

10 August 2023

Re: To clarify the financial statements as of 30 June 2023

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 2023 ended on 30 June 2023 which were reviewed by the auditor. The Company hereby clarifies the performance as follows:

Thai Economic Performance

On 2nd August 2023, the Monetary Policy Committee (MPC) foresees the Thai economy overall continued to recover, driven mainly by tourism and private consumption. External demand softened somewhat in the near term, but is expected to gradually recover looking ahead as the global economic activity gathers momentum. Inflation declined and is projected to stabilize within the target range, subject to upside risks. In the context of continuing economic expansion and narrowing slack, monetary policy should keep inflation sustainably within the target range and foster longer-term macro-financial stability by preempting the buildup of financial imbalances that could arise in a low-for-long interest rate environment. A higher policy rate would also help preserve the policy space in light of the highly uncertain outlook. The Committee therefore voted to raise the policy rate by 0.25 percentage point. Overall, the MPC projects the economic growth to be 3.6 and 3.8 percent in 2023 and 2024, respectively. Inflation should continue to decline at a gradual pace. Headline inflation returned to the target range and is projected to be 2.5 and 2.4 percent in 2023 and 2024, respectively, due to easing electricity and oil prices. Moreover, core inflation is projected to stabilize at 2.0 percent in 2023 and 2024, an elevated level relative to the past.

SCB Business Economic Research Center (SCB EIC), kept its 2023 Thai GDP growth forecast at 3.9% given the continued recovery in private consumption and tourism as well as services sector, despite subdued exports. The number of foreign tourists is still expected to be 30 million persons, while revenue from foreign tourists is likely to reach THB 1.27 trillion thanks to foreign tourist spending which has now risen to a level close to the 2019 average. This will support the continued recovery in the labor market, especially employment in tourism-related services sector. Meanwhile, the Thai exports outlook remains subdued for the rest of this year and is considered a key downside risk to economic growth. SCB EIC revised down its forecast for Thai export value to 0.5% this year (from previously 1.2%) given subdued global demand, weaker-than-expected demand from

the Chinese market, and an increased downside risk to the global economy. At the same time, Kasikorn Research Center expects the economy in the second half of the year will see a better expansion than the first half of the year. This was boosted by the last tourist season. The number of foreign tourists for the year 2023 is expected to be at about 28.5 million people and thus expect GDP in the second half of the year to grow by about 4.3% from the first half of about 3.0%. The Kasikorn Research Center maintains its 2023 GDP forecast at 3.7% and maintains the export figure at -1.2%. However, Kasikorn reduces government consumption and investment since it is still in the waiting period for the establishment of a new government and complex household debt problems that are waiting to be resolved.

For the Vietnamese Economy, the General Statistics Office (GSO) revealed that GDP growth in the second quarter grew 4.14% from a year earlier, faster than the 3.32% expansion in the first quarter. For the first seven months of 2023, Vietnam attracted a total of 11.58 billion USD in foreign direct investment (FDI), equal to 100.8 percent of the figure of the same period last year, according to the Ministry of Planning and Investment. In 2023, Vietnam's GDP growth is still estimated to be 6.5%, slower than an expansion of 8.02% last year.

Investment and Foreign Direct Investment Applications

In the first half of the year (January-June) 2023, there were a total of 891 projects applying for investment promotion, an increase of 18 percent, with an investment value of 364,422 million baht, an increase of 69 percent compared to the same period last year. For applications for promotion in the targeted industries, there were 464 projects with a total value of 286,930 million baht, accounting for 79 percent of the total value applied for promotion. Most of them are invested in the electrical and electronic industries. (the highest investment value over 160,000 million baht), Agro-industry and food processing (total investment value of 51,272 million baht), including the automotive and parts industry (total investment value of 19,600 million baht), most of which are the production of automotive parts such as tires, axles, parts for hybrid powertrain systems and electric charging stations for EV cars. At present, there are 14 BEV electric vehicle manufacturers being promoted, with a total investment of 33,970 million baht, representing a production capacity of 276,640 vehicles per year, including leading manufacturers such as BYD, Great Wall Motor, SAIC (MG), Mercedes Benz and Horizon Plus. There are also many major manufacturers that have announced their investment plans in Thailand, such as Changan Automobile and GAC AION, which are expected to apply for the promotion in the second half of this year.

For applications for foreign investment promotion (FDI), in the first six months, there were 507 projects, an increase of 33 percent, with investments of 304,041 million baht, an increase of 141 percent. China is the country with the highest investment value of 61,500 million baht from 132 projects, mainly investing in the electronics manufacturing industry. The second place is Singapore with 73 projects with an investment of

59,112 million baht. While Japan ranked third with 98 projects with an investment of 35,330 million baht, the value of applications for investment promotion from Japan has grown more than doubled from the first half of 2022 with a value of 16,793 million baht, with large-scale projects in the group of electronic parts and automotive parts.

