Notification of Allocation and Subscription Documents for Newly Issued Ordinary Shares

of

VILLA KUNALAI PUBLIC COMPANY LIMITED

For offering

Newly issued ordinary shares to the existing shareholders of Villa Kunalai Public Company Limited whose names appear in the shareholder registration book as of March 10, 2023 (Recorded Date)

Subscription period

Between 22-29 May 2023 (6 business days in total) from 9.00 am to 4.00 pm
or subscribe via online platform (E-SUB) between 22-29 May 2023 with 24-hour operation (8 days in total). The system will be closed at 11.59 pm on 29 May 2023

Place for Subscription and Subscription Payment for Newly issued Ordinary Shares

Villa Kunalai Public Company Limited
819, Moo 7, Bann Klauy – Sai Noi Road, Phimon Rat Sub-district, Bang Bua Thong District, Nonthaburi, 11110
or subscribe via online platform (E-SUB)

Notification of Allocation and Subscription Documents for Newly issued Ordinary Shares

Section 1

Information on the allocation of newly issued ordinary shares

1. Name and address of the registrar

Company	Villa Kunalai Public Company Limited (“the Company
Address	819, Moo 7, Bann Klauy – Sai Noi Road, Phimon Rat Sub-district, Bang Bua Thong District, Nonthaburi, 11110
Telephone	02-834-4938 to 103
Fax	02-834-4954
Website	https://www.kunalai.co.th/

2. Date and time of the Board of Directors' meeting and the shareholders' meeting which resolved to allocate newly issued ordinary shares

The Board of Directors Meeting No. 2/2023 : 23 February 2023

The 2023 Annual General Meeting of Shareholders : 26 April 2023

3. Details of newly issued ordinary shares offered to existing shareholders of the Company

According to the Board of Directors Meeting No. 2/2023 held on 23 February 2023 and the 2023 Annual General Meeting of Shareholders of the Company held on 26 April 2023, it was resolved to allocate newly issued ordinary shares to the existing shareholders of the Company who are entitled to be allocated in proportion to their shareholding (Right Offering), total not more than 68,639,992 shares, par value 0.50 Baht per share, with a sale price at 2.10 Baht per share, total value of 144,143,983.20 Baht, at a ratio of 10 ordinary shares to 1 newly issued ordinary shares with details of the offering and allocation as follows:

3.1 Newly issued ordinary shares

Type of security	:	Ordinary shares
Par value	:	0.50 Baht
Paid-up capital before capital increase	:	343,199,962.00 Baht
Additional paid-up capital and number of allocated shares	:	Ordinary shares not more than 68,639,992 shares, par value 0.50 Baht, total amount not more than 34,319,996.00 Baht offered to the existing shareholders of the Company who are entitled to be allocated in proportion to their shareholding (Right Offering
Offering price per share	:	2.10 Baht
Allocation ratio	:	10 ordinary shares per 1 newly issued ordinary shares

Allocation method : The allocation of newly issued ordinary shares offered to the existing shareholders of the Company who are entitled to be allocated in proportion to their shareholding with conditions as follows:

(a) Offer at a ratio of 10 ordinary shares to 1 newly issued ordinary shares at a sale price of 2.10 Baht per share

(b) The fraction is discarded

(c) In the case there are shares remaining from the allocation to the existing shareholders of the Company (Rights Offering) in the first round in the amount which exceeds or is equal to the shares that the existing shareholders wish to subscribe in excess of their entitlement, the Company shall allocate the remaining shares to all those who oversubscribe the remaining shares and have paid the share price in full.

(d) In the case there are shares remaining from the allocation to the existing shareholders of the Company (Rights Offering) in the first round in the amount which is less than the shares that the existing shareholders wish to subscribe in excess of their entitlement, the Company shall allocate the remaining shares to those who oversubscribe the shares according to the following steps.

1. Shares shall be allocated to each oversubscribing shareholder by multiplying the existing shareholding proportion of each subscriber with the number of remaining shares. The result will be the number of shares that each subscriber will be allocated. Any fractions resulting from the calculation shall be discarded. However, the number of shares to be allocated shall not exceed the number of shares that each shareholder has subscribed to and paid for.

2. If there are any shares left after the allocation described in Clause (1), the remaining shares will be allocated to

each shareholder who have oversubscribed for the shares and have not been allotted according to the number of shares desired. Such shareholders' shareholding will be used to multiply with the remaining shares, and the result from such calculation is the number of shares that each oversubscribing shareholders will be allocated. Any fractions resulting from the calculation shall be discarded. The number of shares to be allocated shall not exceed the number of shares that each shareholder has subscribed to and paid for. The procedure laid out in this Clause (2) shall be repeated until there is no share remaining.

Such oversubscription details shall not, in any cases, cause any shareholders who subscribe for the newly issued ordinary shares which exceed their rights to hold the Company's shares in an amount that reaches or surpasses the trigger point (Tender Offer) as required by the Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Condition and Procedures for the Acquisition of Securities for Business Takeovers and hold the Company's shares in violation of the foreign shareholding limitation specified under the Company's Articles of Association which currently allows the foreigners hold the Company's shares no more than 49% of the total Company's paid-up shares

(e) In the case where there are shares remaining but calculation cannot be made in accordance with this procedure, the Company shall allocate the remaining shares in a single unit at a time in accordance with the oversubscribing shareholders' shareholdings.

(f) In the case that there are remaining shares after the exercise of the existing shareholders' rights to subscribe newly issued ordinary shares, the Company will proceed to seek approval for capital reduction from the next shareholders' meeting accordingly

(g) Set 10 March 2023 to be the date for determining names of shareholders who are entitled to subscribe for newly issued ordinary shares (Record Date) with the subscription and payment period for newly issued ordinary shares between 22-29 May 2023

4. Record Date

Set 10 March 2023 to be the date for determining names of shareholders who are entitled to subscribe to the newly issued ordinary shares (Record Date)

5. Schedule for the subscription and payment for newly issed ordinary shares

5.1. Subscription period for newly issued ordinary shares

Between 22-29 May 2023 (6 business days in total according to business days of the Stock Exchange of Thailand (“SET”)) from 9.00 am to 4.00 pm or subscribe via online platform (E-SUB) between 22-29 May 2023 with 24-hour operation. The system will be closed at 11.59 pm on 29 May 2023 (8 days in total)

5.2. Place for subscription and payment for newly issued ordinary shares

Villa Kunalai Public Company Limited (“the Company”) is a nominee for subscribing the newly issued ordinary (“the Nominee”). The existing shareholders who are entitled to the rights can subscribe newly issued ordinary shares at the office of the Nominee from 9.00 am to 4.00 pm according to the address below:

Name	Villa Kunalai Public Company Limited
Address	819, Moo 7, Bann Klauy – Sai Noi Road, Phimon Rat Sub-district, Bang Bua Thong District, Nonthaburi, 11110
Contact	Investor relation department / secretary
Telephone	02-834-4938-105

or subscribe via online platform (E-SUB) between 22-29 May 2023 with 24-hour operation. The system will be closed at 11.59 pm on 29 May 2023 (8 days in total)

Or Add Line ID: **@kun-insight**

Or Link : https://lin.ee/QHy7bM9

Details of the subscription is specified under **Attachment 3**

5.3. Methods of subscription and payment for newly issued ordinary shares

Payment for subscription for the newly issued ordinary shares can be made for multiple times by which the subscriber must pay for the share price in full from 9.00 am to 4.00 pm on 22-29 May 2023 (6 business days in total) or subscribe via online platform (E-SUB) between 22-29 May 2023 with 24-hour operation. The system will be closed at 11.59 pm on 29 May 2023 (8 days in total). The subscription payments can be made as follows:

5.3.1. Paid by cash at the place for subscription Payment for subscription for the newly issued ordinary shares can be made at the place for subscription from 9.00 am to 4.00 am on 22-29 May 2023 (6 business days in total) or subscribe via online platform (E-SUB) between 22-29 May 2023 with 24-hour operation. The system will be closed at 11.59 pm on 29 May 2023 (8 days in total).

5.3.2. Paid by transferring to the Company's bank account

Account name	"Villa Kunalai Public Company Limited"
Bank	Kiatnakin Phatra Branch Central Plaza WestGate
Account type	Savings account
Account number	20-0946245-4

(a) Subscribers are required to submit the evidence of subscription with the original deposit slip for subscription of the newly issued ordinary shares and deliver to the Company before the last day of the subscription on 29 May 2023

(b) In the case subscribers choose to subscribe via online platform (E-SUB) through https://www.kunalai.co.th/index.php/ir, the subscribers must choose the payment method "transfer" and attach the payment evidence of subscription for the newly issued ordinary shares in the system. Then, verify the subscription details before saving and/or printing the evidence of payment to be supporting document for subscription of the newly issued ordinary shares

5.3.3. Paid by cheque, cashier cheque, or draft

(a) Cross cheque only in the name of "**Villa Kunal Public Company Limited**" which can be collected from the clearing house in Bangkok within the next business by delivering together with the subscription form for newly issued ordinary shares and certificate of subscription entitlement at the place of subscription within 4.00 pm of the subscription period. Please write the date in cheque/cashier cheque on the subscription date but no later than 26 May 2023. In the case the subscribers do not specify name-surname and contact number behind the cheque/cashier cheque or the Company cannot contact the subscriber, in case that the Company cannot collect the payment, the Company reserves the right to approve the subscription for the newly issued ordinary shares.

(b) Draft which can be collected throughout the Kingdom will be paid in the name of "**Villa Kunalai Public Company Limited**"

(c) Please specify the shareholder registration number (from the certificate of subscription entitlement (Attachment 1)) name- surname and contact number behind the cheque, cashier cheque, or

(d) Set the date of subscription, in case that the payment is made by personal cheque/cashier cheque/draft, within 22-26 May 2023 from 9.00 am to 4.00 pm

In the case subscribers subscribe via online platform by browsing https://www.kunalai.co.th/index.php/ir and going to the online subscription (E-SUB) the subscriber must choose to pay by "cheque/cashier cheque/draft" together with attaching evidence of payment in the system. Then, verify the subscription details before saving and/or printing the evidence of payment to be supporting document subscription of the newly issued ordinary shares within 29 May 2023 which is the last day to subscribe for newly issued ordinary shares no later than 11.59 pm

5.3.4. Paid via Internet Banking system transferred to the Company's account

Account name	"Villa Kunalai Public Company Limited"
Bank	Kiatnakin Phatra Branch Central Plaza WestGate
Account type	Savings account
Account number	20-0946245-4

(a) Subscribers must submit the evidence documents for the subscription together with payment documents for the subscription via Internet Banking system and deliver to the Company within 29 May 2023 which is the last day to subscribe for newly issued ordinary shares

(b) In the case subscribers subscribe via online platform by browsing https://www.kunalai.co.th/index.php/ir and going to online subscription (E-SUB), the subscribers must choose to pay by "Internet Banking" together with attaching evidence of payment in the system. Then, verify the subscription details before saving and/or printing the evidence of payment to be supporting document for the subscription within 29 May 2023 which is the last day to subscribe for newly issued ordinary shares no later than 11.59 pm

Remark: subscribers can refer to the methods of subscription details in Attachment 3

5.4. Required Documents for Subscription

5.4.1 Subscription form for the newly issued ordinary shares with complete details and signature

The Company will deliver the subscription form to the shareholders of the Company whose names appear in the shareholder registration book at the date for determining names of shareholders who are entitled to subscribe to the newly issued ordinary shares on 10 March 2023 (Record Date). In addition, shareholders can request for the subscription form for the newly issued ordinary shares at the Company's office or download from the Company's website (https://www.kunalai.co.th/index.php/ir)

5.4.2 Certificate of subscription entitlement for the newly issued ordinary shares issued by Thailand Securities Depository Company Limited (Attachment 1)

In the case the subscribers do not have the certificate of subscription entitlement for the newly issued ordinary shares and/or change name/surname which causes discrepancy with the names of shareholders appeared in the shareholder registration book at the date for determining names of shareholders who are entitled to subscribe to the newly issued ordinary shares on 10 March 2023 (Record Date) or in the certificate of subscription entitlement for the newly issued ordinary shares, please attach the documents issued by government agency such as certificate, marriage certificate, divorce certificate, and name/surname changed certificate

5.4.3 Evidence of payment for the newly issued ordinary shares includes:

(a) Personal cheque / cashier cheque / draft (or "Bank Cheque" which can be cleared with the clearing house in Bangkok within the next business day) or

(b) Copy of deposit slip with name, surname, address, and contact number written behind or

(c) in the case of payment via Internet Banking system transferred to the Company's account, please attach a copy of payment evidence for the subscription via Internet Banking system of the bank

5.4.4 Copy of the first page deposit account passbook (savings or current account only) by which the name in the deposit account must be the same as the subscriber's name with a signature certifying true copy in the case the subscribers wish to be refunded for the portion of the newly issued ordinary shares that have not been allocated or have been incompletely allocated according to the oversubscribed amount via the transfer to bank account

Required documents are as follows

(a) Natural person of Thai nationality: a copy of ID Card with a signature certifying true copy

(b) Natural person of foreign nationality: a copy of passport with a signature certifying true copy

(c) Juristic person registered in Thailand: a copy of the Ministry of Commerce certificate issued no later than 6 months prior to the last day of the subscription period with a signature certifying true copy and evidence document of the authorized person according to (a) or (b) with a signature certifying true copy

(d) Juristic person registered in foreign country: a copy of the juristic person registration certificate, the memorandum of association issued no later than 6 months prior to the last day of the subscription period certified by Notary Public with a signature certifying true copy and evidence document of the authorized person according to (a) or (b) with a signature certifying true copy

5.4.5 Power of attorney (Attachment 5) affixing a 30 Baht stamp duty (in case of appointing a proxy to act on his behalf) together with a copy of assignor's ID card (in case of foreign person, please attach a copy of alien certificate or a copy of passport displaying the evidence of immigration in Thailand) with a signature certifying true copy

(a) In case of power of attorney form prepared in foreign countries, the power of attorney form and a copy of assignor's passport that has not expired must be notarized by a Notary Public together with Notary Public authorities' seal and authenticated by an official of the Thai Embassy or of the Thai Consulate in the country where the documents are prepared or certified.

