

12 November 2021

Re: To clarify the financial statements as of 30 September 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 third quarter of 2021 ended on 30 September 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, largely unchanged from the August projection. Although the economy in the third quarter of 2021 was affected by containment measures and a slowdown in exports, significant progress on vaccination and earlier-than-expected relaxation of containment measures would help restore private sector confidence and boost private consumption for the rest of 2021. Growth is expected to pick up 3.9 percent in 2022 as improving confidence would help support domestic spending. Foreign tourist figures were expected to recover slowly, while merchandise exports would continue to be affected by global supply disruption and the increase in shipping costs that could affect manufacturing and merchandise exports.

Business Economic Research Center (EIC), Siam Commercial Bank also revised its 2021 economic forecast down from 0.9 percent to 0.7 percent following a severe and prolonged third-wave outbreak which led to adverse impacts on private consumption. In addition, foreign tourist arrivals have been lower than expected due to concerns about the outbreak. EIC expected the situation to improve in the beginning of the fourth quarter from a significantly higher rate of fully-vaccinated individuals, which would benefit confidence and domestic economic activity recovery. Exports have continued to expand but should slightly slow throughout the rest of the year from a higher base and the spread of the Delta variant, which caused the global economy to decelerate and resulted in supply disruptions in many manufacturing supply chains in Thailand and emerging economies in ASEAN. Likewise, an intensified impact from COVID-19 leads Kasikorn Research Center (KResearch) to revise its 2021 growth forecast for Thai economy to -0.5 percent, from a prior estimate of 1.0 percent, as the ongoing wave of the COVID-19 pandemic tends to become increasingly devastating and prolonged. While the government has implemented multiple stimulus packages to ease the burdens of businesses and their employees that have been directly impacted by the partial lockdown, such measures are unlikely to entirely offset such impacts. Although the government may slowly relax lockdown restrictions on certain business, consumer confidence would not return to normal as long as the number daily COVID-19 cases remains high amid a relatively low percentage of fully vaccinated population. This would in turn keep economic activity from recovering quickly.

According to Vietnamese government, Vietnam's gross domestic product (GDP) could grow between 3.5%-4.0% this year, well below the government's earlier target of 6.5 percent. While, the Asian Development Bank (ADB) has lowered its forecast of Vietnam's GDP growth to 3.8 percent in 2021 from the previous estimate of 5.8 percent in July, citing the prolonged COVID-19 pandemic and extended lockdowns have weakened

consumption and investment. But the Vietnamese economy will bounce back if the COVID-19 pandemic is brought under control by the end of 2021 and 70% of the country's population are vaccinated by the second quarter of 2022.

Investment and Foreign Direct Investment Applications

According to Thailand Board of Investment, for the first 9 months (January to September) of 2021, local and foreign investors filed a total of 1,273 investment applications, representing a combined value of Baht 520.7 billion, compared to 1,037 projects worth Baht 216.6 billion in the year earlier period, a 23 percent and 140 percent increase from the same period last year. The electric and electronics (E&E), led the way with 77.2 billion baht in combined investment value. This is a result of the relocation of production bases and the COVID-19 pandemic that changed employees and workers to work from home, resulting in increased market demand. The medical sector came in second with 59.2 billion baht worth of applications, petrochemicals and chemicals sector with 36.8 billion baht worth of applications, agroindustry and food sector with 31.7 billion baht worth of applications, and the biotech sector with 20.9 billion baht worth of applications respectively.

While the number of FDI project applications filed during the nine-month period are equal to 587 projects, the combined investment value almost quadrupled to Baht 372.1 billion, an increase of 220 percent from the same period last year. The Japanese investors still ranked first in terms of value at Baht 67.8 billion, followed by investments from the U.S. worth Baht 26.9 billion, and Singapore worth Baht 26.8 billion.

In terms of geographical implantation, the Eastern Economic Corridor, Thailand's high technology development area, attracted 348 projects with a combined investment value of Baht 173.8 billion with Rayong ranked first worth Baht 91.7 billion, followed by Chonburi and Chachoengsao worth Baht 54.3 billion, and Baht 27.8 billion respectively.

