



WORLD CORPORATION PUBLIC COMPANY LIMITED



WORLD CORPORATION PUBLIC
COMPANY LIMITED
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Message from the Chairman

Dear All Shareholders,

World Corporation Public Company Limited is a company engaged in the business of real estate and others which participates in the promotion of social development and prosperity in those communities around the project as well expanding business interests of the company.

The company has a strategic plan to create a strong and profitable model in the long term, with its mission;

- To expand investment in real estate to cover all areas and meet different requirements.
- To promote sustainable energy and expand renewable energy
- To care for the communities we serve
- To increase the value of shareholders' equity

For the fiscal year 2018, The Company will focus on improving business policy, development and services for improved efficiency, better quality and cost management. Meanwhile, the company will continue contributing to the development of the economy and society through activities under our Corporate Social Responsibility (CSR) Policy, good governance, transparency, and adherence to good leadership. In addition, the discipline of risk management is an important factor that will bring success in creating value for our shareholders and generate stable returns.

The board of directors is confident in, and committed to, increasing the effectiveness and efficiency of operations and strengthening the stability of the Company and would like to thank our customers and the organizations that have provided support and trust.

On behalf of the Board of Directors I am confident that our strategies are in line with the project environments, can increase efficiency and effectiveness in operations and are committed to strengthening the stability of the company. I would like to thank our shareholders, clients and organizations which have supported and trusted the management of the company throughout.

Finally, thank you to the management and all employees for their participation as the major force in driving and developing the company to progress steadily.



Associate Professor Dr. Chirasak Chiyachantana
Chairman

The Board of directors



Associate Professor Dr. Chirasak Chiyachantana

Position	Chairman/Chief Executive Officer		
Age	47 yrs.		
Education	Ph.D. Leadership and Human Behavior United States International University , U.S.A.		
	MBA Marketing Oklahoma City University , U.S.A.		
	B.S.C.E. Civil Engineering, University of Manila, Philippines		
Training	DCP 177/2013, 9 August 2013		
Working experience	2006-Current	President	Western University
	2013-Current	Chairman	World Corporation Pubic Company Limited

Associate Professor Dr. Chiraphol Chiyachantana

Position	Director/Chief Financial Officer		
Age	42 yrs.		
Education	Ph.D. Finance The University of Memphis, U.S.A.		
	MS International and MBA Management Radford University , U.S.A.		
	BSBA Finance Concord College, U.S.A.		
Training	DCP 176/2013, 9 August 2013		
Working experience	2005-current	Assistant Professor	Singapore Management University
	2006-current	Visiting Professor	Chulalongkorn University
	2011-current	Member of University Council	Western University
	2013-current	Director/Chief Financial Officer	World Corporation Public Company Limited





Dr.Sangsri Chiyachantana

Position	Director		
Age	73 yrs.		
Education	DPA Public Administration , Ateneo De Davao University , Philipines MPA Organization and Management, NIDA BBA Finance and banking Thammasat University		
Training	DCP 105/2013, 3 September 2013		
Working experience	2007-current	Member of University Council	Western University
	2013-current	Director	World Corporation Public Company Limited

Assistant Professor Dr.Krusuma Palaprom

Position	Director		
Age	50 yrs.		
Education	DBA Information Systems The University of Sarasota , U.S.A. MBA Finance Oklahoma City University , U.S.A. BBA Finance Dhurakij Pundit University		
Training	DCP 105/2013, 3 September 2013		
Working experience	2001-current	Lecturer	Phranakhon Rajabhat University
	2013-current	Member of University Council	Western University
	2013-current	Director	World Corporation Public Company Limited





Assistant Professor Dr. Pattarawan Prasarnphanich

Position	Director		
Age	42 yrs.		
Education	Ph.D. in Management information Systems, The University of Memphis , U.S.A.		
	MBA Decision Sciences Virginia Commonwealth University , U.S.A		
	BS in Applied Statistics, Chulalongkorn University		
Training	DAP 96/2012, 14 November 2012		
Working experience	2005-2008	Assistant Professor	University of Hong Kong
	2008-current	Lecturer	Chulalongkorn University
	2013-current	Director	World Corporation Public Company Limited

Associate Professor Dr. Ekaporn Rakkwamsuk

Position	Director		
Age	56 yrs.		
Education	DPA Public Administration Ramkhamhaeng University		
	MA Political Science Thammasat University		
	LLB Laws Thammasat University		
Training	DAP 77/2009, 21 January 2009		
Working experience	current	Member of University Council	Western University
	current	Visiting Professor	Western University
	current	Director	World Corporation Public Company Limited



Mr.Sukont Kanjanahuttakit

Position Chairman of the Audit Committee

Age 71 yrs.

Education MA Finance
Virginia Polytechnic and State University , U.S.A.
BA Finance
Virginia Polytechnic and State University , U.S.A.

Training DCP 96/2007
AACP 30/2010

Working experience	2012-current	Chairman	Srisawad Power 1979 Plc.
	2014-2015	Chairman of the Audit Committee	Thaisri Insurance Plc.
	2015-current	Chairman	Jasasset property development Plc.
	2015-current	Chairman of the Audit Committee	World Corporation Public Company Limited



Dr.Praphakorn Smiti

Position Member of the Audit Committee

Age 69 yrs.

Education Ph.D. in in Regional Development Strategies
Chaiyaphum Rajabhat University
MPA Public Administration
NIDA

Bachelor of Political Science Program in Politics and Governments
Parsons College , U.S.A.

Training DAP 105/2013, 3 September 2013

Working experience	2004-2008	Governor	Chaiyaphum Province Chai Nat Province
	2013-current	Chairman of University Council	Western University
	2013- current	Member of the Audit Committee	World Corporation Public Company Limited





Colonel Phanthip Katipagdeetham

Position	Member of the Audit Committee		
Age	59 yrs.		
Education	MPA Public Administration		
	NIDA		
	BBA Marketing Thammasat University		
Training	DAP 105/2013, 3 September 2013		
Working experience	1987-current	Major General	Royal Thai Armed Forces
	2013- current	Member of University Council	Western University
	2013- current	Member of the Audit Committee	World Corporation Public Company Limited

Business Operations

1. Policy and overall Business Operations

1.1 Policies and corporate direction

The company plans to generate growth and profits over the long term, through quality process and creating flexibility for the company through the following corporate philosophy, vision and mission statement;

Vision

World Corporation, the leader in real estate, strives to support the economic and social development of the country, with continual appetite for opportunities to make new investments as to increase business value and expand growth, in conjunction with developing a sustainable society.

Mission

- Committed to promote quality real estate development strengthened by the latest technology and creative innovation
- Committed to enhance sustainable business growth, constantly welcoming business alliances, strive for an optimal corporate's profit to ensure the shareholders' best of interest.
- Committed to serve with enthusiasm and willingness, to efficiently meet the customers' diverse needs with care and to deliver the best customers satisfaction.
- Support the economy and protect and maintain the environment while promoting better standard of living for the people.
- Conduct business with high standard and maintain Business ethics and good corporate governance.

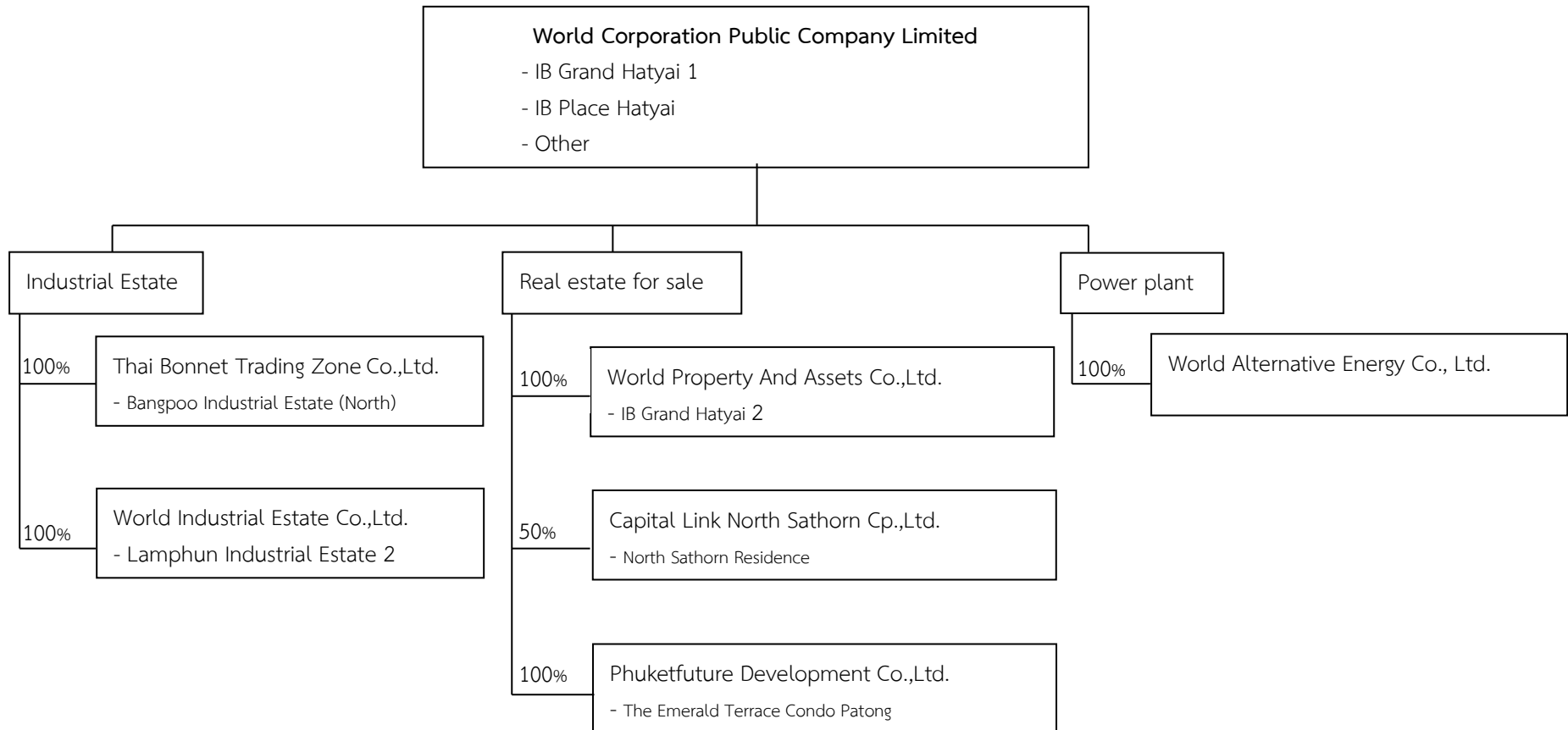
1.2 Change and Development of the Company.

Year	Events and Important Developments
1988	Company founded under the name "Thai-Denmark Swine Breeder Company Limited"
1994	Registered as a Public Company Limited (PCL) and changed name to "Thai-Denmark Swine Breeder Public Company Limited" with securities listed on the Stock Exchange of Thailand
2005	Company faced liquidity problems. The Central Bankruptcy Court ordered rehabilitation and required the Company to form a rehabilitation plan on 26 July 2005.
2006	The Central Bankruptcy Court issued an order approving the rehabilitation plan and appointed the Company as the rehabilitation plan administrator on 27 June 2006.
2013	The Central Bankruptcy Court issued an order approving the revised rehabilitation plan on 23 May 2013. The Company successfully implemented the rehabilitation plan with results as follows: a) The Company successfully repaid debts to all creditors.

