

10 August 2021

Re: To clarify the financial statements as of 30 June 2021

To: President
The Stock Exchange of Thailand

WHA Corporation Public Company Limited (the "Company") submitted its separate financial statement and its consolidated financial statement for the second quarter of 2021 ended on 30 June 2021 which were reviewed by the auditor. The Company hereby clarifies the performance as follows:

MACROECONOMIC & COMPANY OVERVIEW

Thai Economic Performance

The Monetary Policy Committee (MPC) has recently cut its 2021 gross domestic product forecast to 0.7 percent growth, citing the impact of COVID-19 outbreak more than expected with significant downside risks. Furthermore, the most important issue for the Thai economy at present was to accelerate containment of the outbreak and distribution of vaccines to restore confidence and support the recovery in economic activities and income. A recent merchandise export growth on the back of trading partners' economies has benefited the Thai economy. However, global supply constraints such as the shortage of freight containers, higher costs of transportation and raw materials, and the shortage of electronic components could have some impact on Thai exports going forward. Growth is expected to pick up 3.7 percent in 2022 underpinned by continuing support from government measures. Furthermore, herd immunity in Thailand was expected to achieve within the first half of 2022, facilitating a gradual resumption in economic activities, and foreign tourist admissions in 2022.

Business Economic Research Center (EIC), Siam Commercial Bank also revised its 2021 economic forecast down from 1.9 percent to 0.9 percent due to the rapid and widespread expansion of COVID-19 outbreak in the country. EIC anticipated the outbreak will severely impact overall consumption from both tighter disease control measures (lockdowns), public concerns about spending under higher uncertainty (fear factor) and deeper economic recession (scarring). The government's measures in response to COVID-19 have been heavily criticized that they might not be sufficient and able to partially mitigate the effects. Likewise, an intensified impact from COVID-19 leads Kasikorn Research Center (KResearch) to revise its 2021 growth forecast for Thai economy to 1.0 percent, from a prior estimate of 1.8 percent, as the impact of COVID-19 on the economy has become more severe than previously assessed. Due to limitations of Thai public health system, more stringent COVID-19 containment measures have been implemented. Those measures have further affected the business sector and Thailand's employment and thus, the purchasing power and confidence of consumers. Meanwhile, the government's relief measures, which are expected to help alleviate consumers' financial burdens, have failed to offset the impact of COVID-19 on the overall economy.

According to Vietnamese government, Vietnam's growth accelerated during the first six months of this year increased by 5.6 percent on resurgent global demand. However, the Asian Development Bank (ADB) has lowered its forecast of Vietnam's gross domestic product (GDP) growth to 5.8 percent in 2021 from the previous estimate of 6.7 percent in April, citing impacts of the COVID-19 pandemic, delayed vaccination and prolong lockdowns in the country's largest growth areas may restrict mobility and limit economic activity in 2021.

Investment and Foreign Direct Investment Applications

According to Thailand Board of Investment, for the first 6 months (January to June) of 2021, local and foreign investors filed a total of 801 investment applications, representing a combined value of Baht 386.2 billion, compared to 704 projects worth Baht 149.8 billion in the year earlier period, a 14% and 158% increase from the same period last year. The power sector saw a total of 198 applications, including some large projects, with a combined investment value of Baht 120.8 billion. The electrical appliances and electronics industry attracted the most investment among target sectors worth Baht 61 billion. The medical sector came in second worth a combined Baht 43 billion with the petrochemicals and chemicals sector ranked third worth Baht 28.2 billion, followed by the agriculture and food processing sector worth Baht 23.2 billion. The biotechnology sector came in fifth worth Baht 20.7 billion respectively.

While the number of FDI project applications filed during the six-month period are equal to 403 projects, the combined investment value almost quadrupled to Baht 278.7 billion, compared to 430 projects worth Baht 71.9 billion and increase 63% compared to the total FDI in 2013 at Baht 171.1 billion. The Japanese investors still ranked first in terms of value at Baht 42.8 billion, followed by investments from the U.S. worth Baht 24.1 billion, and China worth Baht 18.6 billion.