For Vietnam, during the first 9 months of 2021, total registered capital by foreign investors reached approximately USD 22.1 billion, a slightly increased of 4.4% compared to the same period last year. Of which, (1) Newly registered capital project, there were 1,212 new projects granted with investment registration certificates, a plummet of 38.8%. Total registered capital reached about USD 12.5 billion, an increase of 20.6%. (2) Adjusted capital project, there were 678 projects registered for adjustment of investment capital, a decrease of 15.0%. Total additional registered capital reached USD 6.4 billion, an increase of 25.6%. (3) Paid-in capital for share purchase, there were 2,830 paid-in capital for share purchase projects, a decline of 45.3%. The total value of paid-in capital was worth USD 3.2 billion, a decline of 43.8%.

However, foreign direct investment projects were estimated to disburse USD 13.3 billion, a drop of 3.5% compared with the same period in 2020

Key developments during the period

Logistics Business As a result of COVID-19 pandemic and recent global supply chain chaos, the Company has signed short-term lease contracts of over 120,000 sq.m., substantially higher than the original target. Moreover, during Q3/2021 the Company has added new contract of 33,928 sq.m. to its Built-to-Suit and ready-built factory and warehouse portfolio as well as handover its Built-to-Suit project with total area of 8,151 sq.m. located at WHA Eastern Seaboard Industrial Estate 2 to Signode, the leading manufacturer of a broad spectrum of transit packaging consumables.

The Company is also speeding up new product and service offerings through smart technology as well as to develop innovative business model and penetrate new customer groups via partnership. Recently, it has acquired a 29.40% stake in Storage Asia Co., Ltd. a leading premium self-storage solution. The new acquisition is in line with WHA Group's strategy to embrace new market opportunities through meaningful investments and create new value for its customers and industry as a whole. Several new initiatives are expected to be rolled out from next year onwards.

Industrial Estate Business For the first 9 months of 2021, the Company achieved total land sales of 285 rai (248 rai in Thailand / 37 rai in Vietnam) and signed MoUs for 85 rai in Vietnam, improving from the same period of last year. Thanks to the strong second half of 2021 that started to show positive momentum of Thailand's investment and FDI situations with country reopening, lockdowns eased and more COVID relief due to effective vaccine distribution, the Company has already received more enquiries from foreign investors than the previous year. Furthermore, the current energy crisis and increasing electricity price in China due to state intervention for clean/ renewable energy policy have become an accelerating force that drives investors to relocate their production facility out of China. Following China Plus One strategy, leading manufacturers are diversifying and expressing strong interest to move to Thailand and Vietnam. Based on current estimation, the Company is confident that it will be able to achieve or even exceed its domestic land sale target at 750 rai.

WHA group currently operates 11 industrial estates in Thailand. The Company plans to develop three more industrial estates including WHA Eastern Seaboard Industrial Estate 3 (WHA ESIE 3) and WHA Rayong 36 (WHA RY 36) which are expected to be fully completed by year end. Following EIA approvals, construction of the expansion phase of WHA Eastern Seaboard Industrial Estate 4 (WHA ESIE 4) is scheduled to start in Q4 2021. Approved as a Special Economic Zone (SEZ) by the EEC, construction of WHA IER is expected to start in Q4 2022.

In Vietnam, the Company recorded total Q3 land sales of 37 rai and MoUs of 85 rai slightly decreases from the same period of last year due to COVID-19 lockdown that impacts the handover process of raw land. However, as Southeast ASEAN's shining star, Vietnam is still highly attractive for long-term economic growth. With WHA Industrial Zone 1- Nghe An completed construction of the 1,000-rai Phase 1, with 54% already leased to customers, the Company has accelerated the construction of the remaining 2,100 rai that is expected to start in Q1/2022. In addition, WHAID is currently developing two more industrial zones - WHA Smart Technology Industrial Zone and WHA Northern Industrial Zone - in Thanh Hoa Province, covering a total area of over 7,500 rai. Construction is scheduled to commence at the end of 2023 and 2024.