Year	Events and Important Developments
	<p>b) The Company sold various main assets, such as breeding stock and land deeds. All of the money received from the sale of the assets was used to repay debts.</p> <p>c) On 27 May 2013, the Company increased its registered capital from 166.50 million baht to 3,712.50 million baht by issuing 354,600,000 new ordinary shares with a par value of 10 baht per share. 330,000,000 shares were allotted by private placement at the par price, and 24,600,000 shares were reserved for the exercise of warrants.</p> <p>d) The Company engaged in a share swap with Kanchanaburi Education Company Limited by acquiring 3,300,000 shares at a share price of 1,000 baht per share (par value 100 baht per share) for the total value of 3,300,000,000 baht. This was done via share swap with a ratio of 1 per 100 with 330,000,000 shares of the Company at a par value of 10 baht for a total value of 3,300,000,000 baht and registered the change in paid-up capital on 13th June 2013.</p> <p>e) The Company changed its accounting period from the previous period “beginning on January 1st and ending on December 31st of each year” to “beginning on June 1st and ending May 31st of the next year”. The Director-General of the Revenue Department authorized the Company to change the accounting period on 21st May 2013.</p>
2014	<p>The 2nd Extraordinary General Meeting of Shareholders of 2014 was held on August 28, 2014, and approved the purchase of shares in the following companies;</p> <ol style="list-style-type: none"> 1. Suvarnbhumi Education Development Co., Ltd. 2. Buriram Education Co., Ltd. 3. Ratchapruek Education Co., Ltd. 4. Ratchapruek Syndicated.co., Ltd. 5. North Eastern International Education Co., Ltd. 6. Sakolnakorn Education Co., Ltd. <p>On October 28, 2014, the Company established the World Build Construction Co., Ltd. and World Property and Asset management Co., Ltd. to carry out construction and real estate management.</p> <p>On November 25, 2014 the subsidiary Kanchanaburi Education Co. Ltd. was renamed Western U Co., Ltd.</p>
2015	<p>On May 27, 2015 the Company acquired 50 % of registered capital of Capital Link North Sathorn Co., Ltd. in order to carry out property development.</p> <p>On June 16, 2015 the Company acquired 80 % of registered capital of Phuket Future Development Co., Ltd. to carry out property development.</p> <p>On June 19, 2015 the subsidiary World Property and Asset management Co., Ltd. was renamed World Alternative Energy Co., Ltd. to operate renewable energy.</p>
2016	<p>The extraordinary General Meeting of Shareholders held on 18 December 2015 gave approval to the Company to change the par value of its shares from 0.10 baht per share to 0.50 baht per share.</p>

Year	Events and Important Developments
2017	On March 19, 2017 the Company changed the core business to property development.
	On March 30, 2017 the Company acquired 100% of registered capital of Suburb Estates Co., Ltd. and Thai Bonnet Trading Zone Co.,Ltd. in order to carry out property development.
	On April 9, 2017 the Company established the new company, World Property And Assets Co.,Ltd. in order to carry out property development, acquired the land and building in IB Grand Hatyai 1, IB Grand Hatyai 2 and IB Place Hatyai.
	On July 19, 2017 the Board of Directors' Meeting of the Company approved to propose to the shareholders meeting to consider approving the disposition of shares from connected persons to details as follow: 1. Western U Company Limited and subsidiaries 2. WP Assets Company Limited formerly known as Suvanabhumi Education Development Company Limited 3. WS Assets Company Limited formerly known as North Eastern International Education Company Limited 4. World Dental Hospital Company Limited 5. World Build Construction Company Limited
	On August 31, 2017 the Extraordinary General Meeting of Shareholders No. 1/2017, held on 31 August, 2017 approved the disposition of shares in educational business to details as follow: 1. Western U Company Limited and subsidiaries 2. WP Assets Company Limited formerly known as Suvanabhumi Education Development Company Limited 3. WS Assets Company Limited formerly known as North Eastern International Education Company Limited 4. World Dental Hospital Company Limited 5. World Build Construction Company Limited

1.3 The shareholding structure



2. Nature of Business

2.1 Revenue Structure by businesses

Unit: MB

Source of Income	Operates by ¹	% of the shareholding of the company	For the year ended May 31					
			2017		2016		2015	
			Million baht	%	Million baht	%	Million baht	%
1. Real estate development business for sale								
- Land	TBTZ	100%	214.75	18.75	-	-	-	-
- Apartment	PFD	100%	30.10	2.63	370.42	30.21	-	-
2. Real estate for rent	WU	100%	17.50	1.53	10.70	0.87	11.75	1.55
3. Education business ²	WU	100%	746.43	65.18	791.23	64.54	727.16	95.85
4. Other income ³								
- Profit from business acquisition			92.80	8.10	-	-	-	-
- Other income			43.59	3.81	53.65	4.38	19.72	2.60
Total revenue			1,145.17	100.00	1,226.00	100.00	758.63	100.00

note ¹ initials

WU mean Western U Co.,Ltd. Engage in higher education institutions in the name of Western University.

TBTZ mean Thai Bonnet Trading Zone Co.,Ltd.

PFD mean Phuketfuture Development Co.,Ltd.

- The revenue obtained from the assets acquisition is the result of the difference between the acquisition returns and the fair price of the net assets value of Thai Bonnet Trading Zone Limited. (A subsidiary) The company expects to gain favorably from the capital investment on the real estate development of the said subsidiary.

² After August 31, 2017, the revenue structure of the Company will not have an education business. Since the Extraordinary General Meeting of Shareholders No. 1/2017 held on August 31, 2017, approved the sale of ordinary shares of the Company related to the education business.

³ Other income includes interest income, gain on revaluation of investments, operating income, sales income, student equipment, and other income.

2.2 Products and Services

The company and its subsidiaries are engaged in real estate development and provide products and services under the following property portfolios:

2.2.1 Industrial estate projects

The company had invested in 2 industrial estates; Bang Pu Industrial estate (north), operated by Thai Bonnet Trading Zone Limited and Lamphun Industrial estate 2, operated by World Industrial Estate Limited. The details of the investments are as follows:

Bang Pu Industrial Estate (North)

The project is operated by Thai Bonnet Zone Limited whereby it manages the allocation of land as general industrial zone pursuant to the Industrial Estate Authority of Thailand's recommendation on February 28th, 2015. This is in connection to the general industrial zone allocation of Bang Pu industrial

estate in Samut Prakarn. At present the project is opened for sale while the development on the utilities is under processed in some areas of the estate.

The project is located along Bang Plee – Tamru road, Praksa Mai Sub District, Muang District, Samut Prakarn Province. It is 1.6 km. toward the south of Praksa road. The vicinity is generally consisted of housing and indutrial projects with notable establishments or places such as Bang Pu industrial estate, Bang Pu golf course, Bang Pu settlement's fresh market, Praksa District Hospital, Muang Samut Hospital, Wat Klong Kao and its school, Bang Pu recreational resort, Bang Pu national housing projects and other housing properties.



Picture 1: Location of the projects and its surroundings

The project is adjacent to the followings:

Direction	Adjacent places
North	Housing projects and lands with building constructions
South	Housing projects and lands with building constructions
East	Bang Plee – Tamru road (Highway 3256)
West	Bang Pu Industrail Estate

Project's details

Location:	Located along Praksa-Tamru Road (Highway 3256), Praksa Sub District, Muang District, Samut Prakarn Province
Details of usable areas	<p>The total area of the project is consisted of 119 lots</p> <p>A total area of 745-1-16.2 rai or 298,116.2 M²</p> <p>The public utility area is consisted of 50 lots.</p> <p>A total area of 186-3-51.2 rai or 74,451.2 rai or 74,751.2 M² is divided as:</p> <ul style="list-style-type: none">- Allocated area for roads is 78-0-87.6 rai or 31,287.6 M² in total.- Green area is 42-3-37.2 rai or 17,137.2 M² in total.- Other public areas are 65-3-26.4 rai or 26,326.4 M² in total. <p>The above mentioned allocated areas are equivalent to 25.07% of the total land area.</p> <p>The allocated areas for sale are consisted 69 lots</p> <p>The total area is 558-1-65.0 rai or 223,365.0 square wah which is equivalent to 74.93% of the total land area.</p>
City planning mandates	The City planning mandates of Samut Prakarn as of B.E. 2556 is applied under purple area (Aor. 2 2) which is allocated for Industrial and warehouses.
Optimum usage	Industrial sector
Assets value	The value of the asset is obtained by Market valuation approach, conducted by Rich Appraisal Company Limited on the 23 rd of March, 2017. The value of the asset is 2,196,300,000.00 baht.
Ownership document	119 title deeds
Size of sellable lots	Between 470.0 – 8,371.0 square wah
Utility setup	Roads, drainage, water facility, sewer and water treatment facility, high voltage electricity, telephone



Picture 2: Allocated Lots in Bang Pu Industrial Estate (north)

The graphic shows collective lots that resemble a rectangular and trapezoid shape. The lots have been developed and elevated to be approximately 0.50 meter above the frontal road.

Current progress of the project development

The construction progress of the utility areas is approximately 73% as follows:

Items	Details	Percentage of progress
1	Main road construction	75
2	Secondary road construction	85
3	Drainage system	70
4	Rain sewage system	68
5	Water facility	68
6	Wastewater collection and water treatment system	68
7	Wastewater facility	75
8	Lift Station	60
9	High voltage electrical system	60

Project selling progress

The transfers of ownership of 35 lots have been processed to the clients which are 273-0-193.8 rail or 109,219.8 square wah and equivalent to 48.90% of the total sellable lots.

Some of the project's clients are:



The remaining lots to be sold at present are 34 lots which is 285-1-45.2 rai or 114,145.2 square wah in total and equivalent to 1,700 million baht.

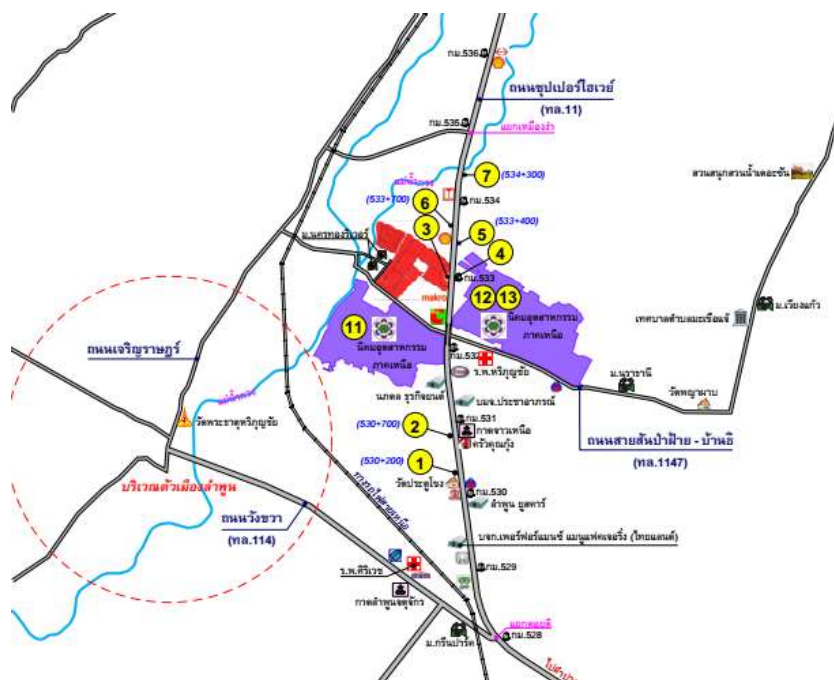
Project's development period

2017 – 2019 (2years)

World Industrial Estate (Lamphun) project

The project is being developed by World Industrial Estate Company Limited. At the present, the Industrial Estate Authority of Thailand had announced the general zoning of Industrial Estate of Lamphun Industrial Estate 2 (as stated in the Royal Thai Government gazette 128 edition, special feature 111 Ngor)

The entire project is located along Chiang Mai – Lamphun super highway no. 11, at kilometer 533, Makua Jae sub district, Muang District, Lamphun Province, within the proximity to the Northern Region Industrial Estate. The surrounding areas is mainly of commercial and industrial areas which are consisted of shopping centers, markets, car showrooms, petrol stations, restaurants, Northern Region Industrial Estate and factories (located outside the estate). The secondary roads are alternately categorized by the functionalities between commercial and residential areas which are consisted of commercial buildings, apartments, small space living projects and constructed houses. The notable places around the projects are such as the Northern Region Industrial Estate, Big C super market and Makro super market.



Picture 3: The location of World Industrial Estate (Lamphun) project

The project is adjacent to the follows:

Direction	Adjacent places
North	Vacant lot
South	San Pa Fai – Baan Ti road (highway 1147) Irrigation canal for public use
East	Chiang Mai – Lamphun super Highway (highway 11), vacant lot
West	Unnamed public road, vacant lot, Kuang river

Project's details

Location	Located along Chaing mai – lampang Super highway (highway 11), Makua Jae Sub district, Muang District, Lamphun Province.
Details of usable areas	<p>The entire project's area is consisted of 104 lots</p> <p>The total area is 350-1-47.6 rai or 140,147.6 square wah.</p> <p>The allocated public utility areas are consisted of 8 lots of 83-1-40.4 rai or 33,340.4 square wah in total.</p> <ul style="list-style-type: none">- Allocated areas for roads is 18-2-23 rai or 7,423 square wah- Green area is 39-1-48 rai or 15,748.80 square wah- Other public area is 258-1-68 rai or 10,168.60 square wah <p>Which is equivalent to 23.79 % of the total land area</p> <p>Sellable portions of the project consists of 96 lots which is 267-0-7.2 rai or 106,807.2 square wah in total, equivalent to 76.21% of the total land area.</p>
City planning mandates	The city planning mandates of Lamphun as of 2013 is applied as green areas (6.4) which is allocated for rural and agricultural areas
Optimal usage	Industrial and commercial sectors
Assets value	The Sale comparison value approach for valuation is applied and conducted by Rich Appraisal Company Limited on the 4 th of March, 2017 and the value obtained is 1,013,600,000.00 baht
Ownership document	167 Land title deeds
Public utilities	Roads, Water facility, water treatment facility, rain retention pond, electricity, telephone



Picture 4: Lots allocation of World Industrial Estate (Lamphun) project

The graphic shows the present allocation of lots as 14 vacant lots for industrial purposes, 3 vacant lots for commercial purposes and allocated lots for the construction of 79 units of 4.5 stories commercial buildings.

