

### **Thai Economy**

According to the Office of the National Economic and Social Development Board (NESDB), Thailand's economic growth rate for 2021 has been revised down from 1.5%-2.5% to 0.7%-1.2% due to uncertainties arising from the COVID-19 pandemic, which negatively impact economic recovery.

During the first nine months of 2021, the Thai economy was affected by the COVID-19 pandemic's second and third waves. The fourth wave started in the third quarter of 2021 and the Centre for COVID-19 Situation Administration (CCSA) had imposed the "strictest lockdown measures" in the dark red 13 provinces, including Bangkok and its neighboring provinces, commencing 20 July 2021. Additionally, the rate of COVID-19 infection was much higher throughout the fourth wave of the pandemic. As the COVID-19 situation has been improved since 1 September 2021, CCSA announced the relaxation of some measures to encourage people to begin domestic traveling between provinces and spending more to increase liquidity and stimulate the economic recovery.

### **Tourism Industry**

The Tourism Authority of Thailand (TAT) approved "Phuket Sandbox", a pilot project which was part of the government's plan to opening the borders within 120 days. The "Phuket Sandbox" allowed fully vaccinated foreign tourists to stay in Phuket without quarantine from 1 July 2021 to 30 September 2021. There were 542,134 nights spent at hotels which were certified by the Ministry of Public Health for cleanliness or hygiene standards, with at least 70% of staff at the venues having 2-dose vaccines\* (Amazing Thailand Safety and Health Administration Plus (SHA+)). Additionally, the "Samui Plus Model" project, a follow-up to the "Phuket Sandbox", allowed entry of fully vaccinated tourists in Koh Samui, Koh Phangan, and Koh Tao in Surat Thani province. To further promote domestic tourism, the TAT has launched the "We Travel Together Phase 3" and "Tour Tiew Thai" programs, which opened for registration on 24 September 2021 and allow travel from 15 October 2021 to 31 January 2022.

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\* More than 90% of the Company's hotel staff have been vaccinated.

According to the government's policy, tourists are welcome to enter Thailand without quarantine in a total of 17 provinces beginning 1 November 2021. This is part of the second and third phases of the government's plan to reopen the country within 120 days. AWC hotels are in the provinces where tourists could enter without quarantine, including Bangkok, Chiang Mai, Prachuap Khiri Khan, Koh Samui, Surat Thani, and Phuket.

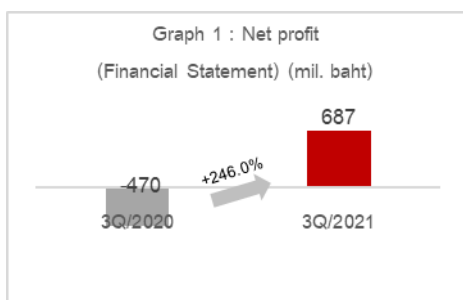
### Retail and Commercial Industries

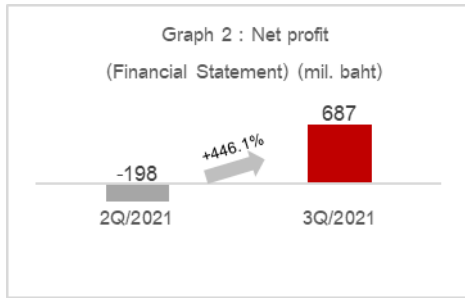
From July to August 2021, the government enforced the strictest lockdown restrictions, requiring shopping centers except pharmacies, supermarkets, and restaurants to be closed by 8 p.m. After the lockdown was relaxed in September 2021, shopping centers were allowed to be reopened but still were required to adhere to the government's social distancing and restricted operating hours. As a result, there were more people going to the shopping centers.

Concerning the Commercial Business, the COVID-19 pandemic has had little effect on Bangkok's office building. The government has requested cooperation from various businesses to allow employees to work from home to limit the spread of COVID-19. In consequence, the potential tenants could not come to inspect and delayed leasing the office spaces. The grade A office rents were marginally lower in the third quarter compared to the previous quarter. Tenants in Grade B are usually more financially sensitive with the tendency to downsize or relocate the leasing office space. Retail Businesses in office buildings were also effected by government lockdown measures that prevented stores in office buildings from operating normally.

### The Overview of Asset World Corporation (“AWC” or “the Company”)

The Company's overall performance has been impacted by the COVID-19 and in the 3Q/2021, the fourth wave begun while the government imposed the "strictest lockdown measures". However, the Company has strong belief in the potential of Thailand's tourism and real estate sectors which shall revive and continue sustainable growth. For 3Q/2021, the net profit according to the Financial Statement was 687 million baht, a 246.0% increase YoY. Although the Company was affected by the lockdown measures in July and August 2021, it could quickly recover once the lockdown was lifted in September 2021. Additionally, the Company gains from fair value of





Investment Properties. The net profit in 3Q/2021 increased 446.1% QoQ, reflecting the real value through operating profit and fair value gain from its Investment Properties.

In 9M/2021, the net profit as stated in the Financial Statement was -105 million baht, increased 88.5% YoY. Although the Company has been impacted by the COVID-19, it continued to maintain its cost efficiency and reflect real value from operating performance and value appreciation from Investment Properties.

The Company aims to operate its business with a strategy to optimize long-term value creation through different business models and develop strength through effective organizational management while enhancing competitiveness to lift the benchmark of the industry. The Company's business strategy is focused on consistent and efficient cash flow growth that will reflect the Company's real value.

#### Unique Business Model and Effective Corporate Management

90% of the Company's assets are freehold assets. This provides a solid foundation for long-term sustainable value creation. The Company's strategy of freehold assets is a key model that enables the Company to pass through business cycles and crises. By owning freehold assets, the Company shall not have burden of cash outflow to pay for incremental long-term leasing cost. The Company will also have more flexibility in terms of investment planning and high-quality project development, allowing it to strengthen its competitive edge and meet the needs of its customers as efficiently as possible regardless of the expiration of the long-term leased land. The Company can recognize added value as the value of its assets continues to grow consistently. The Company's assets locate in prime locations where their market values continue to grow regardless of the economic environment. According to the Treasury Department's appraisal value of lands in 2022\*, the price of land plots in strategic locations and CBD will have an average annual increase of more than 10%.

Strategies that the Company focuses on for stable and sustainable growth are building a balanced and diversified portfolio that enables it to maintain a consistent and strong cash flow basis, implementing business strategy, and developing high-quality projects in collaboration with global brands. These strategies allow the Company to

\* To be announced in 2023

effectively integrate its quality assets with leading brands and draw a strong domestic customer base. At the same time, the Company benefits from a strong customer base network of global partners. Additionally, the customer base with purchasing power will be the first group with a high potential of returning for travel and spending if the situation returns to normal. The Company's customers profile in 9M/2019 were divided into China 19%, Japan 11%, United States 10%, Thailand 7%, Singapore 5% and other countries for the remaining. Compared to 9M/2021, the proportion of the Company's domestic customers now account for 60% of total customers.

Conditions under the Grant Of Right (GOR) Agreement between the Company and the TCC Group results in the Company's strong business foundation that supports investment management and sustainable growth of high-quality projects. The Company has the first right of refusal and first right of offer to assess the TCC Group's high-potential assets for investment and development of high-quality projects, with an emphasis on effectively aligning those projects with the Company's economic situation, cash flow, and investment policy. This includes the ability to prioritize property investment and project development. The Company will examine which assets have potential and can generate immediate cash flow. Even if the economic situation is uncertain, the Company might choose an appropriate time for investment.

#### **Competitive Advantage Over Peers for Leadership in the Real Estate Industry**

The Company is committed to developing and improving quality programs in response to the changing needs of customers. In COVID-19 situation, the Company aims to maintain the highest standards of public health and hygienic safety so that customers can have confidence and trust in accessing services that meet the standards announced by government entities, along with the world-class brand safety standards adopted to enhance customer confidence and safety. The Company also develops various facilities to reduce the risk of the spread of COVID-19 along with closed monitoring the situation and government measures. As a result of the above operations, the Company's overall average RGI in the first nine months of 2021 was 123.4, higher than the average market level. Hotels with outstanding RGI include Phuket Marriott Resort & Spa, Nai Yang Beach with RGI of 442.3, Le Meridien Bangkok with RGI of 301.2, and Bangkok Marriott Hotel The Surawong with RGI of 214.0.

Following the announcement of the relaxation of the lockdown, it was a stimulus for domestic tourism which resulted in a rapid recovery in the occupancy rate. The average occupancy rate in September 2021 increased significantly, for example, Hua Hin Marriott Resort & Spa had a 97% weekend occupancy rate. This indicated the potential of a Company's projects that are high-quality and truly meet the needs of customers.

The Company has devised a strategy to strengthen its operation through prudent and disciplined investment planning to enhance competitiveness, resulting in long-term sustainable growth. For example, management and investment with TCC Group to enhance development cost efficiency while expanding partnership network that can create mutual value. Additionally, the Company has a global network partners, which enables it to enhance global distribution network and reach global customer bases. The Company can accommodate the diverse lifestyles of its customers through a selection of high-quality projects. Simultaneously, the Company is able to embrace world-class standards to enhance efficiency through best practice and benchmarking of its operations and services. This enables the Company to enhance demand pickup.

The Company also lays the foundation for transparent operation throughout all processes, attaches importance to anti-corruption in all forms, and promote the organization's drive under the principles of good corporate governance. The Company focuses on sustainable strategies by building long term value for all stakeholders. The strategies include 1) Better People: The human capital development and social enterprise model for a society that improves the quality of life in the community, 2) Better Planet: The development of infrastructure to reduce emission and efficient waste management, and 3) Better Prosperity: Taking into account the interests of all stakeholders in business operations by building a strong business foundation and contributing to long-term value creation to achieve sustainable economic growth. It strengthens the Company's long-term competitiveness through all operations, along with responsible business practices and the ability to meet the needs of all stakeholders in all aspects.

### **Business Strategy with a Focus on Consistent and Opportunity for EBITDA Growth**

The Company has strived to develop high-quality projects that add value to the country. The Company abides by the Investment Criteria and Discipline with the commitment toward high-quality project development. The Company's asset value in 2019, the year it was listed on the Thai Stock Exchange, was 91,997 million baht, and during the past two years, the Company has consistently developed and invested in high-quality projects. The Company's current asset value is 136,094 million baht. The increased asset value creates opportunity for EBITDA growth in the long term. In addition, the Company plans to launch high-quality projects to meet demand during the tourism industry's recovery, while also enhancing the capacity of leading tourist destinations, such as the Courtyard by Marriott Phuket Town which is scheduled to open in 4Q/2021.