In terms of geographical implantation, the Eastern Economic Corridor, Thailand's high technology development area, attracted 232 projects with a combined investment value of Baht 126.6 billion with Rayong ranked first worth Baht 64.4 billion, followed by Chonburi and Chachoengsao worth Baht 40.9 billion, and Baht 21.4 billion respectively.

For Vietnam, during the first 6 months of 2021, total registered capital by foreign investors reached approximately USD 15.27 billion, a slightly decline of 2.6% compared to the same period last year. Of which, (1) Newly registered capital project, there were 804 new projects granted with investment registration certificates, a plummet of 43.3%. Total registered capital reached about USD 9.55 billion, an increase of 13.2%. (2) Adjusted capital project, there were 460 projects registered for adjustment of investment capital, a decrease of 12.5%. Total additional registered capital reached USD 4.12 billion, an increase of 10.6%. (3) Paid-in capital for share purchase, there were 1,855 paid-in capital for share purchase projects, a decline of 55.0%. The total value of paid-in capital was worth USD 1.61 billion, a decline of 54.3%.

However, foreign direct investment projects were estimated to disburse USD 9.24 billion, a rise of 6.8% compared with the same period in 2020

Key developments during the period

Logistics Business continues to grow in-line with increasing demand for premium distribution center and warehouse from E-Commerce and consumer sectors since last year. Currently, the Company is able to secure short-term high-yield rental contracts for 75,000 sq.m., substantially over its annual target of 50,000 sq.m. Strong demand for rental facilities also brought Q2 occupancy rate to achieve the average of 90% for Built-to-Suit assets across the portfolio.

In addition, the Company has recently opened WHA Mega Logistics Center Lamchabang 2, the 38th project, with total area of 50,000 sq.m. For the plan of asset divestiture, in June 2021, unit holders of WHART already approved the capital increase No.7 for 3 projects at the amount not exceeding Baht 5,550 million. The

properties, which are 100% own by WHA Group, consist of WHA Mega Logistics Center (Wangnoi 62), WHA Mega Logistics Center (Bangna-Trad Km.23 Project 3) and WHA E-Commerce Park Project (Bang Pakong District). The total leasable area is 184,329 sq.m and the Company expected the transaction to complete by Q42021 according to the plan. Furthermore, the Company is now exploring the potential issuance of digital assets both utility token and asset-backed token in order to support the new business and future expansion.

Industrial Estate Business For the first 6 months of 2021, the Company achieved total land sale of 274 rai (Thailand 241 rai / Vietnam 33 rai) and signed total MOU of 83 rai (Vietnam). During the Q22021, the Company was able to realize higher revenue from land transfer than Q12021, in-line with recovery sign of trade and investment conditions in Q22021, especially among Japanese, European, Chinese and Taiwanese investors. In additions, Indian investors have expressed interest in moving production bases to Thailand, due to COVID-19 epidemic crisis at the beginning of this year.

In Vietnam, the Company recorded total Q22021 land sales of 33 rai and MoUs of 83 rai, due to well- reception of WHA Industrial Zone 1- Nghe An. The Company has, therefore, accelerated the construction process of remaining 2,100 rai of Phase 1B and expanded into Phase 2 and Phase 3 with an additional area of 4,700 rai. Currently, it also seeks for necessary permissions and approvals to develop two additional industrial zones in Thanh Hoa Province, covering a total area of over 7,500 rai as the Company expects to kick-off the development process of WHA Northern Industrial Zone and WHA Smart Technology Industrial Zone by the end of this year.

The Company has been closely monitoring vaccine production and distribution process in Thailand and neighboring countries. At present, it has been in active discussion with more than 30 potential investors, the land sales prospect in both Thailand and Vietnam accumulating over 2,000 rai. Once the vaccination and herd immunity has successfully rolled out, it shall help expedite trade and investment volume within the region.

Utilities Business Domestic water sales recorded strong growth in all product categories. Water sales in the Q2 and first six months of 2021 reported a total of 29.3 million and 56.8 million cubic meters, increasing by 27.3% and 16.6% from the same period last year. The growth reflects higher water demand from both existing industrial customers and new petrochemical client such as GC Oxirane, who inaugurated its commercial operations last year and consumes 5,000 cubic meters of water per day. Not to mention, power plant customers, such as Gulf SRC, who expanded its production capacity early this year, ramps up water demand to 12,500 cubic meters per day. Besides, the sharp rise of value-added water product sales in the first six months of 2021 also contributed to overall higher water sales.