Utilities Business Total water sales and management in Thailand and Vietnam during the third quarter and the first nine months of 2021 have reached 35 million cubic meters and 103 million cubic meters, an increase by 25% and 20% respectively. Domestic water sales volume showed solid growth in all product categories as the Company achieved domestic sale a total of 29 million cubic meters and 86 million cubic meters, an increase by 27% and 20% from the same of period last year. This growth reflects rising water demand from both existing industrial customers who not affected by the third COVID-19 wave and groups of new customers including petrochemical sector (GC Oxirane), who inaugurated its commercial operations late last year and power plant (Gulf SRC) whose Phase 1 alone already consumes approximately 12,500 cubic meters per day while Phase 2 is expected to commercialize within Q4/2021. The value-added water product sales also experienced a sharp

increase in volume as the Company recorded total sale in the third quarter and the first nine months of 2021 at 1.2 million cubic meters and 3.3 million cubic meters, an increase by 29% and 94% from the same period of last year.

During the same period, water sales in Vietnam reached 5.9 million cubic meters and 16.4 million cubic meters respectively, a rise of 15% and 21% corresponding with an increase in demand for quality water in Hanoi and nearby cities of Bac Ninh and Hung Yen. Meanwhile, Cua Lo Water Supply Co, the producer and distributor of tap water that the Company owns 47% stake has already expanded of its production capacity to 8.4 million cubic meters per year and in the process to extend its water supply network, which is scheduled to complete in late 2022 to cover more serviced area as WHA group continue to expand in Nghe An province.

In addition, the Company has developed and introduced new products such as demineralized water and premium clarified water, and innovative solutions such as wastewater reclamation to its various industrial customers. Presently, there are several projects under construction including the wastewater treatment plant in WHA Rayong 36 Industrial Estate, with a capacity of 2.7 million cubic meters per year, the demineralized water plant with a capacity of 1 million cubic meters per year, and the alternative source of raw water project with a capacity of 6 million cubic meters per year.

For **power business**, revenue from solar business continues to grow strongly in conjunction with hefty contribution from SPP business, the IPP records lower than expected share of profits. This was due to the shutdown of Gheco-One for planned maintenance for 37 days in Q1 and unplanned maintenance for 48 days in Q2 and Q3. However, after maintenance works were completed, the power plant has resumed normal operations.

In Q3, the Company signed new solar rooftop contract for 22 MW, bringing the total outstanding signed solar PPA portfolio to 85 MW. Contributing to this extraordinary success, the Company has secured a solar contract of 19 MW, the Company's biggest solar rooftop contract ever, with "Prinx Chengshan tire", the leading Chinese tire manufacturer. At-present, the Company also has several solar deals under negotiation and therefore, it is highly confident that it will be able to achieve this year target of signed PPA at 90 MW. Besides, projects which already started COD, have generated an additional 4 MW of electricity, bringing total solar capacity which already COD to 50 MW and the total COD equity MW to 600 MW.

Digital business The Company continues to support its customers and manufacturers who aspire to transform their business with 5G. With superior technology for higher multi-Gbps peak data speeds, ultra-low latency, and massive network capacity, 5G will offer unprecedented use cases and truly improve long-term competitiveness of industrial sectors. The Company has presently co-developed/ invested in 5G towers with leading telecom operators while WHA Digital continues to carry out its plan to offer fiber optics (FTTx) in WHA group operating industrial estates in Thailand.

Coping with uncertainty in the 21st Century, WHA group has emphasized on its Digital Innovation and Transformation strategy that focuses on both the adoption of innovative/ digital technology for product and service offerings and the transformation of its people and culture through effective change management program. By transforming systems, organization, work process, and overall business management ranging from thinking, design, customer experience, resource management all together, the Company shall one step ahead

of the competition and be able to respond to rapid market environment. This will drive long-term business sustainability by enabling the Company to grab new opportunities in the future.