For Vietnam, as of July 20th, 2023, the total newly registered capital, adjusted and contributed capital to buy shares, and buy contributed capital of foreign investors reached over 16.2 billion USD (down 4.5% year-on-year). The adjusted capital and newly registered capital continued to increase over the same period last year. Of which (1) Newly registered capital: There were 1,627 new foreign-invested projects, valued at over 7.9 billion USD, were granted licenses, up 75.5% in number and 38.6% in value year-on-year. (2) Adjusted capital: There were 736 turns of projects registering to adjust their investment (up 27.1% year-on-year) with a total additional capital of nearly 4.2 billion USD (down 42.5% year-on-year). (3) Capital contributions and share purchases: There were 1,852 capital contributions and share purchases by foreign investors (down 10.6% year-on-year) with a value of over 4.14 billion USD (up 60.7% year-on-year). The total value of realized capital was worth USD 11.58 billion, an increase of 0.8% compared with the same period in 2022.

Key developments in Q2/2023

Logistics Business: In the first half of 2023, the company's logistics business witnessed significant developments as it saw more signed leased contracts for Built-to-Suit and Ready-Built Factories/Warehouses for an additional 74,929 sq.m., while short-term lease contracts with high returns totaling 120,904 sq.m, exceeding the initial target of 100,000 sq.m. As a result of the consistent demand for high-quality warehouse spaces, the total warehouse space under ownership and management stood at 2,784,234 sq.m., achieving an impressive overall occupancy rate of around 90.5% by the end of 1H/2023. The logistics business has the potential to sustain its growth in the latter half of 2023 with the opportunities to secure new lease agreements, both short-term and long-term, with new customers including the successful delivery of rental spaces as planned.

In addition, the company unveiled the WHA Mega Logistics Center Theparak KM. 21 last year, which spans over 400 rai of land. Due to the positive feedback and steady demand for high-quality warehouse and distribution centers during the Phase 1 project from customers such as logistics service providers, consumer goods distributors, and producers/distributors of pet supplies and pet food, the company is now accelerating the development of Phase 2. Currently, it is gaining interest and is in negotiations with several potential customers. Recently, Webasto, one of the world's 100 automotive component suppliers, has already signed a Built-to-Suit lease agreement for a warehouse space of 13,083 sq.m. in the Phase 2 area. This confirms the increasing demand for premium warehouse spaces and distribution centers. Meanwhile, the company intends to expand the Built-to-Suit factory facilities for existing client who produce battery for electric vehicles at WHA Chonburi Industrial Estate 1 to accommodate electric vehicle market, reflecting the future trend of electric cars.

For the Office Solutions business, the company currently has 5 modern office buildings available for rent, with total space of more than 120,000 sq.m. There is also a construction project, Quant Sukhumvit 25, located in the Sukhumvit-Asoke area, which is expected to be completed in Q3/2023. This 7-story office building will feature commercial space covering 9,900 sq.m. Besides, there is a retail project for commercial use, covering space over 3,000 sq.m. This project is situated near the Surasak Skytrain station and is expected to be completed in early 2024. Moreover, there's the also Built-to-Suit Medical Center project, with space over 6,900 sq.m, which has already signed contracts with tenants and commenced construction in May this year.

Recently, the company has joined forces with IWG PLC to introduce an all-inclusive workspace called "Regus at WHA Tower" covering an area of over 826 sq.m, the building features rental office space, co-working areas with full-fledged services, and virtual offices with business addresses. The "Regus at WHA Tower" has been officially opened since July and has already achieved a 22% occupancy rate.

The company constantly keeps updating about the latest technologies and innovations such as Artificial Intelligence (AI), Internet of Things, and Quantum technology to apply to the logistics business. At the same time, there is a strong commitment to sustainable business practices, evident through initiatives like the Green Logistics and Green Building projects, which is a part of the company's environmental conservation policy. Recently, the company signed a Memorandum of Understandings with Marubeni (Thailand) Co., Ltd to jointly conduct a study on providing efficient and integrated electric car services, using EV Fleet Management Service. This concept integrates digital technology, expertise, and skilled drivers to cater to the needs of both logistics customers and WHA Industrial Estates. The partnership is aligned with the company's Green Logistics project development plan.

Regarding the plan to sell assets and/or leasehold rights to WHART this year, recently WHART trust unit holders have already approved further investment in additional assets. The company has set a target to sell rental warehouse space assets, totaling 142,583 sq.m, worth a total of THB 3,567 million. The revenue is expected to be recognized in Q4/2023 as planned.

Industrial Development Business: In the first half of 2023, the company reported a total land sale of 1,049 rai (941 rai in Thailand and 108 rai in Vietnam), grew 104.5% from the same period last year. Also, the company signed Memorandums of Understanding (MoUs) for additional 1,310 rai (994 rai in Thailand and 316 rai in Vietnam). The remarkable improvement in land sales aligns with the overall economy and Thailand's investment direction. This trend has been influenced by the ongoing relocation of investment capital, driven by concerns arising from the US-China trade war and global geopolitical tensions that have impacted the global supply chain. This has prompted various industries to overhaul their production systems. Notably, major players from China, Japan, and the United States have chosen to increase their investments in Thailand. Not only the surge in investment relocation, but the expansion of production bases also played a pivotal role in attracting long-term investments from around the world. As a result, at the end of Q2/2023, the company held a backlog of pending rights transfers to customers, spanning over 799 rai (779 rai in Thailand and 20 rai in Vietnam).