(b) The attorney must present personal ID card or passport (original) to the Company's officer together with submitting a copy of ID card or a copy of passport with a signature certifying true copy

<u>The signature on every identification document must be the same as the signature on the documents required for the subscription of the newly issued ordinary shares.</u>

Upon submission of the completed and signed Subscription Form to the Company, it shall be deemed that the subscriber warrants that the completed and signed information (whether filled and signed by the subscriber, or filled by an authorized person, or agent which includes the brokerage company of such subscriber) is correct, complete, and true. If the information, details or signature provided is not correct, complete or true, the Company reserve the right to exercise their discretion to refuse such subscription, whether in whole or in part. In the event of any operation done by the Company by mistake or as a result of the given information, the subscriber agrees not to claim damages from or hold the Company responsible for any damage or loss and the Company shall not be liable for any such damage or loss,

If the subscribers do not submit the required documents aforementioned or submit incomplete documents, the Company reserves the right to deem that the subscribers do not wish to exercise the right to subscribe for the newly issued ordinary shares. However, the Company may use discretion to waive some required documents for any subscribers or request other documents as it deems appropriate.

In addition, the Company reserves the right to not deliver any documents related to the Right Offering and the allocation of subscription for the newly issued ordinary shares to any subscribers if the offering or allocation cause or may cause the Company to comply with the foreign regulation or not follow the methods, criteria, and conditions specified in the details under this Notification of Allocation and Subscription Documents for Newly issued Ordinary Shares

5.4.6 In case the subscribers wish to deposit the shares in the Issue's Account No.600, the subscribers must provide details in "Additional Documents for Subscriber Wishing to Deposit the Shares into an Issuer Account Only" (Attachment 6) to deliver to the TSD. If the subscribers do not attach this required documents, the Company reserves the right to issue the subscription form in the name of the subscribers.

If the subscribers do not submit the required documents aforementioned or submit incomplete documents, the Company reserve the right to deem that the subscribers do not wish to exercise the right to subscribe for the newly issued ordinary shares. However, the Company may use discretion to waive some required documents for any subscribers or request other documents as it deems appropriate.

In addition, the Company reserves the right to not deliver any documents related to the Right Offering and the allocation of the subscription for newly issued ordinary shares to any subscribers if such action causes or may cause a violation of the law or foreign regulation or causes any operation apart from the operation according to the regulation related to the security issuance and offering under Thai law such as the existing shareholders of the company in the United States and other countries as the Company taking into consideration (which may include not to offer or allocate newly issued ordinary shares U.S Persons defined in Regulation S under U.S Securities Act of 1993)

5.5. Conditions of subscription

5.5.1. In the case that the shareholders subscribe the newly issued ordinary shares not exceeding or according to their entitlement the shareholders who wish to subscribe for the newly issued ordinary shares with the fraction discarded or subscribe newly issued ordinary shares not exceeding the right to be allocated will be allocated for a full amount

5.5.2. In the case that the shareholders subscribe newly issued ordinary shares in excess of their entitlement Shareholders can subscribe for the newly issued ordinary shares, exceeding their rights according to the proportion of shareholders (Oversubscription). The Company will allocate the remaining shares to those who oversubscribe only when there are shares remaining from the allocation to all of the existing shareholders by which the allocation of newly issued ordinary shares aforementioned will be repeated until there is no newly issued ordinary shares left to be allocated. The shareholders must show the intention in the subscription for the newly issued ordinary share in full amount before being able to oversubscribe by filling the details in "Intention Form to Subscribe for the Newly Issued Ordinary Shares" (Attachment 4) with complete and accurate information. Payment for the subscription for the newly issued ordinary shares can be made for multiple times by which the subscriber must pay for the share price in full in each time. If the subscribers subscribe only once, the payment for the subscription can be made in the portion according to their entitlement and the portion that wish to subscribe in excess of their entitlement at the same time

in the event that there are shares remaining from the allocation to the existing shareholders of the Company according to the proportion of shareholding in the first round, the Company will allocate the remaining newly issued ordinary shares to the existing shareholders who wish to oversubscribe at the same price as the shares allotted in the first round. The details of the allocation are as follows

(1) In the case that there are shares remaining from the allocation to the existing shareholders of the Company (Rights Offering) in the first round in the amount which exceeds or is

equal to the shares oversubscribed, the Company shall allocate the remaining shares to all those who oversubscribe the remaining shares and have paid the share price in full.

(2) In the case that there are shares remaining from the allocation to the existing shareholders of the Company (Rights Offering) in the first round in the amount which is less than the shares that the existing shareholders wish to oversubscribe, the Company shall allocate the remaining shares to those who oversubscribe the shares according to the following steps.

(2.1) Shares shall be allocated to each oversubscribing shareholder by multiplying the existing shareholding proportion of each subscriber with the number of remaining shares. The result will be the number of shares that each subscriber will be allocated. Any fractions resulting from the calculation shall be discarded. However, the number of shares to be allocated shall not exceed the number of shares that each shareholder has subscribed to and paid for.

(2.2) If there are any shares left after the allocation described in Clause (2.1), the remaining shares will be allocated to each shareholder who have oversubscribed for the shares and have not been allotted according to the number of shares desired. Such shareholders' shareholding will be used to multiply with the remaining shares, and the result from such calculation is the number of shares that each oversubscribing shareholders will be allocated. Any fractions resulting from the calculation shall be discarded. The number of shares to be allocated shall not exceed the number of shares that each shareholder has subscribed to and paid for. The procedure laid out in this Clause (2.2) shall be repeated until there is no share remaining.

5.5.3. The Company will allocate the newly issued ordinary shares offered to the existing shareholders whose names appear in the shareholder registration book as of the date determining the names of shareholders who are entitled to be allocated in proportion to their shareholding shareholders (Record Date). The Company reserve the right to not offer or allocate newly issued ordinary shared (Rights Offering) to any shareholders if the offering or allocation to that shareholder causes or may cause the Company to comply with foreign law.

5.5.4. Shareholders who have already subscribed for the newly issued ordinary shares and made payment will not be able to withdraw the subscription. The Company reserves the right to deny the subscription right if the Company does not receive the Subscription Documents for the subscription of newly issued ordinary shares of the Company and/or the subscription payment within the specified period.

5.5.5 In the case of payment for subscription made by bank cheque, the payment of such subscription will deem to be completed only when the bank has already cashed the cheque and the subscription of the newly issued ordinary shares will deem to be completed only when the Company has collected the payment for subscription

if (1) the payment for subscription cannot be made by the subscribing shareholders and/or the Company cannot collect the payment for subscription in any cases not deemed to be the Company's fault, in whole or partial, within the subscription and payment for the newly issued ordinary shares period or

(2) the subscribing shareholders do not fully or clearly fill the subscription form, the Company reserves the right to not allocate the newly issued ordinary shares accordingly.

For the payment for subscription of the newly issued ordinary shares, shareholders should verify the payment method and follow the specified terms and conditions. If the shareholders do not comply with the payment method and terms and conditions to be able to collect the payment within the specified period, the Company has the right to deem that the shareholders do not exercise the right to subscribe for the newly issued ordinary shares and reserves the right to not allocate such shares accordingly.

5.5.6 The Company reserves the right to alter such details of payment method, terms and conditions, or any information related to the methods of subscription for newly issued ordinary shares as it deems appropriate in the case of operational difficulties, obstacles or restrictions arise during the operation

5.5.7 In the case that shareholders receive certificate of subscription entitlement more than 1 shareholder registration numbers, the shareholders must prepare the required documents for the subscription according to those numbers by submitting 1 required documents for the subscription per 1 shareholder registration numbers. If shareholders subscribe with only 1 registration number by including the rights to be allocated from all shareholder registration numbers into the same order or specify these details in the required documents for the subscription into the same document, the subscribers may receive an incomplete allocation of the Company's shares from that included shareholder registration numbers and the

Company reserves the right to allocate the shares to the subscribers as it deems appropriate or not to allocate those shares to the subscribers.

5.5.8 In the case that shareholders wish to deliver the subscription form for newly issued ordinary shares via registered mail, please deliver other related documents including the subscription form, certificate of subscription entitlement, and cheque/cashier cheque which is a cross cheque only via registered mail to the place of subscription. The subscription documents have to be delivered no later than 4.00 pm of 26 May 2023 and please put a bracket at the corner of letter "Subscription for Newly issued Ordinary Shares" for facilitating the subscription.

5.6 Refund of subscription (if any)

(1) In the event that the subscription is required to be refunded which is when the subscribing shareholders do not receive such allocation due to failure to comply with subscription condition or receive incomplete allocation from oversubscription and/or cannot collect the payment for subscription for the newly issued ordinary shares from the cheque of such subscription, The Company shall refund the subscription payment for the portion of the newly issued ordinary shares that have not been allocated or have been incompletely allocated according to the oversubscribed amount, without interest and any compensation, within 14 business days after the closing of subscription period. The methods of transferring refund to bank accounts of the subscribers will be specified in the subscription form of the Company

(2) In the case that the Company cannot transfer the refund for the subscription for the unallocated portion or incomplete allocated portion according to the oversubscribed amount with the method aforementioned, in any situation the Company is out of control, the Company will transfer the refund for the unallocated portion or incomplete allocated portion according to the oversubscribed amount with a cross cheque only in the name of the subscriber's name and deliver via registered mail according to the address appeared in the database of shareholders of the Company in the shareholder registration book as of 10 March 2023. In this case, the subscribers shall be responsible for any additional charge or bank fees (if any)

(3) In the event that the Company is unable to refund the reservation fee to the subscriber within 14 business days after the closing of subscription period, the Company must be responsible for such refund and must pay interest to the subscriber at the rate of 7.50 percent per annum, calculated from the unallocated portion or incomplete allocated portion of the subscription fee, from the date after those 14 business days to the payback date aforementioned.

5.7 Methods of delivery of newly issued ordinary shares

Subscribers may ask the Company to perform either of the following

5.7.1 In the case the subscribers wish to receive share certificate in the name of subscriber

TSD as the Subscription Agent will deliver the share certificate according to the allocated newly issued ordinary shares to the subscribers via registered mail with the address appeared in the list of shareholders as of 10 March 2023 (Record Date) within 15 business days after the closing of subscription period. In this case, the subscriber cannot sell the allocated shares on the SET unless the subscribers receive share certificate that will be delivered after newly issued ordinary shares of the Company are permitted to be traded on the SET.

5.7.2 In the case that the subscribers wish to deposit the shares in the Issue's Account No.600

The Company will deposit the allocated shares to the account "TSD for Depositors" by which the TSD will record the number of shares deposited by the securities company No.600 and issue an evidence of the deposit to the subscriber within 7 business days from the end of the subscription period. In the case that the subscriber wishes to sell the shares, the subscribers must withdraw the shares from that account No.600 by contacting the securities company. There will be fees for this operation according to TSD and/or the securities company's conditions. In this case, the subscribers can sell the allocated shares on the SET as soon as the newly issued ordinary shares are permitted to be traded on the SET and the subscribers withdraw the shares from that account No.600.

5.7.3 In the case that the subscribers wish to deposit the shares in a trading account of the securities company

The Company will deposit the allocated shares to the account "TSD for Depositors" by which the TSD will record the number of shares deposited by the securities company No.600 and issue evidence of the deposit to the subscriber within 7 business days from the end of the subscription period. In this case, the subscribers can sell the allocated shares on the SET as soon as the newly issued ordinary shares are permitted to be traded on the SET

<u>In the case of Clause 5.7.3, the name of the subscriber must be the same as the name of the owner of the securities trading account in which the subscriber wishes to deposit the allocated shares</u> Otherwise, the Company reserves the right to deliver to the subscriber such shares in the form of share certificates in the name of subscribe as described in 5.7.1 instead.

A shareholder who exercises his/her right to subscribe for the newly issued ordinary shares must specify the code of the securities company (as listed on the back of the subscription form which the shareholder has the securities trading account with, and the securities trading account number to which the shareholder wishes the allocated shares to be deposited. If the subscriber provides an incorrect code for the securities company or the securities trading account, resulting in the Company's inability to transfer the shares into the securities trading account, the Company will not be responsible for any loss in the shares or delay in retrieving the shares

In the case that the subscribers did not provide complete information in the subscription form or did not choose any options on securities delivery in the subscription form, the Company reserves the right to issue share certificates to the subscribers, instead. This may result in the subscribers not being able to sell the allocated shares on the SET immediately when the newly issued ordinary shares are permitted to trade on the SET.

5.6. Other details necessary for the subscription

5.6.1. The name of the subscriber must be the same as the name of the owner of the securities trading account, otherwise the deposit of newly issued ordinary shareholders cannot be made. In this case, the Company reserves the right to issue the share certificate to the subscriber

5.6.2. Please specify member ID of TSD (broker ID) whom the subscriber wishes to deposit newly issued ordinary shares in his or her own trading account accurately. If the subscriber provides an incorrect code member ID of TSD, resulting in transferring the shares into the wrong securities trading account, the Company will not be responsible for any loss in the shares or delay in retrieving the shares.