During the Q2 and first six months of 2021, water sales in Vietnam reached to 5.8 million and 10.5 million cubic meters respectively, rising 28.9% and 25% from the same period last year. Duong River Surface Water Plant Co, one of the leading tap water providers in Hanoi, in which WHA Group holds a 34% stake, benefitted from the growing industrial areas in Hanoi and nearby cities of Bac Ninh and Hung Yen. In 2020, Duong River Surface Water Plant expanded its tap water network to Bac Ninh and will extend its network to Hung Yen to provide tap water services to customers in the three cities.

For **power business**, during the first half of 2021, IPP business recorded lower than expected share of profit. This was due to the closure of Gheco-One power plant for planned maintenance for 37 days in Q1 and

unplanned maintenance for 20 days in Q2 which led to a reduction in availability payment. However, some of the lost availability payment will be compensated over the rest of this year and therefore, will eventually improve the total share of profit from Gheco-One for this year. Meanwhile, the 8 SPP power plants still generated strong financial performance.

In Q2, the Company signed a new solar rooftop contract for 1.8 MW, bringing the total signed solar PPA contracts to 63 MW. The projects, which already started COD, generate an additional 2.5 MW of electricity, bringing total COD capacity to 46 MW. The company now achieved an accumulated COD equity MW at total 596 MW. The Company is also expecting to sign a new solar deal of 20 MW, the biggest solar rooftop contract ever, with leading manufacturer.

Digital business in order to support customers aspiring to bring 5G technology into their businesses and enhance competitiveness, the Company has co-developed/ invested in 5G towers together with leading telecom operators. For the remaining period of this year, the Company will conduct 5G network trials as well as target to complete the installation of fiber optic cable system (FTTx) in every industrial estates. The Covid-19 pandemic has emphasized the importance of quality digital infrastructure, as a result, the Company's data center has received an overwhelm interest. Currently, WHA Digital is under negotiation with several potential investors and shall be able to announce the result by the end of this year.

FINANCIAL ANALYSIS

During the second quarter of 2021, the Company had the total revenue and share of profit and net profit of THB 1,873.1 mm and THB 260.2 mm, respectively. If excluding FX impact and extraordinary items, the Company had the normalized total revenue and share of profit and normalized net profit of THB 1,892.5 mm and THB 282.4 mm, respectively. The details are as follows:

FINANCIAL PERFORMANCE OF Q2 2021 AND 1H 2021

Consolidated Financial Statements	Q2 2020 THB mm	Q1 2021 THB mm	Q2 2021 THB mm	Change		1H 2020 THB mm	1H 2021 THB mm	Change	
				YoY %	QoQ %			YoY %	
Total Revenue and Share of Profit	1,966.7	1,405.7	1,873.1	(4.8%)	33.2%	3,244.5	3,278.9	1.1%	
Total Cost	688.0	563.6	821.5	19.4%	45.8%	1,234.4	1,385.2	12.2%	
Gross Profit	1,043.3	431.4	823.4	(21.1%)	90.9%	1,429.0	1,254.7	(12.2%)	
Net Profit	542.1	134.7	260.2	(52.0%)	93.2%	641.3	394.9	(38.4%)	
Normalized Total Revenue¹	1,885.0	1,454.3	1,892.5	0.4%	30.1%	3,284.4	3,346.8	1.9%	
Normalized Net Profit¹	466.2	183.8	282.4	(39.4%)	53.7%	677.0	466.2	(31.1%)	

¹ Normalized Total Revenue = Total Revenue excluding FX impact, Extraordinary items and Deferred revenue items

KEY HIGHLIGHTS

- Total Revenue and Share of Profit and Net Profit for the second quarter of 2021 were THB 1,873.1 mm and THB 260.2 mm, respectively. This statutory figure consists of the normal business operation and FX impacts, which was almost all unrealized gain/loss. In addition, the Company's Normalized Total Revenue and Share of Profit and Normalized Net Profit stood at THB 1,892.5 mm and THB 282.4 mm, respectively.