The Company anticipates a rebound in the business and tourism sectors in 4Q/2021, owing to the continued demand for hotel bookings and online activity, which are unable to fully replace physical meeting such as team building, networking, and interpersonal relationships within the organization. The Company plans to build high-quality projects to boost its cash flow potential once the situation returns to normal, beginning with short-term projects scheduled to begin in 1Q/2022. For instance, with the partnership with Nobu Hospitality, a global lifestyle brand, the Empire Tower will have top cuisine destination as the lifestyle magnet on the rooftop and it will be Thailand's first and only Nobu Restaurant. Other examples include the INNSIDE by Melia development project, the Intercontinental Chiang Mai, and six retail business development projects, all of which are geared toward reviving the tourism industry by focusing on the creation of unique experiences and activities that cater to the needs of both Thai and foreign tourists seeking unlimited travel and a luxurious lifestyle.

Additionally, the Company intends to operate on its corporate transformation strategy by focusing on cost efficiency. When the economy improves, such management results in higher revenue in each business unit, which flows through an EBITDA of more than 60%, ensuring the company's long-term profitability. Cost management restructuring activities such as comparing the fixed and variable costs of the Company's operations to seek the most efficient cost management are applied across

all business units to achieve cost management efficiency, a central procurement policy that encompasses a broad spectrum of project development to maximize cost effectiveness, and implementation of alternative energy use policy for electricity cost control. Moreover, each function within the Company has brainstormed for development and/or enhancement of operational processes to boost the Company's efficiency and effectiveness.

Following the fourth wave of COVID-19 in 3Q/2021, the number of infected people increased significantly, prompting the government to implement the strictest lockdown measures, which had a direct impact on the Company's business. However, the Company's overall performance in 3Q/2021 was still better than 2Q/2020 which was the lowest point of the COVID-19 situation. The Company is ready to grow while strengthening its operations prepared for the recovery of the tourism industry and the overall economy.

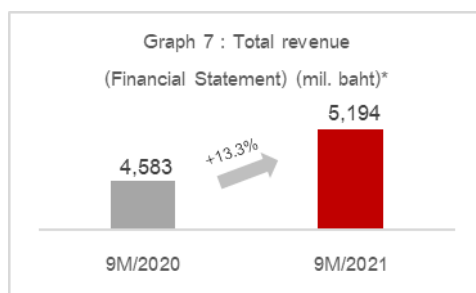
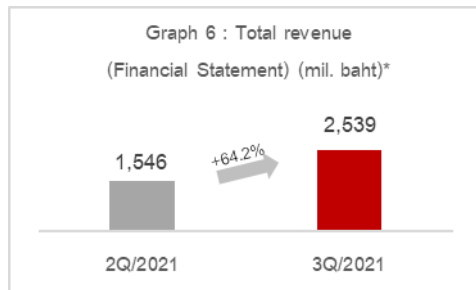
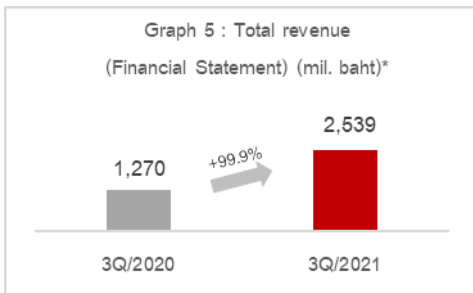
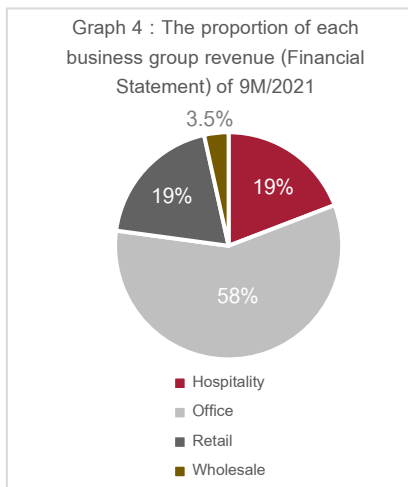
## SUMMARY OF OPERATING RESULTS

### Total Revenue\*

The Company's total revenue as stated in the 3Q/2021 Financial Statement was 2,539 million baht, increasing by 99.9% YoY, and increasing by 64.2% QoQ, representing the return on real estate investment through normal operations and fair value gains on Investment Properties. Although the Company was affected at the start of the quarter by lockdown measures which restrict travel throughout the area and order the closure of department stores and shopping centers to limit the spread of the pandemic, the Company was able to recover quickly after the lockdown was lifted in September 2021.

The total revenue as stated in the 9M/2021 Financial Statement was 5,194 million baht, increasing by 13.3% YoY. Although the Company was affected by the second and third, followed by the fourth wave of the COVID-19, the Company was able to recover quickly through its strong foundation to realize real full value from its operation and Investment Properties.

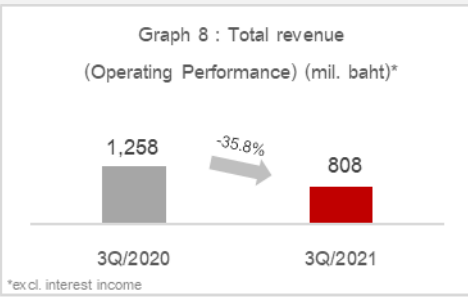
Despite the COVID-19 pandemic, the Commercial Business maintained a robust performance, demonstrating the strength of diversifying quality asset portfolios to mitigate fluctuations in the revenue level.



\* The revenue does not include interest incomes

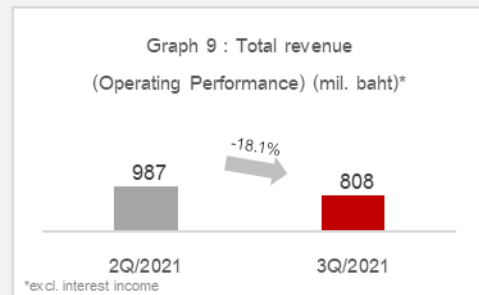


Additional Information (Operating Performance)

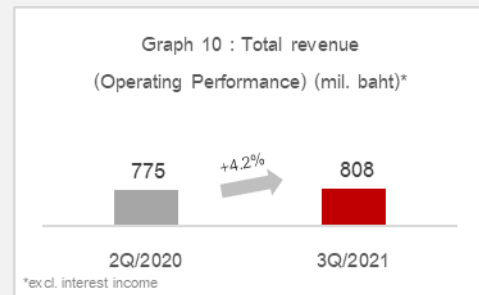


The total revenue from Operating Performance in 3Q/2021 amounted to 808 million baht, a decrease of 35.8% YoY, as the impact of the fourth wave of the COVID-19 crisis and the lockdown at the start of the quarter affected the Company's Hospitality and Retail and Commercial Business directly.

Additional Information (Operating Performance)

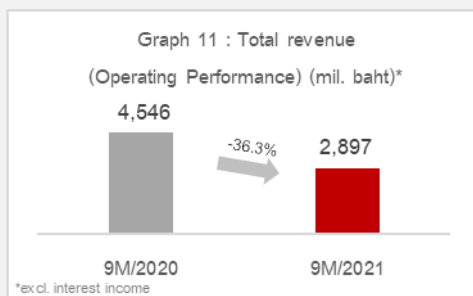


The total revenue from Operating Performance in 3Q/2021 decreased by 18.1% QoQ due to the impact of the fourth wave of the COVID-19 crisis.



The total revenue from Operating Performance increased by 4.2% compared to 2Q/2020

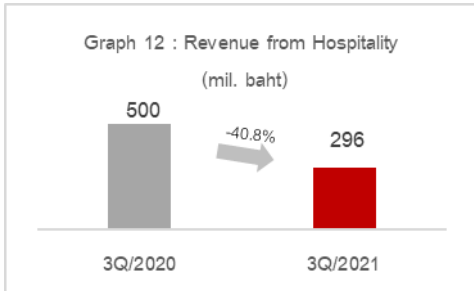
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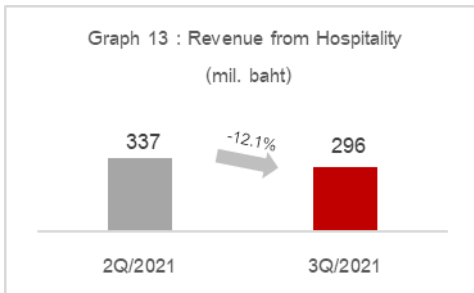
The total revenue from Operating Performance in the 9M/2021 was 2,897 million baht, a decrease of 36.3% YoY. (The Operating Performance in 1Q/2020 was not affected by the COVID-19 situation.)

The revenue from each business group is detailed as follows:

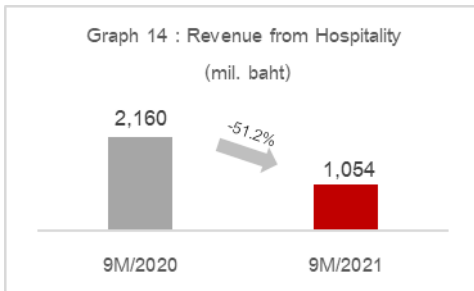
#### Hospitality\*



The revenue from the Hospitality Business was 296 million baht in 3Q/2021, decreasing by 40.8% YoY due to the fourth wave of the COVID-19 crisis at the start of the quarter, which included a lockdown preventing people from traveling across the provinces. These factors had a substantial impact on domestic tourism in Thailand. Compared to the previous quarter, the revenue from the Company's Hospitality Business decreased by 12.1%. Compared to 2Q/2020, the revenue from the Hospitality Business increased by 130.1%, owing to the Company's quick rebound following the easing of the lockdown in September 2021.



In 9M/2021, the revenue of the Hospitality Business was 1,054 million baht, a decrease of 51.2% from the same period last year. The primary cause was the global impact of the COVID-19 pandemic, preventing foreign visitors from visiting Thailand and affecting the revenue generated by the Company's Hospitality Business.



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\* The performance of the Hospitality Business in Financial Statement is equal to the Operating Performance and is the operating profit before excluding related transactions between business groups.

