

13 November 2020

Re: To clarify the financial statements as of 30 September 2020

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 2020 ended on 30 September 2020 which were reviewed by the auditor. The Company hereby clarifies the performance as follows:

During the third quarter of 2020, the Company had the total revenue and share of profit and net profit of THB 1,611.4 mm and THB 428.6 mm, respectively. If excluding FX impact and extra item, the Company had the normalized total revenue and share of profit and normalized net profit of THB 1,609.0 mm and THB 440.7 mm, respectively. The details are as follows:

FINANCIAL PERFORMANCE

| Consolidated Financial Statements | Q3 2019 THB mm | Q2 2020 THB mm | Q3 2020 THB mm | Change | | 9M 2019 THB mm | 9M 2020 THB mm | Change YoY % |
|--|-------------------|-------------------|-------------------|----------------|----------------|-------------------|-------------------|--------------------|
| | | | | YoY % | QoQ % | | | |
| Total Revenue and Share of Profit | 2,244.3 | 1,966.7 | 1,611.4 | (28.2%) | (18.1%) | 9,121.4 | 4,855.9 | (46.8%) |
| Total Cost | 916.3 | 688.0 | 486.4 | (46.9%) | (29.3%) | 4,411.5 | 1,720.8 | (61.0%) |
| Gross Profit | 1,160.4 | 1,043.3 | 567.1 | (51.1%) | (45.6%) | 4,118.3 | 1,996.1 | (51.5%) |
| Net Profit | 569.6 | 542.1 | 428.6 | (24.8%) | (20.9%) | 2,028.1 | 1,069.9 | (47.2%) |
| Normalized Total Revenue ¹ | 2,234.9 | 1,885.0 | 1,609.0 | (28.0%) | (14.6%) | 6,644.2 | 4,893.4 | (26.4%) |
| Normalized Net Profit ³ | 457.2 | 518.1 | 440.7 | (3.6%) | (14.9%) | 1,553.0 | 1,155.3 | (25.6%) |

¹ Normalized Total Revenue = Total Revenue excluding FX impact, Extra item and Deferred Revenue Item

² Normalized Net Profit = Net Profit excluding FX impact, Extra item, TFRS9&16 impact and Deferred Revenue Item

Deferred Revenue Item = Deferred revenue from assets monetization to WHABT in 2015 which recognized in the first quarter of 2019 as a result of accounting standard adjustment (TFRS 15)

KEY HIGHLIGHTS

- Total Revenue and Share of Profit and Net Profit for the third quarter of 2020 were THB 1,611.4 mm and THB 428.6 mm, respectively. This statutory figures 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 1,609.0 mm and THB 440.7 mm, respectively.
- Normalized Net Profit for the 9-month of 2020 stood at THB 1,155.3 mm, decreasing 25.6%, compared to the same period of previous year.
- Normalized Rental Revenue during the third quarter of 2020 increased by 31.7% to THB 302.0 mm, compared to the same period of previous year, which was mainly due to increase in lettable area for both logistics and industrial properties.
- Revenue from Land Business and Sale of Properties for the third quarter of 2020 was THB 419.9 mm, decreased by 50.1%, compared to the same period of last year, which was mainly from temporary international travelling restriction from COVID-19 pandemic. As a result, the customers could not transfer the land; however, the Company still receives strong interests for our industrial estates from the number of

potential customers, especially from China, Japan and USA manufacturers as a result of production line relocation from China to Southeast Asia countries. Furthermore, the fundamental of Thailand as the regional production hub remains strong, but also reflected the potential and strength of WHA Group's industrial estates, which can fully support the needs of both local and international customers. Also, the Company has recorded the revenue from right of ways of THB 307.9 mm during this quarter.

- Utilities Income during the third quarter of 2020 decreased by 10.8%, compared to the same period of last year, which was from decrease in domestic utilities sale volume approx. 17.0% as a result of COVID-19 pandemic. However, the domestic utilities sale volume was similar to the last quarter.
- Normalized Share of Profit from Investment in Power Associates and Joint Ventures for the third quarter of 2020 was THB 240.6 mm which decreased by 36.8%, compared to the same period of last year. The decrease in Normalized Share of Profit from Investment in Power Associates and Joint Ventures was mainly due to the reduction of AP from Gheco-1 according to PPA, lower coal price, higher corporate income tax and appreciation of Thai baht.
- Finance Cost increased to THB 262.8 mm which increased by 77.9%, compared to the same period of last year due to the accounting impact of early redemption of bond. If excluding such an impact, the finance cost increased by 3.6%. However, the Company's weighted average cost of fund decreased by 0.45% (decreasing from 3.50% at the end of third of 2019 to 3.05% at the end of the third quarter of 2020).
- All in all, the Company had Net Profit and Normalized Net Profit during the 9-month of 2020 at THB 1,069.9 mm and THB 1,155.3 mm, respectively and decreased by 47.2% and 25.6%, respectively, compared to the same period of previous year.