- Normalized Rental Revenue during the second quarter of 2021 decreased by 3.3% to THB 279.9 mm, compared to the same period of previous year because of the decrease in lettable area from assets monetization to REITs at the end of 2020.
- Revenue from Land Business and Sale of Properties for the second quarter of 2021 was THB 537.7 mm, increased by 1.9% compared to the same period of last year, which was mainly from a higher number of land transfer.
- Utilities Income during the second quarter of 2021 was THB 595.8 mm, increased by 23.8%, compared to the previous period of last year, which was from a higher demand on both existing customers and new customers, increase in revenue from value-added utilities products consisted of demineralized water and premium clarified water which have been commenced since the second half of last year as well as the absence of drought situation in Q2 2020.
- Normalized Revenue and Share of Profit from Investment in Power Associates and Joint Ventures for the second quarter of 2021 was THB 324.7 mm and increased by 21.9%, compared to the same period of last year, mainly due to a higher revenue recognition from COD in additional solar power projects together with a solid performance of SPPs.
- Finance Cost decreased to THB 298.2 mm which decreased by 2.3%, compared to the same period of last year due to a lower weighted average cost of fund decreased by 0.08% from 3.02% at the end of second quarter of 2020 to 2.94% at the end of the second quarter of 2021.
- All in all, the Company had Net Profit and Normalized Net Profit during the second quarter of 2021 at THB 260.2 mm and THB 282.4 mm, respectively and decreased by 52.0% and 39.4%, respectively, compared to the same period of previous year. In the second quarter of 2020, the Company had one-time other revenue recognition in 6M2020 of contract restructuring from 1 client of THB 172.4 mm and revenue from right of way amounting THB 89.0 mm which there were no such revenue in the second quarter of 2021.

Additionally, compared to the first quarter of 2021, the Company had an increase of net income and normalized net income by 30.1% and 53.7%, respectively, which was mainly from an increasing of revenue from land business and normalized share of profit from investment in power associates.

PERFORMANCE BY BUSINESS

Rental Properties Business

				Change				Change
	Q2 2020	Q1 2021	Q2 2021	YoY	QoQ	1H 2020	1H 2021	YoY
	THB mm	THB mm	THB mm	%	%	THB mm	THB mm	%
Rental and Service								
Rental Revenue	289.4	277.1	280.5	(3.1%)	1.2%	568.4	557.6	(1.9%)
Gross Profit	202.5	190.7	208.9	3.2%	9.5%	397.8	399.6	(0.4%)
Gross Profit Margin	69.9%	68.8%	74.5%			70.0%	71.7%	
GPM before adjustment with PPA ¹	70.0%	68.9%	74.5%		1.2%	70.1%	71.7%	
Sale of Investment Properties								
Revenue from Investment Properties	1.6	8.7	0.1	(93.0%)	(98.7%)	1.6	8.8	448.8%
Gross Profit	0.1	0.3	0.0	(93.0%)	(96.4%)	0.1	0.3	101.6%
Gross Profit Margin	9.1%	3.3%	9.1%			9.1%	3.3%	

¹ Excluding accounting impact of Purchase Price Allocation (PPA)

1. Rental and Service Income

- **Rental and service income from warehouses, distribution centers, factories and structural work** during the second quarter and the first half of 2021 were THB 279.9 mm and THB 556.9 mm which decreased by 3.3% and 2.0%, respectively, compared to the same period of previous year because of the decrease in lettable area from assets monetization to REITs at the end of 2020. However, compared to the first quarter of 2021, the revenue during the second quarter of 2021 increased by 1.2%.
- **Gross profit margin from rental and service of warehouses, distribution centers, factories and structural work** during the second quarter and the first half of 2021 were 73.3% and 71.1%, respectively, increased from the same period of previous year because of a higher occupancy rate and an efficient cost management.

2. Sale of Investment Properties

- **Revenue from sale of investment properties** during the second quarter and the first half of 2021 stood at THB 0.1 mm and THB 8.8 mm, respectively which has gross profit margin at 9.1% and 3.3%, respectively. This revenue was from the revenue recognition of additional work from one client.