5.6.3. If the number of the newly issued ordinary shares indicated by a shareholder in the Subscription Form exceeds the amount of payment received by the Company, the Company reserves the right to allocate the shares according to the subscription payment received

5.6.4. If the number of the newly issued ordinary shares specified in the Subscription Form is less than the amount of payment received by the Company, the Company reserves the right to allocate the shares to each shareholder as it deems appropriate

5.6.5. If the shareholder who subscribes for the newly issued ordinary share fails to make the subscription payment and/or the Company cannot collect the subscription payment in whole or partial, or in any cases not deemed to be the Company's fault, within the subscription period and specified methods of payment, or the subscribing shareholder does not fully or clearly fill the Subscription Form, or the shareholder proceed with subscription methods other than those indicated in this document, the Company shall deem that the shareholder waives his/her right in subscribing for the newly issued ordinary shares, and the Company reserves the right not to allocate any shares to the said shareholder. Therefore, shareholder shall verify the payment methods for subscription and follow the terms and conditions with complete and accurate information

5.6.6. If the Company cannot transfer the refund for subscription to the subscriber in a specified time caused by the Company's out-of-control situations, the Company shall not be responsible for interest and any compensation and will refund the subscription payment for the portion of the newly issued ordinary shares that have not been allocated or have been incompletely allocated as specified under the Clause 5.5 "Condition of Subscription"

5.6.7. In the case that the subscriber wishes to deposit the shares in the Issue's Account No.600, the subscriber must provide details in "Additional Documents to be Complied with Foreign Account Tax Compliance (FATCA) (For Subscriber Wishing to Deposit the Shares into an Issuer Account No.600")(Attachment 6) to deliver to the TSD. If the subscribers do not attach these required documents, the Company reserves the right to issue the subscription form in the name of the subscriber.

5.8.8 The Company reserves the right to alter such details of payment methods, terms and conditions, or any information related to the methods of subscription for newly issued ordinary shares as it deems appropriate in the case of operational difficulties, obstacles or restrictions arise during the operation.

5.8.10 Should you request for any additional information, please contact

Villa Kunalai Public Company Limited ("the Company")

Address 819, Moo 7, Bann Klauy – Sai Noi Road, Phimon Rat Sub-district, Bang Bua Thong District, Nonthaburi, 11110

Telephone 02-834-4938 to 103

Fax 02-834-4954

Website https://www.kunalai.co.th/

or

contact via Line Official Account of the Company "KUN-INSIGHT" by scanning QR Code below on your mobile phone

Or Add Line ID: **@kun-insight**

Or Link : https://lin.ee/QHy7bM9

6. **The objective of capital increase and usage of additional capital increase**

The capital increase from offering the newly issued ordinary share to existing shareholders of the Company according to proportion of shareholding (Rights Offering). In the event that the subscription of all newly issued ordinary shares is fully subscribed, the Company shall raise funds in the amount of approximately 144,143,983.20 Baht. The proceeds from the capital increase received at this time shall strengthen the company's financial position and create the readiness to support the Company in having an appropriate capital structure and financial ratio for business expansion. For example, purchasing land to develop the Company's new projects in the future in accordance with the continuous growth strategy to meet the Company's expectations as well as to be a reserve fund to use as working capital for current projects and/or new projects and/or repayment. The Company summarizes the details of the objectives of the capital increase, separated by type of capital increase, as follows;

The proceeds of 144,143,983.20 Baht from the issuance and distribution of newly issued ordinary share to the company's existing shareholders are entitled to be allocated according to proportion of shareholding (Rights Offering) shall be used for repayment of financial institution debt or repayment of convertible debentures, and as working capital of the Company.

- To repay the financial institution's debt or repay convertible debentures in the amount of approximately 120,000,000 Baht. (to be completed by Q2/2023)
- To be the working capital in the amount of approximately 24,143,983.20 Baht. (to be completed by Q4/2023)

Remark:

The proportion of such funds' utilization may change according to the capability to raise funds and investment suitability for each situation in order to invest in new business projects in the future that the Company foresees will provide good returns and benefit the Company and the Company's shareholders. In this regard, the Company shall comply with the SET's regulation relevant to an acquisition or disposition of assets.

However, in the case the Company receives the proceeds from the capital increase less than expected provided that thefunds' utilization plan may change from aforementioned

7. **The benefits that the Company shall receive from the Capital Increase / Share Allotment**

7.1. The capital increase in this round shall enhance, strengthen, and finance liquidity for the Company to ensure that it has enough funds to support the Company's business in the present and the future.

7.2 To support the Company in achieving its growth strategy smoothly.

7.3 To reduce the Company's burden on interests.

8. **The benefits that the shareholders shall receive from the Capital Increase / Share Allotment**

The capital increase in this round shall enhance the strength of Company's financial position, increase working capital for business operations, and increase the capability to generate income and create more profits. The Company's shareholders will benefit because the proceeds from the capital increase will be used to fund other projects in the future based on their appropriateness. The shareholders shall engage to drive the Company's growth, which is an opportunity to create a good return on investment in the long term. The benefits that the shareholders receive, such as the rights to receive dividends, the rights to attend shareholders' meetings, and the rights to vote at shareholder meetings.

9. **Other Details Necessary for Shareholders to approve the Capital Increase / Share Allotment**

The impact on control dilutionof shareholding (Control Dilution)

In case that shareholder waives the right to subscribe to a newly-issued ordinary share and other shareholders exercise their rights to oversubscribe (the entire amount), the shareholder who does not exercise their right to subscribe will have their shareholdings and voting rights diluted (Control Dilution), as detailed below.

= 1 - [The amount of paid-up share / (The amount of paid-up share + The amount of newlyissued ordinary share to the existing shareholder according to proportion of shareholding (RO))]

= 1 - [686,399,924 / (686,399,924 + 68,639,992)]

= 9.09 percent

In the case that a shareholder waives the right to subscribe to the newly-issued ordinary share and other shareholders exercise their rights to oversubscribe (Oversubscription) and there is someoneexercising the convertible right under the convertible debenture (CB) and exercising the rights to purchase the Company's share under the Company’s warrant no. 1 (KUN-W1), it shall affect the dilution of shareholdings and voting rights of the shareholder who does not exercise their right to subscribe (Control Dilution), as detailed below.

= 1 - [The amount of paid-up share / (The amount of paid-up share + The amount of newly issued ordinary share to the existing shareholder according to proportion of shareholding (RO) +The amount of share issued to support the convertible debenture +The amount of share issued to support the Company’s warrant (KUN-W1)]

= 1 - [686,399,924 / (686,399,924 + 68,639,992 + 40,000,000 + 120,000,000)]

= 24.99 percent

The impact on earnings per sharedilution(EPS Dilution)

In the event that shareholders waive the rights to subscribe and other shareholders exercise the rights to oversubscribe (Oversubscription) (the entire amount), this will have an effect on the dilution of the earnings per share of existing shareholders who do not exercise the right to subscribe for newly-issued shares (EPS Dilution), as detailed below.

Net profit = 106,631,920 Baht (at the end of 2022)

EPSo = Net profit before capital increase by offering to the existing shareholders (RO)

EPSn = Net profit after capital increase by offering to the existing shareholders (RO)

Q_0 = the amount of ordinary share before capital increase

Q_{RO} = the amount of newly issued ordinary share by offering to the existing shareholders (RO)

$$EPSo = \frac{\text{Net profit at the end of 2022}}{Q_0}$$

$$= \frac{106{,}631{,}920}{686{,}399{,}924}$$

= 0.16 Baht per share

$$EPSn = \frac{\text{Net profit at the end of 2022}}{Q_0 + Q_{RO}}$$

$$= \frac{106{,}631{,}920}{686{,}399{,}924 + 68{,}639{,}992}$$

$$= 0.14 \text{ Baht per share}$$

$$\text{EPS Dilution} = \frac{EPSo - EPSn}{EPSo}$$

$$= \frac{0.16 - 0.14}{0.16}$$

$$= 9.09 \text{ percent}$$

In the case that a shareholder waives the right to subscribe to the newly-issued ordinary share and other shareholders exercise their rights to oversubscribe (Oversubscription) and there is someone exercising the convertible right under the convertible debenture (CB) and exercising the rights to purchase the Company's share under the Company's warrant no. 1 (KUN-W1), it shall affect the dilution of the earnings per share (EPS dilution), as detailed below.

Net profit = THB 106,631,920 (at the end of 2022)

EPSo = Net profit before capital increase by offering to the existing shareholder (RO)

EPSn = Net profit after capital increase by offering to the existing shareholder (RO)

Q0 = The amount of ordinary share before capital increase

QRO = The amount of newly issued ordinary share to offering to the existing Shareholders (RO)

QCB = The amount of ordinary share issued to support the convertible debenture (CB)

QW1 = The amount of ordinary share issued to support the Company's warrant (KUN-W1)

$$EPSo = \frac{\text{Net profit at the end of 2022}}{Q_0}$$

$$= \frac{106{,}631{,}920}{686{,}399{,}924}$$

$$= 0.16 \text{ Baht per share}$$

$$EPSn = \frac{\text{Net profit at the end of 2022565}}{Q_0 + Q_{RO} + Q_{CB} + Q_{W1}}$$

$$= \frac{106{,}631{,}920}{686{,}399{,}924 + 68{,}639{,}992 + 40{,}000{,}000 + 120{,}000{,}000}$$

$$= 0.12 \text{ Baht per share}$$

$$\text{EPS Dilution} = \frac{EPSo - EPSn}{EPSo}$$

$$= \frac{0.16 - 0.12}{0.16}$$

$$= 24.99 \text{ percent}$$

The impact on price dilution (Price Dilution)

Price dilution will occur as a result of the newly-issued ordinary shares being issued and offered to existing shareholders based on their shareholding percentage. It shall not occur from the convertible securities because the conversion price of the convertible debentures (CB) and the exercise price of the Company's share warrant no. 1 (KUN-W1) are higher than the market price.

$$\text{Price dilution} = \frac{(\text{Market price before offering} - \text{Market price after offering})}{\text{Market price before offering}}$$

$$= (2.22 - 2.21) / 2.22$$

$$= 0.45\%$$

Market price before offering = Share price before offering is calculated from the weighted average price of the ordinary share on the Stock Exchange of Thailand for the past 15 consecutive business days prior to the Board of Directors' Meeting held on February 23, 2023, which is February 2, 2023 to February 22, 2023, which is equal to THB 2.22 per share.

Market price after offering = [(Market price before offering x the amount of paid-up share) + (The offering price of newly-issued ordinary share to offering to the existing shareholders (RO) x The amount of newly-issued ordinary share to offering to the existing shareholders (RO))] / (The amount of paid-up share + The amount of newly-issued ordinary share to offering to the existing shareholders (RO))

$$\text{Market price after offering} = \frac{(2.22 \times 686{,}399{,}924) + (2.10 \times 68{,}639{,}992)}{(686{,}399{,}924 + 68{,}639{,}992)}$$

$$= 2.21 \text{ Baht per share}$$

Part 2

Basic information of Villa Kunalai Public Company Limited

1. Company name and address

Company name	Villa Kunalai Public Company Limited
Registration Number	0107562000025
Address	819, Moo 7, Bann Klauy – Sai Noi Road, Phimon Rat Sub-district, Bang Bua Thong District, Nonthaburi, 11110
Phone	02-834-4938-40
Website	https://www.kunalai.co.th/
E-mail	comsec@villakunalai.com / ir@villakunalai.com
Nature of Business	Real Estate Development

2. Business Overview

Villa Kunalai Public Company Limited is a juristic person registered in Thailand on 30 August 2007 and registered under the Stock Exchange of Thailand with a ticker "KUN"

The Group operates real estate development business in the category of housing estates with land for sale, by the group of companies will be a project developer and is the owner of the project in the metropolitan area in Nonthaburi province. All projects of the Company are under the concept of "Kunalai, create space, create happiness".

The Group will develop small-medium projects, the average project area is about 8 - 47 Rai and the average project life is 3-5 years in order to diversify the risks to the group of companies by focusing on building a decent nubmer of houses, there are not too many houses in stock

The Group begins to adjust the sales policy by finishing house construction before selling it so that customers can experience the atmosphere inside the project that customers wish to own. In this regard, there will be a down payment in case the customers choose a house in the zone under construction by which there is a few since the Company manage the sales to be aligned with the Company's construction

In addition, the group of companies also creates a distinctive product that is different from other companies' products, such as designing houses to have more usable space.
The group of companies has conducted research studies to look at customer needs by selecting the project location to be in a convenient transportation area close to facilities that are supported by the BTS network, using of quality building materials that meet standards, and having experienced personnel to inspect the quality of the products regularly. There is also after-sales service by taking care of the environment within the project including taking care of security within the project for customers after the project development is completed. In addition, the group of companies has designed the common area of each project to have a distinctive appearance by allocating more areas than the law to increase the shade for the residents of the project.

Revenue structure

Revenue structure	Consolidated financial statements					
	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Income from real estate sales						
Single-detached houses	336.33	41.84	323.63	32.48	333.50	33.18
Twinhouses	410.42	51.06	625.89	62.82	600.33	59.72
Townhome	52.89	6.58	27.40	2.75	61.05	6.07
Commercial building			14.70	1.48	6.74	0.68
Total income from real estate sales	799.64	99.48	991.62	99.53	1,001.62	99.65
Other income[1]	4.15	0.52	4.77	0.47	3.56	0.35
Total income	803.79	100.00	006.39	100.00	1,005.19	100.00

Notes: 1/ Income from forfeiture of money received inadvanceand revenue from renting out theclub building is the main

Characteristics of Product and Service

At present, the main businessof the Group is to operate a horizontal realestate development business for sale by the Group of companies will focus on its location in the metropolitan area. Currently focusing on Bang Bua Thong district, Nonthaburi, the Group will develop small-medium projects with project area 8 - 157 Rai and project life 3-5 years. There are 9 closed projects, 6 projects in progress and 2 projects in the future projects with names and product characteristics of each project as follows.