PERFORMANCE BY BUSINESS

Rental Properties Business

| | Q3 2019 | Q2 2020 | Q3 2020 | Change | | 9M 2019 | 9M 2020 | Change |
|---|---------|---------|---------|----------|----------|---------|---------|---------|
| | | | | YoY | QoQ | | | |
| | THB mm | THB mm | THB mm | % | % | THB mm | THB mm | % |
| 1. Rental and Service | | | | | | | | |
| Rental Revenue | 229.4 | 303.1 | 302.0 | 31.7% | (0.4%) | 723.3 | 891.1 | 23.2% |
| Normalized Rental Revenue ¹ | 229.4 | 303.1 | 302.0 | 31.7% | (0.4%) | 672.7 | 891.1 | 32.5% |
| Gross Profit | 147.2 | 207.8 | 207.5 | 40.9% | (0.2%) | 424.4 | 613.6 | 44.6% |
| Gross Profit Margin | 64.2% | 68.6% | 68.7% | | | 58.7% | 68.9% | |
| GPM before adjustment with PPA ² | 64.2% | 68.6% | 68.7% | | | 58.8% | 69.0% | |
| 2. Sale of Investment Properties | | | | | | | | |
| Revenue from Investment Properties ³ | 38.6 | 1.6 | - | (100.0%) | (100.0%) | 2,139.2 | 1.6 | (99.9%) |
| Gross Profit | 3.1 | 0.1 | - | (100.0%) | (100.0%) | 164.6 | 0.1 | (99.9%) |
| Gross Profit Margin | 7.9% | 9.1% | n.a. | | | 7.7% | 9.1% | |

¹ Excluding rental and service income from WHABT

² Excluding accounting impact of Purchase Price Allocation (PPA)

³ Excluding Deferred Revenue Item

1. Rental and Service Income

- **Rental and service income from warehouses, distribution centers, factories and structural work** during the third quarter of 2020 and the 9-month of 2020 were THB 302.0 mm and THB 891.1 mm which increased by 31.7% and 23.2%, respectively, from the same period of previous year. The normalized rental and service income for the 9-month of 2020 increased by 32.5%, compared to the same period of previous year, which was mainly due to increase in lettable area for both logistics and industrial properties.
- **Gross profit margin from rental and service of warehouses, distribution centers, factories and structural work** during the third quarter and the 9-month of 2020 were 68.7% and 68.9%, respectively, which increased from the same period of previous year because of the higher number of lettable area and efficient cost management.

2. Sale of Investment Properties

- During the third quarter of 2020, the Company had no revenue from sale of investment properties.

Industrial Development Business

| | | | | Change | | Change | | |
|---|---------|---------|---------|---------|---------|---------|---------|---------|
| | Q3 2019 | Q2 2020 | Q3 2020 | YoY | QoQ | 9M 2019 | 9M 2020 | YoY |
| | THB mm | THB mm | THB mm | % | % | THB mm | THB mm | % |
| Revenue | 841.3 | 527.7 | 419.9 | (50.1%) | (20.4%) | 2,473.0 | 1,192.8 | (51.8%) |
| Gross Profit | 385.8 | 268.6 | 363.0 | (5.9%) | 35.1% | 1,315.9 | 762.7 | (42.0%) |
| Gross Profit Margin | 45.9% | 50.9% | 86.5% | | | 53.2% | 63.9% | |
| GPM before adjustment with PPA ¹ | 51.5% | 50.8% | 85.9% | | | 54.8% | 63.9% | |

¹ Excluding accounting impact from Purchase Price Allocation (PPA)

Revenue from land business and sale of properties during the third quarter and the 9-month of 2020 were THB 419.9 mm and THB 1,192.8 mm, decreased by 50.1% and 51.8%, respectively, compared to the same period of last year, which was mainly from international travelling restriction from COVID-19 pandemic. As a result, the customers could not transfer the land; however, the potential customers still receive the strong interests for our industrial estates, especially, China, Japan and USA manufacturers as a result of production line relocation from China to Southeast Asia countries. The fundamental of Thailand as the regional production hub 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 has recorded the revenue from right of ways of THB 307.9 mm during this quarter.