Meanwhile, land sales in Thailand in Q2/2023 accounted for 562 rai, higher than total land sales both in Thailand and Vietnam in Q1/2023 which stood at 487 rai. For this quarter, the major customers came mainly from China, together with other main customers from Taiwan, and Japan respectively. Furthermore, total domestic land sales in the first half of 2023 doubled from total land sales in the same period last year.

At present, the company operates 12 industrial estates in Thailand, including a new industrial estate - WHA Industrial Estate Rayong Phase 1 (1,100 rai) which is under construction. Several customers have expressed interest, and some of them have already signed land purchase contracts in the Phase 1 area. With the positive response to Phase 1, the company is speeding up the development of Phase 2 (additional 1,100 rai) shortly. There is also WHA Industrial Estate Saraburi 2 (2,400 rai), which is expected to start construction in 2026. The company is also expanding two new industrial estates including WHA Eastern Seaboard Industrial Estate 3 Phase 3 (630 rai) and WHA Rayong 36 Industrial Estate (460 rai)

For the industrial estate business in Vietnam in 1H/2023, the company recorded a total land sale of 108 rai and an MoU totaling 316 rai. This growth is derived from the investment situation in Vietnam, which is benefiting from the production base relocation and the country's strong economy, and the potential to attract foreign investors. At present, the company has already established WHA Industrial Zone 1 -Nghe An, which has started construction of Phase 1 covering 900 rai. More than 77% of Phase 1 areas have already been sold to industrial customers in sectors ranking from automotive parts, food processing, building materials, and electronics. Due to the rising demand for industrial land, the company is currently accelerating the construction of Phase 2, covering an area of 2,215 rai. Even though the project is still under construction, the company has already started to propose this project to potential customers, with some portions of the land having already been sold. Recently, in Q3/2023, the company signed a contract with a global leading electronics equipment manufacturer to develop several types of electronic components on more than 300 rai of land within WHA Industrial Zone 1 - Nghe An Phase 2. The investment by the major electronic components manufacturer reaffirms the company's strengths and advantages of Nghe An province including strategic location, skilled workforce, basic infrastructure, utilities, and eco-friendly solutions.

Furthermore, the company has signed a Memorandum of Understanding with the local administration in Vietnam to develop two additional industrial estate projects, covering 20,950 rai (3,350 hectares) in total. The first project is the WHA Smart Technology Industrial Zone - Thanh Hoa, which encompasses 5,320 rai and is scheduled to start construction in 2024 or early 2025. The second project is the WHA Smart Eco Industrial Zone - Quang Nam, covering 2,500 rai, which is expected to receive license in 2026 or 2027, construction activity can start immediately thereafter.

However, in the latter half of the year, the industrial estate sector has the potential to grow better than the first half due to the increasing trend of relocation investment and production base in the Southeast Asian region. Additionally, the average land price sale has been continually rising. At present, our company is in negotiations with several investors, and we have also been contacted for site visits by foreign investors who are interested

in investing in industrial plants, especially those involved in electric vehicle manufacturing, electronic equipment production, and consumer products distributors. Therefore, the company needs to accelerate the development of its industrial estates in order to meet the growing demand of its customers in both Thailand and Vietnam. It is expected that by the end of 2023, the company will have signed land sale and purchase contracts exceeding the target set earlier this year, totaling 1,750 rai (1,200 rai in Thailand and 550 rai in Vietnam). Besides, the company aims to expand its land sales target.

Utilities Business (Water) The performance of the utilities business continued to grow steadily, with the total volume of utility sales and management, both domestic and overseas, in Q2/2023 and 1H/2023 reaching 40.5 million cubic meters and 75.3 million cubic meters, respectively. This was due to increased sales of raw water and value-added water products, which were driven by rising demand from customers in the energy sector. In addition, water sales volume overseas increased due to water sales from the Duong River project, which experienced growth from customer base expansion in Vietnam, resulting in constantly growing pipe water sales in Vietnam. In Q2/2023 and 1H/2023, domestic water sales amounted to 31.9 million cubic meters and 60.1 million cubic meters, respectively.

Although, in Q2/2023, there was a decline in the utility sales volume due to the commercial shutdown of some petrochemical customers and a decline in wastewater management. However, if compared to the same period last year, in Q2/2023, the company still has positive factors from an increase in the volume of raw water products by 9.0 million cubic meters and an increase in the volume of value-added water products by 1.4 million cubic meters. This is due to the rising water demand from energy sector customers as well as the increase in revenue from excessive water usage fees, amounting to THB 108.0 million, from customers with high water usage needs. In June this year, the company also started selling Reclamation water to customers in the WHA Eastern Seaboard Industrial Estate 4 (WHA ESIE 4) with a contracted volume of 2.9 million cubic meters per year.