Project	Product characteristics				Status
	Twin house	Single-detached house	Townhome	Commercial building	
1. Villa Kunalai 1	/	/		/	Project closed
2. Villa Kunalai 2	/	/			Project closed
3. Villa Kunalai 3	/	/			Project closed
4. Kunalai Proud	/	/			Project closed
5. Kunalai Courtyard	/	/		/	Under construction and sale
6. Kunalai Symphony		/			Project closed

Project	Product characteristics				Status
	Twin house	Single-detached house	Townhome	Commercial building	
7. Kunalai Begins			/		Project closed
8. Kunalai Pollen		/			Project closed
9. Kunalai Joy	/	/			Project closed
10. Kunalai Joy On 314	/	/			Under construction and sale
11. Kunalai Begins 2			/	/	Under construction and sale
12. Kunalai Preem	/	/			Project closed
13. Kunalai Pargo				/	Under construction and sale
14. Kunalai Daisy	/	/			Under construction and sale
15. Kunalai Navara Rama II		/			Under construction and sale
16. Kunalai Purra		/			Future project
17. Kunalai Navara Rangsit – Klong 2		/			Future project

There are 3 groups of products according to the price level and the product that can be summarized as follows.

Price level	Single-detached house/Twin house	Townhome	Commercial building
High > 5.00 MB per unit	NAVARA RAMA 2 KUNALAI SYMPHONY		

Price level	Single-detached house/Twin house	Townhome	Commercial building
Medium > 3.00 MB per unit	KUNALAI COURTYARD KUNALAI JOY KUNALAI POLLEN KUNALAI PreeM KUNALAI JOY on 314 KUNALAI PARCO KUNALAI Daisy		KUNALAI COURTYARD
Low > 2.00 MB per unit		KUNALAI begins KUNALAI begins 2	

3. Assets used in business operation

3.1. Fixed assets used in business operation

Fixed assets used in business operation consist of land, building, and equipment, land waiting for development, property development cost, investment property, and intangible assets as follows

Type of Asset	Accounting value (MB) as of 31 Dec 2022	Ownership characteristics	Obligation
1) Land, building, and equipment	96.90	The Company and subsidiaries	Mortgage as collateral for debentures

Type of Asset	Accounting value (MB) as of 31 Dec 2022	Ownership characteristics	Obligation
2) Property development cost	1,579.26	The Company and subsidiaries	Mortgage as collateral for debentures
3) Investment property	25.74	The company	Mortgage as collateral for loans from financial institutions
4) Land awaiting for development	98.97	The Company and subsidiaries	Mortgage as collateral for debentures
5) Intangible asset	0.76	The company	None
6) Right-of-use assets	3.39	The company	None
Total accounting value	1,805.02		

4. List of Board of Directors, and the top 10 shareholders

4.1. Board of Directors

List of Board of Directors as of 31 March 2023 consists of the following

Order	List of Board of Director	Position
1.	Mr. Tawatchai Suthikitpisan	Chairman of the Board / Independent Director
2.	Mr. Anan Sirisaengthaksin	Independent Director / Chairman of the Audit Committee
3.	Mr. Nawamin Prasopnet	Independent Director / Member of the Audit Committee
4.	Mr. Teerawit Thanakijsoontorn	Independent Director / Member of the Audit Committee
5.	Mr. Khuna Dheva-aksorn	Chairman of Executive Committee / Director
6.	Mrs. Praweerat Dheva-aksorn	Chief Executive Officer / Director
7.	Mr. Paisal Sangkawanich	Director
8.	Mr. Pete Dheva-aksorn	Director

Source: the Company

4.2. Management team

As of March 31, 2023 the Company's management team consists of

Order	List of shareholders	Position
1.	Mrs. Praweerat Dheva-aksorn	Chief Executive Officer / Acting Director or Marketing
2.	Mr. Suradet Prachuapsrirat	Director of Accounting, Finance and Budget
3.	Mr. Panya Ongwanich	Director of Planning and operating the project
4.	Mrs. Anupha Thongplea	Director of Revenue Operations
5.	Miss Wanmai Poomthavorn	Director of Support

Source: the Company

4.3. List of the top 10 shareholders

List of the top 10 shareholders as of 10 March 2023

Order	List of shareholders	Number of shares (shares)	Shareholding (%)
1.	Kunavalai Company Limited	174,042,700	25.36
2.	Mr. Khuna Dheva-aksorn	71,955,532	10.48
3.	Mrs. Praweerat Dheva-aksorn	68,465,256	9.97
4.	LGT BANK (SINGAPORE) LTD	57,200,228	8.33
5.	Mr. Paisal Sangkawanich	30,526,995	4.45
6.	Mrs. Supitcha Saipornchai	27,474,930	4.00
7.	Mr. Narongdej Saipornchai	25,307,730	3.69
8.	Mr. Surapol Dheva-aksorn	15,000,000	2.19
9.	Ms. Sawitree Nomlom	14,993,800	2.18
10.	Mr. Kittipan Suksomkit	12,647,860	1.84
	Total shareholding of the top 10 shareholders	497,615,031	72.50
	Other shareholders	188,784,893	27.50
	Total	**686,399,924**	**100.00**

Source: the Company

5. Background of capital increase and decrease, and dividend policy during the past 3 years

5.1. History of capital increase and decrease

Effective date	Type of order	Changes in paid-up shares	Paid-up shares (shares)	Par
31 May 2021	XD	62,399,930	686,399,924	0.50
22 May 2020	XD	23,399,924	623,999,994	0.50

5.2. History of dividend policy

Details of dividend payment	2020	2021	2022
1. Net profit	84,810,688	159,801,404	94,360,687
2. Legal reserve (if any)	(4,240,534)	(7,990,070)	(4,718,035)
3. Net profit after deducting legal reserve	80,570,154	151,811,334	89,642,652
4. Number of shares (Million shares)	623,999,994	686,399,924	686,399,924
5. Whole-year dividend payment (Baht per share)	0.11	0.13	0.08
Interim dividend paid (Baht per share)	0.03	0.05	0.05
- Cash dividend	0.03	0.05	0.05
- Stock dividend	-	-	-
Final dividend payment (Baht per share)	0.08	0.08	0.03
- Cash dividend	0.03	0.08	0.03
- Stock dividend	0.05 (10:1)	-	-
6. Total dividend payment	68,640,000	89,231,991	54,911,994

6. Details of associations, subsidiaries, and joint ventures

Group and name of the company	Nature of Business	Paid-up capital	Percentage of shareholding	Other relationship (if any)
1. Villa Vanich Company Limited	Real estate development	80,000,000 Baht	98.50	subsidiary

Villa Vanich Company Limited has been established to benefit in project allocation according to market conditions and to fasten the project management, facilitating the Company's process of obtaining permission to operate housing estates from the government agency involved in EIA which are 1) Projects with the are more than 100 Rai or 2) Number of houses in the project more than 500 units. Villa Vanich Company Limited is operating Kunalai Symphony, Kunalai Pollen, and Kunalai Parco projects

Part 3

Financial statement of Villa Kunalai Public Company Limited

1. Statement of financial position

Statements of financial position as of December 31, 2020, December 31, 2021, December 31, 2022 are as follows

Statement of financial position (Unit: Million Baht)	Audited financial statement As of 31 Dec 2020 (consolidated financial statement)		Audited financial statement As of 31 Dec 2021 (consolidated financial statement)		Audited financial statement As of 31 Dec 2022 (consolidated financial statement)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Assets						
Current assets						
Cash and cash equivalents	89.14	8.61	125.66	6.89	301.24	13.29
Financial assets measured at amortized cost method	1.51	0.15	-	-	-	-
Trade accounts and other receivables	2.76	0.27	34.80	1.91	8.56	0.38
Real estate development costs	698.28	67.47	1,360.59	74.66	1,579.26	69.65
Other current assets	23.69	2.29	0.54	0.03	101.10	4.46
Total current assets	**815.38**	**78.78**	**1,521.58**	**83.49**	**1,990.17**	**87.77**
Non-current assets						
Deposits at financial institutions with collateral obligations	29.52	2.85	20.32	1.11	9.09	0.40
Land waiting for development	98.97	9.56	119.97	6.58	98.97	4.36
Investment Property	21.55	2.08	20.07	1.10	25.74	1.14
Land, buildings, and equipment	56.53	5.46	94.40	5.18	96.90	4.27
Right-of-use assets	4.93	0.48	3.52	0.19	3.39	0.15
Intangible assets	2.68	0.26	1.18	0.06	0.76	0.03
Deferred tax assets	2.49	0.24	3.70	0.20	3.07	0.14
Other non-current assets	2.93	0.28	37.76	2.07	39.39	1.74
Total non-current assets	**219.60**	**21.22**	**300.89**	**16.51**	**277.30**	**12.23**
Total assets	**1,034.98**	**100.00**	**1,822.47**	**100.00**	**2,267.47**	**100.00**
Liabilities and Equity						
Current liabilities						
Trade and other payables	143.48	13.86	249.03	13.66	255.26	11.26
Bank overdrafts and short-term loans from financial institutions	30.00	2.90	89.75	4.92	40.00	1.76
Liabilities from contracts	2.10	0.20	6.26	0.34	9.63	0.42
Short-term loans from other people	13.50	1.30	13.50	0.74	13.50	0.60
Liabilities under finance lease agreements due within one year	1.37	0.13	1.43	0.08	1.35	0.06
The portion of the debentures due within one year	1.33	0.13	93.22	5.11	159.98	7.06

Statement of financial position (Unit: Million Baht)	Audited financial statement As of 31 Dec 2020 (consolidated financial statement)		Audited financial statement As of 31 Dec 2021 (consolidated financial statement)		Audited financial statement As of 31 Dec 2022 (consolidated financial statement)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
The portion of the convertible bonds due within one year	-	-	1.81	0.10	1.81	0.08
Long-term loans from financial institutions that have reached due within one year	183.18	17.70	193.98	10.64	251.16	11.08
Accrued income tax	9.15	0.88	17.49	0.96	1.79	0.08
Other current liabilities	1.62	0.16	-	-	0.02	0.00
Total current liabilities	**385.74**	**37.27**	**666.47**	**36.57**	**734.51**	**32.39**
Non-current liabilities						
Liabilities under lease agreements	2.84	0.27	1.41	0.08	1.36	0.06
Debentures	87.01	8.41	145.32	7.97	629.53	27.76
Convertible bonds – liability components	-	-	110.12	6.04	114.79	5.06
Long-term loans from financial institutions	40.51	3.91	267.35	14.67	137.18	6.05
Employee benefit obligations	5.92	0.58	8.30	0.46	9.20	0.41
Total non-current liabilities	**136.28**	**13.17**	**532.50**	**29.22**	**892.06**	**39.34**
Total liabilities	**522.02**	**50.44**	**1,198.97**	**65.79**	**1,626.57**	**71.73**
Equity						
Share capital						
Registered capital	312.00	30.15	423.20	23.22	457.52	20.18
Issued and paid capital	312.00	30.15	343.20	18.83	343.20	15.14
Premium on ordinary shares	123.55	11.94	123.55	6.78	123.55	5.45
Convertible bond – equity components	-	-	2.03	0.11	2.03	0.09
Warrants for subscribing ordinary shares	-	-	6.79	0.37	6.79	0.30
Retained earnings –appropriated as legal reserve	13.03	1.26	21.02	1.15	25.74	1.14
Retained earnings –unappropriated	76.81	7.42	139.38	7.65	151.86	6.70
Other components of equity	(13.67)	(1.33)	(13.67)	(0.75)	(13.67)	(0.60)
Total equity of the parent company	511.72	49.44	622.30	34.15	639.50	28.20
Non-controlling interests	1.24	0.12	1.20	0.07	1.40	0.06
Total Shareholders' Equity	**512.96**	**49.56**	**623.50**	**34.21**	**640.90**	**28.26**
Total liabilities and shareholders' equity	**1,034.98**	**100.00**	**1,822.47**	**100.00**	**2,267.47**	**100.00**

2. Income statement

Consolidated statement of comprehensive income of the Company and subsidiaries as of December 31, 2020, December 31, 2021, December 31, 2022 are as follows

Consolidated statement of comprehensive income (Unit: Million Baht)	Audited financial statement		Audited financial statement		Audited financial statement	
	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Income						
Income from real estate sales	799.64	99.48	991.62	99.52	1,001.62	99.64
Other incomes	4.15	0.52	4.77	0.48	3.57	0.36
Total income	803.79	100.00	996.39	100.00	1,005.19	100.00
Costs						
Cost of real estate sales	582.79	72.88	672.23	67.79	735.62	73.18
Selling expenses	58.23	7.28	68.01	6.86	68.21	6.79
Administrative expenses	57.27	7.16	60.76	6.13	62.86	6.25
Total cost	698.29	87.33	801.00	80.78	866.69	86.22
Profit (loss) before finance costs and income tax expenses	105.50	13.13	195.39	19.61	138.50	13.78
Financial cost	0.24	0.03	0.19	0.02	4.86	0.48
Profit (loss) before income tax expenses	105.26	13.10	195.20	19.59	133.64	13.30
Income tax expenses	20.62	2.57	39.46	3.98	27.01	2.69
Net profit (loss) for the year	84.64	10.53	155.74	15.63	106.63	10.61
Other comprehensive income (loss)						
Remeasurement of employee benefit obligations	-	-	(1.23)	(0.12)	-	-
Income tax on the remeasurement of employee benefit obligations	-	-	0.25	0.03	-	-
Total comprehensive income (loss) for the year	84.64	10.53	154.75	15.53	106.63	10.61
Profit sharing (loss)						
Ownership of the parent company	84.64	10.53	154.75	15.53	106.63	10.61
Non-controlling interests	(0.02)	(0.00)	(0.05)	(0.01)	0.20	0.02
Total net comprehensive income (loss)	84.64	10.53	155.74	15.63	106.63	10.61
Comprehensive profit sharing (loss)						
Ownership of the parent company	84.66	10.53	154.80	15.54	106.43	10.59
Non-controlling interests	(0.02)	(0.00)	(0.05)	(0.01)	0.20	0.02
Net comprehensive income (loss)	84.64	10.53	154.75	15.53	106.63	10.61
Basic earnings (loss) per share (Baht)	0.12		0.23		0.16	