Gross profit margin from land business and sale of properties during the third quarter and the 9-month of 2020 were at 86.5% and 63.9%, respectively, which increased from the same period of last year due to recognition of revenue from right of ways. However, if excluding such revenue, the gross profit margins were at 49.2% and 46.0% for the third quarter of 2020 and the 9-month of 2020, respectively.

Utilities & Power Business

| | Change | | | | | Change | | |
|--|--------------|--------------|--------------|----------------|----------------|----------------|--------------|----------------|
| | Q3 2019 | Q2 2020 | Q3 2020 | YoY | QoQ | 9M 2019 | 9M 2020 | YoY |
| | THB mm | THB mm | THB mm | % | % | THB mm | THB mm | % |
| Revenue | 552.7 | 481.4 | 493.1 | (10.8%) | 2.4% | 1,690.2 | 1,508.5 | (10.8%) |
| Gross Profit | 216.1 | 164.4 | 182.8 | (15.4%) | 11.2% | 731.9 | 544.3 | (25.6%) |
| Gross Profit Margin | 39.1% | 34.2% | 37.1% | | | 43.3% | 36.1% | |
| GPM before adjustment with PPA ¹ | 42.2% | 37.7% | 40.6% | | | 46.3% | 39.5% | |
| Share of Profit from Investments in Utilities Associates | - | (37.0) | (57.5) | n.a. | 55.3% | - | (123.2) | n.a. |
| Share of Profit from Investments in Power Associates | 390.2 | 509.6 | 149.3 | (61.7%) | (70.7%) | 1,425.5 | 544.2 | (61.8%) |
| - Normalized Share of Profit from Investments in Power Associates ² | 380.7 | 251.4 | 240.6 | (36.8%) | (4.3%) | 1,099.6 | 736.5 | (33.0%) |
| - FX Gain (Loss) | 9.4 | 258.2 | (91.3) | (1,068.0%) | (135.4%) | 265.9 | (192.4) | (172.3%) |
| - Extra Item | - | - | - | n.a. | n.a. | 60.0 | - | (100.0%) |

¹ Excluding accounting impact of Purchase Price Allocation (PPA)

² Excluding Gain (Loss) from FX and Extra item

Utilities income during the third quarter and the 9-month of 2020 were THB 493.1 mm and THB 1,508.5 mm, which decreased by 10.8% and 10.8%, respectively, compared to the same period of previous year, which was mainly from lower excessive charge including lower sale volume approx. 17.0% and 9.0% for 3-month and 9-month of 2020, respectively. However, the domestic utilities sale volume was similar to the last quarter.

Gross profit margin from utilities income during the third quarter and the 9-month of 2020 were at 37.1% and 36.1%, 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 and the 9-month of 2020 were at 40.6% and 39.5%, respectively decreasing from the same period of previous year from lower excessive charge and higher depreciation costs of new projects.

Share of Profit from Investments in Associates from Utility Business during the third quarter and the 9-month of 2020 were THB (57.5) mm and THB (123.2) mm due to the recognition from share of loss from SDWTP, resulting from start to record depreciation, lower sale volume and the delay in the construction of pipeline expansion to connection points of water distributors due to the lockdown measurement in Vietnam during COVID-19 pandemic and accounting impact from fair value adjustment of the acquired business.

Normalized Share of Profit from Investments in Associates from Power Business and Joint Ventures during the third quarter and the 9-month of 2020 were THB 240.6 mm and THB 736.5 mm, which decreased by 36.8% and 33.0%, respectively, compared to the same period of last year. If including the FX impact, which is mostly unrealized gain/loss, share of profit from power associates and joint ventures stood at THB 149.3 mm and THB 544.2 mm, respectively. The decrease in normalized share of profit from power associates and joint ventures was mainly due to the reduction of AP from Gheco-1 according to PPA, lower coal price, higher corporate income tax and appreciation of Thai baht.