FINANCIAL ANALYSIS

During the third quarter of 2021, the Company had the total revenue and share of profit and net profit of THB 1,445.9 mm and THB 160.3 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 1,512.4 mm and THB 228.5 mm, respectively. The details are as follows:

FINANCIAL PERFORMANCE OF Q3 2021 AND 9M 2021

Consolidated Financial Statements	Q3 2020 THB mm	Q2 2021 THB mm	Q3 2021 THB mm	Change		9M 2020 THB mm	9M 2021 THB mm	Change	
				YoY %	QoQ %			YoY %	
Total Revenue and Share of Profit	1,611.4	1,873.1	1,445.9	(10.3%)	(22.8%)	4,855.9	4,724.7	(2.7%)	
Total Cost	486.4	821.5	574.6	18.1%	(30.1%)	1,720.8	1,959.8	13.9%	
Gross Profit	567.1	823.4	534.1	(5.8%)	(35.1%)	1,996.1	1,788.8	(10.4%)	
Net Profit	428.6	260.2	160.3	(62.6%)	(38.4%)	1,069.9	555.2	(48.1%)	
Normalized Total Revenue ^{†1}	1,609.0	1,892.5	1,512.4	(6.0%)	(20.1%)	4,893.4	4,859.2	(0.7%)	
Normalized Net Profit ^{†1}	437.1	282.4	228.5	(47.7%)	(19.1%)	1,114.2	694.8	(37.6%)	

^{†1} Normalized Total Revenue and share of profit = Total Revenue excluding FX impact, extraordinary items and deferred revenue items

KEY HIGHLIGHTS

- Total Revenue and Share of Profit and Net Profit for the third quarter of 2021 were THB 1,445.9 mm and THB 160.3 mm, respectively. This statutory figure consists of the normal business operation and FX impacts, which was mainly unrealized gain/loss. In addition, the Company's Normalized Total Revenue and Share of Profit and Normalized Net Profit stood at for the third quarter of THB 1,512.4 mm and THB 228.5 mm, respectively.
- Rental and Service Revenue during the third quarter of 2021 increased by 5.1% to THB 301.5 mm, compared to the same period of previous year because of the continuous increase in occupancy rate.
- Revenue from Land Business for the third quarter of 2021 was THB 135.0 mm, decreased by 67.8% compared to the same period of last year, because the Company had revenue recognition from right of ways of THB 307.9 mm. If excluding such revenue, the revenue from land business increased by 20.6% from a higher number of land transfer.
- Utilities Income for the third quarter of 2021 was THB 588.6 mm and increased by 19.3%, compared to the same period of last year, which was from a higher demand on both existing customers and new customers. Also, there is no drought situation that government request for lower water consumption in 2021. Furthermore, the revenue from valued-added utilities comprising of demineralized water and premium clarified water and starting for COD in 2H2020 had strong performance and grew continuously as well as increase in water tariff since the beginning of 2021.
- Normalized Revenue and Share of Profit from Investment in Power Associates and Joint Ventures for the third quarter of 2021 was THB 292.0 mm, increased by 13.8%, compared to the same period of previous year, mainly due to a higher revenue recognition from COD in additional solar power projects together with a solid performance of SPPs.

- Finance Cost was THB 289.2 mm which increased by 10.1%, compared to the same period of last year due to increase in average interest-bearing debt. However, the Company had a lower weighted average cost of fund decreased by 0.39% from 3.05% at the end of third quarter of 2020 to 2.66% at the end of the third quarter of 2021.
- The Company had Net Profit and Normalized Net Profit during the third quarter of 2021 at THB 160.3 mm and THB 228.5 mm, respectively and decreased by 62.6% and 47.7%, respectively, compared to the same period of previous year. In the third quarter of 2020, the Company had revenue recognition from right of way amounting THB 307.9.0 mm which there was no such revenue in the third quarter of 2021.