3. Cash flow statement

Cash flow statement **of the Company and subsidiaries** as of December 31, 2020, December 31, 2021, December 31, 2022 are as follows

List	Audited financial statement		
	Year 2020	Year 2021	Year 2022
Cash flow from operating activities			
Profit before income tax expenses	105.26	195.20	133.64
Update list			
Allowance for doubtful accounts and bad debts	-	-	-
Depreciation of investment properties	1.48	1.48	1.48
Depreciation of buildings and equipment	4.20	4.76	4.21
Amortization of intangible assets	1.44	1.45	0.92
Write-offs withholding tax receivables	-	0.48	-
Employee benefit expenses	0.88	1.25	1.38
Loss on write-off of equipment, right-of-used assets and intangible assets	-	0.07	0.00
Profit from selling equipment	(0.02)	(0.06)	(0.00)
Interest earned	(0.11)	(0.07)	(0.25)
Interest expense	-	-	-
Financial cost	0.24	0.19	4.86
Changes in operating assets and liabilities	113.37	204.76	146.25
Decrease in operating assets (increase)			
Trade accounts and other receivables	0.55	(32.05)	26.34
Real estate development costs	22.72	(662.78)	(142.30)
Other current assets	(15.02)	22.75	(100.56)
Land awaiting for development	(12.08)	(21.00)	-
Other non-current assets	0.42	(34.83)	(1.63)
Operating liabilities increase (decrease)			
Trade and other payables	13.50	101.74	(0.55)
Liabilities from contracts	(5.33)	4.16	3.37
Other current liabilities	1.26	(1.62)	0.02
Cash received (paid) from operating activities	119.39	(418.87)	(69.06)
Interest earned	0.10	0.09	0.15
Employee benefits paid	(0.14)	(0.11)	(0.47)
Interest paid	(24.00)	(33.88)	(42.81)
Income tax paid	(17.18)	(32.10)	(42.07)
Net cash used in operating activities	78.16	(484.87)	(154.26)
Cash flow from investing activities			

List	Audited financial statement		
	Year 2020	Year 2021	Year 2022
Decrease (increase) in deposits at financial institutions with collateral obligation	(28.75)	9.20	11.23
Cash received from selling financial assets measured at amortized cost method	-	1.51	-
Cash paid to purchase financial assets measured at amortized cost method	(1.51)	-	-
Cash paid for the purchase of land building and equipment	(0.33)	(2.13)	(2.25)
Cash paid for right-of-use assets	(0.84)	-	-
Cash paid for the purchase of intangible assets	(0.53)	-	(0.50)
Proceeds from the sale of equipment	0.02	0.06	0.00
Cash paid for investment property purchases	-	-	-
Net cash used in investing activities	(31.94)	8.64	8.47
Cash flow from financing activities			
Cash received from short-term loans from financial institutions	190.00	220.00	160.00
Cash repayment of short-term loans from financial institutions	(160.00)	(160.00)	(209.75)
Cash repayment of short-term loans from related parties	-	-	-
Cash received from short-term loans from related parties	-	-	-
Cash received from short-term loans from others	-	-	-
Cash repayment of short-term loans from others	(6.00)	-	-
Proceeds from issuing debentures	90.00	150.00	640.00
Cash paid for extinguishing debentures	-	-	(90.00)
Cash paid for the cost of issuing debentures	(3.34)	(4.87)	(11.00)
Cash received from issuing convertible debts and warrants	-	120.00	-
Cash paid for the cost of issuing convertible debts and warrants	-	(2.18)	-
Cash repayment of long-term loans from financial institutions	(358.57)	(605.36)	(576.49)
Cash received from long-term loans from financial institutions	267.79	849.55	499.40
Cash repayment of liabilities under finance lease agreements	(0.94)	(1.37)	(1.56)
Dividends paid to non-controlling interests in subsidiaries	-	-	-
Cash dividends	(30.72)	(53.04)	(89.23)
Proceeds from non-controlling interests	-	-	-
Cash received from capital increase	-	-	-

List	Audited financial statement		
	Year 2020	Year 2021	Year 2022
Cash paid for the cost of issuing shares	-	-	-
Net cash provided by (used in) financing activities	(11.78)	512.74	321.38
Net increase in cash and cash equivalents	34.44	36.51	175.59
Cash and cash equivalents at the beginning of the year	54.71	89.14	125.65
Cash and cash equivalents at the end of the year	89.14	125.66	301.24

4. Major financial ratios

Consolidated financial statement	2020	2021	2022
Basic financial information			
Total assets	1,034.98	1,822.47	2,267.47
Total liabilities	522.02	1,198.97	1,626.57
Total equity	512.96	623.50	640.90
Revenue	803.79	996.39	1,005.19
Cost of sales	582.79	672.23	735.62
Net profit (loss)	84.64	155.74	106.63
Liquidity ratio			
Current ratio	2.11	2.28	2.71
Quick ratio	0.24	0.24	0.42
Cash ratio	0.21	(0.92)	(0.22)
Receivables turnover	263.67	52.80	46.20
Days sales outstanding	1.38	6.91	7.90
Inventories turnover	0.84	0.65	0.50
Days inventory outstanding	436.11	558.95	729.34
Payables turnover	4.26	3.43	2.92
Days payables outstanding	85.67	106.56	125.11
Cash conversion cycle (days)	351.82	459.30	612.14
Profitability ratio			
Gross margin (percent)	27.12	32.21	26.56
Operating profit margin (percent)	13.13	19.61	13.78
Net profit margin (percent)	10.53	15.63	10.61
ROE (percent)	17.41	27.23	16.87
Efficiency ratio			
ROA (percent)	8.57	10.90	5.21
Return on fixed asset	45.95	62.80	39.17
Asset turnover (times)	0.78	54.67	0.44
Financial policy ratio			
Debt to equity ratio (times)	1.02	1.92	2.54
Net Debt to Equity ratio[1] (times)	0.49	1.27	1.64

Consolidated financial statement	2020	2021	2022
Interest coverage ratio[2] (times)	4.69	5.99	3.39
Interest Bearing Debt to EBITDA ratio[3] (times)	3.19	4.52	9.31
Debt Service Coverage ratio : DSCR[4] (times)	0.49	0.52	0.31
Interest Bearing Debt to Equity : IBD/E ratio (times)	0.70	1.47	2.11
Interest bearing debt due within 1 year to interest bearing debt[5] (percent)	63.76	42.89	34.64
Loan from financial institutions to interest bearing debt ratio (percent)	70.52	60.04	31.71
Financial instruments to interest bearing debt ratio (percent)	24.56	38.18	67.09
Other liabilities to interest bearing debt ratio (percent)	4.92	1.78	1.20
Net Debt to EBITDA ratio[6] (times)	3.84	5.29	9.13
BE size to interest bearing debt[7] ratio (times)	-	-	-
Dividend payout ratio (percent)	0.36	0.34	0.84

1/ net debt as defined in terms and conditions is total liabilities as shown in the quarterly consolidated financial statement or annual consolidated financial statement (depending on the case) but does not include liabilities under lease agreement and normal trade debt (normal trade debt means any debts other than loans from financial institutions and debentures) less cash and cahs equivalents, temporary investment, and deposits with collateral obligation.

2/ Interest Coverage ratio : ICR is calculated from earnings before interests, tax, deprecation, and amortization (EBITDA) / interest expenses

3/ interest bearing debts consist of (1) short-term loans from financial institutions (2) short-term loans from other people (3) portion of liabilities under lease agreement due within one year (4) portion of debentures due within one year (5) portion of convertible bonds – liability components due within one year (6) portion of long-term loans from financial institutioins due within one year (7) liabilities under lease agreement (8) debentures (9) convertible bonds – liability components (10) long-term loans from financial institutions

4/ Debt Service Coverage ratio : DSCR is calculated from earnings before interests, tax, deprecation, and amortization (EBITDA) / (short-term interest bearing debt + long-term interest bearing debt due within one year)

5/ interest bearing debt due within one year to interest bearing debt ratio is calculated from (interest bearing debt + long-term interest bearing debt due within one year) x 100 / total interest bearing debt

6/ Net debt is total debts deducted by cash and cash equivalents (not defined in terms and conditions)

7/ As of December 31, 2020, December 31, 2021, December 31, 2022, the Company had no outstanding balance in issuing bills of exchange

8/ Account receivable turnover ratio and selling product period do not reflect the Company's sale turnover since trade and other accounts receivable in the calculation are general debtors such as prepaid expenses and deposit which is not related to the Company's revenue from selling products at all

9/ the Company's inventory is the Company's real estate development costs

10/ Dividend payout ratio is calculated from dividend / net profit

5. **Management Discussion and Analysis (MD&A)**

Performance analysis

Income from selling real estates

Revenue from selling real estate in 2020, 2021, 2022 were 799.64 million Baht 991.62 million Baht and 1,001.62 million Baht or accounted for 99.48%, 99.53% and 99.65% of total revenue, respectively

In this regard, the recognition of revenue from selling real estates depends on the transfer of house ownership to the buyer. The factors affecting the sales and the transfer of houses are the number of completed and ready for sale houses, salesperson's ability to sell houses and accept the ownership transfer of of the customer's house, the customer's bank loan approval, and efficiency in house construction and delivered by building contractors

Details of the recognition of revenue from selling real estates by project for the year 2020-2023 can be summarized as follows

Projects	Consolidated financial statement					
	Year 2020		Year 2021		Year 2021	
	Million baht	percent	Million baht	Percent	Million baht	Percent
Kunalai Courtyard	-	-	14.70	1.48	6.74	0.67
Kunalai Symphony	13.96	1.75	-	-	-	-
Kunalai Begins	16.96	2.12	1.95	0.19	-	-
Kunalai Pollen	23.09	2.89	0.03	0.00	-	-
Kunalai Joy	398.82	49.87	62.26	6.28	-	-
Kunalai Joy On 314	116.52	14.57	109.93	11.09	115.24	11.51
Kunalai Preem	194.36	24.31	777.30	78.39	436.03	43.53
Kunalai Begins 2	35.93	4.49	25.45	2.57	211.43	21.11
Kunalai Pargo	-	-	-	-	99.15	9.90
Kunalai Daisy	-	-	-	-	133.03	13.28
Total revenue from selling real estates	**799.64**	**100.00**	991.62	100.00	**1,001.62**	**100.00**

Project	Open for sale	Start construction	Start transferring ownership
Kunalai Courtyard	September 2014	January 2014	October 2015
Kunalai Symphony	August 2015	February 2015	September 2016
Kunalai Begins	January 2017	March 2017	November 2017
Kunalai Pollen	July 2018	October 2017	August 2018
Kunalai Joy	August 2018	August 2019	February 2019
Kunalai Joy On 314	May 2019	January 2019	November 2019
Kunalai Preem	April 2020	March 2020	September 2020
Kunalai Begins 2	March 2020	March 2019	June 2020

Project	Open for sale	Start construction	Start transferring ownership
Kunalai Pargo	October 2021	April 2021	February 2022
Kunalai Daisy	May 2022	October 2021	September 2022

In 2020, the Group's income from real estate sales was 799.64 million Baht, an increase of 150.18 million Baht from 2019 or a 23.12 percent increase from the increase in ownership transfers from the Kunalai Joy project worth 398.82 million Baht and there are 2 new projects opened in 2020, namely Kunalai Begins 2 project, which started transferring ownership since June 2020, worth 35.93 million Baht, and the Kunalai Preem project, which began to transfer ownership since September 2020, with a total value of 194.36 million Baht.

In 2021, the Group's income from real estate sales was 991.62 million Baht, an increase of 191.98 million Baht from 2020 or a 24.01 percent increase from the ownership transfer from Kunalai Preem project worth 777.30 million Baht or 78.39% of the total income from selling real estates, apart from this was the revenue recognition from Kunalai Joy On 314 project worth 109.93 million Baht or 11.09% of total income from selling real estates, Kunalai Joy project worth 62.26 million Baht or 6.28% of total revenue from selling real estates. In 2021, the Group launched a new project “Kunalai Parco” which was a single-detached house project totaling 96 units, and expected to recognize the revenue in 2022 accordingly.

In 2022, the Group's income from real estate sales was 1,001.62 million Baht, an increase of 10.00 million Baht from 2021 or a 1.01 percent increase from the ownership transfer from Kunalai Preem project worth 436.03 million Baht or 43.53% of the total income from selling real estates, apart from this was the revenue recognition from Kunalai Begins 2 project worth 211.43 million Baht or 21.11% of total income from selling real estates, Kunalai Daisy project worth 133.03 million Baht or 13.28% of total revenue from selling real estates. In 2022, the Group launched a new project “Kunalai Navara Rama II – Bang Khun Tien” which was a single-detached house project with a price range 5.98 – 12.00 million Baht, totaling 96 units, and expected to recognize the revenue in 2023 accordingly.

Other incomes

Other incomes of the Group consist of compensation for home repair work from contractors. Income from forfeiture received in advance and income from renting club buildings, etc.