Current project progress

The ongoing progress of land development is approximated to be 70% while the public utility development shall commence with 2017. The details of the upcoming public utility construction are as follows:

Items	Details
1.	Roads and common public utilities
2.	Water tanks and pumping station
3.	Central waste water treatment facility
4.	Rain retention pond
5.	Treated water reservoir

Project sales updates

The project shall start selling in 2018 by targeting multinational companies and the value of the project is estimated to be 2,100 million baht in total.

Project development timeframe

2017 – 2020 (3 years)

2.2.2 Real estate development projects for sale

The company and its subsidiaries had invested in real estate development projects that consist of 4 condominiums projects for sale, as follows:

IB Grand Had Yai 1 project, located at Had Yai District, Song Kla Province, being developed by the company.

IB Grand Had Yai 2 project, located at Had Yai District Song Kla Province, being developed by World Property and Assets Company Limited.

IB Place Had Yai Project, being developed by the company.

And The Emerald Terrace Condo Patong, located in Phuket Province, being operated by Phuket Future Development Limited.

In addition, there are other projects that are currently being planned such as North Satorn Resident, being developed by Capital Link North Satorn Limited. The project's construction is expected to begin in 2017 -2018

The details of the above mentioned projects are as follows:

IB Grand Hat Yai 1 and IB Grand Hat Yai 2

The IB Grand Hat Yai 1 project is developed by the company while IB Grand Hat Yai 2 is being developed by World Property and Assets Limited. Both projects are to be developed as condominium for sale and located along Kanchanawanich road, Kor Hong Sub District, Hat Yai District, Song Kla Province. The property is within the proximity of Central Festival Mall as well as Prince of Songkla University, hospitals and other notable places.

The total area of IB Grand Hat Yai projects is approximately 3 rai while IB Grand Hat Yai 2 has a total area of 1 rai. The development details of the 2 projects are as follows:

Buildings and construction	Public Utility area	Land title deeds of the building construction	Number of units
Project: IB Grand Hat Yai 1			
7 stories Residential Building 1	4,006.66	270798	78
7 stories residential building 2	4,006.66	270796	78
Total	8,013.32	-	156
Project: IB Grand Hat Yai 2			
7 stories Residential Building 1	4,006.66	270799	78
7 stories residential building 2	4,006.66	270797	78
Total	8,013.32	-	156



Picture 5: The project's logo once



Picture 6: completed Interior visualization



Picture 7-8: Project's interior visualization

The pictures demonstrate the project's concept of providing elegance and style to the residents while having the access to the main street of Hat Yai. The design is based on energy saving principle, spacious and fully equipped facility. Urban comfort in the heart of Hat Yai for Thais and foreign residents

Current construction progress

Building constructions	Progress
<u>Project: IB Grand Hat Yai 1</u>	
7 stories residential building 1	41%
7 stories residential building 2	75%
<u>Project: IB Grand Hat Yai 2</u>	
7 stories residential building 1	50%
7 stories residential building 2	63%

Project sale progress

Building constructions	Sold units	%	Unsold units	%
<u>Project: IB Grand Hat Yai 1</u>				
7 stories residential building 1 (78units)	10	12.82%	68	87.18%
7 stories residential building 2 (78 units)	78	100%	-	-
<u>Project: IB Grand Hat Yai 2</u>				
7 stories residential building 1 (78 units)	46	58.97%	32	41.03%
7 stories residential building 2 (78 units)	50	64.10%	28	35.09%

The table shows the sale progress of IB Grand Hat Yai 1 that consists of 2 buildings and each has 78 units each, 156 in total number of units. By which 88 units were already sold and equivalent to 56.41 % of the project's total units. While 68 units are pending to be sold which is 43.59% of the project's total units and equivalent to 280 million baht in value.

On the other hand, IB Grand Hat Yai 2 has also 2 buildings, each building has 78 units, 156 in total number of units. 96 units were already sold which is 61.54% of the project's total number of units. 60 units are pending to be sold which is 38.46% of the project's total units and equivalent to 275 million baht in value.

Project development's timeframe

2017 – 2018 (1 year)

IB Place Hat Yai

IB Place Hat Yai Project is developed by the company as property development to sell condominium units. It is located in the along Rama 6 irrigation canal road which comes out from Tung Ree – Kok Wat

road, Kor Hong Sub District, Hat Yai District, Song Kla province. It is in the vicinity of Prince of Song Kla University, Hat Yai campus, hospitals and other notable places.

IB Place Hat Yai project has a total land area of 1 rai. The details of the project are as follows:

Item	Building constructions	Usable area (M ²)	Land title deeds of the building	Units
1.	8 stories Residential building 1	4,397.73	223939	78
2.	8 stories Residential building 2	5,363.75	116492	78
รวม		9,761.48	-	156



Picture 9: The project's logo



Picture 10: The project's once completed visualization after completion



Picture 11 -12: Project's interior visualization

Current project construction progress

Buildings and constructions	% Progress
8 stories residential building 1	90%
8 stories residential building 2	70%

Project's sale progress

Buildings and constructions	Sold Units	%	Unsold units	%
8 stories residential building 1	75	96.15%	3	3.85%
8 stories residential building 2	70	89.74%	8	10.26%

The table shows the sale progress of IB Place Hat Yai that consists of 2 buildings and each has 78 units each, 156 in total number of units. By which 145 units were already sold and equivalent to 92.95 % of the project's total units. While 11 units are pending to be sold which is 7.05% of the project's total units and equivalent to 210 million baht in value.

Project development timeframe

2017 - 2018 (1 year)

The Emerald Terrace Condo Patong Project

The Emerald Terrace Condo Patong Project is developed by Phuket Future Development Limited as property development to sell condominium units. It is located in the along Baramree Road, Patong Sub District, Kra Tu District, Phuket Province. It is in the vicinity of Patong Beach area and other important tourism spots.

The details of the project are as follows:

Project	Area Measurement (rai- ngarn-wah)	Number of floors	Number of Buildings	Units	Value (million baht)	Development timeframe	Progress	
							Sale	Construction process
Project: The Emerald Terrace Condo Patong								
Phase 1	1-3-89	8	1	141	(Cost Approach) 228.45 (Income Approach) 397.95	January 31 st , 2015 – December 31 st 2017	108 units sold, 25 units reserved, 8 units available	100 %
Phase 2	0-1-30	8	1	36	(Cost Approach) 62.66 (Income Approach) 45.86	January 31 st , 2015 – December 31 st 2017	26 units reserved, 10 units available	30 %
Total	2-1-19	8	2	177	(Cost Approach) 291.11 (Income Approach) 443.81	January 31 st , 2015 – December 31 st 2017	108 units sold, 51 units reserved, 18 units available	65 %

The Emerald Terrace Condo Patong project is being developed as a residential resort for Thais and foreigners. It is consisted of 2 project phases of which Phase 1 is fully completed and ready for occupancy. Currently, the ownership transfers have been processed for 47% of the total units and 22% of the units were reserved and awaiting transfer of ownership. 10% of phase 1 total units are still available for sale while the remaining 21% belongs to phase 2 which is still under construction. 15% of the total units of phase 2 are already reserved and 6% are still available for sale.

North Satorn Resident Project

The project is being developed by Capitol Link North Satorn Limited as a real estate development business. At present, the project is going through feasibility studies and planning stages.

Others

Education Business

Western U Co.,Ltd. is licensed to establish Western University. Subsidiaries are the ownership of the land and buildings used for teaching and university dormitories, including Rajapruek Education Company

Limited, Rajapruek Syndicate Company Limited, North Eastern International Education, Burirum Education Company Limited and Suvanabhumi Education Development Company Limited.

Western University serves the higher education sector, offering private university students Bachelor degrees, Masters Degrees and Doctoral degrees. Each course has been approved by the Ministry of Education Office of the Civil Service Commission (OCSC) and from the various professions. The University's teaching comprises both a normal and distance learning network, and offers a binary education system.

Educational services in higher education.

1. Bachelor Degree

A curriculum and education system has been developed which enables students to receive the best education possible. Each Bachelor degree consists of university faculty, experienced quality staff with modern teaching media. Course content is comprehensive and students have the opportunity to practice and apply their knowledge to real applications that benefit society as a whole. The course of instruction is below;

- Doctor of Dental Surgery Course
- Veterinary Medicine Course
- Bachelor of Science degree Medical Branch Course
- Bachelor of Nursing Science Course (Kanchanaburi)
- Bachelor of Nursing Science Course (Watcharaphon)
- Bachelor of Nursing Science Course (Buri Ram)
- Health Science Course Occupational Health Safety and Environment
- Health Science Course Community Health Programs
- Bachelor of Engineering Course Civil Engineering
- Bachelor of Engineering Course Electrical Engineering
- Bachelor of Accountancy Course
- BBA Course Management
- BBA Course Business Computing
- BBA Course Marketing
- BBA Course Industrial Service
- Public Administration Bachelor Course
- Bachelor of Laws Course

2. Master Degree

The Graduate School offers masters degrees. The University regularly updates and develops systems to provide more effective teaching. Moreover, the course offers a renowned faculty and enhanced opportunities through media and technology, modern teaching methods and research projects. Current Graduate School courses are below;

- Master of Public Administration Course
- Master of Education Course Educational Administration
- Master of Public Health Course Major Public Health Administration
- Master of Business Administration
- Master of Laws Course
- Master of Engineering Course Business Administration, Engineering

3. Doctoral Degree

The Graduate School is responsible for teaching Ph.Ds. The curriculum is kept constantly up to date and is taught by highly qualified staff with the experience, knowledge, critical thinking and highly specialized teaching skills to implement it. The University also has the equipment and other teaching facilities with the availability of the information for use in research, as well as a catalog of modern research, including a study funded by the Company. The student takes the degree in six semesters. Current doctoral programs offered by the university are as follows.

Doctor of Philosophy Program in Public Administration

Doctor of Philosophy Program in Education Administration

Doctor of Business Administration Program

Doctor of Laws Program

Doctor of Philosophy Program in Public Health

Fee revenue

The University's tuition fees are necessary to provide income for the operation of the university and the promotion of instructional activities for students. Revenue came from the collection of fees, registration fees for new students, transfer fees, student registration checks and the other fees such as the orientation of moving faculty or department.

Nevertheless, in the 1/2560 Extraordinary general meeting of shareholders that was held on August 31st 2017, a resolution had been passed for the approval of assets disposal of the following entities:

1. Western U Limited and its subsidiaries.
2. WP Assets Limited (Formerly known as Suwannabhumi Educational Development Limited)
3. WS Assets Limited (Formerly known as Northeastern International Education Limited)
4. World Dental Hospital Limited
5. World Build Construction Limited

The purpose of the disposal of ordinary shares of the above mentioned companies, who are subsidiaries engaging in education business. It is in conjunction with the company's business policies to divert its resources and effort into real estate development business and cease to continue its education business.

2.3 Marketing Competition and Industry Trends

2.3.1 Characteristics of the market

Customers and target groups

Industrial Estate Projects

The clients and target group of Bang Pu Industrial Estate (north) are Thais or multinational companies who require world class manufacturing facility to manufacture ,import or export various products

For Lamphun Industrial estate (2), the target group and clients are multinational companies and enterprises who require world class manufacturing facility to manufacture ,import or export various products.

Property development for sale Projects

At present, all of the company's property development for sale projects is located in the southern region of Thailand. Thus the clients and target group are residents of Thailand's southern region or foreigners who reside in the region

The target group of clients for IB Grand Hat Yai 1, IB Grand Hat Yai 2 and IB Place Hat Yai projects are the local residents of Song Kla and its nearby provinces including foreigners in Malaysia and Singapore.

For The Emerald Terrace Condo Patong Project, its target market is consisted mainly on foreign clients from European nationals, Americans, Australians and other nationalities.

