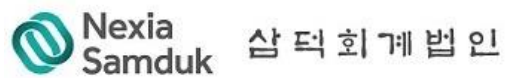


2023 Interim Audit Closing Memo

World Taekwondo

December 8, 2023



I. Interim Audit Accounting Issue

1. Review of collecting receivables

As of the interim audit date, there is a receivable balance for customers that has existed since the end of the previous year. After checking when the customer receivables can be collected, it is necessary to review whether additional bad debts should be added at the end of the period.

Code	Customers	Balance
03021	Sofia 2022 World Taekwondo Cadet & Junior Championships	90,453,537
03123	Paris 2022 World Taekwondo Grand Prix	18,202,888

2. Improving Timeliness of Expense Recognition

Addressing the issue raised in the previous year's audit regarding negative (-) amounts in unpaid expense accounts resulting from delays in calculating and accounting for corporate card usage, World Taekwondo (WT) successfully resolved the matter by implementing new internal regulations. Furthermore, it has been verified that specific regulations have been put in place for overtime, work-related meals, and travel expenses, and that they are being consistently enforced.

3. Management of Financial Products

WT manages a considerable amount of money by subscribing fixed deposits. Currently, WT only subscribes financial products of Woori Bank and KEB Hana Bank. It is recommended to check the deposit rates of safe commercial banks other than the aforementioned financial institutions to consider better interest options.

4. Accounting for Office Lease

The lease contract for the 10th floor of the Taepyeong Building will end in May 2023, and an extension from May 2023 to May 2026 has been signed. In the case of an office lease, it is a lease contract in accordance with the K-IFRS No. 1116, so lease accounting must be performed. Therefore, it is recommended to perform accounting for right-of-use assets and lease liabilities following the lease payment schedule. (Same accounting as the existing lease contract.)

II. Audit Schedule

1. Future Audit Schedule

(1) External Confirmation

- Financial Institution Confirmation Letter: Scheduled for online inquiry and postal inquiry at the end of December / Additional announcement will be given later

- Debt Confirmation Letter: As of the end of December, scheduled for sending at the end of January / Additional announcement will be given later

- Attorney Confirmation Letter: External inquiry on law firms involved during the period (require additional details of the lawsuit)

(2) Final Audit

- Audit Date: Scheduled to be March 4, 2024 (Mon) to March 5, 2024 (Tue)