For utilities business in Vietnam during Q2/2023 and 1H/2023, the total water sales volume according to shareholding equity stood at 8.6 million cubic meters, and 15.3 million cubic meters, respectively. This expansion is in response to the increasing water demand from customers of the Duong River Surface Water Plant (SDWTP) project, which has been continuously growing. Additionally, factors supporting this expansion include the adjustment of water prices, leading the company to acknowledge a decreased share of losses from the Duong River project when compared to the same period last year.

In addition, it is anticipated that the water sales volume and wastewater management will continue to witness a growing trend, in line with the demands of customers progressively commencing operations within the WHA Industrial Zone 1 – Nghe An Phase 1, while aligning with the company's utilities business expansion plans and industrial estate development projects including WHA Industrial Zone 1- Nghe An Phase 2, WHA Smart Technology Industrial Zone-Thanh Hoa and WHA Smart ECO Industrial Zone- Quang Nam.

For the Power Business, For the Q2/2023 performance, the significant increase of normalized share of profits came mainly from the recognition of a higher share of profits from the Small Power Producers (SPPs), which benefited from the recent increase in the Ft compared to the same period last year, better reflecting the cost of natural gas.

For the solar business in Q2/2023, the company signed new Private PPA projects with a total of installed capacity of 18 MW, bringing the total accumulated Private PPA contracts to 167 MW at the end of Q2/2023. In this quarter, the commercial operations of solar power plants were approximately 104 MW, resulting in a total of installed capacity of 717 MW equity.

Presently, the company is preparing to invest in five solar power projects with the total installed capacity of 125.4 MW equity after the Energy Regulatory Commission has chosen it to develop the renewable energy power plants under Feed-in Tariff (FiT) Phase 1 since April this year. The five projects are scheduled to start commercial operation (CODs) during 2029-2030.

Furthermore, the company is continuing to expand its power business in both Thailand and Vietnam while applying the application of new technologies and innovations in a continuous business operation to seek opportunities in the New S-Curve business. These include Battery Energy Storage Systems (BESS), Hydrogen, Carbon Trading, and Carbon Capture Utilization and Storage (CCUS).

Currently, the company has collaborated with its partners, PTT and Sertis AI Energy Co., Ltd., under the joint venture "RENEX TECHNOLOGY" to develop and operate the Peer-to-Peer Energy Trading Platform, which will use a two-sided bidding algorithm system and Blockchain technology to enhance transaction security and provide energy-trading convenience to SPPs and end-users. Presently, there are 54 leading operators in WHA Group's industrial estates showing their interest in joining the RENEX energy trading platform.

Digital Business, WHA Group is committed to leading digital transformation to become a Technology Company as planned in 2024, while thriving a strong organization in the digital era and giving importance on business sustainability. This journey will also build positive changes for environment, society, and economy under its Mission to The Sun (MTTS), in which the Sustainable Development Goals or SDGs set by the United Nations have been incorporated as part of the strategy for developing projects to benefit all stakeholders including customers, employees, shareholders, business partners and Thai society.

These include the Green Logistics project, which promotes the use of green technology in logistics business to enhance the efficiency of energy consumption and lower logistics costs for the country in long term, the Digital Healthcare project, that will improve access to healthcare services and solutions, the Circular project to promote the most beneficial use of resources in the company's ecosystem. Additionally, the company organized the WHA Innovation Bootcamp #2 project to enhance the potential of people in the organization and encourage them to think creatively and initiate innovative projects, which will further develop into a new business that meets both economic and sustainability goals.



With its efforts in leading new technologies and innovations to drive the organization forward in all dimensions, the company was awarded Prime Minister Award: Innovation for Global Challenge in the competitiveness during the Startup x Innovation Thailand Expo 2023 or SITE 2023. This prestigious recognition is for organizations that promote and enhance economic competitiveness in the global scene. At the same time, WHA Group and WHA Utilities and Power PLC (WHAUP) received an honorary award for Chief Innovation Officer as the executives play an important role in driving the innovation ecosystem for Thailand and supporting the country's innovation to become "Nation of Innovation" from the National Innovation Agency.

Besides, WHA Group and WHA Industrial Leasehold Real Estate Investment Trust (WHAIR) have been ranked by ThaiPat Institute as one of the top 15 securities in the ESG Emerging List, out of 888 companies, funds, and investment trusts. Both WHA Group and WHAIR also made their debut in the ESG100 Index. Meanwhile, WHA Premium Growth Freehold and Leasehold Real Estate Investment Trust (WHART) continues to demonstrate remarkable performance, securing its position in the 2023 ESG 100 investment trusts, for the fifth consecutive year. The achievements reaffirm the unwavering commitment of WHA Group and its affiliated companies to develop sustainable business practices and create long-term investment return opportunities. Recently, the company's WHA Eastern Seaboard Industrial Estate 2 and WHA Eastern Seaboard Industrial Estate 3 won an Outstanding Award during the Environmental Impact Assessment (EIA) Monitoring Awards 2023 for the industry that complies with measures in the EIA's 2023 report. This emphasizes the company's responsibility on solid environmental management and focus on sustainable business development.