Table 1: Revenue of the Hospitality and related services\*

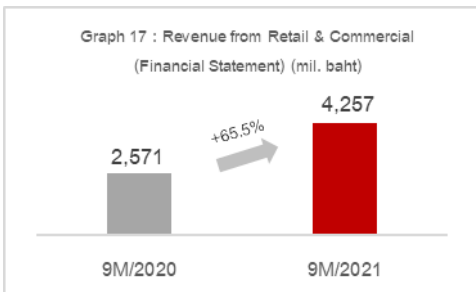
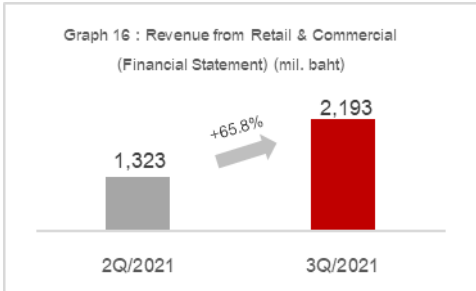
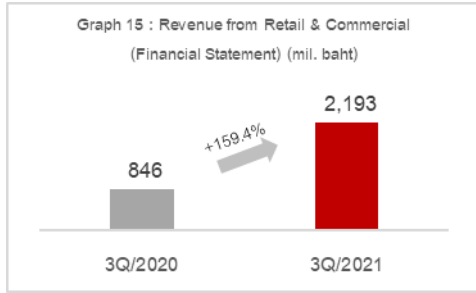
Categories	9M/2021	9M-YoY	3Q/2021 (THB m)	Q2-QoQ	Q3-YoY	Explanation
MICE (48%;44%)**	482	-56.9%	126	-2.5%	147.4%	In comparison to the performance of competitors in the same group, the hotels had an above-average RGI, especially, Bangkok Marriott Hotel the Surawongse at 214.0, and the Athenee Hotel Bangkok, A Luxury Collection Hotel, at 171.1. Due to the direct impact of the fourth wave of the COVID-19 pandemic on the Hospitality Business, the revenue decreased by 2.5% QoQ. However, the revenue increased by 147.4% compared to 3Q/2020.
Bangkok City (15%;15%)**	148	-36.1%	42	-14.8%	243.5%	In terms of the RGI, the Bangkok City group had a high average of 112.4, particularly for hotels that had joined the ASQ since the end of August 2020, with Le Meridien Bangkok at 301.2. Due to the direct impact of the fourth wave of the COVID-19 pandemic on the Hospitality Business, the revenue decreased by 14.8% QoQ. However, the revenue increased by 243.5 % compared to 3Q/2020.
Luxury Resort (10%;15%)**	99	-47.0%	14	-64.6%	-31.9%	The Luxury Resort group had the RGI of 129.3, whereas the Banyan Tree Krabi which opened in late October 2020, had the RGI at 183.2. However, the revenue declined from the previous quarter due to the direct impact of the fourth wave of the COVID-19 pandemic on the Hospitality Business.
Non- Bangkok City (27%;26%)**	269	-54.8%	78	-3.2%	-29.7%	The Non-Bangkok City Hotel group had an average RGI at 156.4 which was higher than the group's competitors. Phuket Marriott Resort & Spa, Nai Yang Beach has seen an increase in tourist arrivals because of the Phuket Sandbox project, with the RGI of 442.3. However, the revenue declined from the previous quarter due to the direct impact of the fourth wave of the COVID-19 pandemic on the Hospitality Business.
<b>Total</b>	<b>998</b>	<b>-53.2%</b>	<b>260</b>	<b>-12.9%</b>	<b>33.3%</b>	

\* Each business unit is referred to only the operating assets of the Company. Revenue before elimination of related party transactions is excluded management fees, interest income and fair value gains on Investment Properties.

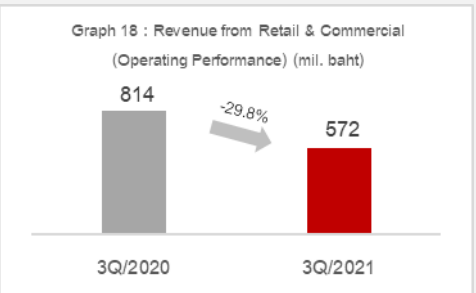
\*\* Revenue proportion of operating assets of the Hospitality and related services; asset value proportion of operating assets of the Hospitality and related services group.

**Retail & Commercial**\* consisting of Retail and Commercial Business: In 3Q/2021, the revenue of Retail and Commercial Business as stated in the Financial Statement was 2,193 million baht, up 159.4% YoY and up 65.8% QoQ due to the relatively high occupancy rate of the Office Building Business and an increase in fair value gains on Investment Properties.

In 9M/2021, the revenue of Retail and Commercial Business was 4,257 million baht, an increase of 65.5% from the same period last year.



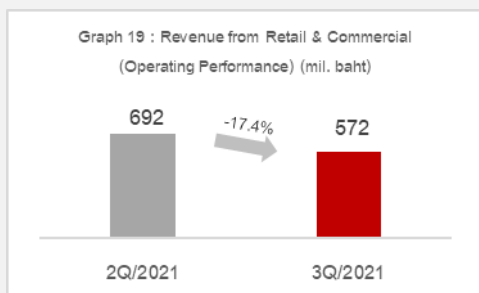
Additional Information (Operating Performance)



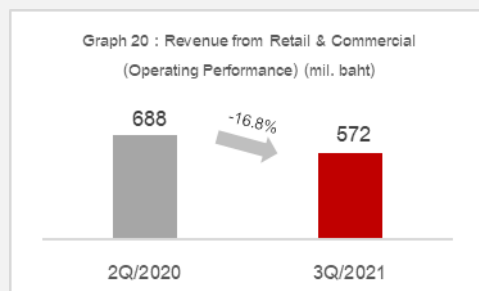
For 3Q/2021, the revenue from Operating Performance of Retail and Commercial Business was 572 million baht, a decrease of 29.8% YoY.

\* This amount is the revenue before excluding related transaction between business groups.

Additional Information (Operating Performance)

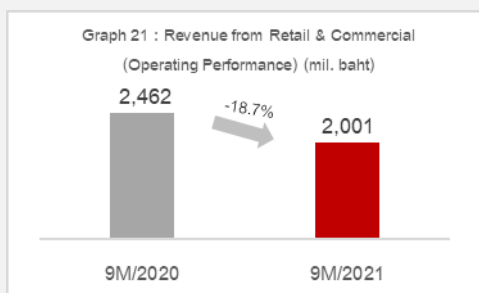


The revenue from Operating Performance of Retail and Commercial Business was a 17.4% decrease QoQ due to a rental discount given to tenants.



The revenue from Operating Performance of Retail and Commercial Business was a 16.8% decrease compared to 2Q/2020 due to a rental discount given to tenants.

Additional Information (Operating Performance)



In 9M/2021, the revenue from Operating Performance of Retail and Commercial Business was 2,001 million baht, decreased by 18.7% YoY. This was mainly due to the impact of the second and third, followed by the fourth wave of the COVID-19 pandemic and lockdown measures requiring the closure of department stores and shopping centers to limit the spread of the pandemic. As a result, the Company continued to give impacted tenants a rental discount to assist them in overcoming the crisis alongside the Company.

Table 2: Revenue of the Retail and Commercial \*

Categories	9M/2021 (THB m)	9M-YoY	3Q/2021 (THB m)	Q2-QoQ	Q3-YoY	Explanation
Community Shopping Malls (14%;27%)**	280	-28.4%	54	-51.0%	-63.2%	The group's revenue in 3Q/2021 decreased from the previous quarter due to the impact of the fourth wave of the COVID-19 as the Company had to waive/give rental discount to help the tenants to get through the crisis. The revenue decreased by 63.2% YoY.
Tourist Lifestyle Destination (4%;9%)**	75	-57.6%	23	1.3%	-43.5%	The revenue of Tourist Lifestyle Destination group in 3Q/2021 increased 1.3% from the previous quarter. The revenue declined by 43.5% YoY as the Company had to waive/give rental discount to help the tenants to get through the crisis.
Community Market (6%;14%)**	117	-20.5%	18	-60.4%	-67.4%	The group's revenue in 3Q/2021 decreased from the previous quarter due to the impact of the COVID-19 as the Company had to waive/give rental discount to help the tenants to get through the crisis. However, the revenue decreased by 67.4% YoY.
Commercial Building (76%;50%)**	1,535	-12.5%	471	-9.2%	-18.8%	The revenue of the Commercial Building declined in 3Q/2021 compared to the previous year. Nevertheless, the Commercial Building group was able to maintain consistent cash flow with insignificant impact from COVID-19.
<b>รวม</b>	<b>2,007</b>	<b>-18.7%</b>	<b>566</b>	<b>-18.8%</b>	<b>-31.2%</b>	

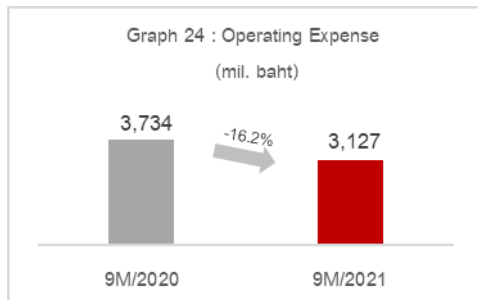
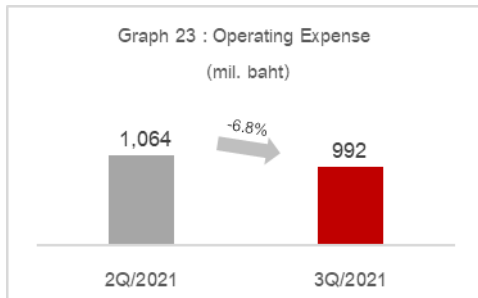
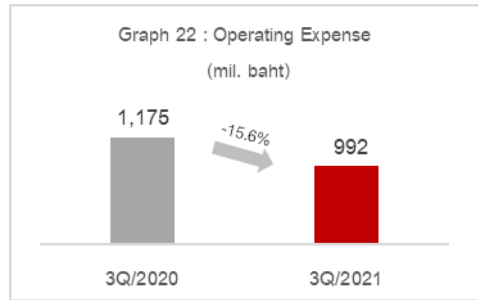
\* Each business unit is referred to only the operating assets of the Company. Revenue before elimination of related party transactions, is excluded management fees, interest income and gains on Investment Properties.

\*\* Revenue proportion of operating assets of the Retail and Commercial; asset value proportion of operating assets of the Retail and Commercial group.

## Operating Expense \*

The Company has restructured the organizational structure as well as performed the Cost Control and Efficiency Initiatives for effective expenditure management. In 3Q/2021, the operating expenses were 991 million baht, a decrease of 15.6% YoY and 6.8% QoQ, owing to the Company's continued effective cost control.

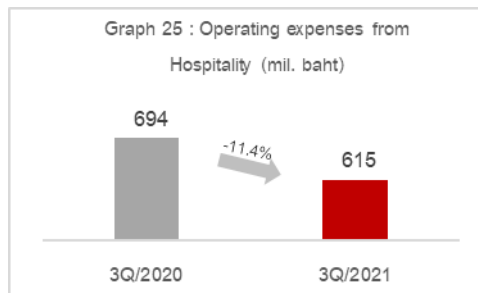
In 9M/2021, the operating expenses were 3,127 million baht, a decrease of 16.2% YoY. The details of a decrease costs as shown in graphs 26-27 and 29-30, illustrated the progress of the organizational restructuring process which improved management efficiency according to its plan. However, such Cost Control and Efficiency Initiatives shall not affect the future operational capability but shall support long-term expenditure management in an effective manner.