2.3.2 Distribution channels and marketing strategies.

Industrial Estate Projects

Distribution channels

The project is being sold through its sale office located at the followings:

Bang Pi Industrial Estate Sales Office: No. 6, Moo Baan Nak Gila, Soi Nak Gila Laen Thong 15, Kwang Sapan Soong, Ket Sapan Soong, Bangkok and at Bang Pu Industrial Estate (North), Bang Plee – Tamru Road, Praksa Mai Sub District, Muang District, Samut Prakarn.

Tel. 02-117-1500 , 02-563-4056 Fax : 02-116-4706 Website : www.worldcorp.co.th

World Industrial Estate (Lamphun) Sale Office located at no. 99/1382, Soi 22, Moo Baan Nak Gila, Soi Nak Gila Laen Thong 15, Kwang Sapan Soong, Ket Sapan Soong, Bangkok and at Lamphun Industrial Estate (2), Chiang Mai – Lampang Super Highway, Makua Jae Sub District, Muang District, Lamphun Province.

Tel. : 02-372-3643-5 , 02-563-4056 Fax : - Website : www.worldcorp.co.th

IB Grand Hat Yai 1 and IB Grand Hat Yai 2 Sale office located at 85/35 Moo 5, Kanchanawanich road, Hat Yai District, Song Kla Province 90110

Tel. : 081-5978959 , 02-5634056 Websie: www.worldcorp.co.th , www.ibgrandhatyai.com

IB Place Hat Yai Sale Office located at Rama 6 irrigation canal road, Kho Hong, Hat Yai District, Songkhla 90110

Tel : 081-5978959 , 02-5634056 Website www.worldcorp.co.th

The Emerald Terrace Condo Patong Sale Office Located at Baramee Road, Patong Sub District, Kra Tu District, Phuket 83150

Tel : 02-5634056 Website www.worldcorp.co.th

Marketing strategies

- Location

The project is located in an area with optimum industrial usage and accessible to transportation.

- Clients

Target Market consists of Thai nationals and foreigners

- Public relation

The project appointed highly experienced sale personnel in its marketing and planned to communicate the project through various media

- Price

The pricing is appropriate and reasonable for the projects

- Service

Focus on developing the foundation system to be durable and robust, and deliver high quality that enable optimum functionalities. Provide after sale service to ensure a suitable condition of the projects to meet the clients' needs.

2.3.3 Industry conditions and competition

Industry potential

Industrial Estate

The government has put emphasis on the establishment of regional industrial estate to expand economy and social development to the provinces. The industrial estate is divided into 2 categories as follow:

- General Industrial Zone is designated for manufacturing operation, service operators or other suitable operations connected to the manufacturing and service industries.
- I-EA-T Free Zone is an estate designated for industrial commercial operators or other businesses connected to industrial operation or commercial operation in order to achieve economic benefits, national stability, and safety of the people, environmental administration or other necessities regulated by the board of directors. The importation into the I-EA-T free zone receives more tax and processing fees incentives pursuant to the related legal provision.

Property development for sale

One of the factors affecting the sale of residential property is the economy that influences the financial status of families. The information that is relevant to the economy and population is shown as follows:

1. Inflation rate



Picture 17 shows the inflation rate from 1998 – 2016. Source: Bank of Thailand

2. Interest rate of commercial banks



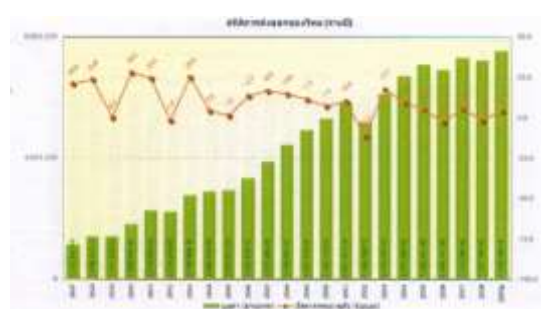
Picture 18 shows the interest rate of commercial banks from 1994 – 2016. Source: Bank of Thailand

3. Unemployment rate



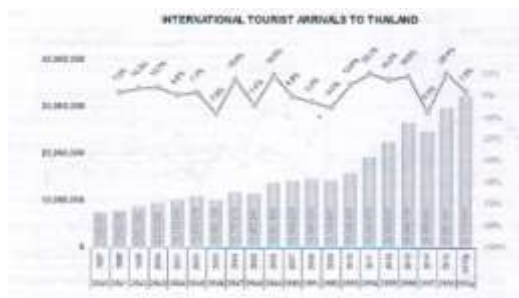
Picture 19 shows the unemployment rate from 2001 – 2016. Source: office of the National Economic and Social Development Board

4. Export rate



Picture 20 shows Thailand's exportation data from 1994 – 2016. Source: The Ministry of Commerce

5. International Tourists arrival statistic



Picture 21 shows International Tourists arrival statistic from 1997 -2016. Source: The Department of Tourism

The above statistics shows that in 2016, Thailand's exportation has increased 4.3% over the previous year and the arrival of international tourists has also increased by 7.8%. The increase in exportation and tourists' arrival are some of the factors that determine the country's revenue. As a result, it is also predictable that the incurred revenue is distributed to personnel, operators and workers in various related sectors. This increases household expenditures including investment in residential properties which is considered to be one of the important basic needs.

In addition, the statistics provided by the Bank of Thailand also shows that the inflation rate in 2016 has increased over the previous year by 0.10% while the interest for MLR has reduced by 0.30%. The increase of inflation rate is appropriate for property investment since it is an indication of value appreciation in the future. Furthermore, the reducing interest for MLR also enables the borrowers to pay lower loan interest. All of the mentioned factors provide an indication for the buyers that residential property investment is still a viable investment.

However, the statistic provided by the Office of the National Economic and Social Development Board shows that unemployment rate in 2016 has increased over the previous year by 1.1 % but it is significantly low if compare to the period from 2001 to 2016. Despite the higher unemployment rate in the said period, the residential properties have steadily increased over the period.

Therefore, it is a sound indication that the current unemployment rate which is marginal is most likely not to hinder the growth in the residential property development projects

2.3.4 Product sourcing or services

At present, the company and its subsidiaries maintain sourcing policies in obtaining property development projects for either Industrial estate development projects or property development for sale that have been partially developed by which the company and its subsidiaries can continue the development. Each project has contacted the company through their representatives to seek agreements with the company on entering the development of the projects.

2.3.5 Environmental impact

To minimize the environmental impact of its operations, the Company attaches importance to society and the environment through the creation of parks, planting of trees throughout the project and

improvement of the surrounding area to create beautiful scenery. The Company also provides staff support for community projects and activities with community and takes into account feedback and suggestions from the local community to improve the Company even more.

3. Risk Factors

Before deciding to invest in shares of the company, investors should carefully review the risk factors considered in this section as well as other information contained in this document. The risk factors that could affect the share price and/or operations of the Company are not all known at this time.

The Forward-Looking Statements that appear in this document, using words such as "anticipate", "budget execution", "expect", "future projects" etc. are predictions about the effects of the business' expansion plan. These cannot take into account changes in the law relating to the business of the Company and/or policies of the state and other relevant future events. The opinion of the Company in the present is not a guarantee of future performance or events and actual results may differ significantly from current expectations or predictions. The University operates strictly according to law and monitors and reports on the operations of the University under the relevant legislation.

Risks involved in the business

3.1 Risk of Flooding

Thailand had encountered major flooding on several occasions such as the flood crisis in 1942, 1983 and 1995. However, the previous flood crisis in 1995 did not affect the property development industry because of the booming property market that occurred prior to the economy crisis in 1997. Later in 2011, a major flood crisis occurred in Bangkok and its vicinity as well as in the provinces in the central region and lower northern region which had negatively impact the property development industry.

Today, Industrial Estate applies a preventive measure for flooding by building flood barrier surrounding the entire estate. Both Bang Pu Industrial estate (north) and Lamphun Industrial Estate (2) have implemented the same preventive measure by building flood barrier along the perimeter.

As for residential property development projects for sale, the building constructions are designed to cope with flooding by elevating the foundation to be higher than the street level and the adjacent properties. The drainage system is also designed to prevent flooding.

Therefore, the company and its subsidiaries are confident that said preventive measure can potentially prevent issues related to flooding.

3.2 Risk involved in pre-selling of the condominium units.

The company and its subsidiaries' engagement in Property development project to sell condominium units by offering for pre-selling. This is a favorable approach to minimize marketing risk and also generate advance cash flow needed for revolving fund.

However, the pre-selling of condominium units also provides a risk on cost control on construction since the property's value was set prior to the construction. Therefore, there is a risk of losing of gross

profit if the construction cost increases as well as the risk involved in the delay of construction from the contractors.

To address the risk involved in pre-selling, the company and its subsidiaries resolve the matter by securing a comprehensive contract prior to the construction and ensure close monitoring of the construction works to ensure the timely handover of the condominium units.

3.3 Risk of unsold units

The offering of both Industrial Estate projects and Property development of condominium units is regulated to have reasonable numbers of items to be sold that is appropriate to the sale forecast. This is because of the fluctuation of global economy that may influence the failure to meet the sale target and produce unsold units. Therefore, the company manages the risk of unsold units by having implementing construction in phases and ensures the completion for each phase in order to adjust in time to the significant changes and factors. Furthermore, the pre-selling of the condominium units also helps to reduce the risk of having unsold units.

Financial risk

3.4 Risks from the case of the Chiyachantana family can control special resolutions.

The major shareholder of the company is the Chiyachantana Family, holding 89.49 percent of total sold shares of the company. This proportion of the shares, which is more than three quarters of the total, empowers the Chiyachantana Family to exercise the special control power in shareholder meetings. This form of shareholding makes the company unable to make any decisions without the consent from the major shareholder.

However, on August 17th, 2017, the Chiyachantana family had disposed 399,974,000 ordinary shares and reduced their shares proportion in the company to 84.01%. Furthermore, the company had also appointed 3 independent financial auditors to evaluate the company's transaction which in turn, create a certain degree of check and balance to counteract the management's decision.

3.5 Risks of Shareholders not receiving the Dividend

Since the company is still in the initial stage of conducting real estate development projects, the funds needed for the investment is exceedingly crucial by which the gross profit may be reinvested to promote the business better.

Therefore, the company maintains a dividend policy that ensure annual dividend payout not less than 30% of the company's net profit (based on consolidated financial statement) after all the reserved funds. However, the dividend payout may be subject to change, depending on operation, cash flows, liquidity, business expansion plans, future necessities and appropriateness and other factors that may influence the company.

4. General information and other important information

Company Name	World Corporation Public Company Limited
Registration Number	0107537000301
Nature of Business	Property Development
Address	No. 4 Moo 11 Ladsawai, Lam Luk Ka, Pathumthani 12150
Authorized	3,712,500,000.00 Baht
Issued and fully paid	3,648,377,849.50 Baht
Home Page	www.worldcorp.co.th/
Phone	66 (0) 2 563 4056
Fax	66 (0) 2 563 4057

References	
Securities Register	Securities Depository Company (Thailand) Company, Limited.
	93 The Stock Exchange of Thailand Building, Ratchadapisek Rd
	Dindaeng, Bangkok 10400
	Tel. 66 (0) 2 009 9000 Fax 66 (0) 2 009 9991
Auditors	PricewaterhouseCoopers ABAS Company Limited
	179/74-80 South Sathorn Road, Sathorn, Bangkok 10120
	Tel. 66 (0) 2 344 1000 Fax 66 (0) 2 686 5050

Management and Governance

5. Securities and Shareholders

5.1 Number of registered shares and paid-up capital

The company has a registered capital of 3,712.50 million baht with the issued and paid-up amount 3,648.37 million baht and a par value per share of 0.50 baht.

5.2 Shareholders (Information as August 16, 2017.)

Shareholders	The amount of shares	Proportion
1. Chiyachantana Family	6,529,976,000	89.49%
2. Mr.Jitratat Israngkura Na Ayudhaya	225,810,700	3.10 %
3. Panichayakul Family	76,675,800	1.05 %
4. Associate Professor. Dr Pornpen Petsuksiri	70,000,000	0.96%
5. Miss Jatechanya Boonchaleo	43,439,180	0.60%
6. Chantranukul Family	39,712,660	0.54%
7. Mr. Kriangkrai Siavanichkan	27,000,000	0.37%
8. Mr. Kritsada Tanpao	25,987,000	0.36%
9. Mrs.Aree Siavanichkan	24,526,635	0.33%
10. Mr. Win Montapiwan	20,439,180	0.28%
ผู้ถือหุ้นอื่น	213,188,544	2.92%
รวม	7,296,755,699	100.00%

Remarks: On August 17th, 2017, the Chiyachantana family had disposed 399,974,000 ordinary shares and reduced their shares proportion in the company to 84.01%.