Other Income

| | Change | | | | | Change | | |
|--|--------------|--------------|--------------|---------------|----------------|--------------|--------------|---------------|
| | Q3 2019 | Q2 2020 | Q3 2020 | YoY | QoQ | 9M 2019 | 9M 2020 | YoY |
| | THB mm | THB mm | THB mm | % | % | THB mm | THB mm | % |
| Dividend and management income | 112.0 | 114.1 | 151.5 | 35.3% | 32.8% | 312.7 | 347.0 | 11.0% |
| Others | 55.7 | 32.3 | 98.6 | 77.1% | 205.4% | 278.9 | 395.1 | 41.7% |
| Total other income | 167.7 | 146.3 | 250.1 | 49.2% | 70.9% | 591.6 | 742.1 | 25.4% |
| Normalized others ¹ | 55.7 | 208.7 | 4.9 | (91.2%) | (97.7%) | 278.9 | 240.3 | (13.8%) |
| Normalized total other income¹ | 167.7 | 322.8 | 156.4 | (6.7%) | (51.6%) | 591.6 | 587.3 | (0.7%) |

¹ Excluding FX impact

Normalized other income during the third quarter of 2020 stood at THB 156.4 mm which decreased by 6.7% from the same period of previous year and decreased by 51.6% from the previous quarter. For the 9-month of 2020, normalized other income was THB 587.3 mm and decreased by 0.7% from the same period of last year, which was mainly from:

- **Dividend and management income** during the third quarter of 2020 was THB 151.5 mm, increased by 35.3% from the same period of previous year and increased by 32.8% from last quarter. For the 9-month of 2020, the dividend and management income was THB 347.0 mm, increased by 11.0% from the same period of last year. The increase in dividend and management income was line with higher value of REITs.
- **Normalized other income** comprised interest income, gain from sale of short-term investments and other income totaling THB 4.9 mm for the third quarter of 2020, decreased by 91.2% from the same period of 2019 and decreased by 97.7% from the last quarter. For the 9-month of 2020, the normalized other income was THB 240.3 mm, decreased by 13.8% from the same period of last year.

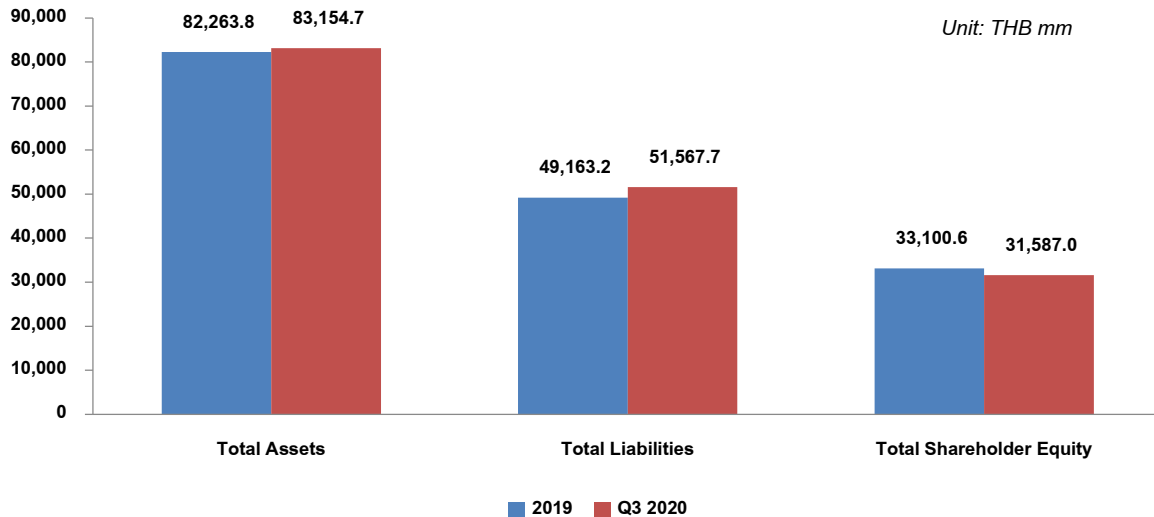
Expense Analysis

| | Change | | | | | Change | | |
|--------------------------|--------------|--------------|--------------|-------------|----------------|----------------|----------------|----------------|
| | Q3 2019 | Q2 2020 | Q3 2020 | YoY | QoQ | 9M 2019 | 9M 2020 | YoY |
| | THB mm | THB mm | THB mm | % | % | THB mm | THB mm | % |
| Selling expense | 76.1 | 38.4 | 20.8 | (72.7%) | (45.8%) | 232.3 | 92.1 | (60.4%) |
| Administrative expense | 305.2 | 260.2 | 246.6 | (19.2%) | (5.2%) | 980.2 | 784.3 | (20.0%) |
| Finance costs | 147.7 | 305.2 | 262.8 | 77.9% | (13.9%) | 704.4 | 823.3 | 16.9% |
| Total expense | 529.0 | 603.7 | 530.1 | 0.2% | (12.2%) | 1,916.9 | 1,699.7 | (11.3%) |
| Normalized finance costs | 253.6 | 305.2 | 262.8 | 3.6% | (13.9%) | 810.3 | 823.3 | 1.6% |

