



**4Q23 QUARTERLY HIGHLIGHTS (October 1 - December 31, 2023)**

- **Total income** in 4Q23 was THB 144.26mn
- **Net profit on investment** in 4Q23 was THB 81.74mn
- As of December 31, 2023, **Net Asset Value (NAV)** was THB 3,665.20mn, or THB 9.9381 per unit

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

**SIGNIFICANT EVENT**

B-WORK has announced Changes in main tenants and lease & service agreement renewal via ELCID of SET on September 11, 2023. 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)	4Q23		4Q22	
		Occupancy rate (%)	Average Rental Rate (THB/sqm/month)	Occupancy rate (%)	Average Rental Rate (THB/sqm/month) <sup>(2)</sup>
True Tower 1	37,827	99.4%	714	100%	691
True Tower 2	25,041	84.3%	637	98.6%	643
<b>Total</b>	<b>62,868</b>	<b>93.4%</b>	<b>686</b>	<b>99.4%</b>	<b>672</b>

The blended occupancy rate in 4Q23 was 93.4 percent; the blended average monthly rental rate in 4Q23 was THB 686 per sqm, increasing 2.08% from last year.

**FINANCIAL PERFORMANCE**

Unit (THB mn)	4Q23	4Q22	YoY (%)	3Q23	QoQ (%)	FY2023	FY2022	YoY (%)
Total Income	<b>144.26</b>	<b>155.73</b>	<b>(7.4%)</b>	<b>154.02</b>	<b>(6.3%)</b>	<b>617.99</b>	<b>605.31</b>	<b>2.1%</b>
Rental Income	54.06	58.25	(7.2%)	57.10	(5.3%)	229.05	232.28	(1.4%)
Service Income	86.49	94.30	(8.3%)	93.72	(7.7%)	375.30	361.02	4.0%
Interest Income	1.08	0.59	84.3%	0.63	73.3%	3.13	0.79	297.9%
Other Incomes	2.62	2.59	0.9%	2.57	1.7%	10.51	11.21	(6.3%)
Total Expense	<b>62.52</b>	<b>70.88</b>	<b>(11.8%)</b>	<b>73.28</b>	<b>(14.7%)</b>	<b>284.48</b>	<b>272.28</b>	<b>4.5%</b>
Cost of rental and services	29.58	40.49	(26.9%)	40.71	(27.3%)	153.36	141.94	8.0%
Fee and expenses for property management	19.74	19.51	1.2%	19.75	(0.1%)	80.32	79.25	1.3%
Administrative expenses	0.61	0.46	30.6%	0.48	25.8%	2.44	11.74	(79.2%)
Amortization of deferred expenses	-	0.13	n/a	-	n/a	0.05	0.53	(90.1%)
Finance costs	12.59	10.28	22.5%	12.33	2.1%	48.31	38.82	24.4%
Net profit on investment	<b>81.74</b>	<b>84.85</b>	<b>(3.7%)</b>	<b>80.74</b>	<b>1.2%</b>	<b>333.50</b>	<b>333.02</b>	<b>0.1%</b>
Net gain (loss) on investment	2.15	(7.30)	n/a	(482.53)	n/a	(481.99)	83.81	(675.1%)
<b>Net increase (decrease) in net assets resulting from operations</b>	<b>83.89</b>	<b>77.55</b>	<b>8.2%</b>	<b>(401.79)</b>	<b>120.9%</b>	<b>(148.49)</b>	<b>416.84</b>	<b>(135.6%)</b>

**TOTAL INCOME**

Total income for 4Q23 was THB 144.26mn, decreasing 7.4% YoY and 6.3% QoQ. The details are as follows:

- Rental income was THB 54.06mn, decreasing 7.2% YoY and 5.3% 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
- Services income was THB 86.49mn, decreasing 8.3% YoY and 7.7% QoQ. The details are as follows:
  - Service agreement income of THB 63.75mn, decreasing 6.2% YoY and 6.5% 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 21.91mn, decreasing 14.3% YoY and 12.2% QoQ, which was in line with the decrease in utility costs
  - Parking revenue was THB 0.83mn, increasing 10.6% YoY and 47.1% QoQ
- Interest income was THB 1.08mn, increasing 84.3% YoY and 73.4% QoQ from the increase in deposit interest rates
- Other incomes were THB 2.62mn, increasing 0.9%YoY and 1.7% QoQ

**TOTAL EXPENSE**

Total expense for 4Q23 was THB 62.52mn, decreasing 11.8% YoY and 14.7% QoQ. The details are as follows:

- Costs of rental and services were THB 29.58mn, decreasing 26.9% YoY and 27.3% QoQ, mainly from the change in utility costs
- Fees and expenses for property management were THB 19.74mn, increasing 1.2% YoY but decreasing 0.1% QoQ
- Administrative expenses were THB 0.61mn, increasing 30.6% YoY and 25.8% QoQ
- Finance costs were THB 12.59mn, increasing 22.5% YoY and 2.1% QoQ, due to the increase in interest rates

**NET PROFIT ON INVESTMENT**

B-WORK recorded a net profit on the investment of THB 81.74mn, decreasing 3.7% YoY due mainly to a decrease in rental and services income but increasing 1.2% QoQ,

**NET GAIN ON INVESTMENT**

B-WORK recorded a net gain on investment of THB 2.15mn, due to the result of the adjustment of accrued income under operating leases and capital expenditures in this quarter.

**NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS**

B-WORK recorded a net increase in net assets resulting from operations of THB 83.89mn, increasing 8.2% YoY and 120.9% QoQ as a result of net loss on revaluation of investment in leasehold properties of THB 482.45mn in 3Q23, accounted as a new fair value, by an income approach method from an independent appraiser.

## **FISCAL YEAR 2023 PERFORMANCE**

In FY2023, B-WORK generated the net investment income of THB 333.50mn. The details are as follows:

### **TOTAL INCOME**

Total income for FY2023 was THB 617.99mn, increasing 2.1% from last year, which consists of the following:

- Rental income was THB 229.05mn, decreasing 1.4% from last year, which came mainly from the rental rate in a lease agreement, recognized based on a straight-line basis, and the decrease in occupancy rate
- Services income was THB 375.30mn, increasing 4.0% from last year. The details are as follows:
  - Service agreement income of THB 271.55mn, decrease from the last year, which came from an increase in the service rate in service agreements recognized based on a straight-line basis, and the decrease in occupancy rate
  - Utility income of THB 101.27mn, increasing 15.9% from last year, which in line with the increase in the utility costs
  - Parking revenue was THB 2.48mn, increasing 21.5% from last year, due to tenants having returned to use more office spaces
- Interest income was THB 3.13mn, increasing 297.9% from last year, due to the increase in interest rates
- Other incomes were THB 10.51mn, decreasing 6.3% from last year

### **TOTAL EXPENSE**

Total expense for FY2023 was THB 284.48mn, increasing 4.5% from last year, which consists of the following:

- Costs of rental and services were THB 153.36mn, increasing 8.0% from last year, came mainly from the increase in utility costs
- Fees and expenses for trust and property management were THB 80.32mn, increasing 1.3% from last year
- Administrative expenses were THB 2.44mn, decreasing from last year, due to the one-time payment from the public offering application of the REIT's additional assets (No. 1) ended on September 28, 2022. As a result, B-WORK has to recognize the related expenses in FY2022
- Amortization of deferred expenses were THB 0.05mn, decreasing 90.1% from last year
- Finance costs were THB 48.31mn, increasing 24.4% from last year, resulting from the increase in interest rates

### **NET PROFIT ON INVESTMENT**

B-WORK recorded the net profit on investment of THB 333.50mn, in line with last year, despite the decrease in occupancy rate. As a result of an increase in rental and service rate in the agreements, recognized based on a straight-line basis and the decrease in administrative expenses

### **NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS**

B-WORK recorded net decrease in net assets from operations of THB 148.49mn, decreasing 135.6% from last year, due to the decrease in net loss on revaluation of investment in leasehold properties

**CLARIFICATION OF OPERATING PERFORMANCE CHANGE OVER THAN 20% COMPARED TO PREVIOUS YEAR**

In FY2023, B-WORK recorded net decrease in net assets resulting from operations of THB 148.49mn, decreasing 135.6% YoY, which was changed over than 20 percent from the last year, due mainly to net loss on investment of 481.99mn, resulting from the revaluation of investment in leasehold properties. The details are as follows:

- In FY2022, B-WORK recorded net gain on investment of THB 83.81mn, the details are mentioned below:
  - Net gain on changes in fair value of investments in leasehold properties of THB 83.80mn, 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 gain on changes in fair value of investments measured of THB 0.01mn
- In FY2023, B-WORK recorded net loss on investment of THB 481.99mn, the details are mentioned below:
  - Net loss on changes in fair value of investments in leasehold properties of THB 482.00mn, 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 gain on changes in fair value of investments measured of THB 0.01mn

**BALANCE SHEET**

Unit (THB mn)	As of 31-Dec-2023	As of 31-Dec-2022
<b>Total Assets</b>	<b>4,697.87</b>	<b>5,180.78</b>
Investment in leasehold properties at fair value	4,242.17	4,722.36
Investment in securities and cash at financial institutions	297.57	398.43
Receivables on accrued rental and service income	128.80	24.85
Other assets	29.35	35.14
<b>Total Liabilities</b>	<b>1,032.67</b>	<b>1,101.85</b>
Accounts payable, accrued expenses, and rental and services income received in advance	76.27	99.39
Deposits from rental and service	129.86	131.06
Long-term loan	818.80	869.40
Other liabilities	7.74	2.00
<b>Net asset value</b>	<b>3,665.20</b>	<b>4,078.93</b>
Capital from unitholders	3,581.31	3,620.03
Retained earnings	83.89	458.90
<b>Net asset value</b>	<b>3,665.20</b>	<b>4,078.93</b>
<b>Net asset value per unit (THB)</b>	<b>9.9381</b>	<b>11.0600</b>

The total assets of B-WORK as of December 31, 2023, were THB 4,697.87mn. These consist of investment in leasehold properties at the fair value of THB 4,242.17mn, investment in securities and cash at financial institutions of THB 297.57mn, Other assets of THB 29.35mn, and receivables on accrued rental and service income of THB 128.80mn, increasing from last quarter, due to the contract process after the merger of the main tenant on March 1, 2023.

Total liabilities were THB 1,032.67mn. These consist of account payables, accrued expenses, and rental and services income received in advance of THB 76.27mn, deposits from rental and services of THB 129.86mn, long-term loan of THB 818.80mn and other liabilities of THB 7.74mn.

As of December 31, 2023, the net asset value was THB 3,665.20mn, or THB 9.9381 per unit.