PERFORMANCE BY BUSINESS

Rental Properties Business

	Q3 2020 THB mm	Q2 2021 THB mm	Q3 2021 THB mm	Change		9M 2020 THB mm	9M 2021 THB mm	Change YoY %
				YoY %	QoQ %			
Rental and Service								
Rental Revenue	286.9	284.4	301.5	5.1%	6.0%	855.2	863.0	0.9%
Gross Profit	201.7	212.8	217.2	7.7%	2.1%	599.5	620.0	3.4%
Gross Profit Margin	70.3%	74.8%	72.0%			70.1%	71.8%	
GPM before adjustment with PPA ¹	70.4%	74.9%	72.1%			70.2%	71.9%	
Sale of Investment Properties								
Revenue from Investment Properties	-	0.1	3.5	n.a.	3,048.3%	1.6	12.3	667.6%
Gross Profit	-	0.0	0.3	n.a.	3,048.4%	0.1	0.6	320.5%
Gross Profit Margin	n.a.	9.1%	9.1%			9.1%	5.0%	

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 third quarter of 2021 and the first 9 months of 2021 were THB 301.5 mm and THB 863.0 mm, respectively which increased by 4.9% and 6.0%, respectively, compared to the same period of previous year. Also, compared to the second quarter of 2021, the revenue increased by 6.0%, because of the increase in occupancy rate.
- **Gross profit margin from rental and service of warehouses, distribution centers, factories and structural work** during the third quarter and the first 9 months of 2021 were 72.0% and 71.9%, 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 third quarter and the first 9 months of 2021 stood at THB 3.5 mm and THB 12.3 mm, respectively which has gross profit margin at 9.1% and 5.0%, respectively. This revenue was from the revenue recognition of additional work from one client.

Industrial Development Business

				Change		Change		
	Q3 2020	Q2 2021	Q3 2021	YoY	QoQ	9M 2020	9M 2021	YoY
	THB mm	THB mm	THB mm	%	%	THB mm	THB mm	%
Revenue	419.9	537.7	135.0	(67.8%)	(74.9%)	1,192.8	826.8	(30.7%)
Gross Profit	363.0	212.7	58.9	(83.8%)	(72.3%)	762.7	409.2	(46.4%)
Gross Profit Margin	86.5%	39.6%	43.6%			63.9%	49.5%	
GPM before adjustment with PPA ¹	85.9%	44.8%	52.6%			63.8%	53.6%	

¹ Excluding accounting impact from Purchase Price Allocation (PPA)

Revenue from land business and sale of properties during the third quarter of 2021 was THB 135.0 mm, decreased by 67.8% compared to the same period of last year, because the Company had revenue recognition from right of ways of THB 307.9 mm. If excluding such revenue, the revenue from land business increased by 20.6% which was mainly from a higher number of land transfer. For the first 9 months of 2021 was THB 826.8 mm, decreased by 30.7%, compared to the same period of last year due to there is no revenue recognition from right of ways for the period of 9 months in 2021. However, If excluding such revenue, the revenue from land business decreased by 11.8%

Gross profit margin from land business and sale of properties during the third quarter of 2021 stood at 43.6% which decreased from the same period of last year due to having no revenue recognition of right of ways amounting THB 307.9 mm. If excluding such revenue, the gross profit margin was at 49.2% for the third quarter of 2021. For the first 9 months of 2021, the Company had the gross profit margin at 49.5% whereas if excluding such revenue, the gross profit margin was at 40.5% which decreased from 46.0%, compared to the same period of last year, which was mainly from a higher revenue recognition of land transfer in Vietnam having a lower gross profit margin, compared to a gross margin of land sale in Thailand.