FINANCIAL ANALYSIS

During 2Q2023, the Company had total revenue and share of profit and net profit of THB 3,248.1 mm and THB 866.1 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 3,150.5 mm and THB 817.3 mm, respectively. The details are as follows:

FINANCIAL PERFORMANCE OF 2Q2023

Consolidated Financial Statement	2Q 2022	2Q 2023	YoY	1H 2022	1H 2023	YoY
	THB mm	THB mm	%	THB mm	THB mm	%
Total Revenue and Share of Profit	2,186.8	3,248.1	48.5%	4,369.0	5,688.9	30.2%
Total Cost	1,042.6	1,390.8	33.4%	1,842.4	2,460.4	33.5%
Gross Profit and Share of Profit	749.8	1,455.9	94.2%	1,555.7	2,709.4	74.2%
Net Profit	289.6	866.1	199.0%	945.7	1,388.8	46.9%
Normalized Total Revenue ¹	2,238.9	3,150.5	40.7%	4,403.4	5,570.6	26.5%
Normalized Net Profit ²	338.6	817.3	141.4%	991.8	1,322.3	33.3%
Normalized Total Revenue excluding Gain from Divestments ³	2,238.9	3,150.5	40.7%	4,058.8	5,570.6	37.2%
Normalized Net Profit excluding Gain from Divestments ⁴	338.6	817.3	141.4%	647.2	1,322.3	104.3%

¹ Normalized Total Revenue = Total Revenue excluding FX impact, extraordinary items and deferred revenue items

² Normalized Net Profit = Net Profit excluding FX impact, extraordinary items and deferred revenue items

³ Normalized Total Revenue excluding Gain from Divestments = Total Revenue excluding gain from 2 data center divestments in 1Q2022

⁴ Normalized Net Profit excluding Gain from Divestments = Net Profit excluding gain from 2 data center divestments in 1Q2022

KEY HIGHLIGHTS

- Total Revenue and Share of Profit and Net Profit for 2Q2023 were THB 3,248.1 mm and THB 866.1 mm, respectively and for 1H2023 were THB 5,688.9 mm and THB 1,388.8 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 for 2Q2023 were THB 3,150.5 mm and THB 817.3 mm, respectively and for 1H2023 were THB 5,570.6 mm and THB 1,322.3 mm, respectively.
- Rental and Service Revenue during 2Q2023 decreased by 7.8%, compared to the same period of the previous year to THB 262.8 mm because the Company had one-time revenue from our client of THB 35 mm in 2Q2022.
- Revenue from Land Business for 2Q2023 was THB 1,470.3 mm, which increased by 108.9% compared to the same period of last year, mainly due to a higher number of land transfer both Thailand and overseas.
- During 2Q2023, Utilities Income was THB 786.5 mm and increased by 18.7%, compared to the same period of last year, which was derived from revenue from excessive charge.

- Normalized Share of Profit from Investment in Power Associates and Joint Ventures for 2Q2023 was THB 388.8 mm and increased by 33.7%, compared to the same period of previous year, mainly due to higher performance of SPPs from increase in Ft price which has reflected the real cost and increase in revenue from solar business both COD in additional solar projects and solar panel installation service (EPC).
- Finance Cost for 2Q2023 was THB 316.9 mm, which increased by 7.5%, compared to the same period of last year. The main reason was from increase in weighted average cost of fund approx. 0.30% from 2.78% as at the end of 2Q2022 to 3.08% as at the end of 2Q2023. If comparing to 4Q2022, the weighted average cost of fund increased by 0.17% from 2.91% as at the end of 4Q2022. Both were mainly due to increase in interest policy rate by the monetary policy committee under the Bank of Thailand.
- The Company had Net Profit and Normalized Net Profit during 2Q2022 were THB 866.1 mm and THB 817.3 mm, increased by 199.0% and 141.4%, respectively, compared to the same period of previous year. For 1H2023 were THB 1,388.8 mm and THB 1,322.3 mm, respectively which increased by 46.9% and 33.3%, respectively, mainly because of increase in revenue from land business, utilities business and power business. Furthermore, if excluding gain from 2 data center divestments, the Company had Normalized Net Profit grown by 104.3%, compared to the same period of previous year.

PERFORMANCE BY BUSINESS

Rental Properties Business

	2Q 2022	2Q 2023	YoY	1H 2022	1H 2023	YoY
	THB mm	THB mm	%	THB mm	THB mm	%
Rental Revenue	285.1	262.8	(7.8%)	514.4	512.4	(0.4%)
Gross Profit	164.7	146.9	(10.8%)	305.7	295.1	(3.5%)
Gross Profit Margin (GPM)	57.8%	55.9%		59.4%	57.6%	
GPM before adjustment with PPA ¹	57.9%	56.0%		59.5%	57.6%	
Revenue and Share of Profit from Sale of Investment Properties	79.0	32.1	(59.4%)	79.0	32.1	(59.4%)
Gross Profit	8.5	2.9	(65.8%)	8.5	2.9	(65.8%)
Gross Profit Margin (GPM)	10.8%	9.1%		10.8%	9.1%	
GPM before adjustment with PPA ¹	10.8%	9.1%		10.8%	9.1%	

¹ Excluding accounting impact of Purchase Price Allocation (PPA)

Rental and service income from warehouses, distribution centers, factories and structural work during the second quarter of 2023 was THB 262.8 mm, which decreased by 7.8% and the first half of 2023 was THB 512.4 mm, which decreased by 0.4%, compared to the same period of previous year because the Company had one-time revenue from our client approx. THB 35 mm in 2Q2022.