## Hospitality \*\*

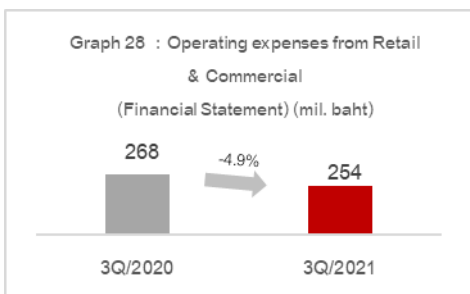
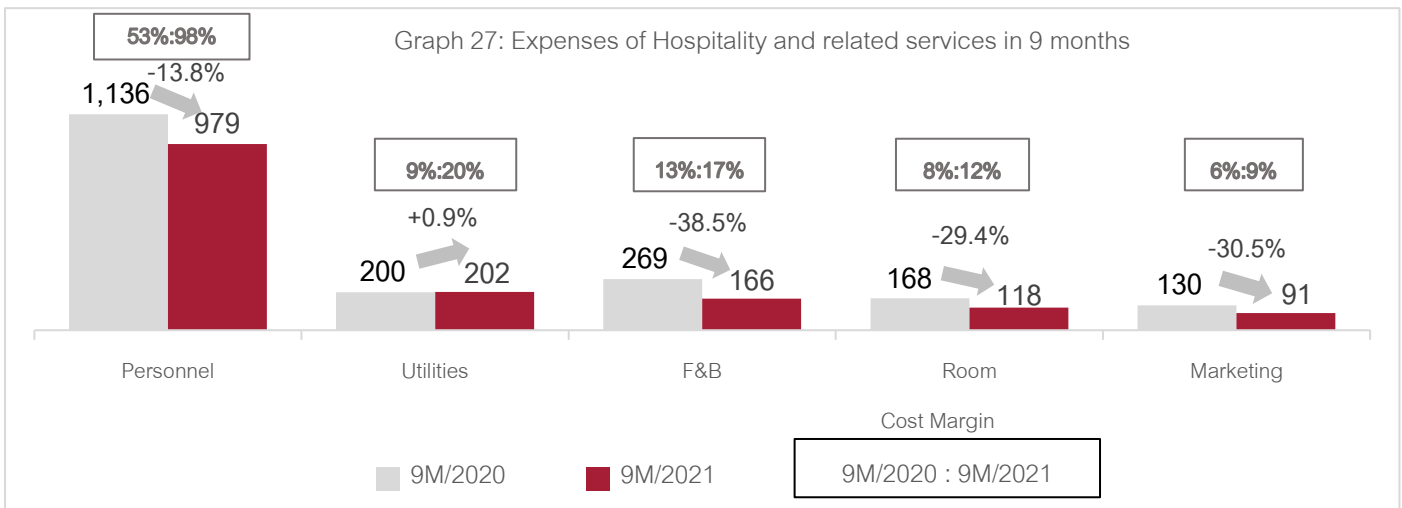
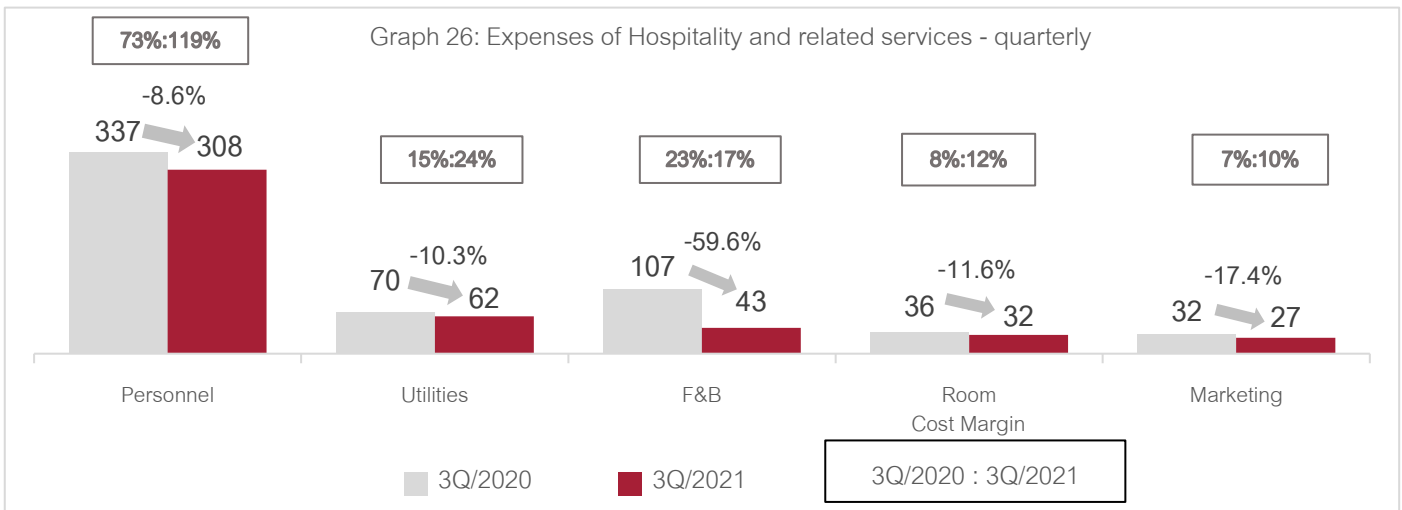
The operating expenses of the Hospitality Business in 3Q/2021 were 615 million baht, a decrease of 11.4% YoY and 4.1% QoQ, owing to the Company's continued effective cost control.

In 9M/2021, the operating expenses were 1,921 million baht, a decrease of 17.3% YoY, owing to the Company's continued effective cost control.



\* Operating expenses from performance as stated in Financial Statement is equal to the Operating Performance.

\*\* The performance of the Hospitality Business in the Financial Statement is equal to the Operating Performance. The operating expenses of the business group is the operating expenses before excluding related transactions between business groups.



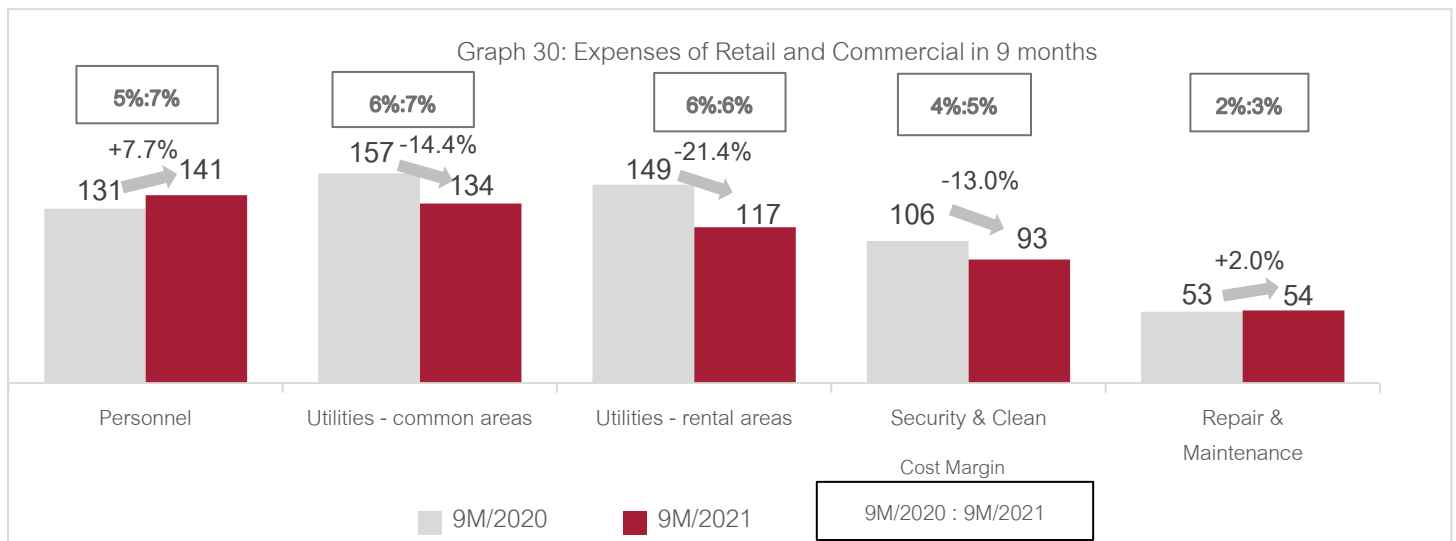
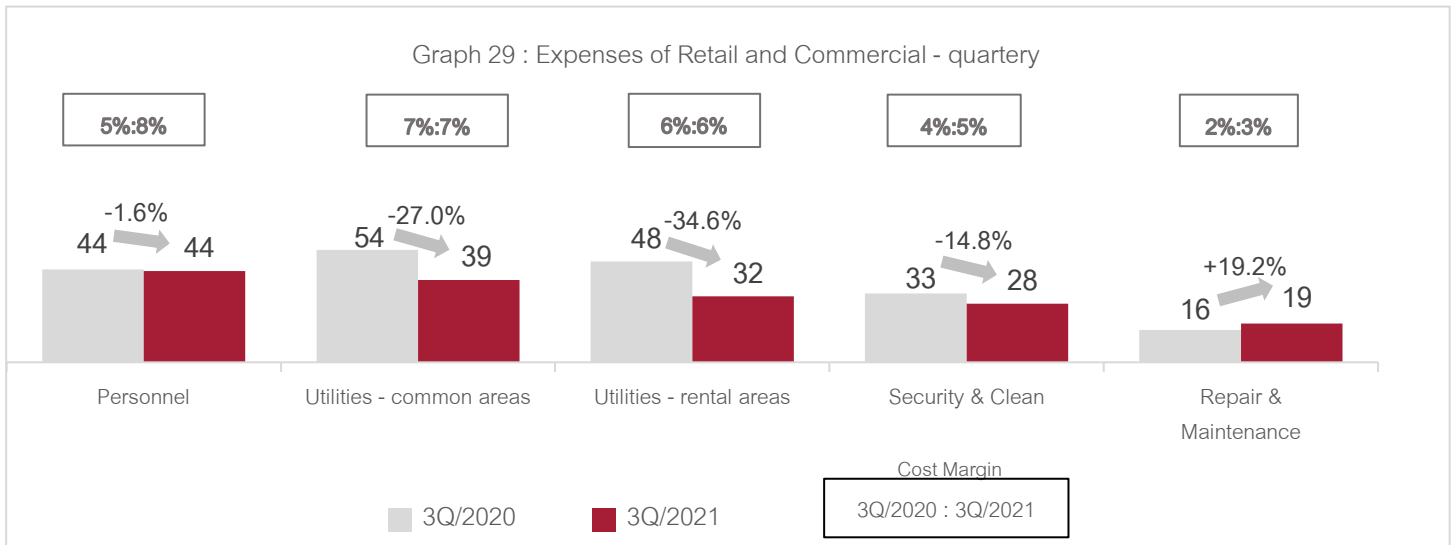
**Retail & Commercial\*** The operating expenses as stated in Financial Statement were 254 million baht, decrease by 4.9% YoY. The operating expenses increased by 11.2% QoQ, demonstrating a 20.1% improvement in cost margin from 31.7% in 3Q/2020 to 11.6% in 3Q/2021.