6. Dividend Payment Policy

It is the policy of the Company to consider the payment of the annual dividend of not less than 30 percent from the net profit of the operation of the company groups (from the total financial statement) after deducting the reserve funds. However, the payment of the dividend may be subject to change depending on the performance and the financial statement, the liquidity, the business expansion plan and the appropriateness for the future, including other factors related to the Company's operations. The resolution of the Board that approved the payment of the dividend would be submitted for approval at the shareholder meeting. However, the payment of the interim dividend approved by the Board would be reported for acknowledgement at the next shareholder meeting.

7. Management Structure

7.1 Board of Directors

Name of directors	Position
1. Assoc. Prof. Dr. Chirasak Chiyachantana *	Chairman
2. Dr. Sangsri Chiyachantana *	Director
3. Assoc. Prof. Dr. Chiraphol Chiyachantana *	Director
4. Assist. Prof. Dr. Kusuma Palaprom *	Director
5. Assist. Prof. Dr. Pattarawan Prasarnphanich	Director
6. Assist. Prof. Dr.Ekaporn Rakkwamsuk	Director
7. Dr.Praphakorn Smiti	Independent Director
8. Colonel Phanthip Katipagdeetham	Independent Director
9. Mr.Sukont Kanjanahuttakit	Independent Director

* Authority to sign 2 of 4 signatory of “WORLD”

Board of Directors is meeting every three months and special meetings as necessary. Fiscal 2017 the Company’s Board of Directors as follows.

Name of directors	Number of participants
1. Assoc. Prof. Dr. Chirasak Chiyachantana	10/10
2. Dr. Sangsri Chiyachantana	10/10
3. Assoc. Prof. Dr. Chiraphol Chiyachantana	10/10
4. Assist. Prof. Dr. Kusuma Palaprom	10/10
5. Assist. Prof. Dr. Pattarawan Prasarnphanich	10/10
6. Assist. Prof. Dr.Ekaporn Rakkwamsuk	9/10
7. Dr.Praphakorn Smiti	10/10
8. Colonel Phanthip Katipagdeetham	10/10
9. Mr.Sukont Kanjanahuttakit	5/10

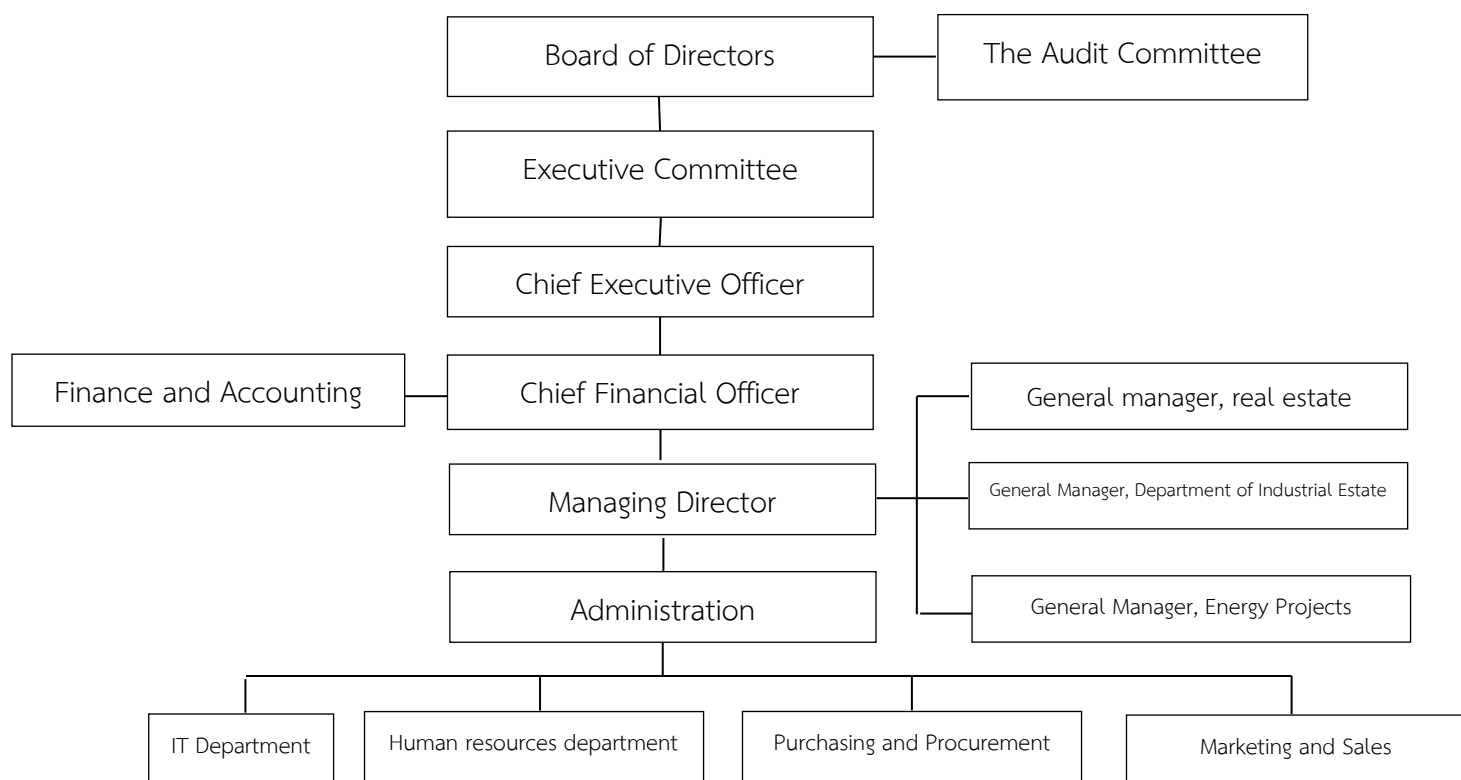
7.2 Executive

“WORLD” consists of 4 executive members as follows;

Name	Position
1. Assoc. Prof. Dr. Chirasak Chiyachantana	Chief Executive Officer
2. Associate Professor. Dr. Chiraphol Chiyachantana	Chief Financial Officer
3.Mister Jeerakit Thudsri	Managing Director
4. Miss Sasitorn Ketphueak	Director of Accounting and Finance

“WORLD” has a total of 4 executives to the table above without additional executives.

The organizational chart of the company is as follows.



7.3 Company Secretary

Assoc. Prof. Dr. Chiraphol Chiyachantana is the company secretary responsible for the following duties:

1. Overseeing the Board's activities in order to comply with the laws and regulations concerned.
2. In charge of Board and shareholder meetings, including meeting and appointment letters, meeting reports, and following up operations according to the resolutions.
3. Keeping the following documents;
 - 1) Board registration
 - 2) Board meeting appointment letters, Board meeting reports, and company's annual report
 - 3) Shareholder meeting appointment letters and shareholder meeting reports
 - 4) Interest report reported by the Board or administrator
4. Making the company's annual report
5. Performing tasks as assigned by the Capital Market Committee

8. Corporate Governance

8.1 Administrative Policy

World Corporation PLC intends to operate its business with efficiency and success in achieving its goals by adhering to the morals, ethics, transparency, accountability and consideration of social and environmental effects. The company is aware that the stable foundation of business is the fact that the company grows as well as creating benefits for all parties concerned, including shareholders, employees, customers and communities. The company has the administrative policy with the application of Good Corporate Governance 2012 as regulated by the Stock Exchange of Thailand. The details are divided into 5 categories as follows:

1. Rights of shareholders
2. Equal practices for shareholders
3. Roles of Interested Persons
4. Disclosure and Transparency
5. Responsibilities of the Board

8.2 The recruitment and appointment of directors and top management

The Board is in charge of recruiting people with the right qualifications and the approval of the appointment at a meeting of shareholders by the following criteria.

1. One shareholder in the election of one share, one vote.
2. Each shareholder must act according to article 3 of the votes to elect one or more persons as directors but cannot divide the vote.
3. Voting for election of directors is reliant on a majority decision, if the vote is tied; the chairman has the deciding vote.

Each director's term of office is three years. In the event of a vacancy on the board caused by factors other than by rotation a new director shall be appointed. At the annual general meeting of shareholders one-third of the directors shall retire from office, if the number of directors cannot be divided into three parts then the number nearest to one-third will be retired. The directors who were in office the longest shall retire with directors retiring by rotation being eligible for appointment in the following year if

shareholders approve. In the case of new appointments, the Company committee shall recruit individuals with the right qualifications and ability to serve.

If a directorship becomes vacant due to any reason other than the balance of the term, and a term of not less than two months remains, an individual will be appointed to our Board of Directors by the Directors at their next meeting. The resolution must be passed by not less than three quarters of the remaining directors. Newly appointed directors will have a term of office only for the remaining term of the director whom he replaces.

Audit Committees consist of at least three persons, and the Company has a policy for appointing to members to the board of directors / audit committee by considering from qualifications as follows:

1. The person must not have a stake in the company, or its subsidiaries, of more than 1 percent shares with voting rights. The holding includes shares held by related persons.

2. A director who is not involved in the management of the company, subsidiary companies, associated companies or a major shareholders in the Company and must not be an employee or advisor who receives a regular salary from the Company, subsidiary companies, associated companies or major shareholders of the Company.

3. Director has no interest or interests, whether directly or indirectly, in the financial and operational management of the Company, subsidiaries, associates or shareholders of the company. This must cover a period of at least 2 years prior to being appointed as an independent director. Unless the board has carefully considered the matter, the benefits or interests will have no impact on the performance and to see its release.

In the case of independent directors not seeing out their term due to other reasons and the balance of the remaining term is not less than two months then an appointment will be made by the board of directors at their next meeting. The resolution must be passed by not less than three-quarters of the remaining directors and newly appointed directors will have a term of office only for the remaining term of the director whom he replaces.

The appointment of the Company's chief executive officer will be decided by the Chairman.

8.3 The remuneration of the auditing

The fiscal year ended of 31 May, 2017.

No.	Company / Subsidiary	Auditor's remuneration ^{/1}		
		Audit fees	Other fees ^{/2}	Total
1.	World	2,290,000	300,000	2,590,000
2.	Subsidiary	7,920,000	-	7,920,000
	Total	10,210,000	300,000	10,510,000

Remark / 1 The audit firm is PricewaterhouseCoopers ABAS Company Limited.

/ 2 Other service fees are tax consultant fees.

There is no service fee to be paid in the future because the service is not completed.

9. Corporate Social Responsibility

World Corporation Public Company Limited is committed to conducting business with community and environmental responsibilities in mind and in a manner in which growth is sustainable and acceptable to all concerned parties and encourages the performance of the executives and employees of the company in the same direction. The company has a corporate social responsibility policy, community and natural environment as follows;

Social

Corporate Social Responsibility is a key area in the sustainability of the company. To build the community and society and strengthen the quality of life, our company is to support activities that focus on the development of the curriculum and teaching to meet the needs of the market in Science and Social Studies. Promoting students' quality of life and the development of their learning and knowledge society will provide effective and continuous support to the social, academic and professional services of the country. The policy follows;

1. Operate the business in an ethical and socially responsible manner.
2. Participate in community development and society in terms of the cognitive development of personnel and students to apply the knowledge to develop the community and society in terms of economic, social and environmental health.
3. Respecting human rights, without discrimination in the areas of race, nationality, religion and culture to promote a fair working environment.
4. To encourage Company staff to volunteer and be socially responsible without expecting something in return.
5. Encourage activities that create lasting benefits to the community and society under the following guidelines.
 - o To be consistent with the business activities of the company.
 - o Activities that can be carried out continuously with clearly visible results
 - o Activities that benefit the community and the environment in the long run.
 - o Activities that promote the development of education and learning with continued support of youth development and knowledge application to social and national development.

Environment and Energy Conservation

The Company follows the principles of good corporate governance and ethics. Coupled with social and environmental responsibility the Company is well aware that these are part of the development of a sustainable society. We have adopted a policy of caring for the natural environment follows;

- 1.1 Using resources efficiently
- 1.2 All staff adheres to strict ethical practices in accordance with Corporate Social Responsibility towards global warming and helping protect the environment.
- 1.3 Environmental management practices are in place to ensure the safety, health, environment and facilities for employees and customers.