Gross profit margin from rental and service from warehouses, distribution centers, factories and structural work during the second quarter of 2023 was 55.9% which decreased from 57.8% and the first half of 2023 was 57.6% decreased from 59.4% compared to the same period of pervious year.

Industrial Development Business

	2Q 2022	2Q 2023	YoY	1H 2022	1H 2023	YoY
	THB mm	THB mm	%	THB mm	THB mm	%
Revenue	704.0	1,470.3	108.9%	1,398.0	2,522.8	80.5%
Gross Profit	308.2	733.2	137.9%	697.6	1,270.0	82.1%
Gross Profit Margin (GPM)	43.8%	49.9%		49.9%	50.3%	
GPM before adjustment with PPA ¹	47.6%	53.8%		52.7%	52.7%	

¹ Excluding accounting impact from Purchase Price Allocation (PPA)

Revenue from land business and sale of properties during the second quarter of 2023 THB was 1,470.3 mm, which increased by 108.9% and the first half of 2023 was THB 2,522.8 mm, which increased by 80.5%, compared to the same period of previous year, due to higher number of land transfer both Thailand and Vietnam.

Gross profit margin from land business and sale of properties during the second quarter and first half of 2023 were 49.9% and 50.3%, respectively, which increased from the same period of previous year because of lower cost of land transferred in the second quarter of 2023 compared to the same period of previous year.

Utilities & Power Business

1. Utilities Business

	2Q 2022	2Q 2023	YoY	1H 2022	1H 2023	YoY
	THB mm	THB mm	%	THB mm	THB mm	%
Revenue	662.4	786.5	18.7%	1,283.6	1,429.8	11.4%
Gross Profit	247.6	344.9	39.3%	496.6	595.8	20.0%
Gross Profit Margin (GPM)	37.4%	43.9%		38.7%	41.7%	
GPM before adjustment with PPA ¹	39.9%	46.0%		41.3%	42.9%	
Share of Profit from Investment in Utilities Associates	(26.1)	(1.7)	93.3%	(61.9)	(24.9)	59.8%
- Normalized Share of Profit from Investment in Utilities Associates²	(26.1)	(1.7)	93.3%	(61.9)	(17.8)	71.2%
- FX Gain (Loss)	-	-	n.a.	-	(7.0)	n.a.

¹ Excluding accounting impact of Purchase Price Allocation (PPA)

² Excluding FX impact

Utilities income for the second quarter of 2023 was THB 786.5 mm, which increased by 18.7% and the first half of 2023 was THB 1,429.8 mm, which increased by 11.4%, compared to the same period of previous year, which was from revenue from excessive charge.

Gross profit margin from utilities income for the second quarter and first half of 2023 were 43.9% and 41.7%, 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 first half of 2023 were 46.0% and 42.9%, respectively.

Share of Profit from Investments in Associates from Utility Business for the second quarter and the first half of 2023 were THB (1.7) mm and THB (24.9) mm, respectively, which was mainly due to decrease in the share of loss from SDWTP, which had higher sale volume.

2. Power Business

	2Q 2022	2Q 2023	YoY	1H 2022	1H 2023	YoY
	THB	THB		THB	THB	
	mm	mm	%	mm	mm	%
Revenue from Solar Business	51.3	116.5	127.1%	103.2	227.2	120.1%
Gross Profit	24.6	51.8	111.0%	46.5	104.5	124.9%
Gross Profit Margin	47.9%	44.5%		45.0%	46.0%	
Share of Profit from Investments in Power Associates	11.1	182.1	1,547.6%	69.6	426.7	513.2%
- Normalized Share of Profit from Investments in Power Associates¹	239.4	272.3	13.7%	280.2	454.6	62.2%
- FX Gain (Loss)	(228.3)	(90.2)	60.5%	(210.7)	(27.9)	86.7%

¹ Excluding FX impact and extraordinary items

Normalized Revenue and Share of Profit from Investment in Power Associates and Joint Ventures for 2Q2023 was THB 388.8, which increased by 33.7%, compared to the same period of previous year. For the first half of 2023 was THB 681.8 mm, increased by 77.8%, compared to the same period of last year, mainly due to higher performance of SPPs from increase in Ft price which has reflected the real cost and increase in revenue from solar business both COD in additional solar project and solar panel installation service (EPC).