Industrial Development Business

	Q2 2020		Q1 2021		Q2 2021		1H 2020		1H 2021	
	THB mm	THB mm	THB mm	THB mm	THB mm	THB mm	THB mm	THB mm	THB mm	THB mm
Revenue	527.7	154.1	537.7		537.7	773.0	691.8		691.8	691.8
Gross Profit	268.6	137.6	212.7		212.7	399.7	350.3		350.3	350.3
Gross Profit Margin	50.9%	89.3%	39.6%		39.6%	51.7%	50.6%		50.6%	50.6%
GPM before adjustment with PPA ¹	50.8%	88.7%	44.8%		44.8%	51.8%	54.0%		54.0%	54.0%

¹ Excluding accounting impact from Purchase Price Allocation (PPA)

Revenue from land business and sale of properties during the second quarter of 2021 was THB 537.7 mm, increased by 1.9% compared to the same period of last year from a higher number of land transfer. For the first half of 2021 was THB 691.8 mm, decreased by 10.5%, compared to the same period of last year from international travel restriction from the COVID-19 pandemic, as a result, the customers delayed the land transfer; however, the potential customers still receive the strong interests for our industrial estates, especially China, Japan and US manufacturers from the production line relocation from China to Southeast Asia countries. The fundamental of Thailand as the regional production hub not only remains strong, but also reflected the potential and strength of WHA Group's industrial estates, which fully support both local and international customers' requirements. Also, the Company had the revenue from right of ways of THB 89.0 mm during the second quarter of 2020 while there was no such revenue during the second quarter of this year. Furthermore, compared to the first quarter of 2021, the revenue during the second quarter of 2021 increased by 248.9%.

Gross profit margin from land business and sale of properties during the second quarter of 2021 stood at 39.6% which decreased from the same period of last year due to having no revenue recognition of right of ways amounting THB 89.0 mm. If excluding such revenue, the gross profit margin was at 41.0% in the second quarter of 2021 similar to the previous year. For the first half of 2021, the Company had the gross profit margin at 50.6% whereas if excluding such revenue, the gross profit margin was at 39.8% which decreased from

45.4% compared to the same period of last year, mainly from a higher revenue recognition of land transfer in Vietnam which has a lower gross profit margin, compare to a gross margin of land sale in Thailand.

Utilities & Power Business

	Q2 2020	Q1 2021	Q2 2021	Change		1H 2020	1H 2021	Change
				YoY	QoQ			
	THB mm	THB mm	THB mm	%	%	THB mm	THB mm	%
Revenue	481.4	586.3	595.8	23.8%	1.6%	1,015.4	1,182.1	16.4%
Gross Profit	164.4	247.8	232.0	41.1%	(7.6%)	361.5	479.8	32.7%
Gross Profit Margin	34.2%	42.3%	38.9%			35.6%	40.6%	
GPM before adjustment with PPA ¹	37.7%	45.1%	41.8%			38.9%	43.5%	
Share of Profit from Investments in Utilities Associates	(37.0)	(39.0)	(38.6)	(4.3%)	1.2%	(66.2)	(77.6)	(17.2%)
Revenue from Solar Business	13.7	122.4	53.2	289.4%	(56.5%)	20.7	175.6	749.8%
Gross Profit	5.3	24.8	14.6	173.5%	(41.1%)	8.3	39.4	372.5%
Gross Profit Margin	39.1%	20.3%	27.5%			40.4%	22.4%	
Share of Profit from Investments in Power Associates	510.8	(12.1)	184.7	(63.8%)	1631.3%	396.4	172.6	(56.5%)
- Normalized Share of Profit from Investments in Power Associates²	252.6	165.6	271.5	7.5%	63.9%	497.5	437.1	(12.1%)
- FX Gain (Loss)	258.2	(177.7)	(86.8)	(133.6%)	51.2%	(101.0)	(264.5)	161.7%

¹ Excluding accounting impact of Purchase Price Allocation (PPA)

² Excluding Gain (Loss) from FX and extraordinary items

Utilities income during the second quarter and the first half of 2021 were THB 595.8 mm and THB 1,182.1 mm, which increased by 23.8% and 16.4%, respectively compared to the same period of previous year. Moreover, if compared to the first quarter of 2021, the revenue increased by 1.6%, which was from a higher demand on both existing customers and new customers, a higher revenue from value-added products consisted of demineralized water and premium clarified water which have been commenced since the second half of last year as well as the absence of drought situation in 1H2020.

