

Ref. world 08-09/2023

August 14, 2023

Subject: Management Discussion and Analysis For the year ended December 31, 2022 ([Issuing new financial statements](#)), a difference of more than 20 percent from the same period of the previous year. ([revised](#))

To: The President

The Stock Exchange of Thailand

World Corporation Public Company Limited "the company" would like to clarify the operating results.

For the year ended December 31, 2022 with total income and net profit decreased more than 20%, the Company would like to clarify the reasons as follows:

1. Total income amounted to [175.67](#) million baht, decreased from the same period last year in the amount of [1,082.08](#) million baht or [86.03%](#).

1.1. Revenue from real estate development business in the amount of [51.59](#) million baht came from The City Hat Yai project, decreased from the same period last year in the amount of [1,151.05](#) million baht or [95.71%](#) because this year there was no income from the sale of land in the World Industrial Estate (Lamphun) project.

1.2. Revenue from construction in the amount of 110.91 million baht is the income generated from the construction of 3 projects in the northern region, gradually recognizing revenue continuously. This construction revenue increased from the same period last year in the amount of 72.92 million baht because last year there was only one project which was closed in 2021.

1.3. Service income in the amount of 9.03 million baht is the income from collecting common fees in the World Industrial Estate (Lamphun), starting to collect such service fees from the first quarter of 2022.

1.4. [Rental income in the amount of 1.98 million baht, an increase in the whole amount from the recognition of income according to the installment due under the hire-purchase contract.](#)

1.5. Other income amounted to [2.17](#) million baht, an increase of [1.73](#) million baht from the same period last year.

2. Total expenses amounted to [150.74](#) million baht, a decrease of [1,027.09](#) million baht from the same period last year, or [87.20](#) percent.

- 2.1. Cost of sales - real estate development business in the amount of **33.13** million baht, decreased from the same period of the previous year in the amount of **903.48** million baht by recognizing the cost of sales of The City project. Hat Yai from sales area allocation
- 2.2. The cost of construction work amounted to 78.80 million baht, an increase of 51.53 million baht from the same period last year by recognizing the actual costs incurred for each contract.
- 2.3. The cost of rental in the amount of 0.48 million baht is recognized according to the useful life of the rental units.**
- 2.4. Selling and administrative expenses in the amount of **30.03** million baht, most of which are employee salaries. Audit fees and various agency fees Related Decreased from the same period last year in the amount of **102.13** million baht because the subsidiary last year There is a commission from the sale of allocated land in the World Industrial Estate (Lamphun) and the Company has considered a reserve for the expected loss of 30 million baht from the Company receiving the refund from the court case win. not full amount
- 2.5. Income tax expenses in the amount of **8.27** million baht, decreased from the same period last year in the amount of **68.78** million baht due to last year's operating results that were more profitable than this year. therefore, paying the higher amount of tax

As a result, the financial statements show a **net profit** from continuing operations in respect of the parent company. For the year ended December 31, 2022, the amount was **25.59** million baht, a decrease from the same period last year in the amount of **74.33** million baht, representing **74.39%**.

As for the financial position of the company as of December 31, 2022

The Company had total assets of **2,521.97** million baht, most of which were inventories of 1,147.81 million baht (consisting of condominium business of 899.14 million baht and industrial estate business of 248.67 million baht) and property, plant and equipment of 982.33 million baht (most of which were building materials). The total liabilities amounted to **355.90** million baht, most of which were advance deposits under the purchase and sale agreement of 287.22 million baht shown in trade and other payables. The last part is the shareholders' equity, divided into the parent company's equity in the amount of **1,967.24** million baht and non-controlling interests in the amount of 198.83 million baht.

Please be informed accordingly.

Yours sincerely,

(Miss. Sasitorn Ketphueak)

Authorized person for disclosure of information