Revenue from Solar Business for the second quarter and the first half of 2023 were THB 116.5 mm which increased by 127.1% and THB 227.2 mm which increased by 120.1%, compared to the same period of previous year. Because of increase in power generation capacity (MW) from COD and revenue recognition from solar panel installation service (EPC).

Gross profit margin from Solar Business for the second quarter of 2023 was 44.5%, which decreased from the same period of previous year because higher revenue recognition of solar panel installation service (EPC) having generated lower margin, compared to electricity sale from solar business. For the first half of 2023 was 46.0%, which increased from the same period of previous year, mainly from increase in Ft price.

Normalized Share of Profit from Investment in Associates from Power Business and Joint Ventures during the second quarter and the first half of 2023 were THB 272.3 mm which increased by 13.7% and THB 454.6 mm which increased by 62.2%, compared to the same period of previous year. If including the FX impact, most of which was unrealized gain/loss, the share of profit from power associates and joint ventures during the second quarter and the first half of 2023 were THB 182.1 mm which increased by 1,547.6% and THB 426.7 mm which increased by 513.2%. The increase in normalized share of profit from investment in power associates was mainly due to higher performance of SPPs from increase in Ft price which has reflected the real cost.

Other Income

	2Q 2022	2Q 2023	YoY	1H 2022	1H 2023	YoY
	THB mm	THB mm	%	THB mm	THB mm	%
Dividend income and management income	154.2	158.4	2.7%	289.1	278.9	(3.5%)
Others	240.2	243.1	1.2%	641.8	240.2	(62.6%)
Total other income	394.3	401.4	1.8%	930.9	519.1	(44.2%)
Normalized others ¹	63.9	55.3	(13.5%)	465.5	87.0	(81.3%)
Normalized total other income¹	218.1	213.6	(2.0%)	754.6	366.0	(51.5%)

¹ Excluding FX impact

Normalized other income for the second quarter and the first half of 2023 were THB 213.6 mm which decreased by 2.0% and THB 366.0 mm which decreased by 51.5%, compared to the same period of previous year, which was mainly from:

- **Dividend and management income** during the second quarter of 2023 was THB 158.4 mm which increased by 2.7%, compared to the same period of previous year, resulting from higher dividend income from increase in size of REIT. For the first half of 2023, this dividend and management income was THB 278.9 mm which decreased by 3.5%, compared to the same period of previous year, resulting from having no dividend income from Glow IPP in the first half of 2023.
- **Normalized other income** comprised of interest income, gain from revaluation of short-term and long-term investment and other income during the second quarter and the first half of 2023 were THB 55.3 mm which decreased by 13.5% and THB 87.0 mm which decreased by 81.3%, from the same period of previous year because the Company has recognized gain from 2 data center monetization in the first quarter of 2022. If excluding gain from 2 data center divestments, the Company had Normalized other income decrease by 28.0% for the first half of 2023, compared to the same period of previous year.

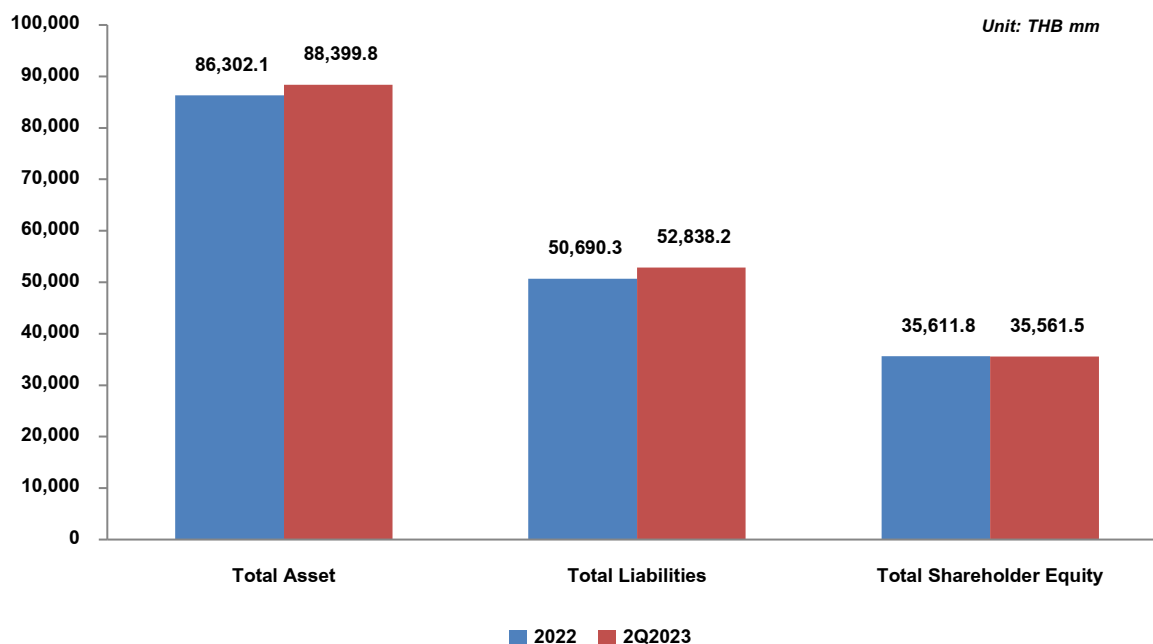
Expense Analysis

	2Q 2022	2Q 2023	YoY	1H 2022	1H 2023	YoY
	THB mm	THB mm	%	THB mm	THB mm	%
Selling expense	49.5	86.9	75.6%	97.2	167.7	72.6%
Administrative expense	321.3	349.8	8.9%	622.9	678.6	8.9%
Finance cost	294.9	316.9	7.5%	562.3	607.7	8.1%
Total expense	665.7	753.6	13.2%	1,282.4	1,454.0	13.4%