Gross profit margin from utilities income during the second quarter and the first half of 2021 were at 38.9% and 40.6%, respectively. This gross margin had accounted for the fair value adjustment of the acquired business according to the accounting standards under WHA level. However, the genuine gross margin in the second quarter and the first half of 2021 were at 41.8% and 43.5%, respectively, increasing from the same period of previous year due to higher sale volume of both traditional and value-added products.

Share of Profit from Investments in Associates from Utility Business during the second quarter and the first half of 2021 was THB (38.6) mm and THB (77.6) mm, respectively, mainly due to the share of loss from SDWTP while the sale volume of this project in the second quarter of 2021 increased by 28.9% and 23.4%, compared to the same period of last year and the first quarter of this year.

Revenue from Solar Business during the second quarter and the first half of 2021 stood at THB 53.2 mm and THB 175.6 mm which increased by 289.4% and 749.8%, respectively, compared to the same period of last year, mainly due to solar panel installation service (EPC) for solar power generation of AAT project of THB 108.2 mm during the first half of this year and revenue recognition from COD in additional solar power projects.

Gross profit margin from Solar Business during the second quarter and the first half of 2021 were at 27.5% and 22.4%, respectively, decreasing from the same period of last year, mainly from the revenue recognition of solar panel installation service (EPC) as mentioned above which the EPC business normally generated lower margin.

Normalized Share of Profit from Investments in Associates from Power Business and Joint Ventures during the second quarter of 2021 was THB 271.5 mm which increased by 7.5%, compared to the same period of last year. If including the FX impact, which is mostly unrealized gain/loss, the share of profit from power associates and joint ventures stood at THB 184.7 mm. The increase in normalized share of profit from power associates and joint ventures was mainly due to solid performance and having no maintenance shutdown of SPPs. For the 6-month of 2021, the normalized share of profit from power associates and joint ventures was at THB 437.1 mm, which decreased by 12.1%, compared to the same period of pervious year, mainly due to 37-day major maintenance shutdown of Gheco-1 in the first quarter and unplanned shutdown for another 20 days in the second quarter of this year.

Other Income

	Q2 2020		Q1 2021		Q2 2021		Change		1H 2020		1H 2021		Change	
	THB mm	THB mm	THB mm	THB mm	THB mm	THB mm	YoY %	QoQ %	THB mm	THB mm	THB mm	THB mm	YoY %	%
Dividend and management income	114.1	138.9	135.2	18.5%	(2.7%)	195.5	274.1	40.2%						
Others	32.3	147.0	93.1	188.3%	(36.7%)	296.5	240.0	(19.1%)						
Total other income	146.3	285.9	228.2	56.0%	(20.2%)	492.1	514.1	4.5%						
Normalized others ¹	208.7	17.8	25.7	(87.7%)	44.5%	235.4	43.5	(81.5%)						
Normalized total other income¹	322.8	156.7	160.9	(50.2%)	2.6%	430.9	317.6	(26.3%)						

¹ Excluding FX impact

Normalized other income during the second quarter and the first half of 2021 stood at THB 160.9 mm and THB 317.6 mm, respectively and decreased by 50.2% and 26.3%, respectively, from the same period of previous year, which was mainly from:

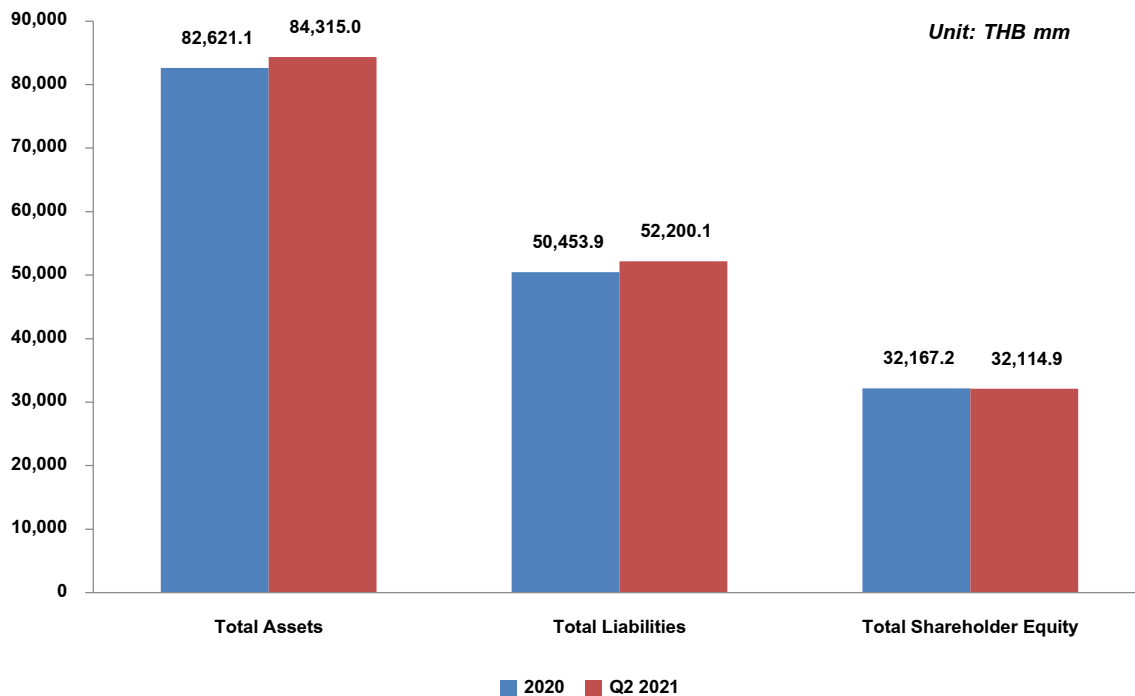
- **Dividend and management income** during the second quarter and the first half of 2021 stood at THB 135.2 mm and THB 274.1 mm, respectively and increased by 18.5% and 40.2%, respectively from the same period of previous year due to higher dividend income, resulting from the larger asset size of REITs.
- **Normalized other income** comprised of interest income, gain from sale of short-term investments and other income totaling THB 25.7 mm and THB 43.5 mm, respectively during the second quarter and the first half of 2021 and decreased by 87.7% and 81.5%, respectively, from the same period of 2020. In the second quarter of 2020, the Company had revenue recognition of one-time other revenue recognition in 6M2020 of contract restructuring from 1 client of THB 172.4 mm which there was no such revenue in the second quarter of 2021.

Expense Analysis

	Q2 2020	Q1 2021	Q2 2021	Change		1H 2020	1H 2021	Change
	THB mm	THB mm	THB mm	YoY	QoQ	THB mm	THB mm	YoY
				%	%			%
Selling expense	38.4	13.5	28.4	(26.1%)	110.7%	71.3	41.9	(41.3%)
Administrative expense	260.2	304.8	334.3	28.5%	9.7%	537.8	639.1	18.8%
Finance costs	305.2	281.0	298.2	(2.3%)	6.1%	560.5	579.2	3.3%
Total expense	603.7	599.3	660.9	9.5%	10.3%	1,169.6	1,260.3	7.8%

- **Selling expense** during the second quarter and the first half of 2021 were THB 28.4 mm and THB 41.9 mm, respectively and decreased by 26.1% and 41.3%, respectively, compared to the same period of last year, which was mainly from a lower number of land transfer in Thailand.
- **Administrative expense** during the second quarter and the first half of 2021 were THB 334.3 mm and THB 639.1 mm, respectively and increased by 28.5% and 18.8%, respectively, compared to the same period of last year.
- **Finance costs** during the second quarter of 2021 was THB 298.2 mm which decreased by 2.3% compared to the same period of previous year due to decrease in weighted average cost of fund by 0.08% from 3.02% at the end of second quarter of 2020 to 2.94% at the end of second quarter of 2021. For the first half of 2021, the finance cost was THB 579.2 mm, increased by 3.3% from the same period of last year due to higher interest bearing debt because the Company had cash reserve for bond repayment in 3Q2021 despite decrease in weighted average interest rate during 2Q2021 as mentioned above.