The Group had other incomes in 2020 – 2022 amounting to 4.15 million Baht, 4.77 million Baht, and 3.56 million Baht, respectively, accounted for 0.52%, 0.48%, and 0.35% of total revenue during the past period. In 2021, the Group had an increase in other incomes by 0.62 million Baht or 14.94% when compared to 2022. This was because the lessees of the Company’s club building were able to pay the rent at a normal rate, while the lessees asked for rental expense deduction due to COVID-19 pandemic situation in 2020. In 2022, the Group had a decrease in other incomes by 1.21 million Baht because of the reduction of other items which is an accounting adjustment item.

Other incomes	Year 2020	Year 2021	Year 2022
Income from forfeiture received in advance	0.37	0.25	0.42
Club building rental income	1.75	2.53	2.76
Interest earned	0.11	0.07	0.25
Others	1.92	1.92	0.13
Total other income	4.15	4.77	3.56
Percentage of total income	0.52	0.48	0.35

Notes: 1/ In 2022, the Company entered into a new contract of lease of land and buildings of the clubhouse building with the previous tenantand the monthly rental is set at a new rate. resulting in the Company Increased club building rental income in 2022.

Cost of sales

Cost of real estate sales

The main cost of sales of the Group consists of land costs, land development costs, construction costs, other expenses such as legal expenses, project interest, etc. The main cost of sales of the Group will be mainly from the cost of construction, the cost of construction will depend on the construction price of the house in each project as the Group has negotiated with the contractor of the project at each period, with details as follows.

Cost of sales	Consolidated financial statement					
	Year 2020		Year 2021		Year 2022	
	Million Baht	Percentage to income	Million Baht	Percentage to income	Million Baht	Percentage to income
Cost of real estate sales						
Single-detached houses	182.06	54.13	195.65	60.45	225.14	22.48
Twin houses	363.61	88.59	442.24	70.66	457.16	45.64
Townhome	37.12	70.18	23.25	84.85	48.11	4.80
Commercial building	-	-	11.08	75.37	5.21	0.52
Total cost of sales	582.79	72.88	672.23	67.79	735.62	73.44
Income from selling real estates						
Total income from selling real estates	799.64	100.00	991.62	100.00	1,001.62	100.00

The Group had sold and transferred the house ownership to the customers and recognized the revenue from selling real estates. The Group will transfer the real estate development cost to be recorded as the cost of real estate sales in statement of comprehensive income.

In the year 2020 – 2023, the Group had the cost of real estate sales amounted to 582.79 million Baht, 672.23 million Baht, and 735.62 million Baht, respectively, or accounted for 72.88%, 67.79%, and 73.44% of total incomes from selling real estates, respectively.

For the year 2021, the Groups cost of real estate sales was 672.23 million Baht or 67.79% of the income from selling real estates. This decreased by 5.09% compared to the proportion of cost of sales to revenue from selling real estates in 2020 at 72.88%. this was due to the fact that the Group could manage construction cost together with a decrease in pricing competition from 2020. In addition, Kunalai Preem which was a main project recognizing the revenue in 2021 could make a good pricing from the development of house designs that could serve demands in the market. This caused a decrease in cost of sales from 2020

For the year 2022, the Groups cost of real estate sales was 735.62 million Baht or 73.44% of the income from selling real estates. This increased by 5.65% compared to the proportion of cost of sales to revenue from selling real estates in 2021 at 67.79%. this was due to an increase in oil price adjustment arise from Russia's Ukraine invasion in 2022. This caused a price of building materials to increase, and it was also affected by increased financial costs from increased oil price which increased an inflation rate in each country. Many countries began to adjust their policy interest rate including Thailand that will adjust the policy interest rate in the fourth quarter. In addition, the Group had adjusted the format in Kunalai Begins 2 project by adding twin house and single-detached house in the project by which these products of Kunalai Begins have a high profit margin but less than that of town homes. In the year 2022, the Group launched two new projects which were Kunalai Parco and Kunalai Daisy project by which there was a pre-sales selling price in an opening period but currently the projects' selling price had been adjusted increasingly in 2023

<u>Gross profit and gross profit margin</u>

Gross profit (Million Baht)	Year 2020	Year 2021	Year 2022
Gross profit	216.85	319.39	266.00
Gross profit margin	27.12	32.21	26.56

The Company had gross profit in 2020-2022 amounting to 216.85 million Baht, 319.39 million Baht, and 266.00 million Baht, respectively, or accounted for gross profit margin of 27.12%, 32.21%, and 26.56% of revenue from real estate sales, respectively. It varies according to the income from real estate sales and the cost of real estate sales incurred from the transfer of ownership of the house in each period.

The main factor affecting the gross profit margin is the cost of construction of houses in each project. If considering the gross profit margin for the year 2020-2022, it will be found that the group of companies. This was because the Group could manage construction cost together with a decrease in pricing competition from 2020. In addition, Kunalai Preem which was a main project recognizing the revenue in 2021 could make a good pricing from the development of house designs that could serve demands in the market, causing a decreased adjustment in cost of products from 2020, while the Group had a decrease in gross profit margin from 32.32% in 2021 to 26.56% in 2022. this was due to an increase in oil price adjustment arise from Russia's Ukraine invasion in 2022. This caused a price of building materials to increase, and it was also affected by increased financial costs from increased oil price which increased an inflation rate in each country. Many countries began to adjust their policy interest rate including Thailand that will adjust the policy interest rate in the fourth quarter. In addition, the Group had adjusted the format in Kunalai Begins 2 project by adding twin house and single-detached house in the project by which these products of Kunalai Begins have a high profit margin but less than that of town homes. In the year 2022, the Group launched two new projects which were Kunalai Parco and Kunalai Daisy project.

Selling and administrative expenses

Selling and administrative expense	Year 2020		Year 2021		Year 2022	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Selling expenses	58.23	7.28	68.01	6.86	68.21	6.81
Administrative expenses	57.27	7.16	60.76	6.13	62.86	6.28
Total selling and administrative expenses	**115.49**	**14.44**	**128.77**	**12.99**	**131.07**	**13.09**

Selling expenses

Selling expenses of the Group consisted of ownership transfer costs, promotional expenses, marketing and public relations, commissions, and expenses related to sales and marketing. However, the cost of ownership transfer is specific business tax and transfer fee or taxes and expenses incurred when selling and transferring ownership of a housing estate, such as specific business tax, stamp duty, etc. Commission is a commission that the Group pays to its sales agents and sales representatives in accordance with the policies set by the Company. The expenses on sales and marketing staff are salaryand bonus paid to the sales and marketing staff of the Company, daily wages, and other benefits for sales and marketing staff, etc. However, for promotional, marketing and public relations expenses, the Group will set a budget for these expenses annually, with the marketing team planning the marketing and marketing activities from the said budget.

Selling expenses for the year 2020-2022 amounted to 58.23 million Baht, 68.01 million Baht, and 68.21 million Baht, or 7.28%, 6.86% and 6.81% of income from sales of real estate, respectively.

In 2020, the Group had sales expenses of 58.22 million Baht, an increase of 8.99 million Baht from the same period of 2019 or an increase of 18.25%. the Group had sales expenses mainly from expenses related to the transfer of home ownership, which was variable based on the high amount of ownership transfers of the Group compared to 2019. However, in 2020, the Group had lower promotional/marketing and PR expenses compared to the previous year because it encountered COVID-19 pandemic situation. In addition, sales expenses decreased because the Group registered in SET at the end of 2019, causing the Group to expose to the public attention. This was also because of the new project development which was similar to the original format (Kunalai Joy), causing promotional/marketing and PR expenses to be close to 2019.

In 2021, the Group had sales expenses of 68.01 million Baht, an increase of 9.78 million Baht from the same period of 2020 or an increase of 16.80%. the Group had sales expenses mainly from expenses related to the transfer of home ownership, which was variable based on the high amount of ownership transfers of the Group compared to 2020. In addition, the Group had lower promotional/marketing and PR expenses compared to the same period of the previous year, mainly due to changes to online advertisement, the use of project introductions from the Company's existing customers in helping to sell houses in Kunalai Preem which was the main revenue recognition project in 2021 and was the best-selling product in the Group, being able to transfer the ownership in a short period of time. In addition, the Group launched a new project which was Kunalai Parco started marketing in the fourth quarter, causing promotional/marketing and PR expenses to decrease in total in 2021.

In 2022, the Group had sales expenses of 68.21 million Baht, an increase of 0.20 million Baht from the same period of 2021 or an increase of 0.29%. the Group had sales expenses mainly from expenses related to the transfer of home ownership, which was variable based on the high amount of ownership transfers of the Group compared to 2021. This was also because the Group launched two new projects which were Kunalai Parco and Kunalai Daisy project, while it still employed online channels as a main promotion and advertisement. For the offline channels, it still focused on using project introductions from the Group's existing customers in helping to introduce and sell the Group's houses.

Administrative expenses

Administrative expenses of the Group include employee expenses, utility expenses, fees and consultants, office expenses, after-sales service expenses, income tax prohibited expenses, depreciation, and amortization

Administrative expenses for the year 2020-2022 amounted to 57.27 million Baht, 60.76 million Baht, 62.86 million Baht or 7.16%, 6.13%, and 6.28% of revenue from real estate sales, respectively.

In 2020, administrative expenses were 57.27 million Baht, a decrease of 2.26 million Baht from the same period of 2019 or a 3.80% decrease. In 2020, the Group's main administrative expenses are the expenses that come from employee-related expenses, but when compared to total revenue, employee-related expenses are proportional to each employee has decreased from the year 2019. In addition, much lower administrative expenses in 2020 include lower fees and advisors as the Group has fully paid the advisory fees related to the fundraising in SET in 2019.

In 2021, administrative expenses were 60.76 million Baht, an increase of 3.49 million Baht from the same period of 2020 or a 5.74% increase. In 2021, the Group's main administrative expenses are the expenses that come from employee-related expenses, and the Group accepted more employees to prepare for new opening projects, including accepting employees to compensate vacant positions which caused employee expenses to increase from 2020. In addition, administrative expenses increased in 2021 consisting of fees and consulting fees such as fees for debenture issuing and fees for utility collateral certificate.

In 2022, administrative expenses were 62.86 million Baht, an increase of 2.10 million Baht from the same period of 2021 or a 3.46% increase. This was because of an increase in administrative cost to enhance the brand image by hiring a brand consultant to level up the trademark "KUNALAI" and prepare for new projects in the zone Rama II and Rangsit – Klong 2 in which this cost will incur in 2022.

Financial cost

Finance costs of the Group consists of interest from loans from financial institutions that are not recorded as project finance costs in real estate development costs, interest on borrowing from loans from related parties, and interest paid under the hire purchase contract, credit line fees mainly. In 2020-2023, the Company had financial costs of 0.24 million Baht, 0.19 million Baht, 4.86 million Baht, or 0.03%, 0.02%, and 0.48% of total income, respectively.

Financial cost (Million Baht)	Year 2020	Year 2021	Year 2022
Financial cost	0.24	0.19	4.86

In 2020, the financial cost of the group of companies was 0.24 million Baht or decreased from the year 2019 by 2.65 million Baht or equivalent to a decrease of 91.70% from the year 2019. This was due to the Group's investment in real estate development projects, lower interest rates on new project development loans, and financial cost management. As a result, interest expenses are reduced and part of it can save the financial cost as the cost of project development

In 2021, the financial cost of the group of companies was 0.19 million Baht or decreased from the year 2020 by 0.05 million Baht or equivalent to a decrease of 20.83% from the year 2020. This was due to the Group's investment in real estate development projects, lower interest rates on new project development loans, and financial cost management. As a result, interest expenses are reduced and part of it can save the financial cost as the cost of project development similar to the year 2020.

In 2022, the finance cost of the group of companies was 4.86 million Baht or increased from the year 2021 by 4.67 million Baht or equivalent to an increase of 2,457.89 % from the year 2021. This was due to the fact that the Kunalai Preem project can pay off its loans from financial institutions faster than the Group's estimation, causing the Group to record the unrealized portion of credit limit fees as total expenses to be financial costs amounted to 1.38 million Baht. In addition, there were some portion of interests from loans of financial institutions not to be recorded as the project's finance costs. The Group had deposits for real estates waiting for acquiring ownership for project development in 2023. When accepting the transfer of land for project development, the Group can record finance costs in the project's cost.

Income tax expenses

Income tax expenses of the Group in 2020-2023 were 20.62 million Baht, 39.46 million Baht, and 27.01 million Baht or 2.57%, 3.96%, and 2.69% of total revenue, respectively. By a decrease in income tax expenses, due to the decrease in the Group's profit before tax

Income tax (Million Baht)	Year 2020	Year 2021	Year 2022
Income tax	20.62	39.46	27.01

Net profit

The Company has net profit in 2020 - 2022 equal to 84.64 million Baht, 155.74 million Baht, and 106.63 million Baht, respectively, or equivalent to a net profit margin of 10.53%, 15.63%, and 10.61% of total revenue, respectively

Net profit (Million Baht)	Year 2020	Year 2021	Year 2022
Net profit	84.64	155.74	106.63
Net profit margin	10.53	15.63	10.61

In 2020, the Group had a net profit of 84.64 million Baht, an increase from 2019 of 27.99 million Baht or 49.41%, as a result of revenue from real estate sales increased from 649.46 million Baht in 2019 to 799.64 million Baht in 2020, according to the higher amount of ownership transfer of the Group. Because the Group has grown from an increase in the amount of ownership transfers while the cost of real estate sales of the Group. As a proportion to revenue from real estate sales, it decreased from 72.37% in 2019 to 72.88% in 2020. The Group's cost of sales was close to the previous year. However, the economic slowdown from the COVID-19 epidemic coupled with the intensifying competition in the real estate business has led to increased competition in terms of sales prices and promotions. However, the Group can reduce selling expenses and administrative expenses. The Group was able to reduce administrative expenses from the year 2019 at 59.53 million Baht, reduced to 57.27 million Baht, or 2.26 million Baht or a 3.80% reduction, thereby increasing the net profit of the Group.