The operating expenses from Operating Performance in 3Q/2021 stood at 254 million baht, a decrease of 4.9% YoY. In comparison with the previous quarter, the operating expenses increased by 11.2%.

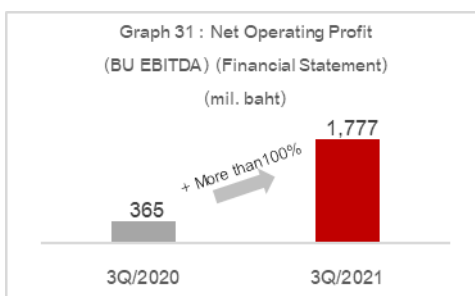
For 9M/2021, the operating expenses as stated in the Financial Statement and Operating Performance were 696 million baht, decreasing by 10.1% YoY.

\* The operating expenses of the business group is the operating expenses before excluding related transactions between business groups.





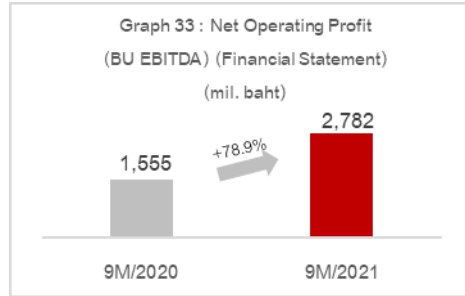
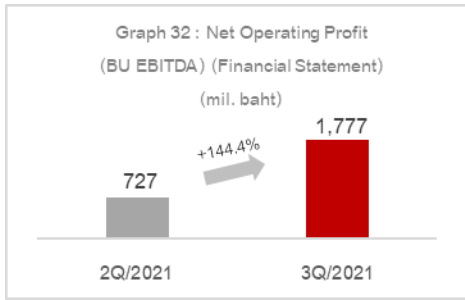
### Net Operating Profit (BU EBITDA)\*



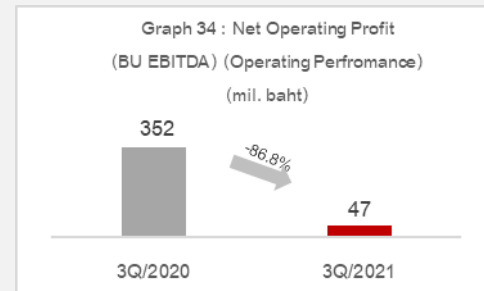
The Net Operating Profit of business group (BU EBITDA) in 3Q/2021 was at 1,777 million baht, increasing more than 100% YoY and 144.4% QoQ as shown in the Financial Statement, owing to the Company's quick rebound following the easing of the lockdown in September and fair value gains on Investment Properties.

For 9M/2021, the Net Operating Profit of business group (BU EBITDA) according to the Financial Statement was 2,782 million baht, an increase of 78.9% YoY.

\* The Net Operating Profit (BU EBITDA) of the business group is the operating profit before excluding related transactions between business groups.

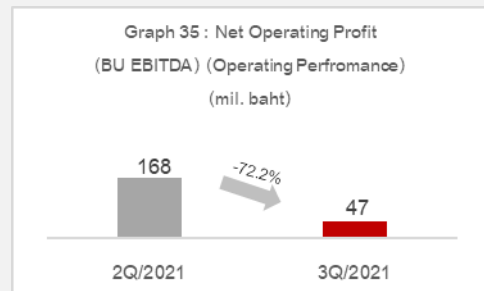


Additional Information (Operating Performance)

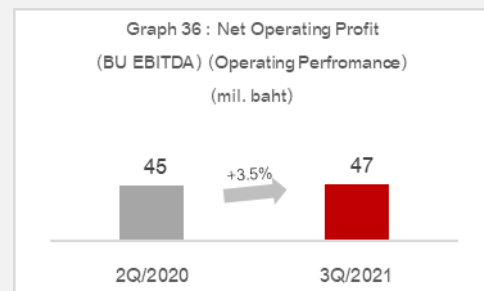


In 3Q/2021, the Net Operating Profit of the business group (BU EBITDA) from Operating Performance was 47 million baht, decreasing by 86.8% YoY, as the impact of the fourth wave of the COVID-19 crisis and the lockdown at the start of the quarter affected the Company's Hospitality and Retail and Commercial Business directly.

Additional Information (Operating Performance)

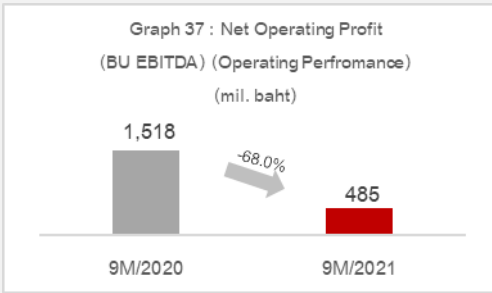


In comparison with the previous quarter (QoQ), the Net Operating Profit of business group (BU EBITDA) from Operating Performance in 3Q/2021 declined by 72.7%, as the impact of the fourth wave of the COVID-19 crisis and the lockdown measures ordering the closure of department stores and shopping centers to limit the spread of the pandemic.



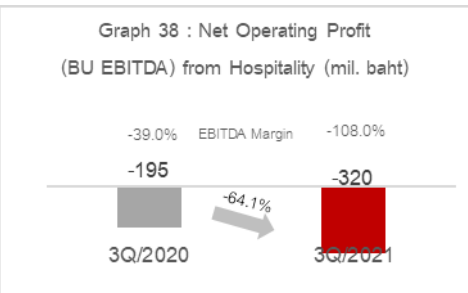
Compared to Q2/2020, the Net Operating Profit of business group (BU EBITDA) increased by 3.5%.

Additional Information (Operating Performance)

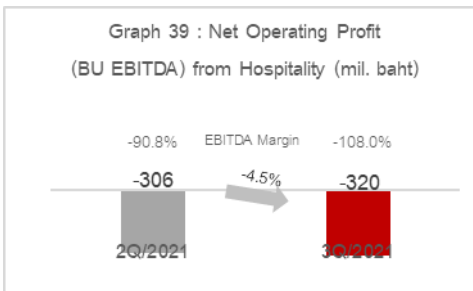


The fourth wave of the COVID-19 pandemic had a direct impact on Hospitality Businesses. As a result, the Net Operating Profit of business group (BU EBITDA) from Operating Performance in 9M/2021 was at 485 million baht, down 68.0% YoY.

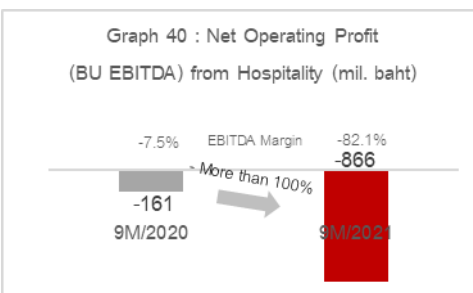
**Hospitality\***



The Net Operating Profit (EBITDA) in 3Q/2021 amounted to -320 million baht, a decrease of 64.1% YoY and 4.5% QoQ as the impact of the fourth wave of the COVID-19 crisis and the lockdown preventing people from traveling across the province to limit the spread of the pandemic. This resulted in a decline in domestic travel, as well as in hotel and catering bookings.



Foreign tourists are still unable to access the nation due to the ongoing COVID-19 outbreak throughout the world. Additionally, the country continued to be affected by the COVID-19's fourth wave in 3Q/2021, resulting in the business group's operating results for 9M/2021 being -866 million baht, a decrease of more than 100% from the same period last year.

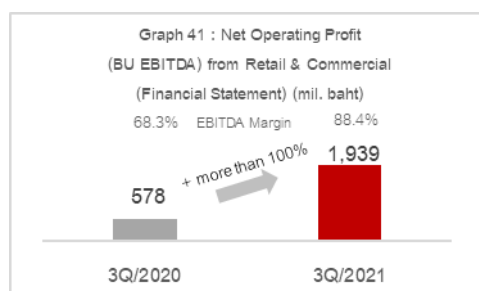


\* The performance of the Hospitality Business in Financial Statement is equal to the Operating Performance and is the operating profit before excluding related transactions between business groups.

Table 3: Net Operating Profit (BU EBITDA) of Hospitality and Related Services \*

Categories	9M/2021 (THB m)	9M-YoY	3Q/2021 (THB m)	Q2-QoQ	Q3-YoY	Explanation
MICE	-410	-1469.9%	-143	7.4%	-46.2%	The Net Operating Profit increased by 7.4% compared to the previous quarter as the Company focused on increasing efficiency in managing costs and expenses, resulting in the MICE group being able to recover quickly. In comparison with 3Q/2020, the Net Operating Profit dropped 46.2% due to the fourth wave of COVID-19.
Bangkok City	-119	-91.7%	-41	-0.2%	26.6%	The Net Operating Profit slightly decreased compared to the previous quarter. In comparison with 3Q/2020, the Net Operating Profit increased by 26.6%.
Luxury Resort	-122	-133.6%	-53	-36.8%	-30.4%	The Net Operating Profit decreased by 36.8% compared to the previous quarter. In comparison with 3Q/2020, the Net Operating Profit dropped by 30.4% due to the fourth wave of COVID-19.
Non-Bangkok City	-223	-535.9%	-81	-5.2%	-141.9%	The fourth wave of COVID-19 at the start of the quarter resulted in a 5.2% decrease of Net Operating Profit compared to the previous quarter. In comparison with 3Q/2020, the Net Operating Profit dropped by 141.9%.
<b>Total</b>	<b>-874</b>	<b>-398.5%</b>	<b>-318</b>	<b>-2.3%</b>	<b>-39.3%</b>	

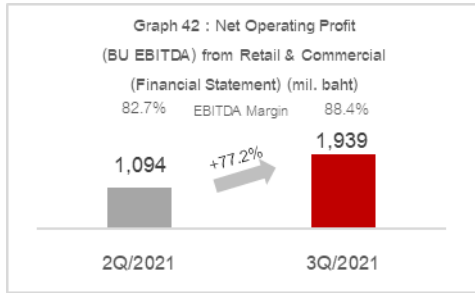
### Retail & Commercial\*



Following the fourth wave of COVID-19 pandemic in 3Q/2021, Retail and Commercial Business were directly affected by the lockdown measures requiring the closure of department stores and shopping centers to limit the spread of the pandemic. For Commercial Business, the COVID-19 pandemic had a slight effect on Office Building Business in Bangkok. The Company earned the Net Operating Profit (BU EBITDA) of the business group according to the Financial Statement in 3Q/2021 of 1,939 million baht, an increase of more than 100% YoY due to the fair value gains on Investment Properties. In comparison to the previous quarter (QoQ), the Net Operating Profit (BU

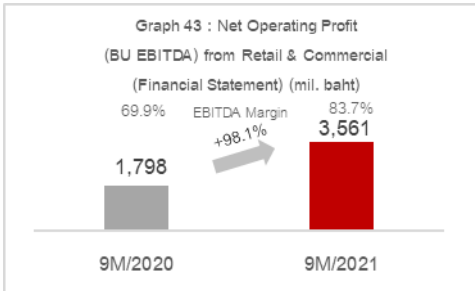
\* Each business unit is referred to only the operating assets of the Company. Revenue before elimination of related party transactions is excluded management fees, interest income and fair value gains on Investment Properties.