Employees

We recognize that each employee is the Company's most valuable resource. We focus on the potential benefits and advancement opportunities for all employees. In support of the development of their abilities, the Company's employees have a duty to comply with regulations and policies on corporate social responsibility; the company has to focus on the training and development of personnel. We encourage our employees to advance in their jobs and the future of the Company.

The Shareholders and Investors

The Company communicates with its shareholders and investors with transparency. The accuracy and adequacy of disclosures to shareholders and investors is equal to all through transparent, timely and easy access to information.

Governance and Ethical Practice

The Company promotes and strives to improve ethical standards in its business operations in compliance with an ethical code of conduct, including transparent disclosure in the care and control of information to maintain standards of good corporate governance. It includes strategies to manage risk effectively.

10. Internal control, risk management

10.1 Opinion of the Audit Committee

The Board of Directors of World Corporation Public Company Limited Conference 4/2017 held on July 31, 2017, was attended by the Company's Audit Committee which attended all three meetings. The Board of Directors considered the evaluation of the adequacy of the internal control systems of the Company prepared by the Board of Directors and answered inquiries from the management and internal auditors as well as approving the evaluation of such internal control systems of the company in various fields as follows;

1. Organization and Environment
2. Risk Management
3. Operational control of the management.
4. Information and Communication.
5. Tracking systems

The Board of Directors is of the opinion that, in the current conditions, the Company's internal control systems are adequate and consistent with the evaluation of internal control of the SEC, particularly in the areas of internal controls related to transactions with directors, major shareholders, managers and persons associated with such individuals. The Company's internal controls are enough to make the listing transparent and fair. In other areas, the board considers the company internal controls to be adequate and appropriate.

The Company appointed an independent director and an audit committee of the company in October 2012 to allow the directors to study and understand the operations of the company. The audit committee of the Company will hold a meeting at least quarterly to consider and review the financial statements and disclosure of information that is vital to the investment of the investors.

10.2 Operations Concerning Internal Administration

At the 4/2017 meeting of the audit committee dated July 31, 2017 and the 9/2017 Board Meeting dated July 31, 2017, ACT Consult Service Company Limited (“ACC”) was appointed to be in charge of auditing the internal company and university’s operations from 1st June 2016 onwards. ACC assigned Miss Sarawadee Poontien, Managing Director, to be in charge of the operation as the internal auditor of the Company and university.

10.3 Summary of the Audit and Suggestions

As for the 4/2017 quarter (1st March – 31st May 2017), the internal auditor of World Corporation PLC summarized the audit results as follows.

According to the audit of performance according to the operations manual and university administrative systems of the cash subsystem, advance payment system, income receivable and payable system, monthly salary and wage payment system, settlement system, loan system, payment system, including following-up the modification of previous outstanding payment, it was found that all systems are operating appropriately.

11. Transactions

11.1 Transactions with persons who may have conflicts of interest.

In 2017, the company has entered into transactions with related parties. Such transactions were priced according to market prices or per contract and returns were in accordance with normal trade (detailed further in article 11 of the notes regarding the consolidated and separate financial statements for the year ended 31 May 2017). The Audit Committee has considered transactions that have already occurred and is of the opinion that the transactions are fair and reasonable. The disclosure of such transactions and their compliance is required by The Stock Exchange of Thailand. Transactions that occurred during the year 2016-2017 are as follows.

Names	Relationships	transactions	Amount (Million baht)		Necessity and reasonableness of connected transactions
			As 31 May,2017	As 31 May,2016	
1. Transactions between the Company and related persons or juristic persons.					
Capital Link North Sathorn Co.,Ltd.	Joint venture (The Company holds 50% shares with common director)	Short-term loans	87.78	82.50	As a loan For investment in real estate, the interest rate is 3% per year (in 2016, 4% per year)
		Accrued interest	1.09	3.35	
Mr. Chirasak Chiyachantana	Shareholders of the company	Other payables	-	12.80	Being a creditor arising from the purchase of investment in a subsidiary. It is in accordance with the terms of the share purchase agreement.
Mrs. Sangsri Chiyachantana	Shareholders of the company	Short-term loans	646.00	-	Is a loan for use to invest in real estate and use the usual business rotation of the business, Interest at 3% per year.
		Accrued interest	3.83	-	
2. Related Transactions between Subsidiaries and Other Persons or Related Entities					
Mrs. Sangsri Chiyachantana	Shareholders of the company	Long-term loans	5.33	197.71	It is a loan for use in normal business rotation. Interest is charged at 4-5.75% per year (in 2016, 4-7.25% per year).
		Accrued interest	70.95	52.15	

Pricing Policy

1. The service is priced according to market price equivalents.
2. The interest rate on the loan during the agreement.

11.2 Rationale of the Necessity of the Transaction

In a transaction with a third party or a person that is not a normal business transaction which may cause a conflict of interest with the Company and its subsidiaries, the interests of the Company and its subsidiaries must be taken into account. Transactions between the Company and its subsidiaries are reviewed by the Audit Committee to ensure that no conflict of interest exists. The Audit Committee may also hire an independent appraiser or a financial advisor to assess the price of the transaction which then can be used as a comparative value before presenting to the Board for approval.

11.3 Policy or the transactions in the future

Expect that in the future may be connected transactions of the Company's core company or university. Which is based on transactions that occur, the Company will provide the audit committee or auditor of the company or an independent expert to review and provide comments on the appropriateness of the price and reasonableness of the transaction. The transactions that may occur in the future. Board must comply with the Securities and Exchange Act and the regulations, notifications, orders, or requirements of the Stock Exchange of Thailand including compliance with the requirements regarding disclosure of related party transactions and the acquisition or disposition of assets of the Company. Or its subsidiaries Or joint According to the account given by the FAP.

Audit Committee Report

World Corporation Public Company Limited

The Board of Directors of World Corporation Public Company Limited appointed the audit committee comprising independent directors, namely, Mr. Sukont Kanjanahuttakit, Dr. Prapakorn Smiti and Colonel Panthip Katipagdeetham. All members of the committee have a qualification as prescribed by the Stock Exchange of Thailand (SET). The Board of Directors set up a charter specifying the structure, qualification, term, and scope of duty and responsibility of the audit committee.

In 2016 the committee held a total of 6 meetings. All members of the audit committee attended 4 of the meetings. One member was unable to attend 2 of the meetings; however, all meetings had the required quorum. The audit committee also has regularly reported all its meetings to the Board of Directors.

In 2017 the audit committee has performed its duties as specified in the charter as follows:

- Reviewing the quarterly and annual financial reports with the external auditor and the management to ensure that the procedures in preparing financial reports and disclosure of significant information were accurate, reliable, and complied with laws, regulations, notifications, and relevant rules and that the financial reports were prepared in accordance with the generally accepted accounting standards.

- Reviewing the disclosure of information involving connected transactions, or transaction with conflict of interest in the Company, to ensure completeness and accuracy. According to laws, regulations, notifications and relevant rules.

- Reviewing the adequacy of internal control system to ensure that it is appropriate and efficient, taking into account the reports of the internal auditor from outside firm and the independent statutory auditor, as well as the annual evaluation of internal control system adequacy checklist.

- Reviewing and assigning the internal auditor from outside firm to audit the management control system, to ensure that the company has an adequate system and practice.

- Reviewing and acknowledging a letter from the President to the Chairman of the Board certifying conformance to ethical conduct and the internal control system; and that the accounting information and disclosure was true, complete, and reliable.

- Reviewing and approving the scope of internal auditing and a auditing plan and reviewing results of internal auditing performed by internal auditor from outside firm.

- Reviewing to ensure that the Company has an efficient process compliance with laws on security exchange and other laws relevant to the Company's businesses.

- Reviewing the nature of services other than the audit work, performed by the independent auditor to ensure audit personnel or the audit firm do not affect the auditor's independence and neutrality.

- Hold meeting with the external auditor without participation of the management to ensure the independence and neutrality of the audit work.

- Reviewing the Charter of Audit Committee to ensure that the Audit Committee performed its functions in compliance with the SET regulation as well as international guidelines of good practice.

The Audit Committee also assessed its performance for 2016 using the Self-Assessment Form in compliance with the SET and international guidelines, and reported the results to the Board of Directors.

In the selection of auditor for the financial year 2016, the Audit Committee had recommended the auditors from PricewaterhouseCoopers ABAS Company Limited to the Board of Director for further approval by the Annual General Meeting of Shareholders.

For the Year 2016 the Audit Committee was of the opinion that the Company had prepared its financial report with accuracy, completeness, and reliability under an appropriate and adequate internal control system. The Company has fully complied with the laws regarding Public Company regulations and regulations of the SET and any other laws relevant to the Company's businesses. The Company has accurately and sufficiently disclosed in case of connected transaction or transaction with possible conflict of interest.



Mr. Sukont Kanjanahuttakit
Chairman of Audit Committee

Financial position and Results of operations

12. Important financial information

Summarized Financial information

Statements of Financial Position (Consolidated)

	Audited					
	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current assets						
Cash and cash equivalents	67	1.38	86	3.50	228	10.64
Current investment	205	4.24	76	3.10	50	2.33
Trade and other receivables	176	3.64	148	6.03	200	9.34
Shorts-term loans to employee	1	0.02	2	0.08	2	0.09
Shorts-term loans to a related party	88	1.82	83	3.38	90	4.20
Inventories	1,865	38.53	385	15.68	15	0.70
Total currents assets	2,402	49.63	780	31.77	585	27.31
Non-current assets						
Fixed Deposits Secured	1	0.02	-	-	-	-
Investment in joint venture	7	0.14	7	0.29	7	0.33
Long-term loans to related parties	127	2.62	-	-	-	-
Advance payments for buildings and equipment	42	0.87	-	-	-	-
Investment property	81	1.67	-	-	-	-
Property, plant and equipment	1,893	39.11	1,664	67.78	1,544	72.08
Intangible assets	1	0.02	1	0.04	2	0.09
Deferred tax assets	23	0.48	-	-	-	-
Goodwill	258	5.33	-	-	-	-
Other non-current assets	5	0.10	3	0.12	4	0.19
Total non-current assets	2,438	50.37	1,675	68.23	1,557	72.69
Total assets	4,840	100.00	2,455	100.00	2,142	100.00
Liabilities and shareholders' equity						
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	456	9.42	-	-	-	-
Other payables	1,299	26.84	297	12.10	501	23.39
Long-term loans due within one year	301	6.22	133	5.42	67	3.13
Liabilities under finance lease agreements due within one year	-	-	1	0.04	1	0.05
Liabilities under rehabilitation plan due within one year	-	-	-	-	-	-
Short-term loans	646	13.35	-	-	-	-
Accrued dividends	-	-	-	-	-	-
Income tax payable	29	0.60	7	0.29	-	-
Total current liabilities	2,731	56.43	438	17.84	569	26.56

Liabilities and shareholders' equity (continued)	Audited					
	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Non-current liabilities						
Long-term loans from related party	5	0.10	198	8.07	243	11.34
Long-term loans from financial institutions	330	6.82	414	16.86	359	16.76
Liabilities under finance leases	-	-	1	0.04	1	0.05
Deferred tax assets	12	0.25	3	0.12	-	-
Retirement benefit obligation	7	0.14	5	0.20	4	0.19
Other non-current liabilities	5	0.10	1	0.04	1	0.05
Total non-current liabilities	359	7.42	622	25.34	608	28.38
Total liabilities	3,090	63.84	1,060	43.18	1,177	54.95
Shareholders' equity						
Share capital						
Registered capital	3,713	76.71	3,713	151.24	3,713	173.34
Issued and paid-up share capital	3,467	71.63	3,467	141.22	3,467	161.86
Excess (lower) ordinary share	(2,305)	(47.62)	(2,305)	(93.89)	(2,305)	(107.61)
Capital improvements from reverse business acquisitions	(785)	(16.22)	(785)	(31.98)	(785)	(36.65)
Capital adjustment from acquisition of a subsidiary from non-controlling interest	(407)	(8.41)	(407)	(16.58)	(407)	(19.00)
Adjustment from the proportion of investment in subsidiary	25	0.52	-	-	-	-
Donation	54	1.12	54	2.20	54	2.52
Surplus on revaluation of assets	92	1.90	92	3.75	92	4.30
Retained earnings						
Legal reserve	24	0.50	18	0.73	13	0.61
Unallocated	1,585	32.75	1,221	49.74	829	38.70
Total Shareholders' Equity	1,750	36.16	1,355	55.19	958	44.72
Non-controlling interests	-	-	40	1.63	7	0.33
Total shareholders' equity	1,750	36.16	1,395	56.82	965	45.05
Total liabilities and shareholders' equity	4,840	100.00	2,455	100.00	2,142	100.00