In 2021, the Group had a net profit of 155.74 million Baht, an increase from 2020 of 71.10 million Baht or 84.00%, as a result of revenue from real estate sales increased from 799.64 million Baht in 2020 to 991.62 million Baht in 2021, according to the higher amount of ownership transfer of the Group. Because the Group has grown from an increase in the amount of ownership transfers while the cost of real estate sales of the Group. As a proportion to revenue from real estate sales, it decreased from 72.88% in 2020 to 67.79% in 2021.

In addition, the Group’s selling and administrative expenses, as a proportion to revenue from selling real estates, decreased similar to the cost of sales. Selling expenses decreased because of utilizing more online advertisement and encountering COVID-19 pandemic situation. This caused the Group to reduce marketing activities, so selling expenses decreased accordingly. Administrative expenses increased at a rate less than an increase in the rate of revenue from selling real estates when compared to 2020. This caused the Group’s net profit to be 155.74 million Baht and net profit margin at 15.63%.

In 2022, the Group had net profit of 106.63 million Baht, a decrease from 2021 by 49.12 million Baht or accounted for 31.54%. This was because cost of sales increased from 672.23 million Baht in 2021 to 735.62 million Baht in 2022. The Group decreasingly recognized revenue from Kunalai Preem and mainly recognized revenue from Kunalai Begins 2 and Kunalai Daisy by which Kunalai Begins had a format adjustment. the adjusted products aforementioned of Kunalai Begins will have profit margin less than townhomes. Administrative cost increased to enhance the brand image by hiring a brand consultant to level up the trademark “KUNALAI” and prepare for new projects in the future. In addition, some portion of loan interests from financial statements cannot be recorded as the project’s finance cost, causing the Group’s finance costs to increase. All in all, this caused the Group’s net profit to be 106.63 million Baht and a decrease in net profit margin at 10.61%.

Return on equity

The Group’s ROE in 2020 – 2022 is equal to 17.41%, 27.41%, and 16.87% 16.87, respectively by which ROE will be adjusted in the same direction as changes in the Group’s net profit.

Financial position analysis

Assets

Assets	As of December 31, 2020		As of December 31, 2021		As of December 31, 2022	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Current assets	815.38	78.78	1,521.58	83.49	1,990.17	87.77
Non-current assets	219.60	21.22	300.89	16.51	277.30	12.23
Total assets	**1,034.98**	**100.00**	**1,822.47**	**100.00**	**2,267.47**	**100.00**

At the end 20220-2022, the Group had total assets of 1,034.98 million Baht, 1,822.47 million Baht and 2,267.47 million Baht, respectively. Main assets of the Group are the items related to two project development which are cost of real estate development and land waiting for development.

As of December 31, 2020, the Group had total assets of 1,034.98 million Baht, an increase of 10.06% from 940.41 million at the end of 2019. This was due to an increase in cash and cash equivalents, land waiting for development, and deposits at financial institutions with collateral obligations by which cash and cash equivalents increased from the debenture offering No.1/2020 worth 90 million Baht in the fourth quarter and an increase from revenue recognition in the fourth quarter. This caused the Group’s cash and cash equivalents to increase.

As of December 31, 2021, the Group had total assets of 1,822.47 million Baht, an increase of 76.09% from 1,034.98 million Baht at the end of 2020. This was due to an increase in projects under development which are Kunalai Parco, Kunalai Daisy, and Kunalai Navara. This caused the cost recognition related to the said projects to be added in the Group’s cost of real estate development by which the said projects were the projects that prepare for revenue recognition in 2022 – 2027.

As of December 31, 2022, the Group had total assets of 1,822.47 million Baht, an increase of 76.09% from 1,034.98 million Baht at the end of 2021. This was due to an increase in projects under development which are Kunalai Purra. This caused the cost recognition related to the said projects to be added in the Group’s cost of real estate development. Cash increased from issuing debentures and deposit for land of Kunalai Navara Rangsit – Klong 2 amounted to 100.00 million Baht were recorded in other current assets.

Cash and cash equivalents

As of December 31, 2022, the Company had cash and cash equivalents of 301.24 million Baht, an increase of 175.58 million Baht or 139.73% compared to as of December 31, 2021, which had cash and cash equivalents of 125.66 million Baht due to the Group's issuance and offering of debentures amounted to 200.00 million Baht in the second quarter of 2022, and another issuance and offering of debentures amounted to 440.00 million Baht in the fourth quarter of 2022

Trade and other receivables

The Company has a policy on trade and other receivables which are stated at realizable value net of allowance for doubtful accounts. The determination of full allowance for doubtful accounts if the debtor is overdue for more than 180 days for the estimated loss that may occur is considered from the history in debt collection together with the current status of debtor. Bad debts are written off when incurred and recorded it as a part of administrative expenses.

As of the year end 2020 -2022, trade accounts receivable stated in trade and other receivables in the statement of financial position can be analyzed according to the age of outstanding debts as follows

Unit: Baht	Consolidated financial statement		
	31 December 2020	31 December 2021	31 December 2022
No more than 3 months	-	-	-
3-6 months	-	-	-
6-12 months	-	-	-
More than 12 months	560,800	33,800	-
	560,800	33,800	-
Deduct: loss allowance	(467,000)	-	-
Total	93,800	33,800	-

In 2022, the Group had trade and other receivables amounted to 8.56 million Baht, a decrease of 26.24 million Baht from 2021 which had trade and other receivables amounted to 34.80 million Baht. This was because in December 2021, the Group had paid a project’s credit liabilities and did not bear the outstanding liability obligation in financial institutions and proceeded to suspend debt payments exceeding the outstanding debt obligations as of 2021 and consider that financial institutions are trade accounts receivable of the Group which the Group will obtain this portion in 2022

Real estate development costs

At the end of 2020-2022, the Group's real estate development costs were 698.28 million Baht, 1,360.59 million Baht, and 1,579.26 million Baht, representing 67.47%, 74.66%, and 69.65% of the Group’s total assets, respectively.

As of December 31, 2020, the Group had real estate development costs of 698.28 million Baht, an increase of 2.90 million Baht from the end of 2019, representing an increase of 0.56%. This was because of the development of existing projects without purchasing more land, causing a slight change in real estate development costs.

As of December 31, 2021, the Group had real estate development costs of 1,360.59 million Baht, an increase of 662.31 million Baht from the end of 2020, representing an increase of 94.85%. This was because of the development of new projects which were Kunalai Parco, Kunalai Daisy, and Kunalai Navara where the Company received land ownership transfers in the second, third, and fourth quarter, respectively, and started construction of the project's utilities and houses of Kunalai Parco and Kunalai daisy to be delivered in 2022.

As of December 31, 2022, the Group had real estate development costs of 1,579.26 million Baht, an increase of 218.67 million Baht from the end of 2021, representing an increase of 16.07%. This was because of the development of new projects which was Kunalai Purra where the Company received land ownership transfers in the second quarter and started construction of the project's utilities and houses of the project to be delivered in the second quarter of 2023

Other current assets

The Group's other current assets consist of receivables from the Revenue Department, prepaid corporate tax expenses, electricity meter deposit, and prepaid water meter deposit to customers. In the year end 2020 – 2022, the Group had other current assets equal to 23.69 million Baht, 0.54 million Baht, and 101.10 million Baht, representing 2.29%, 0.04%, and 4.46% of total assets, respectively.

Other current assets as of the year end 2020 equal to 23.69 million Baht, an increase of 15.46 million Baht from 2019. This was because of deposit for land purchased for investment in real estate development totaling 20.04 million Baht.

Other current assets as of the year end 2021 equal to 0.54 million Baht, a decrease of 23.65 million Baht from 2020. This was because of a change in deposit for land purchased for investment in real estate development to be categorized and recorded as other non-current assets instead.

Other current assets as of the year end 2022 equal to 101.10 million Baht, an increase of 100.56 million Baht from 2021. This was because of deposit for land purchased for Kunalai Navara Rangsit – Klong 2 totaling 100.00 million Baht and deposit for sub land purchased for Kunalai Navara Rama II totaling 1.00 million Baht.

As of 31 December 2022, the Company's other current assets consist of

Deposit for real estate development costs of land	Amount	101.00	Million Baht
Account receivables - Revenue Department	Amount	0.10	Million Baht
Others	Amount	0.00	Million Baht
	Total	101.10	Million Baht

Land waiting for development

Land waiting for development is the land held by the Group. There are plans to develop the project in the future. It comprises the cost of acquiring land and other direct related expenses, stated at cost net of accumulated impairment losses. At the end of 2020-2022, the Group has land waiting for development equal to 98.97 million baht, 119.97 million baht and 98.97 million baht, representing 9.56%, 6.58% and 4.36% of the Company's total assets, respectively

At the end of 2020, the land waiting for development worth 98.97 million Baht, an increase of 13.90% from 2019, which was caused by the Group's acquisition of more land to prepare for future projects.

At the end of 2021, he land waiting for development worth 119.97 million Baht, an increase of 21.22% from 2020, which was caused by the Group's acquisition of more land in the fourth quarter to prepare for future projects.

At the end of 2022, he land waiting for development worth 98.97 million Baht, a decrease of 17.50% from 2021, which was caused by the Group's transfer of some land portion of Kunalai Purra worth 21.00 million Baht to the cost of real estate development to prepare for sale in 2023.

Investment property

The Group's investment property includes land and club building. In 2018, the Group had reclassified the items and transferred land and club building to investment property with an accounting value of 24.31 million Baht, which used to be recorded as land, property, and equipment in the financial statement in 2017. The was because of a change in the purpose of exploiting such assets in the future. In 2020, the Group had investment property amounted to 21.55 million Baht, a decrease of 1.49 million Baht or representing a decrease of 6.47% compared to 2019. In 2021, the Group had investment property amounted to 20.07 million Baht, a decrease of 1.48 million baht or representing a decrease of 6.86% compared to 2020, which was caused by a decrease in depreciation expenses of the Group's club building and swimming pool in the club. In 2022, the Group had investment property amounted to 25.74 million Baht, an increase of 5.67 million Baht or representing an increase of 28.25%, which was caused by the transfer of some land portion of Kunalai Navara Rama II used to be recorded as the cost of real estate development to investment property because the Group was under the revision of the project plan to remove the said plan from the allocation.

Intangible assets

The Group's intangible assets mainly include computer software license fees with the net value as of 31 December 2020 – 2022 equal to 2.68 million Baht, 1.18 million Baht, and 0.76 million Baht, representing 0.26%, 0.06%, and 0.03% of total assets, respectively. During 2020 – 2022, the Group didn't purchase additional computer software licenses. In 2020 and 2021, the Group's intangible assets decreased by 0.92 million Baht and 1.5 million Baht, respectively, which was caused by amortization expenses of computer software, while the Group had purchased additional computer software licenses for design work in 2022.

Deferred tax assets

Deferred tax assets arise from temporary differences between the differences in the accounting and tax basis of asset values to recognize the tax effects as deferred tax assets or liabilities. The Group had deferred tax assets from the allowance of employee benefits, down payment, financial lease agreement, and the Group's deposit. As of 31 December 2020 – 2022, the Group had deferred tax assets equal to 2.49 million Baht, 3.70 million Baht, and 3.07 million Baht, or representing 0.24%, 0.20%, and 0.14% of total assets, respectively.

Other non-current assets

The Group's other non-current assets mainly include deposit for land, electricity meter collateral, and water meter installation fees. As of 31 December 2020 -2022, the Group had other non-current assets equal to 2.93 million Baht, 37.76 million Baht, and 39.39 ,million Baht, or representing 0.28%, 2.07%, and 1.74% of total assets, respectively.

Analysis of sources of capital

Liabilities

Liabilities	As of December 31, 2020		As of December 31, 2021		As of December 31, 2022	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Current liabilities	385.74	73.89	666.47	55.59	734.51	45.16
Non-current liabilities	136.28	26.11	532.50	44.41	892.06	54.84
Total liabilities	**522.02**	**100.00**	**1,198.97**	**100.00**	**1,626.57**	**100.00**

As of December 31, 2020-2022, the Group has total liabilities of 522.02 million Baht, 1,198.97 million Baht and 1,626.57 million Baht respectively, representing 50.44%, 65.79% and 71.74% of total liabilities and shareholders' equity, respectively. Major liabilities include long-term loans from financial institutions, trade and other payables, short-term loans and accrued interest from related parties, and short-term loans from other parties, debentures, convertible bonds. In this regard, the Group will have most of the liabilities from debentures and project finance loans from financial institutions, where loans from financial institutions will increase when the Group develops projects and constructs houses in the project, and will be reduced when the Company repays the principal after the transfer of ownership of the house in the project according to the terms of the loan agreement. Overall, between 2020 and 2022, the Group's interest-bearing liabilities increased as a result of the Group's project development.

As of December 31, 2020, the Group's total liabilities amounted to 522.02 million Baht, an increase of 40.66 million Baht from the end of 2019, or an increase of 8.45%, mainly due to an increase of long-term loans from financial institutions, short-term loans from financial institutions, trade payables, debentures, and convertible bonds, by which total liabilities increased according to the plan of project development of the Group.

As of December 31, 2021, the Group's total liabilities amounted to 1,626.57 million Baht, an increase of 427.60 million Baht from the end of 2020, or an increase of 35.66%, mainly due to an increase of debentures, while loans from financial institutions decreased. Total liabilities were variable based on an increase in project development of the Group.

Trade and other payables

Trade and other payables of the Group are trade accounts payable-persons and other parties, trade payablespersons and related parties, other payables from persons and other parties, other payables from related parties, deposits and money receive in advance, accrued expenses, contribution deposit, etc. As of December 31, 2020 – 2022, trade and other payables of the Company was 143.48 million Baht, 249.03 million Baht, and 255.26 million Baht, representing 13.86%, 13.66%, and 11.26% of total assets, respectively. in 2022, trade and other payables increased because of construction payables and estimates of trade payables of the Group.

