

Ref. world 02-12/2024

February 29, 2024

Subject: Management Discussion and Analysis for the year ended December 31, 2023

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 ending December 31, 2023, which has been audited by the auditor and the audit committee, total income increased more than 20 percent. The company would like to explain the reasons as follows.

1. Total income was 361.84 million baht, an increase of 186.16 million baht from the previous year, or 105.97 percent, but when deducting payments received from debtors who breached contracts, which were considered not items arising from normal operations, the amount of 42.07 million baht. Therefore, total income from normal operations amounted to 319.77 million baht, an increase of 144.09 million baht from the previous year, or 82.02 percent. Most of the income came from

1.1. Income from real estate development business amounted to 179.37 million baht, an increase from the same period last year of 127.78 million baht, or 247.67 percent, consisting of:

- Income from the industrial estate in the amount of 150.30 million baht comes from the transfer of ownership of land in Phase 1 in the industrial zone. By recognizing income according to the sales contract.
- Income from condominium business amounted to 29.07 million baht, clearly decreased from the previous year. This is because target customers are more interested in leasing than direct sales. In addition, there are new projects of other operators (not belonging to the group of companies) that uses a discount sales strategy causing market share to decrease. It is also caused by the adjustment of higher interest rates and the uncertainty of the previous political situation and the world's war situation. Therefore causing a slowdown in the purchase of real estate in Songkhla Province.

- 1.2. Construction income was 116.83 million baht, an increase of 5.92 million baht from the previous year, or 5.33 percent, due to 1 new project occurring in the third quarter, an office building construction project. Project value is 105 million baht.
2. Total expenses amounted to 284.02 million baht, an increase of 133.29 million baht from the previous year, or 88.43 percent.
 - 2.1. Cost of sales - real estate development business in the amount of 115.91 million baht, an increase of 82.78 million baht from the previous year, or 249.86 percent, due to the cost of land and land development costs, allocating costs according to sales area. and is the cost of the condominium unit, which includes the cost of land and building development costs.
 - 2.2. Construction contracting costs amounted to 85.84 million baht, an increase of 7.04 million baht from the previous year, or 8.93 percent, due to new projects as described in section 1.1. The cost rate of each project was 70-75 percent.
 - 2.3. Selling and administrative expenses of 38.82 million baht are mostly regular expenses such as employee salaries. Audit fees and various agency fees related items, etc., increased from the previous year in the amount of 12.86 million baht, which was a result of increased commission from project sales.
 - 2.4. Corporate income tax amounted to 27.69 million baht, an increase of 19.42 million baht from the previous year, equivalent to 234.68 percent, calculated at the rate of 20 percent of net taxable profits of the construction contracting business. and real estate development business and from profits from debt repayment from defaulting debtors

As a result, the financial statements show net profits from continuing operations attributable to the parent company. For the year ending December 31, 2023, the amount was 77.83 million baht, an increase of 52.24 million baht from the previous year, or 204.14 percent.

As for net profits from normal operations for 2023 and 2022, details are shown as follows.

Unit: Million Baht)	2023	2022	Increase (Decrease)	%
Net profit from continuing operations attributable to the parent company	77.83	25.59	52.24	204.14
<u>Deduct</u> items not related to normal operations.				
- Other income, net from receiving payments from debtors who default on contracts **	39.66	-	39.66	100.00
- Other items *	-	0.71	(0.71)	(100.00)
Net profit from normal operations	38.17	24.88	13.30	53.45

* Other items such as interest income from related businesses, etc.

** Other income, net from receiving payments from debtors who default on contracts It is the net amount after deducting corporate income tax calculated from profits from receiving payments from debtors who default on contracts.

STATEMENT OF FINANCIAL POSITION as of December 31, 2023 and 2022 is as follows.

Statement of financial position (Unit: Million Baht)	2023	2022	Increase (Decrease)	%
Assets	2,912.35	2,521.97	390.38	15.48
Liabilities and shareholders' equity	2,912.35	2,521.97	390.38	15.48
Liabilities	867.40	355.90	511.49	143.72
Shareholder's equity				
- Equity of the Company's shareholders	2,044.95	1,967.24	77.71	3.95
- Non-controlling interests	-	198.83	(198.83)	(100.00)

The company has total assets of 2,912.35 million baht, mostly

- Inventories in the amount of 1,593.85 million baht (consisting of condominium business in the amount of 1,171.74 million baht and industrial estate business in the amount of 422.11 million baht), which increased from the year-end period in the amount of 446.04 million baht, accounting for 38.86 percent, mainly due to investment in the industrial estate phase 2 and Additional investment in real estate in the form of apartments, The City Phuket Project, located in Phuket Province.

- Land, buildings and equipment in the amount of 900.38 million baht (most of which are buildings of the hospital business and utility systems in industrial estates), which decreased from the year-end period in the amount of 81.95 million baht, or 8.34 percent, mainly due to the classification of rental properties to be displayed in the investment property list.

The company has total liabilities of 867.40 million baht, most of which are

- Advance deposit according to purchase and sale contract in the amount of 225.21 million baht as shown in trade and other payables.

- Long-term loans from financial institutions and related persons totaling 420.67 million baht, mostly arising from borrowing money to invest in real estate in the form of condominiums, The City Phuket project.

The Company had shareholders' equity of the parent company in the amount of 2,044.95 million baht, an increase from the year-end period of 77.71 million baht, or 3.95 percent, due to profits in the 12-month period.

Please be informed accordingly.

Yours sincerely,



(Miss. Sasitorn Ketphueak)

Authorized person for disclosure of information