Statements of Comprehensive Income (Consolidated)

	Audited					
	2017		2016		2015	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Revenue from educating and teaching	746	65.15	791	64.52	727	95.78
Revenue from real estate business	245	21.40	370	30.18	-	-
Revenue from assets rental	17	1.48	11	0.90	12	1.58
Other income						
Profit from business acquisition	93	8.12	-	-	-	-
Other	44	3.84	54	4.40	20	2.64
Total revenues	1,145	100.00	1,226	100.00	759	100.00
Expenses						
Cost of services from educating and teaching	285	24.89	235	19.17	231	30.43
Cost of sales-from real estate business	171	14.93	272	22.19	-	-
Selling expenses	2	0.17	12	0.98	-	-
Administration expenses	242	21.14	233	19.00	168	22.13
Finance cost	48	4.19	38	3.10	37	4.87
Total expense	748	65.33	790	64.44	436	57.44
Share of loss from investment in joint venture	-	-	-	-	-	-
Profit before income tax	397	34.67	436	35.56	323	42.56
Income tax	(27)	(2.36)	(13)	(1.06)	-	-
Profit for the year	370	32.31	423	34.50	323	42.56
Profit attributable to:						
Equity holders of the parent	370	32.31	398	32.46	318	41.90
Non-controlling interest	-	-	25	2.04	4	0.53
	370	32.31	423	34.50	322	42.42
Total share of total profit						
Equity attributable to equity holders of the parent	370		398		318	
Earnings per share						
Basic earnings per share (Baht)	0.0533		0.0573		0.0459	
Diluted earnings per share (Baht)	0.0533		0.0573		0.0459	

Statements of Cash Flows (Consolidated)

Unit: Million Baht

	Consolidated			Separated		
	2017	2016	2015	2017	2016	2015
Net cash generated (proceed) from operating activities	306	130	359	(35)	(213)	76
Net cash used in investing activities	(921)	(254)	(370)	(512)	(80)	(242)
Net cash generated from (used in) financial activities	596	(19)	34	545	294	155
Net increase (decrease) in cash and cash equivalents	(19)	(143)	23	(2)	1	(11)
Cash and cash Equivalents-Opening balance	86	228	204	3	2	13
Cash and cash Equivalents-Closing balance	67	85	227	1	3	2

Financial Ratio (Consolidated)

Financial Ratio	Unit	2017	2016	2015
<u>Liquidity Ratio</u>				
Liquidity Ratio	Time	0.88	1.78	1.03
Quick ratio	Time	0.09	0.53	0.70
Cash liquidity ratio	Time	0.19	0.27	0.81
Accounts receivable turnover ratio	Time	6.22	7.29	3.92
Average collection period	day	58	50	93
<u>Profitability Ratio</u>				
Gross margin				
Education	(%)	61.87	70.31	66.56
Property development	(%)	30.05	26.63	-
Net margin	(%)	32.25	32.43	41.97
Rate of return on shareholders	(%)	23.47	34.36	31.76
<u>Efficiency Ratio</u>				
Rate of return assets	(%)	10.13	20.61	19.03
Rate of return fixed assets	(%)	20.77	29.70	27.38
Rotation rate of assets	(เท่า)	0.31	0.53	0.4
<u>Financial Ratio</u>				
The ratio of debt to equity of Shareholders' equity per share	(เท่า)	1.76	0.78	1.23
Interest Payment service coverage ratio	(เท่า)	6.71	4.91	12.12

13. Management's description and analysis

13.1 Management's description and analysis on financial status

13.1.1 Business Overview from the previous year

The company had amended policies to shift its main business to real estate development because it recognizes the potential and readiness in this endeavor.

In the past, the company had conducted business as a holding company and mainly engaged in education business under Western U Limited who was authorized to establish a private education institution by the title of "Western university".

Western university is a private education institute located in Kanchanaburi Province who also operates 2 satellite campuses in Watcharapol and Buriram.

In 2016, the company launched its first real estate development project under the name of The Emerald Terrace Condo Patong in a form of condominium project. It is being developed by the company's subsidiaries who are Phuket Future Development Limited. The project consists of 2 phases of which the 2nd phase is currently under construction.

Later on in 2017, the company had invested in Bang Pu Industrial Estate (2) through another subsidiary - Thai Bonnet Trading Zone Limited.

At present, transfers of right and ownership have already been processed for some part of the estate.

Bang Pu Industrial Estate (north) is located in Samut Prakarn Province which is an industrial area and attracts local and foreign investors. While Lamphun Industrial Estate (2) is being developed by World Industrial Estate Limited (formerly known as Suburb Estate Limited). The development for this project is expected to complete in between 2017 – 2020.

The location of Lamphun Industrial Estate is being supported with public relation campaigns to encourage Chinese and other foreign investors for the opportunity to enjoy tax incentives and legal privileges.

Subsequently, the company had purchased land and building constructions for condominiums in Hat Yai, Song Kla Province by the name of "IB Grand Hat Yai" and "IB Place". The 2 projects are currently under construction and expected to complete in 2018. The projects are located in a commercial and tourism area of Hat Yai. It is also near to the Malaysian border which is suitably attractive for investors who are tourists or businessmen.

13.1.2. Company's performance

In 2017, The company obtained a total gross revenue of 1,145 million baht which is 81 million baht lesser than the previous year or constitutes an index of 7%. This is due to the delay of the construction of the 2nd phase of the Emerald Terrace Condo Patong project. However, the company still obtained revenue from property handover in Bang Pu Industrial Estate (north). But if a comparison is made for 2016

and 2015, it is apparent that there is a growth in revenue by 467 million or 62% index attributed to the company's investment in property development in Phuket. Revenue of 370 million baht was acquired from the handover of property to the buyers under The Emerald Terrace Patong phase 1 project.

The company's net earnings in 2017 are 370 million baht which is 53 million baht or 13% lower than the net earnings of 423 million baht in 2016.

Revenue from selling property development projects

In 2017, the company had invested in real estate development under the name “ The Emerald Terrace Patong” in a form of condominiums in Patong, Phuket.

Later, the company had also invested in an Industrial estate under which is being managed by Thai Bonnet Trading Zone Limited under the name of Bang Pu Industrial Estate (north)

The details of the investment breakdown are as follows:

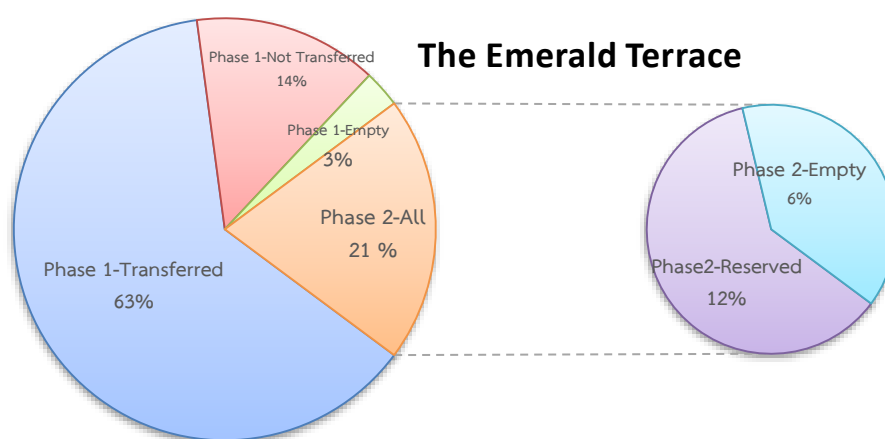
(Unit: million baht)

Description	2017	2016
Properties allocation	215	-
Condominiums	30	370
Total	245	370

The income obtained from the company's investment in Bang Pu Industrial Estate (north) in 2017 has increased by 215 million baht of which property handover has been processed for 6 lots and the rest is expected to complete within 2019

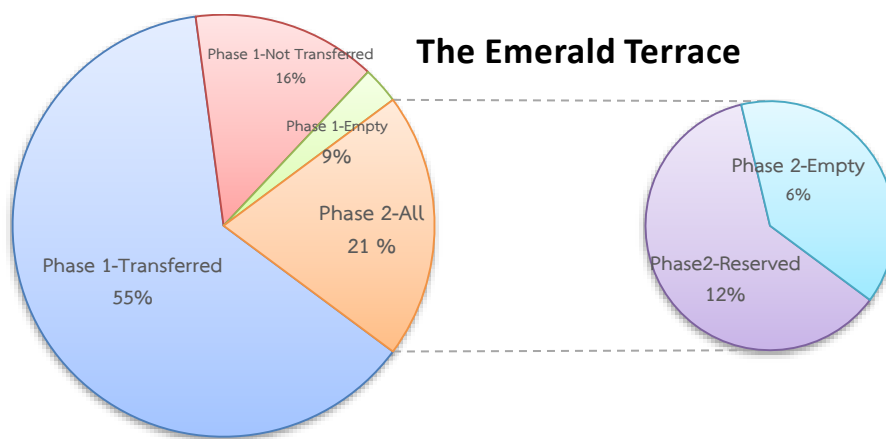
For condominium projects sale, the income in 2017 has decreased by 340 million baht. This due to the fact that all units in phase 1 have already been transferred to the new owners in earlier 2016 which contributed to 55% property handover of total number of units from 2 phases. However, the delay of construction in phase 2 hinders the flow of income.

2017



The above diagram shows the sale of condominium units of The Emerald Terrace Patong's 2 phases which are consisted of 177 units in total of which 141 units are from phase 1 and 36 units are from phase 2. In 2017, the property handover of condominium units from phase 1 constitutes 63% of the total number of units from both phases.

2016



The diagram above shows the sale of condominium units of The Emerald Terrace Patong's 2 phases which are consisted of 177 units in total of which 141 units are from phase 1 and 36 units are from phase 2. In 2016, the property handover of condominium units from phase 1 constitutes 55% of the total number of units from both phases.

Revenue from Education business

In 2017, the company has obtained revenue from education business which is comprises of enrolment fees and tuition fees amounting to 746 million baht. However, the revenue obtained is 45 million baht or 6 % lesser than the previous year. This is mainly caused by the decline of registration in master degree programs which contributed to the loss of 30 million baht in revenue. Furthermore, the drop of registration in master degree programs had been steady for the past 3 financial years while the registration in doctorate degree programs has significantly increased.

In 2016, the total revenue is 791 million baht which is 64 million baht or 8.53 % more than 2015. The revenue is mainly from the registration fees in Health Science programs. The main factor contributing to the growth is the promotion of Nursing and Dentistry programs which the country is currently facing shortages of practitioners of both fields.

In 2016, the revenue obtained from the faculty of Dentistry has increased by 105 million baht or 52% index.

The details of revenue by programs are as follows:

Courses	Year ending on May 31 st					
	2017		2016		2015	
	million baht	%	million baht	%	million baht	%
Registration fees						
Bachelor degree – regular programs	454.39	60.88	451.83	57.10	353.75	48.65
Bachelor degree – Distant learning programs	100.78	13.50	105.97	13.39	97.94	13.47
Master degree programs	85.05	11.39	115.93	14.65	154.15	21.20
Doctorate degree programs	55.36	7.42	52.8	6.67	36.5	5.02
Tuition fees ¹	50.85	6.81	64.7	8.18	84.82	11.66
Total revenue from Education Business	746.43	100.00	791.23	100.00	727.16	100.00

Remarks: 1 The tuition fees are consisted of payment such as enrolment fees, transfers fees, graduation fees, student fees, etc.

Cost of selling property development business

In 2017, the cost of selling property development projects is 171 million baht or 70 % of the revenue obtained from the sale which is 101 million baht lesser than the previous year. This is caused by the decline of property handover that is co-related to the decline of revenue.