- **Selling expense** during the second quarter and the first half of 2023 were THB 86.9 mm and THB 167.7 mm, respectively, which increased by 75.6% and 72.6%, respectively, compared to the same period of previous year, which was mainly from higher number of land transfer both Thailand and overseas.
- **Administrative expense** during the second quarter and the first half of 2023 were THB 349.8 mm and THB 678.6 mm, respectively, which increased by 8.9% and 8.9%, respectively, compared to the same period of previous year.
- **Finance cost** during the second quarter of 2023 was THB 316.9 mm which increased by 7.5%, compared to the same period of previous year, mainly resulting from increase in weighted average cost of fund

approx. 0.30% p.a. from 2.78% p.a. as at the end of the second quarter of 2022 to 3.08% p.a. as at the end of the second quarter of 2023.

FINANCIAL STATUS



The change in Consolidated Balance Sheet as of 30 June 2023 are summarized as follows.

Assets

As of 30 June 2023, the Company had total asset of THB 88,399.8 mm, which increased approx. THB 2,097.6 mm from THB 86,302.1 mm as of 31 December 2022. The main reasons are as follows:

1. Increase in cash and cash equivalent of THB 1,093.4 mm, mainly from bond issuance for enhancing financial cost management efficiency and supporting the future expansion of the business.
2. Increase in investment properties (net) and non-current assets held for sale of THB 723.9 mm according to the Company's investment plan.
3. Increase in trade and other receivables of THB 305.2 mm, because of increase in trade receivables from increase in operating revenue.

Liabilities

As of 30 June 2023, the Company had total liabilities of THB 52,838.2 mm, which increased by THB 2,147.9 mm from THB 50,690.3 mm as of 31 December 2022. The increase was from bond issuance for financial cost management and supporting business expansion. If considering the interest-bearing debt, the short-term and long-term loan (net) decreased by THB 2,199.6 mm and the debentures (net) increased by THB 4,107.4 mm. As a result, the Company's interest-bearing debt increased by THB 1,907.8 mm from THB 40,191.5 mm as of 31 December 2022 to THB 42,099.3 mm as of 30 June 2023. The Company's weighted average cost of fund

increased by 0.17% p.a. from 2.91% p.a. as the end of the year 2022 to 3.08% p.a. as at the end of second quarter of the year 2023 due to increase in interest policy rate by the monetary policy committee under the Bank of Thailand.

Shareholder's equity

As of 30 June 2023, the Company had total shareholder's equity of THB 35,561.5 mm, decreased by THB 50.3 mm from THB 35,611.8 mm as of 31 December 2022, due to the annual dividend payment. However, the company had retained earnings increased from the Company's performance during this period.

KEY FINANCIAL RATIOS

	2Q2022	2Q2023
Gross Profit Margin (%)	42.2%	47.9%
Net Profit Margin (%)	13.2%	26.7%
D/E Ratio (times)	1.59	1.49
Net IBD to Equity (times)	1.11	0.95
Collection Period (days)	17.5	17.7
Average Payment Period (days)	159.3	136.6
Effective Tax Rate (%)	20.8%	7.2%

Credit Terms

Collection period during 2Q2023 was 17.7 days which similar to 17.5 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 decrease was mainly from efficiency in collection management.

Average payment period during 2Q2023 was 136.6 days which decreased from 159.3 days, compared to the same period of last year. Besides, the payment period determined by the credit term given by each supplier depending on our type of services/products. Normally, the credit term is around 30-60 days which the Company has payment guidelines for our suppliers as each credit term and make sure that there will be no delayed payments. The Company could manage cash efficiency. As a result, the Company did not encounter any problems from our suppliers' payment and was able to comply the Company policy's credit term. However, the average payment period mentioned above is higher than the Company policy's credit term because account payable items had included deposit, retention and accrued interest expenses.

Effective Tax Rate

During 2Q2023, the Company had earnings before tax (EBT) and corporate income tax (CIT) of THB 1,103.7 mm and THB 79.1 mm, respectively, which was equivalent to the effective tax rate at 7.2%. 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.

THE ULTIMATE SOLUTION FOR SUSTAINABLE GROWTH



Please be informed accordingly.

Sincerely yours,

WHA Corporation Public Company Limited

(Mr. Natthapatt Tanboon-ek)

Chief Financial Officer