Utilities & Power Business

				Change		Change		
	Q3 2020	Q2 2021	Q3 2021	YoY	QoQ	9M 2020	9M 2021	YoY
	THB mm	THB mm	THB mm	%	%	THB mm	THB mm	%
Revenue	493.4	595.8	588.6	19.3%	(1.2%)	1,508.8	1,770.7	17.4%
Gross Profit	183.1	229.0	234.9	28.3%	2.6%	544.6	711.6	30.7%
Gross Profit Margin	37.1%	38.4%	39.9%			36.1%	40.2%	
GPM before adjustment with PPA ¹	40.6%	41.3%	42.8%			39.5%	43.1%	
Share of Profit from Investments in Utilities Associates	(57.5)	(38.6)	(29.3)	(48.9%)	(23.9%)	(123.7)	(106.9)	(13.6%)
Revenue from Solar Business	14.9	49.3	39.7	167.1%	(19.5%)	35.5	211.4	495.1%
Gross Profit	5.4	10.7	13.4	145.4%	24.5%	13.8	49.6	259.6%
Gross Profit Margin	36.6%	21.8%	33.6%			38.8%	23.4%	
Share of Profit from Investments in Power Associates	151.2	184.7	19.4	(87.2%)	(89.5%)	547.6	192.0	(64.9%)
- Normalized Share of Profit from Investments in Power Associates²	242.5	271.5	252.3	4.1%	(7.0%)	739.9	689.4	(6.8%)
- FX Gain (Loss)	(91.3)	(86.8)	(233.0)	155.2%	168.5%	(192.4)	(497.5)	158.6%

¹ Excluding accounting impact of Purchase Price Allocation (PPA)

² Excluding Gain (Loss) from FX and extraordinary items

Utilities income for the third quarter of 2021 and the first 9 months of 2021 were THB 588.6 mm and THB 1,770.7 mm, which increased by 19.3% and 17.4%, respectively, compared to the same period of previous year, which was from a higher demand on both existing customers and new customers. Also, there is no drought situation that government request for lower water consumption in 2021. Furthermore, the revenue from valued-added utilities comprising of demineralized water and premium clarified water and starting for COD in 2H2020 had strong performance and grew continuously as well as increase in water tariff since the beginning of 2021.

Gross profit margin from utilities income for the third quarter of 2021 and the first 9 months of 2021 were at 39.9% and 40.2%, 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 third quarter of 2021 and the first 9 months of 2021 were at 42.8% and 43.1%, respectively, increased 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 for the third quarter of 2021 and the first 9 months of 2021 was THB (29.3) mm and THB (106.9) mm, respectively, mainly due to the share of loss from SDWTP while the sale volume of this project in the third quarter of 2021 increased by 15.9% and 1.2%, compared to the same period of last year and the second quarter of this year.

Revenue from Solar Business for the third quarter of 2021 and the first 9 months of 2021 stood at THB 39.7 mm and THB 211.4 mm which increased by 167.1% and 495.1%, respectively, compared to the same period of last year, mainly due to solar panel installation service (EPC) for solar power generation of one project of THB 112.2 mm and revenue recognition from COD from additional solar power projects.

Gross profit margin from Solar Business for the third quarter of 2021 and the first 9 months of 2021 were at 33.6% and 23.4%, respectively, decreased from the same period of last year, from the revenue recognition of solar panel installation service (EPC) as mentioned above having generated lower margin.

Normalized Share of Profit from Investments in Associates from Power Business and Joint Ventures during the third quarter of 2021 was THB 252.3 mm which increased by 4.1%, compared to the same period of last year. If including the FX impact, mostly of which is unrealized gain/loss, the share of profit from power associates and joint ventures stood at THB 19.4 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 first 9 months of 2021, the normalized share of profit from power associates and joint ventures was at THB 689.4 mm, which decreased by 6.8%, compared to the same period of pervious year, mainly due to 37- day major maintenance shutdown of Gheco-1 in 1Q2021 and unplanned shutdown for another 48 days in 2Q2021 and 3Q2021.

Other Income

	Q3 2020	Q2 2021	Q3 2021	Change		9M 2020	9M 2021	Change
	THB mm	THB mm	THB mm	YoY	QoQ	THB mm	THB mm	YoY
				%	%			%
Dividend income and management income	151.5	135.2	143.7	(5.2%)	6.3%	347.0	417.7	20.4%
Others	98.6	93.1	193.5	96.3%	108.0%	395.1	433.6	9.7%
Total other income	250.1	228.2	337.2	34.8%	47.8%	742.1	851.3	14.7%
Normalized others ¹	4.9	25.7	27.1	454.4%	5.4%	240.3	70.6	(70.6%)
Normalized total other income¹	156.4	160.9	170.8	9.2%	6.2%	587.3	488.3	(16.9%)