\* Net Operating Profit (BU EBITDA) is excluded related party transactions between business groups.

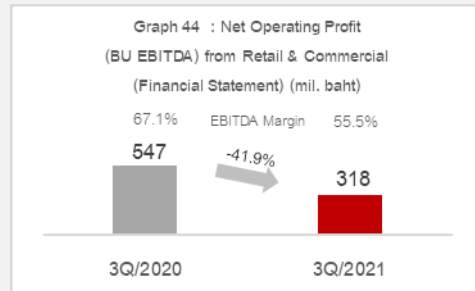


EBITDA) of Retail and Commercial Business according to the Financial Statement in 3Q/2021 increased by 77.2% from Q2/2021.

In 9M/2021, the Net Operating Profit (BU EBITDA) of the business group according to the Financial Statement totaled 3,561 million baht, an increase of 98.1% YoY.

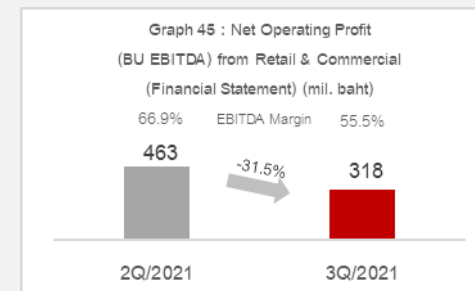


Additional Information (Operating Performance)

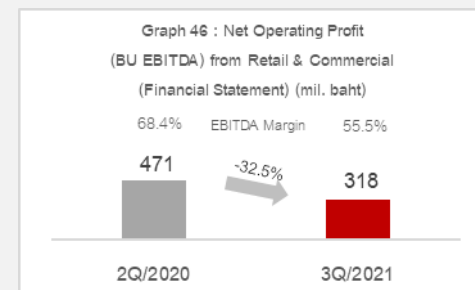


The Net Operating Profit (BU EBITDA) of Retail and Commercial Business from Operating Performance in 3Q/2021 was 318 million baht, decreasing by 41.9% YoY due to the impact from the strictest lockdown measures.

Additional Information (Operating Performance)

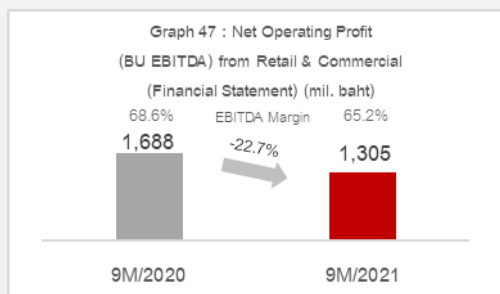


The Net Operating Profit (BU EBITDA) of Retail and Commercial Business from Operating Performance in 3Q/2021 dropped by 31.5% QoQ due to the impact from the strictest lockdown measures.



In comparison to 2Q/2020, the Net Operating Profit of business group (BU EBITDA) from Operating Performance declined by 32.5% due to the impact from the strictest lockdown measures.

Additional Information (Operating Performance)



In 9M/2021, the Net Operating Profit (BU EBITDA) of the business group from Operating Performance totaled 1,305 million baht, a decrease of 22.7% YoY due to the impact from the strictest lockdown measures.

Table 4: Net Operating Profit (BU EBITDA) of Retail & Commercial \*

Categories	9M/2021 (THB m)	9M-YoY	3Q/2021 (THB m)	Q2-QoQ	Q3-YoY	Explanation
Community Shopping Malls	121	-39.8%	10	-82.6%	-88.8%	The Net Operating Profit in 3Q/2021 decreased by 82.6% compared to the previous quarter. In comparison with 3Q/2020, the Net Operating Profit decreased by 88.8% due to the lockdown measures requiring the closure of department stores and shopping centers to limit the spread of the pandemic.
Tourist Lifestyle Destination	9	-86.4%	4	161.9%	-61.6%	In 3Q/2021, the COVID-19 pandemic prevented foreign tourists from visiting the country. However, the Group's Net Operating Profit increased by 161.8% QoQ due to a policy of enhancing the Company's assets and improving cost management efficiency.
Community Market	45	-46.9%	5	-71.7%	-84.1%	The Net Operating Profit decreased compared to the previous quarter.
Office	1,232	-10.7%	371	-10.2%	-18.6%	However, despite a slight decline in Net Operating Profit, the Company was able to maintain its level of stability during the current crisis. In 3Q/2021,
<b>Total</b>	<b>1,408</b>	<b>-18.8%</b>	<b>390</b>	<b>-20.2%</b>	<b>-33.4%</b>	

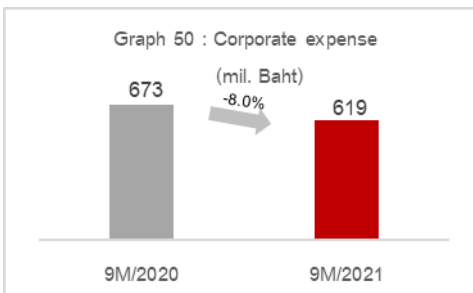
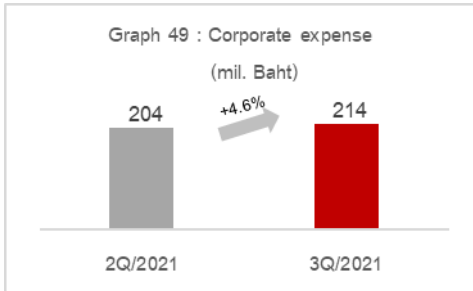
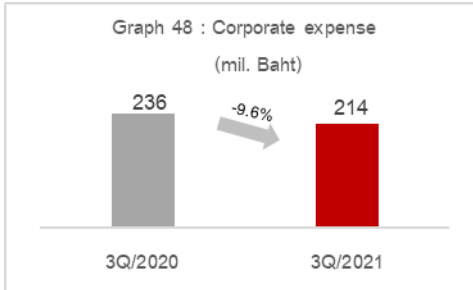
The AEC Trade Center project in Ayutthaya Province is still in the strategic planning phase. In 3Q/2021, it required cash amounted 25 million baht to prepare for the commencement of its operation.

\* Each business unit is referred to only the operating assets of the Company. Revenue before elimination of related party transactions is excluded management fees, interest income and fair value gains on Investment Properties

## Corporate Expenses

The corporate expense in 3Q/2021 was 214 million baht, decreasing by 9.6 % YoY. In comparison to the previous quarter (QoQ), the corporate expenses in 3Q/2021 increased by 4.6% from Q2/2021 due to the preparedness and enhancement for the Company group's competitiveness including the integrated marketing strategies that offers AWC Infinite Lifestyle for customers' OMNI-Lifestyle Experience.

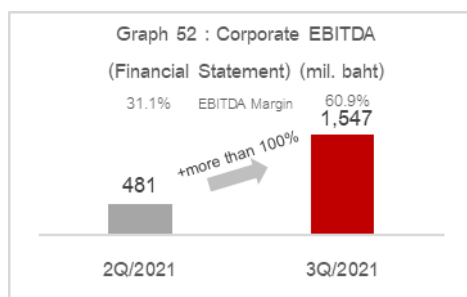
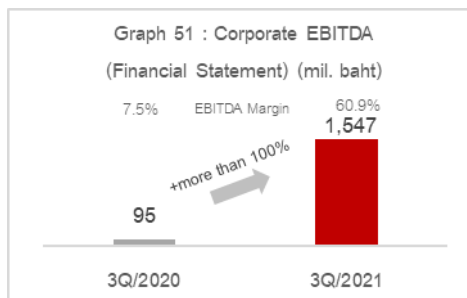
The corporate expenses in 9M/2021 was 619 million baht, decreasing by 8.0% YoY.

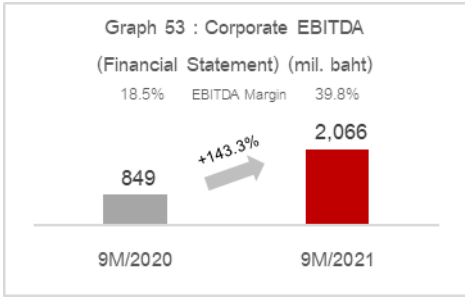


## Corporate EBITDA

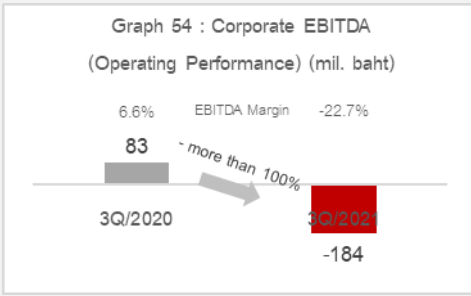
As demonstrated in the Financial Statement, the EBITDA totaled 1,547 million baht in 3Q/2021, an increase of more than 100% YoY and QoQ, owing to a high occupancy rate in the Office Building Business and fair value gains on Investment Properties.

The EBITDA according to the Financial Statement in 9M/2021 was 2,066 million baht, increasing by 143.3% YoY.



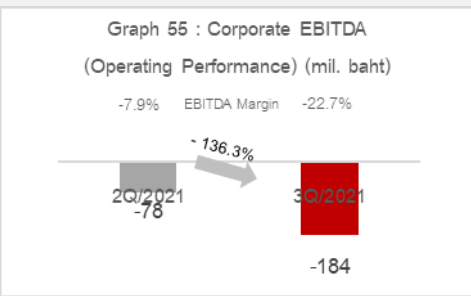


Additional Information (Operating Performance)

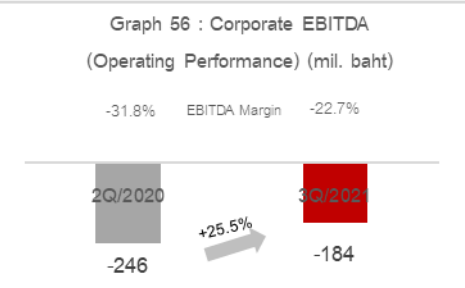


The EBITDA from Operating Performance in 3Q/2021 was -184 million, decreasing of more than 100% YoY as the Company was affected by the lockdown measures requiring the closure of department stores and shopping centers to limit the spread of the pandemic at the start of the quarter.