FINANCIAL POSITION



The changes in Consolidated Balance Sheet as of 30 June 2021 are summarized as follows.

Assets

As of 30 June 2021, the Company had total assets of THB 84,315.0 mm, increased by THB 1,693.9 mm from THB 82,621.1 mm as of 31 December 2020. The main reasons are as follows:

1. Increase in loan to related parties of THB 74.5 mm, mainly from loan to the JV companies.
2. Increase in non-current assets held for sale of THB 2,713.5 mm, mainly due to the reclassification of assets, which will be monetized to WHART this year from investment properties to non-current assets held for sale.
3. Decrease in joint ventures of THB 655.8 mm, mainly from dividend payment and capital reduction in the JV companies.
4. Decrease in investment properties (net) of THB 1,447.7 mm, due to the reclassification of assets as mentioned above. However, the Company has continuously developed the new projects.

Liabilities

As of 30 June 2021, the Company had total liabilities of THB 52,200.1 mm, which increased by THB 1,746.2 mm from THB 50,453.9 mm as of 31 December 2020. Some increase was from bank loan drawdown. Besides, the Company had interest bearing debt of THB 42,984.7 mm, which increased by THB 1,731.0 mm from THB 41,253.7 mm because the Company had cash reserve for bond repayment in 3Q2021. However, the weighted average cost of fund of the Company decreased by 0.10% from 3.04% as of the year ended 2020 to 2.94% as of the six-month period ended 30 June 2021.

During the first half of 2021, the Company had utilized additional short-term facilities on the amount of THB 5,800.0 mm. However, the Company had both short-term and long-term loan and bond repayment, totaling THB 3,485.0 mm. Also, the Company debentures (net) decreased by THB 570.0 mm. As a result, the Company's

interest bearing debt increased by THB 1,731.0 mm because the Company had cash reserve for bond repayment in 3Q2021.

Shareholder's equity

As of 30 June 2021, the Company had total shareholder's equity of THB 32,114.9 mm, which decreased by THB 52.3 mm from THB 32,167.2 mm as of 31 December 2020, mainly from cash dividend paid during this period.

Unit Price and Investment Value of REITs

	Unit Price (THB)		Increase/(Decrease) (THB mm)
	31 Dec 2019	30 Jun 2021	
WHART	13.3	13.4	41.7
HREIT	7.7	8.9	157.5
WHABT	8.6	9.1	13.6
Total			212.8

KEY FINANCIAL RATIOS

	Q2 2020	Q2 2021
Gross Profit Margin (%)	44.8%	45.1%
Net Profit Margin (%)	27.6%	13.9%
D/E Ratio (times)	1.6	1.6
Net IBD to Equity (times)	1.3	1.3
Collection Period (days)	23.3	25.9
Average Payment Period (days)	295.1	244.5
Effective Tax Rate (%)	0.0%	10.1%

Credit Terms

Collection period during the second quarter of 2021 was 25.9 days which increased from 23.3 days, compared to the same period of last year. This figure was in line with credit terms that the Company has provided to the clients, which is 0-45 days depending on type of business. The increase was mainly from COVID-19 pandemic. However, the Company still collected the money from our customers as usual.

Average payment period during the second quarter of 2021 was 244.5 days which decreased from 295.1 days, compared to the same period of last year. WHA Group has not been significantly impacted by this crisis and able to manage cash flow effectively. As a result, WHA group has not encountered any problems with payment to our suppliers as well as the ability to meet the specified credit term as stated in the policy.

Effective Tax Rate

During the second quarter of 2021, the Company had earnings before tax (EBT) and corporate income tax (CIT) of THB 390.6 mm and THB 39.6 mm, respectively, which was equivalent to the effective tax rate at 10.1%. An effective tax rate was lower than the corporate income tax rate at 20.0% because of a difference of tax calculation between taxable item and non-taxable item.

Please be informed accordingly.

Sincerely yours,
WHA Corporation Public Company Limited

(Mr. Natthapatt Tanboon-ek)
Chief Financial Officer