¹ Excluding FX impact

Normalized other income for the third quarter of 2021 and the first 9 months of 2021 stood at THB 170.8 mm and THB 488.3 mm, respectively and increased by 9.2% and decreased by 16.9%, respectively, from the same period of previous year, which was mainly from:

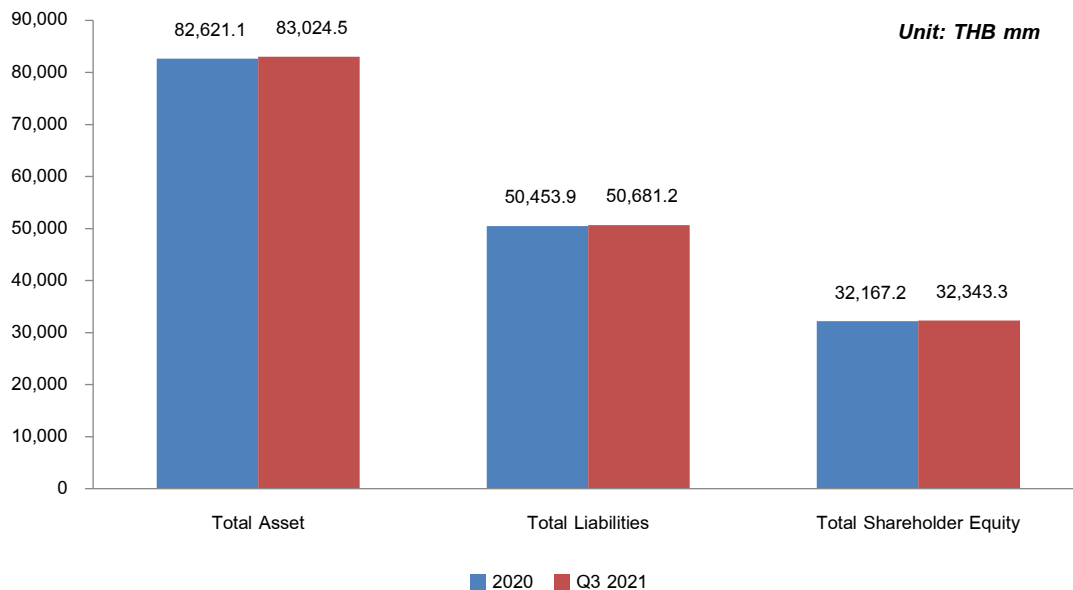
- **Dividend and management income** during the third quarter of 2021 was THB 143.7 mm, decreased by 5.2%, compared to the same period of last year. For the first 9 months of 2021 stood at THB 417.7 mm, increased by 20.4%, from the same period of previous year due to higher dividend income, resulting 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 third quarter and the first 9 months of 2021 and increased by 454.4% and decreased by 70.6%, respectively, from the same period of 2020. In the second quarter of 2020, the Company had revenue recognition of one-time other revenue recognition of contract restructuring from 1 client of THB 172.4 mm which there was no such revenue this year.

Expense Analysis

	Q3 2020	Q2 2021	Q3 2021	Change		9M 2020	9M 2021	Change
	THB mm	THB mm	THB mm	YoY	QoQ	THB mm	THB mm	YoY
				%	%			%
Selling expense	20.8	28.4	13.1	(37.1%)	(53.9%)	92.1	54.9	(40.3%)
Administrative expense	246.6	334.3	304.7	23.6%	(8.9%)	784.3	943.8	20.3%
Finance costs	262.8	298.2	289.2	10.1%	(3.0%)	823.3	868.5	5.5%
Total expense	530.1	660.9	607.0	14.5%	(8.2%)	1,699.7	1,867.2	9.9%

- **Selling expense** during the third quarter of 2021 and the first 9 months of 2021 were THB 13.1 mm and THB 54.9 mm, respectively and decreased by 37.1% and 40.3%, 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 third quarter of 2021 and the first 9 months of 2021 were THB 304.7 mm and THB 943.8 mm, respectively and increased by 23.6% and 20.3%, respectively, compared to the same period of last year.
- **Finance costs** during the third quarter of 2021 and the first 9 months of 2021 were THB 289.2 mm and THB 868.5 mm, respectively, which increased by 10.1% and 5.5%, respectively, compared to the same period of previous year due to higher average interest-bearing debt. However, the Company had a lower weighted average cost of fund decreased by 0.39% from 3.05% at the end of third quarter of 2020 to 2.66% at the end of the third quarter of 2021.

