total Assets	4,700.50	5,196.30
Investment in leasehold properties at fair value	4,238.86	4,720.67
Investment in securities and cash at financial institutions	267.88	303.81
Receivables on accrued rental and service income	161.10	139.54
Other assets	32.66	32.28
Total Liabilities	1,052.53	1,079.90
Accounts payable, accrued expenses, and rental and services income received in advance	93.85	98.93
Deposits from rental and service	130.25	130.16
Long-term loan	818.80	844.10
Other liabilities	9.63	6.71
Net asset value	3,647.97	4,116.40
Capital from unitholders	3,620.03	3,620.03
Retained earnings	27.94	496.37
Net asset value	3,647.97	4,116.40
Net asset value per unit (THB)	9.8914	11.1615

The total assets of B-WORK as of September 30, 2023, were THB 4,700.50mn. These consist of investment in leasehold properties at the fair value of THB 4,238.86mn, investment in securities and cash at financial institutions of THB 267.88mn, Other assets of THB 32.66mn, and receivables on accrued rental and service income of THB 161.10mn, increasing from last quarter, due to the contract process after the merger of the main tenant on March 1, 2023.

Total liabilities were THB 1,052.53mn. These consist of account payables, accrued expenses, and rental and services income received in advance of THB 93.85mn, deposits from rental and services of THB 130.25mn, long-term loan of THB 818.80mn and other liabilities of THB 9.63mn.

As of September 30, 2023, the net asset value was THB 3,647.97mn, or THB 9.8914 per unit.