Additional Information (Operating Performance)

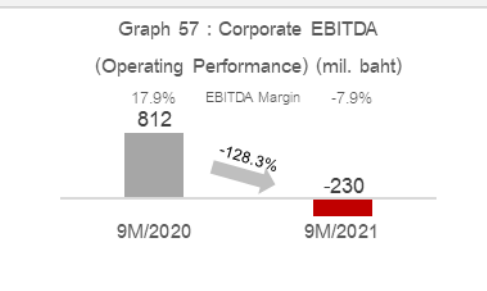


In comparison with the previous quarter, the EBITDA from Operating Performance in 3Q/2021 declined by 136.3% due to the impact of the fourth wave of COVID-19 pandemic.



In comparison to 2Q/2020, the EBITDA from Operating Performance rose by 25.5% as the Company had already passed the bottom.

Additional Information (Operating Performance)



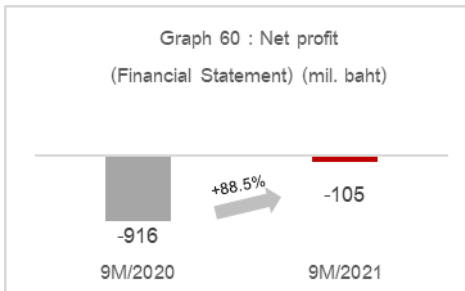
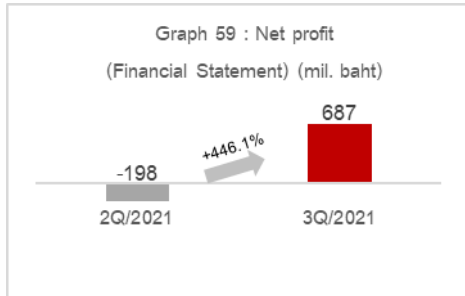
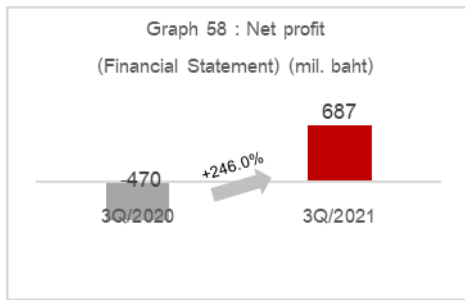
In 9M/2021, the EBITDA from Operating Performance totaled -230 million baht, a decrease of 128.3% YoY due to the impact from the strictest lockdown measures.



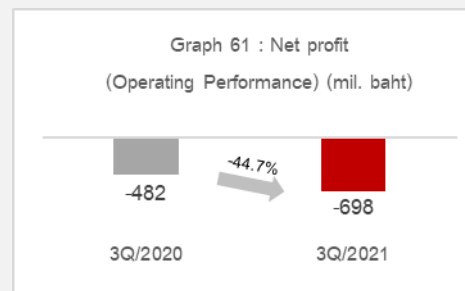
## Net Profit

According to the Financial Statement, the Company earned a net profit of 687 million baht in 3Q/2021, an increase of 246.0% YoY, due to the end of the lockdown, an improvement in the Hotel Business' occupancy rate, while the Office Building Business' occupancy rate remained high, and fair value gains on Investment Properties. The net profit in 3Q/2021 as stated in the Financial Statement increased by 446.1% QoQ.

The net profit in 9M/2021 as stated in the Financial Statement was at -105, up 88.5% from the same period last year.



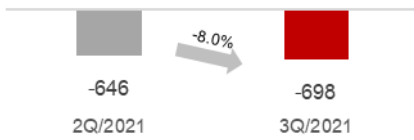
### Additional Information (Operating Performance)



The net profit from Operating Performance in 3Q/2021 totaled -698 million baht, decreasing by 44.7% YoY as the Company was affected by the lockdowns and measures requiring the closure of department stores and shopping centers to limit the spread of the pandemic at the start of the quarter.

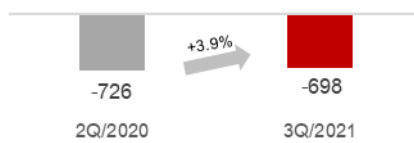
Additional Information (Operating Performance)

**Graph 62 : Net profit  
(Operating Performance) (mil. baht)**



The net profit from Operating Performance in 3Q/2021 fell by 8.0% QoQ mainly due to the impact of the strictest lockdown measures in July and August 2021.

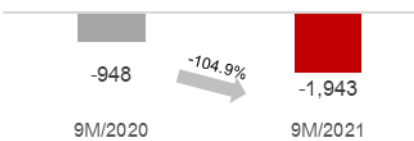
**Graph 63 : Net profit  
(Operating Performance) (mil. baht)**



In comparison with 2Q/2020, the net profit from Operating Performance rose by 3.9. Although it was affected by the strictest lockdown measures in 3Q/2021, it still showed the better performance compared to 2Q/2020, which had the most impact from COVID-19.

Additional Information (Operating Performance)

**Graph 64 : Net profit  
(Operating Performance) (mil. baht)**



The Company had a net profit from Operating Performance in 9M/2021 of -1,943 million baht, a decrease of 104.9 % YoY due to the impact of the second and third, followed by the fourth wave of COVID-19.

## Capital Structure, Liability and Return

### Total Asset

The Company possessed total assets, as of 30 September 2021, with a value of 136,094 million baht. The main assets were operating assets, for which the details were as follows:

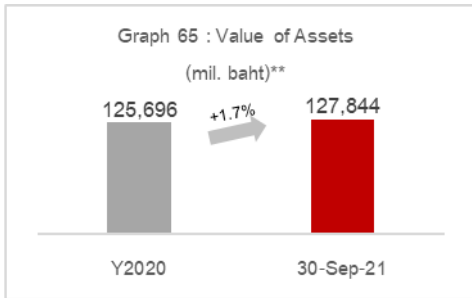
1. The fixed assets consisted of property, plant and equipment, investment property and leasehold right. As of 30 September 2021, the total value of fixed assets totaled 133,518 million baht which the value of operating assets\* amounted to 133,500 million baht.
2. Other assets excluding property, plant and equipment and investment property, as of 30 September 2021 was 2,575million baht. These other assets included the current assets which may vary from time to time depending on the normal operation and the other non-current assets such as withholding tax and refundable VAT.

When considering the return on investment by analyzing the rate of return on Net Operating Profit (BU EBITDA) to fixed assets (refer to table 5) the value of fixed assets was the value before deducting accumulated depreciation and excluding assets revaluation, thus totaling to 127,844 million baht.

The rate of return on the Net Operating Profit (BU EBITDA) to fixed asset in Financial Statement during the previous 12 months was at 2.8%, increasing from 2.0% at the end of 2020.

The rate of return on the Net Operating Profit (BU EBITDA) to fixed asset from Operating Performance during the previous 12 months was at 0.8%, decreasing from 1.6% at the end of 2020.

3. The rate of return on the Net Operating Profit (BU EBITDA) according to Financial Statement of operating assets which comprised of asset in Business-as-Usual period (BAU), asset in initial period (Ramp up) and asset under repositioning (Reposition) to total fixed assets during the previous 12 months as of 30



\*\*The value of assets was the value before deducting accumulated depreciation and excluding assets revaluation

\* The fixed assets which excluded headquarter at 18.0 million baht

September 2021 was at 3.0%, increasing from 2.0% compared to the previous 12 months as at the end of 2020.

The rate of return on the Net Operating Profit (BU EBITDA) from Operating Performance of operating assets which comprised of asset in Business-as-Usual period (BAU), asset in initial period (Ramp up) and asset under repositioning (Reposition) to total fixed assets during the previous 12 months as of 30 September 2021 was at 0.8% per year, declining from 1.7% compared to the previous 12 months as at the end of 2020.

Assets in Business-as-Usual period (BAU) accounted for 18.4% of the total fixed assets and generated a rate of return on the Net Operating Profit as shown in Financial Statement of 10.4% over the past 12 months, growing from 5.8% at the end of 2020.

The Company's assets in Business-as-Usual period (BAU) can generate a rate of return from Operating Performance to fixed assets in the past 12 months at 0.9 percent, down from 2.1 percent in 2020 due to the impact of the COVID-19. However, the Business-as-Usual period in Retail and Commercial Business continued its robust performance, demonstrating the benefit of the Company's risk mitigation approach through diversification of its asset portfolio.

Table 5: Return on Net Operating Assets EBITDA Business group according to the Financial Statement and Operating Performance (Past 12 months) as of 30 September 2021

The value of fixed assets is before deducting the accumulated depreciation and excludes the added value from land revaluation.

Assets	Net Operating Profit excluding valuation gain (Past 12 months))	Asset Value		Rate of Return from Operating Performance	Rate of Return from Operating Performance	Rate of Return (Financial Statement)	Rate of Return (Financial Statement)
		Amount (MB)	%	30 September 2021 (Past 12 months)	For 2020	30 September 2021 (Past 12 months)	For 2020
<b>Hospitality and related services</b>							
Asset in Business-as-Usual period (BAU)	(363.3)	15,475.2	20.7%	-2.3%	-0.80%	-2.3%	-0.8%
Asset in initial period (RAMP UP)	(480.7)	33,282.6	44.5%	-1.4%	-0.20%	-1.4%	-0.2%
Asset under repositioning (REPOSITION)	(129.5)	7,774.5	10.4%	-1.7%	-0.80%	-1.7%	-0.9%
Asset under development (DEVELOPING)	8.6	18,186.6	24.3%	0.0%	-0.10%	0.0%	0.0%
<b>Total</b>	<b>(964.9)</b>	<b>74,718.9</b>	<b>100.0%</b>	<b>-1.3%</b>	<b>-0.40%</b>	<b>-1.3%</b>	<b>-0.4%</b>
<b>Retail and Commercial</b>							
Asset in Business-as-Usual period (BAU)	565.8	8,074.7	15.2%	7.0%	7.70%	34.8%	18.6%
Asset in initial period (RAMP UP)	1,055.7	26,424.3	49.7%	4.0%	6.10%	1.3%	5.2%
Asset under repositioning (REPOSITION)	346.3	15,811.1	29.8%	2.2%	3.10%	10.8%	6.7%
Asset under development (DEVELOPING)	7.8	2,815.1	5.3%	0.3%	-0.50%	-12.6%	-40.8%
<b>Total</b>	<b>1,975.6</b>	<b>53,125.1</b>	<b>100.0%</b>	<b>3.7%</b>	<b>4.40%</b>	<b>8.5%</b>	<b>5.2%</b>
<b>Total of Fixed Assets</b>	<b>1,010.7</b>	<b>127,844.0</b>	<b>100.0%</b>	<b>0.8%</b>	<b>1.60%</b>	<b>2.8%</b>	<b>2.0%</b>
<b>Fixed Assets of the Company</b>							
Asset in Business-as-Usual period (BAU)	202.5	23,549.9	18.4%	0.9%	2.10%	10.4%	5.8%
Asset in initial period (RAMP UP)	574.9	59,706.8	46.7%	1.0%	2.10%	-0.2%	2.1%
Asset under repositioning (REPOSITION)	216.8	23,585.5	18.4%	0.9%	2.00%	6.7%	4.2%
Asset under development (DEVELOPING)	16.4	21,001.7	16.4%	0.1%	-0.30%	-1.6%	-5.9%
<b>Total of Fixed Assets</b>	<b>1,010.7</b>	<b>127,844.0</b>	<b>100.0%</b>	<b>0.8%</b>	<b>1.60%</b>	<b>2.8%</b>	<b>2.0%</b>

Note: 1) The Net Operating Profit (EBITDA) of the business group is equated to the total income (excluded Related Party Transactions, Management fees, Interest Income, and other income) which all expense has been deducted (excluding the financial cost). Credit Note is adjusted as deemed appropriate with the applicable quarter. The above assets are referred to only the operating assets of the Company.