FINANCIAL STATUS



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

Assets

As of 30 September 2021, the Company had total asset of THB 83,024.5 mm, increased by THB 403.4 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 287.7 mm, mainly from loan to the JV companies.
2. Increase in non-current assets held for sale of THB 2,756.7 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 investment in joint ventures of THB 561.1 mm, mainly from dividend payment and capital reduction in the JV companies.
4. Decrease in investment properties (net) of THB 837.4 mm, due to the reclassification of assets as mentioned above. However, the Company has continuously developed the new projects.

Liabilities

As of 30 September 2021, the Company had total liabilities of THB 50,681.2 mm, which increased by THB 227.3 mm from THB 50,453.9 mm as of 31 December 2020. The increase was from loan from financial institution. Besides, the Company had interest bearing debt of THB 41,938.1 mm, which was increased by THB 684.4 mm from THB 41,253.7 mm because the Company has continuously expanded business. However, the weighted average cost of fund of the Company decreased by 0.38% from 3.04% as of the year ended 2020 to 2.66% as of the nine-month period ended 30 September 2021.

During the first 9 months of 2021, the Company had utilized additional short-term and long-term facilities of THB 9,390.0 mm. However, the Company had both short-term and long-term loan repayment, totaling THB 7,515.0 mm. Also, the Company debentures (net) decreased by THB 1,170.0 mm. As a result, the Company's interest-bearing debt increased by THB 684.4 mm.

Shareholder's equity

As of 30 September 2021, the Company had total shareholder's equity of THB 32,343.3 mm, increased by THB 176.2 mm from THB 32,167.2 mm as of 31 December 2020, due to a higher performance during nine months of 2021. However, the Company had cash dividend payment during this period.

Unit Price and Investment Value of REITs

	Unit Price (THB)		Increase/(Decrease) (THB mm)
	31 Dec 2020	30 Sep 2021	
WHART	13.3	12.7	(249.9)
HREIT	7.7	9.2	189.0
WHABT	8.6	9.0	12.1
Total			(48.8)

KEY FINANCIAL RATIOS

	Q3 2020	Q3 2021
Gross Profit Margin (%)	48.6%	48.2%
Net Profit Margin (%)	26.6%	11.1%
D/E Ratio (times)	1.6	1.6
Net IBD to Equity (times)	1.4	1.3
Collection Period (days)	24.4	25.0
Average Payment Period (days)	252.0	208.3
Effective Tax Rate (%)	14.5%	11.1%

Credit Terms

Collection period during the third quarter of 2021 was 25.0 days which was slightly increased from 24.4 days, compared to the same period of last year. This figure was in line with a credit term that the Company has provided to clients at 0-45 days depending on type of business. The increase was mainly from COVID-19 pandemic. However, the Company still collected the cash from our customers as usual.

Average payment period during the third quarter of 2021 was 208.3 days which decreased from 252.0 days, compared to the same period of last year. From the covid-19 situation, the Company does not have significant impact and also has the ability to manage cash efficiency. As a result, the Company has not encountered any problems from our suppliers' payment as well as the ability to meet the specified credit term according to the Company's policy.

Effective Tax Rate

During the third quarter of 2021, the Company had earnings before tax (EBT) and corporate income tax (CIT) of THB 264.3 mm and THB 29.3 mm, respectively, which was equivalent to the effective tax rate at 11.1%. An effective tax rate was lower than the corporate income tax rate at 20.0% because of a difference of tax calculation between taxable items and non-taxable items.

Please be informed accordingly.

Sincerely yours,
WHA Corporation Public Company Limited

(Mr. Natthapatt Tanboon-ek)
Chief Financial Officer