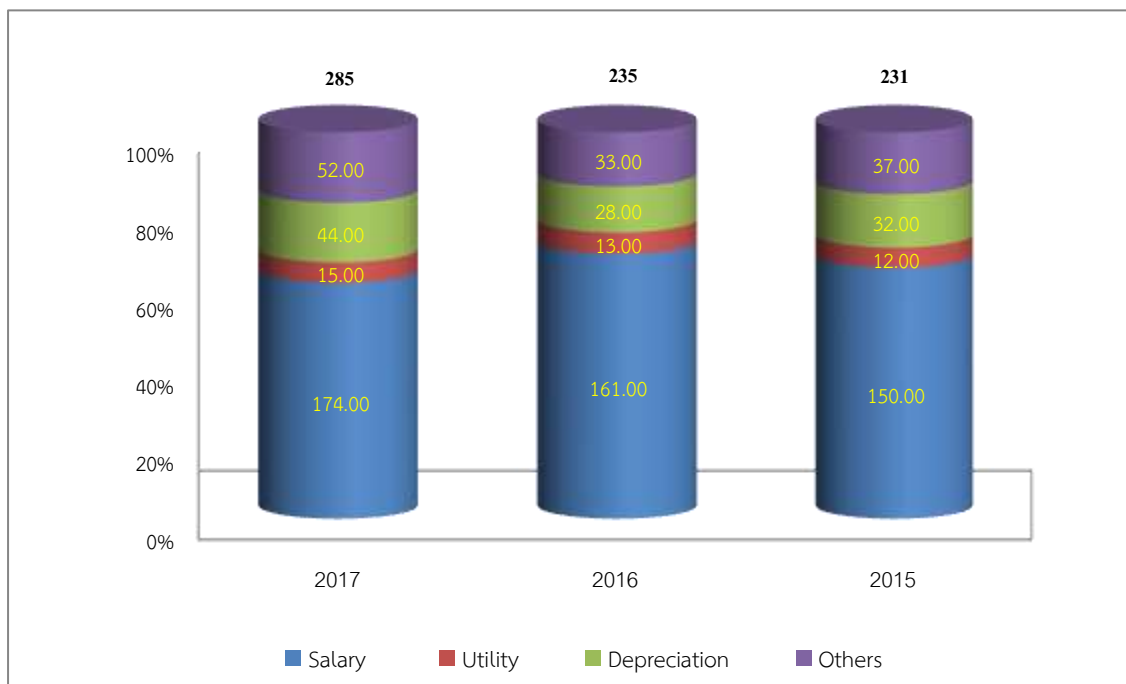
The cost mentioned is comprises of cost of land, cost of buildings and utilities which in total, constitutes to the overall cost of selling the condominium units of The Emerald Terrace Patong phase 1 in Phuket, in addition to the cost of acquiring land and development from the transfer of ownership in Bang Pu Industrial Estate.

In 2016, the registered cost from selling 96 condominium units is 272 million baht or 74% of the revenue obtained from Real estate development business.

Cost of providing educational services

The cost of providing education services is comprises of salaries and professional fees for permanent and temporary lecturers as well as utility expenses, depreciation of buildings, tangible assets, educational equipment and rental fees. The building rental is considered to be under an internal transaction and therefore being removed from the company's overall budgeting exercise.

Unit/million baht



The cost of providing educational services in 2017 is 285 million baht which had increased from the previous year by 50 million baht of 21%. This is caused by salary and wage increment for lecturers, permanent staffs and temporary lecturers in the field of Medicine. It was necessary to employ specialists in the field, competent and experienced personnel. As a result, the expenditure on utility had increased significantly.

Furthermore, the said cost also occurred from investment in educational equipment including nonfinancial cost such as depreciation of value of buildings and constructions that have increased in relation to the additional school building and dormitories obtained from business acquisition as well as the depreciating value sustained from purchasing educational equipment and tangible assets in relation to the frequent usage and increase of students.

Sale and administrative expenses

In 2017, the sale and administrative expenses is 244 million baht which had reduced by 1 million baht. This is attributed to the decrease of sale expenses by 10 million baht. The sale expenses in 2016 are comprises of specific business tax and commissions from selling property development projects in Phuket.

In relation to that, the property handover in the current year has declined which also contributes to the decrease of sale expenses as well.

As for the administrative expenses that has increased by 9 million baht, which is mainly from expenses related to the employees, administrative staffs and public relation campaigns for education business to address high competition in the market.

Advertisement and public relation campaigns are crucial in creating the university's brand awareness for the students as well as to communicate the university's academic features of regular programs and long distant learning education via network to maintain the competitiveness in the market.

The depreciation of tangible assets and office equipment has also increased as a result of having more personnel as well as the modernization of equipment and the replacement of expired items.

Bad and doubtful debts will also decrease from the previous year as a result of the subsidiaries' write off of untraceable accounts which prompted the company to reduce the allowance for bad and doubtful debts in relation to reducing debts cancellation rate.

In relation to the above, the company maintains procedures in setting allowance for doubtful debts based on 3 assumptions as follows:

1. Debt cancellation rate is derived from the following methods of calculation:
 - a. Debt cancellation rate of the current period by faculty is calculated from the accrued income from students who are debt released divided by the average accrued income before the cancellation of debt.
 - b. Determine the debt cancellation rate from the previous period by applying the same method as in a.
 - c. Determine the average debt cancellation rate from the 2 periods by multiplying with the current accrued income.
2. Students who have completed the programs but still unable to settle the payment. The method of calculation for this category is as follows:
 - a. Identify the students from the list of students who had completed the course and isolated students under code 51 – 54 who have pending settlement from 2 – 8 years .
 - b. Obtain accrued income report of students who had completed the course.
 - c. Combine the result from a. and b.
3. Apply the entire accrued income from students who are still under pending cases in calculating the allowance for doubtful debts.

Financial cost

In 2017, the financial cost of the company and its subsidiaries as payable interest is 48 million baht which had increased from the previous year by 10 million baht or 26% index. This is mainly from the subsidiaries' liabilities that entail the business acquisition as well as loan interest from the company's borrowing from financial institutions.

The company needed to obtain loans from financial institutions in order to sustain the construction projects and use in its operation. In 2016, the company has obtained a loan amounting to 38 million baht which is 1 million baht higher than the previous year or equivalent to 3% index to sustain its subsidiaries' liabilities to financial institutions, construction expenses and operational funds

Tax expenses

The tax expenses of the company and its subsidiaries in 2017 is 27 million baht and in 2016, 12.65 million baht. The tax expenses are accumulated from the property development business and deferred tax liability.

The company has registered the value of asset inventory of its subsidiaries engaging in real estate development business according to the fair value which produces a difference recognition between the tax expenses and accounting expenses.

In 2018, the company did not acquire income tax since most of the income is tax exempted.

13.1.2 Financial analysis

Assets

As of May 31st 2017 the total assets of the company and its subsidiaries is 4,8401 million baht compare to 2016 which is 2,455 million baht which has increased by 2,385 million baht or 97% growth.

The major contributions are from the followings:

- Temporary investment amounting to 205 million baht which has increased over the previous year by 129 million baht. This is due to the establishment of private funds by the subsidiary in 2017 following the investment policy and limitation that regulate the company to secure the investment or as securities for asset financing in a form of Fixed income fund. As for the benefit allocation, the company has calculated the value per unit in proportion to the total fund by which the subsidiary may acquire the interest from the fund by submitting a written request to the company not later than 30 days.

- Unsold properties constitute a value of 1,865 million baht which has increased over 2016 by 1,480 million baht or 384% index. This is due to the company's investment in real estate development business in 2016 which consists condominium units in phase 1 project that have not been reserved and pending for property handover while phase 2 is still under construction. The selling price of the said units is registered according to the fair market value.

In addition, the company had acquired shares in Thai Bonnet Trading Zone Limited who manages the property in Bang Pu Industrial Estate (north). Later, the company had purchased land and buildings to develop as condominiums in Hat Yai, Song Kla which have not been transferred to the buyers. The details of each projects are as follows:

Items	Project	Location	Type	Value (million baht)
1	The Emerald Terrace Patong	Patong, Phuket	Condominium units	244
2	Bang Pu north industrial Estate	Praksa, Samut Prakarn	Land to be developed	1,164
3	Lamphun Industrial Estate	Makua Jae, Lamphun	Land to be developed	192
4	Watcharapol Dormitories	Watcharapol, Patum Thani	Students dormitories	52
5	IB Grand Hatyai	Hat Yai, Song Kla	Condominium units	210
6	IB Place Hatyai	Hat Yai, Song Kla	Condominium units	2
Total				1,864

- Land, Buildings and equipment constitute an asset of 1,893 million baht in value which has increased 229 million baht over the previous year or 14% index. This is due to the company's investment on construction and repair of several buildings for the purpose of providing education such as university buildings and dormitories.

Liability

As of May 31st 2017, the company and its subsidiaries have a total liability of 3,090 million baht compare to 2016 of 1,060 million baht which has increased by 2,030 million baht or 192%.

The liability is mainly from acquiring land in Bang Pu Industrial Estate (north), cost of project development and advance payment obtained from contracting sale in the industrial estate as well as short term loan obtained from connected businesses for the purpose of investment in real estate development businesses in 2017.

Shareholders' equity

As of May 31st 2017, the company and its subsidiaries hold equity in the company amounting to 1,750 million baht compare to 1,355 million baht in 2016 which has increased by 397 million baht or 29% index. Mostly is derived from the profit obtained from the subsidiary that is into education business. Aside from the reserve in accordance with the law, the reserves are being secured as Western University's fund which in the current year, the reserve of net profit from the main company into Western University's fund is 127 million baht. The said amount has reduced from the previous year by 78 million baht or 38% index.

The reserve mentioned is in accordance with the Private Higher Education Act B.E 2546 revised (2nd edition) B.E. 2550, that regulates Private education institutes, in this case, Western University, to allocate annual income that is higher than the annual expenses (net profit) in the general fund not to be lesser than 70% for different type of funds and to be applied as operational capitals.

In 2017, the company acquires additional ordinary shares of 20% in Phuket Future Development Limited that produces an adjustment from the increase of Proportion of investment in the subsidiaries which is 25 million baht.

Cash flow statement

In 2017, the company has obtained net cash of 306 million baht from its operational activities which has increased 179 million baht or 135% over 2016 as a result of the decline of trade receivables and unsold properties which produces cash flows and lesser payables.

For the net cash obtained from investment activities, the company has obtained net cash amounting to 596 million baht which has increased from the previous year by 615 million baht. This is due to the cash acquired in a form of short term loan from connected businesses of 680 million baht which has increased from the previous year by 530 million baht.

The said loan was obtained from the directors in order to invest in the Real estate development projects. While the amount of 34 million baht has been settled this has reduced from the previous year by 229 million baht.

Important Financial ratio

1. Liquidity ratio

Liquidity ratio for 2017 and 2016 are 0.88 times and 1.78 times respectively. The decline is attributed to the increase of current liabilities from purchasing land in Bang Pu Industrial Estate and short term loan obtained for connected businesses. This produces lesser current assets than current liabilities.

2. Turnover rate of receivables and debt collection period

The turnover rate of receivables in 2017 and 2016 are 6.22 and 7.29 respectively. The turnover rate has slowed down while the debt collection period has increased from the previous year. This is partly because of the delay of payment from students who had obtained loans from the educational fund which could be the cause of delay.

However, the university administration has been closely monitoring the process as well as maintaining payment policy, follows up procedures for the students to settle the payment and provide information and advice together with collection procedures since most of the students are under long distant learning programs.

3. Return of Equity

The return of equity in 2017 is 23.47% compare to 34.36% in 2016. The decrease is due to the decrease in revenue from education business and the investment on real estate development projects which is still being developed while some of the transfers of ownership have been processed in 2017.

4. Gross profit margin

The gross profit margin from education business in 2017 is 61.87% and 70.31% in 2016 by which the gross profit margin in 2017 has decreased as a result of the decline in revenue obtained from education business. While the cost for education business has steadily increased such as salary and wages for permanent and temporary lecturers and educational equipment

As for the Real estate development business, in 2017, the gross profit margin is 30.05% and 26.63% in 2016. This is due to the company's investment in the first quarter of 2016 by which the income from property handover of phase 1 is recognized to be 55% of the total units from the 2 phases since phase 2 is still under construction.

Later in 2017, the company had continued to invest in real estate development business such as acquiring shares in a company who manages properties in Bang Pu Industrial Estate (north) which already recognizes some revenue of the properties in 2017 and Lamphun Industrial Estate(2) which is being developed. In addition, the company had purchased land and building of condominium projects in Hat Yai, Song Kla which have not been transferred to the buyers yet.

Report of the Board of Directors for the Financial Report

The Board is responsible for the financial statements of the company and its subsidiaries. Financial information and statements appearing in the annual report have been prepared in accordance with generally accepted accounting standards using the appropriate accounting policies to which consistent and careful judgment has been applied with best estimates in their preparation, including adequate disclosure in the notes to the financial statement

The Board of Directors has appointed the audit committee, who are independent directors, to include the following person(s) 3 who will be responsible for the quality of financial reporting and internal controls. The opinions of the Audit Committee on these matters appear in the Audit Committee reports which are presented in this annual report.



(Associate Professor. Dr. Chirasak Chiyachantana)
Director (authorized)



(Associate Professor. Dr. Chiraphol Chiyachantana)
Director (authorized)