- **Selling expense** during the third quarter of 2020 and the 9-month of 2020 were THB 20.8 mm and THB 92.1 mm, which decreased by 72.7% and 60.4%, respectively, compared to the same period of last year, mainly from lower number of land transfer.
- **Administrative expense** during the third quarter of 2020 was THB 246.6 mm, which decreased by 19.2%, compared to the same period of last year and decreased by 5.2% from the second quarter of this year. For the 9-month of 2020, administrative expense was THB 784.3 mm and decreased by 20.0% from the same period of 2019, which was mainly from efficient cost management.
- **Finance costs** during the third quarter of 2020 was THB 262.8 mm which increased by 77.9% compared to the same period of previous year due to the accounting impact of early redemption of bond. If

excluding such an impact, the normalized finance costs increased by 3.6% and 1.6%, respectively, for 3-month and 9-month period. However, the Company's weighted average cost of fund decreased by 0.45% (decreasing from 3.50% at the end of third of 2019 to 3.05% at the end of the third quarter of 2020).

FINANCIAL POSITION



The changes in Consolidated Balance Sheet as of 30 September 2020 are summarized as follows.

Assets

As of 30 September 2020, the Company had total assets of THB 83,154.7 mm, increasing by THB 890.9 mm from THB 82,263.8 mm as of 31 December 2019. The main reasons are as follows:

1. Increase in non-current assets held for sale of THB 1,177.1 mm was from the reclassification of assets, which will be monetized to WHART and HREIT from investment properties to non-current assets held for sale.
2. Increase in properties, plants and equipment (net) of THB 959.4 mm, mainly from the increase in equipment related to solar rooftop business and investment of reclaimed water project.
3. Increase in investment properties (net) of THB 1,320.7 mm, because the Company has developed new projects.
4. Decrease in investment in associates of THB 1,892.8 mm, mainly from the adoption of new accounting standard (IFRS 9), reflecting to the mark-to-market of financial instruments in associates of power business.
5. Decrease in Investment in available-for-sale of THB 1,320.8 mm, due to decrease in investment value of REITs from market price change.

Liabilities

As of 30 September 2020, the Company had total liabilities of THB 51,567.7 mm, which increased by THB 2,404.5 mm from THB 49,163.2 mm as of 31 December 2019. Some increase was from bank loan drawdown in order to preserve for the money market fluctuation during COVID-19. Besides, the Company had interest bearing debt of THB 42,699.1 mm, which increased by THB 3,474.8 mm from THB 39,224.3 mm. However, the

weighted average cost of fund of the Company decreased by 0.36% (decreasing from 3.41% as of ended 2019 to 3.05% as of ended the third quarter of 2020).

During the 9-month of 2020, the Company had utilized additional short-term and long-term facilities, accounting for THB 7,896.9 mm and had bond repayment of THB 4,637.1 mm. As a result, the 9-month of 2020, interest bearing debt of the Company increased by THB 3,474.8 mm for capital expenditure of new projects together with the Company's liquidity management.

Shareholder's equity

As of 30 September 2020, the Company had total shareholder's equity of THB 31,587.0 mm, which decreased by THB 1,513.6 mm from THB 33,100.6 mm as of 31 December 2019, mainly from decrease in market price of WHART, HREIT and WHABT together with the adoption of new accounting standard (TFRS 9), reflecting to the mark-to-market of financial instruments in associates.

Unit Price and Investment Value of REITs

| | Unit Price (THB) | | Increase/(Decrease) of investment value (THB mm) |
|--------------|------------------|---------------|--|
| | Ended 2019 | Ended Q3 2020 | |
| | 31 Dec 2019 | 30 Sep 2020 | |
| WHART | 17.4 | 14.3 | (1,188.0) |
| HREIT | 8.8 | 7.9 | (94.9) |
| WHABT | 9.7 | 8.4 | (39.4) |
| Total | | | (1,322.2) |

KEY FINANCIAL RATIOS

| | Q3 2019 | Q2 2020 | Q3 2020 |
|---------------------------|---------|---------|---------|
| Gross Profit Margin (%) | 45.2% | 44.8% | 48.6% |
| Net Profit Margin (%) | 25.4% | 27.6% | 26.6% |
| D/E Ratio (times) | 1.4 | 1.6 | 1.6 |
| Net IBD to Equity (times) | 1.1 | 1.3 | 1.4 |

Please be informed accordingly.

Sincerely yours,

WHA Corporation Public Company Limited

(Mr. Natthapatt Tanboon-ek)

Chief Financial Officer