2) The value of fixed assets before deducting the accumulated depreciation and excluding assets revaluation as to display the return of investment.

## Liabilities and Shareholder's Equity

As of 30 September 2021, the Company recorded the total liabilities of 57,925 million baht, increasing by 3,035 million baht or 5.5% in comparison to the Financial Statement at year-end of 2020 (Graph 66.1 and 66.2). The liabilities consisted of interest-bearing debt (IBD) amounted to 48,519 million baht, and other liabilities amounted to 9,406 million baht. As of 30 September 2021, the shareholder's equity stood at 78,169 million baht (Graph 66.2), up 111 million baht from 78,057 million at the end of 2020, when the Investment Properties recording policy was revised (Graph 66.1). Moreover, it was reflected by operating loss in 9M/2021.

Graph 66 : Financial Structure

Graph 66.1 Financial Statement as of year end 2020    Graph 66.2 Financial Statement as of 31 September 2021

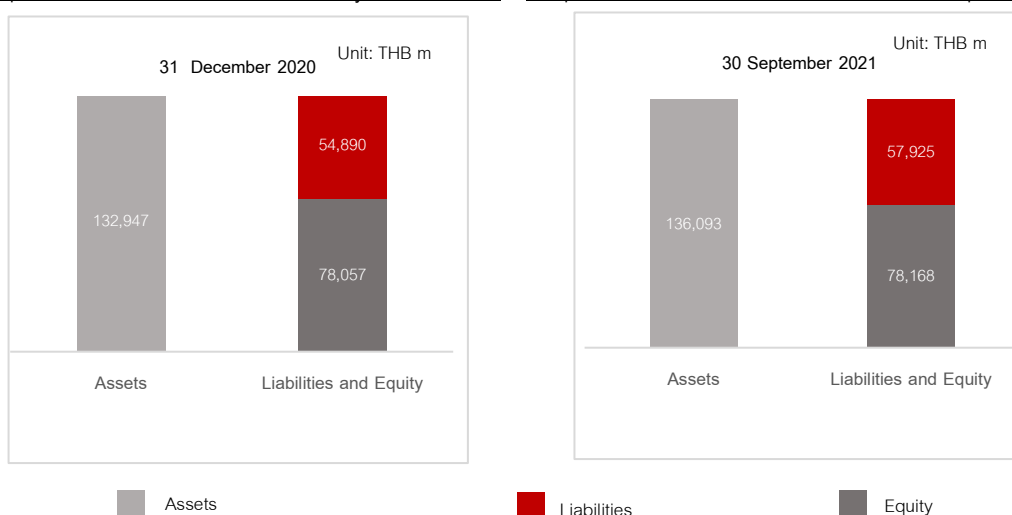


Table 6: Financial Ratio

อัตราส่วนทางการเงิน		9 Months		Quarter			
		2020	2021	2/2020	3/2020	2/2021	3/2021
Financial Statement	EBITDA Margin	21.5%	39.8%	-28.7%	18.6%	31.1%	60.9%
	Net Profit Margin	-16.3%	-2.0%	-89.5%	-23.0%	-12.8%	27.1%
Operating Performance	EBITDA Margin	17.9%	-7.9%	-31.8%	6.6%	-7.9%	-22.7%
	Net Profit Margin	-20.8%	-67.1%	-93.6%	-38.3%	-65.5%	-86.4%

The EBITDA margin and net profit margin as shown in the 3Q/2021 Financial Statement stood at 60.9% and 27.1%, respectively, significantly increasing from the same period last year. Compared to the previous quarter (QoQ), the EBITDA margin and net profit margin in 3Q/2021 as stated in the Financial Statement increased. Although, the Company was affected by the strictest lockdown measures in 3Q/2021, it still showed the better performance compared to 2Q/2020, which had the most impact from COVID-19. The fair value gains from Investment Properties were also realized.

The EBITDA margin and net profit margin as stated in Financial Statement in 9M/2021 stood at 39.8% and -2.0%, respectively, increasing from the same period last year,

The EBITDA margin and net profit margin from Operating Performance in 3Q/2021 stood at -22.7% and -86.4%, respectively, down from the same period last year. However, the financial ratio improved in comparison to 2Q/2020, indicating that the Company passed the bottom out. In 3Q/2021, EBITDA margin and net profit margin from Operating Performance decreased in comparison to the previous quarter (QoQ) as a result of the fourth wave of COVID-19.

The EBITDA margin and net profit margin from Operating Performance in 9M/2021 stood at -7.9% and -67.1%, respectively, decreasing from the same period last year.

**Table 7: Debt to Equity Ratio**

Ratio	2019 (After Restate)	2020	3Q/2021
Debt to Equity Ratio	0.5 times	0.7 times	0.7 times

The Debt to Equity ratio as of 3Q/2021 was maintained at 0.7 times which was the same level as 2020. This reiterated the Company's solid financial structure and strong leverage capability in reserving liquidity to support the continuous growth and business plan.

#### **Sustainability**

In 3Q/2021, the Company was included to the list of sustainable stocks. This is the Company's first year participating in the Thailand Sustainability Investment (THSI), which reflects the Company's economic, social, and environmental performance

(ESG: Environmental, Social, and Governance) in response to the Company's goal of building a better future and in accordance with the standards used in the sustainability assessment of the Stock Exchange of Thailand. To adapt to future challenges, crisis management, including pandemic response, is incorporated into the risk assessment in 2021. A new normal lifestyle, such as changing consumer behavior, is also considered as part of the emerging risk. Furthermore, the assessment emphasizes employee health and safety to ensure that the business operates consistently and efficiently, including contributing to society and stakeholders, both customers and partners.

Additionally, the Company has begun gathering data in preparation for participation in the Corporate Sustainability Assessment S&P ESG Indices under the category of Hotels, Resorts, and Cruise Lines Industry for the year 2021.

### **Environment**

The Company has implemented a solar rooftop system that utilizes solar energy to generate electricity via solar panels installed on the roofs of its premises. The Company installed solar panels for a total of 8 premises. The construction process was completed in a total of 7 premises in 3Q/2021, including the following:

1. Hua Hin Marriott Resort & Spa;
2. Phuket Marriott Report and Spa, Nai Yang Beach;
3. Gateway at Bangsue;
4. Pantip Plaza Chiangmai;
5. Pantip Plaza Ngamwongwan;
6. Lasalle's Avenue phase 1; and
7. Lasalle's Avenue phase 2.

The Company expects to be able to power the system for the first time at the Phuket Marriott Resort & Spa. Additionally, by implementing energy-saving initiatives in the third quarter, such as a project to improve the efficiency of the heating, ventilation, and air conditioning system, the operating cost can be reduced by 21,429,549 baht, and the cost of the project bulb replacement with LED can also be reduced by 9,634,034 baht. As a result, the project's operating costs are lowered by 31,063,583 baht by the end of the third quarter, equivalent to 3,786 tons of greenhouse gas emissions—carbon dioxide reduction. The Company anticipates a 49,003,764 baht reduction in operating costs by energy-saving initiatives implemented during the year.



### **Social Development**

The Company runs activities under the sustainable development framework. In 3Q/2021, Asset World Foundation for Charity under Asset World Corp. partnered with government entities and leading organizations to establish "**Community Isolation**" within the AEC Trade Center Pratunam Phra-In in Phra In Tharacha Subdistrict, Phra Nakhon Si Ayutthaya Province, with 200 beds dedicated to green group COVID-19 patients or those with mild symptoms. While AWC and its hotels group donated 2,263 sets of bedding for the Community Isolation to Bang Khae District Office, Ministry of Tourism and Sports at Krabi and Phatthalung Provinces, as part of the "**AWC Together for Thais**" project. Additionally, the Company contributed to the establishment of a Sinopharm vaccination clinic in partnership with the Central Chiang Mai Memorial Hospital as part of the "**Vaccination for Thais**" project.

The Company also recognizes the value of enhancing the quality of life and creating chances for the community to increase the revenue channels through the operation of the GALLERY shop, which serves as a marketplace for community products. In Asset World Foundation for Charity has opened the 10<sup>th</sup> new branch of the GALLERY Shop, at The Okura Prestige Bangkok, to continue contributing to the value of art and to continuously improve the community's quality of life.

### **Corporate Governance**

In 3Q/2021, the Company was certified as a member of Thai Private Sector Collective Action Against Corruption (CAC) for the first time. This reflects the Company's commitment to build a better future by fostering an environment that values honesty, transparency, and respect for different opinion through creative communication. The Company places importance on anti-corruption efforts in all forms to foster a positive working environment and to drive the Company according to the good corporate governance. This would benefit in creating a holistic value for all stakeholders throughout the business process, hence ensuring stable and sustainable growth. In addition, according to the 2021 CGR Score Survey, the Company is one of 268 listed companies, or top 37% with CGR score at an excellent CGR level (5 stars) or having an average score of 90 to 100 percent.

The Company remains firm about the strong potential of Thailand's tourism industry and is committed to developing high-quality projects that will enhance its competitiveness and attract investors and tourists from around the world, as well as preparing for a return to normalcy in accordance with the Company's targets of achieving rapid growth through effective asset and corporate management strategies.

To cope with the COVID-19, the Company has been focusing to establish and strengthen its management processes in all key areas. This will enable the Company to be ready for the demand pickup and country opening while seeking possibilities for new investments to accomplish its mission "Building a Better Future" and to respond to long-term values for all stakeholders through business operations that adhere to sustainable business development principles.