Bank overdrafts and short-term loans from financial institutions

Short-term loans from financial institutions are a loan to be used primarily as working capital of the Group.

As of December 31, 2020, the Group had short-term loans from financial institutions of 30.00 million Baht. In the year 2019, the Group has no outstanding short-term loans from financial institutions.

As of December 31, 2021, the Group had short-term loans from financial institutions of 89.75 million Baht, an increase of 59.75 million Baht from 2020, or representing 199.17%, mainly due to an issuance of short-term promissory notes that are avaled by financial institutions amounted to 50.00 million Baht to pay for land of Kunalai Navara and additional issuance of promissiory notes amounted to 10.00 million Baht.

As of December 31, 2022, the Group had short-term loans from financial institutions of 40.00 million Baht, a decrease of 49.75 million Baht from 2021, or representing 55.43%, mainly due to the payment of short-term promissory notes that are avaled by financial institutions amounted to 50.00 million Baht.

Liabilities from contracts

Liabilities from contracts include deposit, contract fees, down payment, and unearned revenue which is the revenue generated from items that have not been delivered to customers according to the contract such as public utilities, projects that are not completed as agreed, and compliments, according to the Accounting Standard No. 15 on revenue from contracts made with customers in effect in 2019. in 2020, the Group had unearned revenue of 2.1 million Baht, a decrease of 7.43 million Baht from 2019, because the Group had delivered utilities to the projects according to the contracts and had utilized pricing strategy which caused a decrease in promotion. in 2021, the Group had unearned revenue of 6.26 million Baht, an increase of 4.16 million Baht from 2020, or representing 198.10%, because the Group had reclassified the recording from deposit, contract fees, and down payment as trade and other payables to liabilities from contracts instead since 2021. in 2022, the Group had unearned revenue of 9.63 million Baht, an increase of 3.37 million Baht from 2021, or representing 50.91%, because the Group's project under construction had recognized revenue from the transfer of ownership, while the construction of some public utilities has not yet been completed.

Short-term loans from other people

As of December 31, 2020 – 2022, the Group had short-term loans from other people of 13.50 million Baht, 13.50 million Baht, and 13.50 million Baht, respectively by which the Company had issued promissory notes to other payables of the Company and the interest was charged at a rate close to that of loans from financial institutions but not more than the maximum rate that financial institutions gave to the Group

Liabilities under financing leases

List	As of December 31, 2020		As of December 31, 2021		As of December 31, 2022	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Liabilities under financing leases						
- Payment portion due withing 1 year	1.37	32.54	1.43	50.43	1.35	49.82
- Payment portion not due within 1 year	2.84	67.46	1.41	49.57	1.36	50.18
Total liabilities under financing leases	**4.21**	**100.00**	**2.84**	**100.00**	**2.71**	**100.00**

the Group's liabilities under financing agreements are a list of van, pickup, and electric golf cart rental contracts. in the year end 2020 -2022, the Group had liabilities under financing agreements equal to 4.21 million Baht, 2.84 million Baht, and 2.71 million Baht, representing 0.41%, 0.16%, and 0.12% of total assets, respectively. at the end of 2020, the Group had made financing agreements of golf cart and car used in the business operation, causing an increase of liabilities under financing agreements by 2.74 million Baht. at the end of 2021, the Group had not made additional financing agreements, causing a decrease of liabilities under financing agreements by 1.37 million Baht. in 2022, the Group had made financing agreements of van and golf cart used in the business operation, causing a decrease of liabilities under financing agreements by 0.13 million Baht.

Other current liabilities

the Group's other current liabilities are mainly sales tax and withholding tax. as of December 31, 2020 and 2022, the Group had other current liabilities equal to 1.62 million Baht and 0.02 million Baht, representing 0.16% and 0.00% of total assets, respectively which was according to the normal business operation. for the end of 2021, the Group had no outstanding sales tax and withholding tax.

Long-term loans from financial institutions

Loans from financial institutions, the loan is mainly used for the development of real estate projects of the Group. In this regard, the Group will be able to draw down the loan for the land and construction costs of the utilities as specified by the lender and for the construction cost of the house can be reimbursed according to the value of the construction work or according to the construction period or the amount to be paid according to the check sheet. According to the opinion of the appraiser of the credit lender or any other juristic person that the credit lender deems appropriate to be an appraiser on behalf of the credit lender or inspection engineer. The amount of loans from financial institutions will fluctuate in accordance with the volume of home construction of real estate projects that are being developed during that period.

Loans from financial institutions	As of December 31, 2020		As of December 31, 2021		As of December 31, 2022	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Loans from financial institutions due within 1 year						
- Kunalai Joy	2.27	1.01	-	-	-	-
- Kunalai Joy On 314	37.31	16.68	26.64	5.77	-	-
- Kunalai Begins	58.23	26.03	87.31	18.93	14.47	3.73
- Kunalai Preem	85.37	38.16	-	-	-	-
- Kunalai Pargo	-	-	68.36	14.83	30.47	7.85
- Kunalai Daisy	-	-	-	-	30.21	7.77
- Kunalai Navara Rama II	-	-	-	-	167.31	43.08
- Kunalai Purra	-	-	-	-	0.01	0.00
- Revolving credit (1)	-	-	11.57	2.51	1.28	0.33
- Revolving credit (2)	-	-	-	-	7.41	1.92
Total loans from financial institutions due within 1 year	**183.18**	**81.88**	**193.98**	**42.04**	**251.16**	**64.68**
Long-term loans from financial institutions due within 1 year						
- Kunalai Joy On 314	11.60	5.19	-	-	-	-
- Kunalai Begins 2	28.91	12.93	-	-	-	-
- Kunalai Daisy	-	-	87.88	19.05	-	-
- Kunalai Navara Rama II	-	-	178.19	38.63	80.74	20.79
- Kunalai Purra	-	-	-	-	50.00	12.88
- Revolving credit (1)	-	-	1.28	0.28	-	-
- Revolving credit (2)	-	-	-	-	6.44	1.65
Total long-term loans from financial institutions	**40.51**	**18.12**	**267.35**	**57.96**	**137.18**	**35.32**
Total loans from financial institutions	**223.69**	**100.00**	**461.33**	**100.00**	**388.34**	**100.00**

At the end of 2020-2022, the Group had loans from financial institutions in the total amount of 223.69 million baht, 461.33 million baht, and 388.34 million baht or 21.61%, 25.31%, and 17.13% of total assets, respectively.

At the end of 2020, the Group had loans from financial institutions in the total amount of 223.69 million Baht, or a decrease of 28.57% from 2019 by which the Group had issued debentures No. 1/2020 amounted to

90.00 million Baht to purchase land for future projects and use as a working capital in the Group. as a result, to manage the finance cost, the Group decreased the use of loans from financial institutions.

At the end of 2021, the Group had loans from financial institutions in the total amount of 461.33 million Baht, or an increase of 106.24% from 2020, mainly due to an additional drawdown of loans from financial institutions from additional project development including Kunalai Joy On 314, and Kunalai Begins 2 to be used for house construction and public utilities of the projects. the Group also withdrew a credit from financial institutions to develop new projects including Kunalai Parco for land purchase, house construction, andpublic utilities of the project amounted to 68.36 million Baht, Kunalai Daisy for land purchase amounted to 87.88 million Baht, and Kunalai Navara for land purchase amounted to 178.19 million Baht.

At the end of 2022, the Group had loans from financial institutions in the total amount of 388.34 million Baht, or a decrease of 15.82% from 2021, mainly due to the ability of Kunalai Joy On 314 and Kunalai Preem to pay off their debts to financial institutions, while the Group had requested a credit limit to develop Kunalai Purra and for working capital amounted 13.58 million Baht. the Group also used a withdrawal for cost of land and cost of public utility development in Kunalai Navara Rama II, while Kunalai Parco and Kunalai Daisy gradually repaid their debt obligations from the ownership transfer.

Debentures

In 2020, the Group had debentures of 90.00 million Baht for the purpose of using the Company's working capital and to purchase additional land for future development projects. As of December 31, 2020 the Group had outstanding debentures amounted to 90.00 million Baht.

In 2021, the Group had issued 2 debentures totaling 270.00 million Baht including debentures with collateral amounted to 150.00 million Baht and convertible bonds amounted to 120.00 million Baht to use it as working capital of the Company and to invest in purchasing land for future project development. as of December 31, 2021, the Group had outstanding debentures of 360.00 million Baht.

In 2022, the Group had issued 2 debentures without collateral totaling 640.00 million Baht to invest in purchasing land for future project development, repay the debentures due, and use it as working capital for project development. as of December 31, 2022, the Group had outstanding debentures of 910.00 million Baht.

Employee benefit obligation

the Group’s employee benefit obligation is the Group’s obligation to compensate employees according to labor law when the employees retire from work and has a service period for a specified period which is calculated based on actuarial principles. At the end of 2020 – 2022, the Group had employee benefit obligation of 5.92 million Baht, 8.30 million Baht, and 9.20 million Baht, representing 0.57%, 0.46%, and 0.41% of total liabilities and equity, respectively.

Equity

Equity	As of December 31, 2020	As of December 31, 2021	As of December 31, 2022
	Million Baht	Million Baht	Million Baht
Registered capital	312.00	423.20	457.52
Issued and paid capital	312.00	343.20	343.20
Premium on ordinary shares	123.55	123.55	123.55
Convertible bonds – capital component	-	2.03	2.03
Warrants	-	6.79	6.79
Retained earnings	89.84	160.40	177.60
Other components of equity	(13.67)	(13.67)	(13.67)
Non-controlling interests	1.24	1.20	1.40
Total shareholder's equity	**512.96**	**623.50**	**640.90**

Shareholders' equity as of December 31, 2020 - December 31, 2022 amounted to 512.96 million Baht, 623.50 million Baht, and 640.90 million Baht, respectively, which accounted for 49.56%, 34.21%, and 28.26% of total assets, respectively.

The Group's shareholders' equity as of December 31, 2020 amounted to 512.96 million Baht, an increase compared to the equity at the end of 2019 that was 459.05 million Baht. This was due to the recognition of net profit from operating results in 2020 to be recorded as retained earnings totaling 84.64 million Baht. However, the Group has paid an interim dividend of 30.72 million Baht.

The Group's shareholders' equity as of December 31, 2021 amounted to 623.50 million Baht, an increase compared to the equity at the end of 2020 that was 512.96 million Baht. This was due to the recognition of net profit from operating results in 2021 to be recorded as retained earnings totaling 155.74 million Baht. However, the Group has paid an interim dividend of 34.23 million Baht.

The Group's shareholders' equity as of December 31, 2022 amounted to 640.90 million Baht, an increase compared to the equity at the end of 2021 that was 623.50 million Baht. This was due to the recognition of net profit from operating results in 2022 to be recorded as retained earnings totaling 106.63 million Baht. However, the Group has paid an interim dividend of 34.32 million Baht.

Analysis of liquidity

Cash flow (unit: Million Baht)	Year 2020	Year 2021	Year 2022
Cash received (paid) from operating activities	78.16	(484.87)	(154.26)
Cash received (paid) from investing activities	(31.94)	8.64	8.47
Cash received (paid) from financing activities	(11.78)	512.74	321.38
Net increases (decreases) in cash flow	**34.44**	**36.51**	**175.59**

Cash flow from operating activities

the Group had cash flow generated from (used in) operating activities in 2020 – 2022 equal to 78.16 million Baht, (484.87) million Baht, and (154.26) million Baht, respectively.

in 2020, net cash from operating activities of the Group was 78.16 million Baht due to earnings before tax of 105.26 million Baht in 2020. However, the Group used the cash to purchase land waiting for development amounted to 12.08 million Baht, pay interest of 24.03 million Baht, and pay tax of 17.18 million Baht.

in 2021, net cash from operating activities of the Group was (484.87) million Baht due to earnings before tax of 195.20 million Baht in 2021. However, the Group used cash of 662.78 million Baht for new project development of the Company which was developed in 2021 for 3 projects, and to purchase land waiting for development amounted to 21.00 million Baht, pay interest of 33.88 million Baht, and pay tax of 32,10 million Baht.

in 2022, net cash from operating activities of the Group was (154.26) million Baht due to earnings before tax of 133.64 million Baht in 2022. However, the Group used cash of 142.30 million Baht for new project development of the Company, for land deposit of 100.00 million Baht, pay interest of 42.81 million Baht and pay tax of 42.07 million Baht.

Cash flow from investing activities

the Group had cash flow generated from (used in) investing activities in 2020 – 2022 equal to (31.94) million Baht, (8.64) million Baht, and (8.47) million Baht, respectively.

In 2020, net cash from investing activities of the Group was 31.94 million Baht which was to deposit cash as deposit at financial institutions with collateral obligations amounted to 28.75 million Baht.

In 2021, net cash from investing activities of the Group was 8.64 million Baht, mainly due to the return of deposit at financial institutions with collateral obligations amounted 9.20 million Baht.

In 2022, net cash from investing activities of the Group was 8.47 million Baht, mainly due to the return of deposit at financial institutions with collateral obligations amounted 11.23 million Baht.

Cash flow from financing activities

the Group had cash flow generated from (used in) financing activities in 2020 – 2022 equal to (11.78) million Baht, 512.74 million Baht, and 321.38 million Baht, respectively.

In 2020, net cash from financing activities of the Group was 11.78 million Baht because the Company had repaid loans from financial institutions when there was the ownership transfer of houses to customers, causing the Group to repay the loans higher in 2020.

In 2021, net cash from financing activities of the Group was 512.72 million Baht, mainly due to cash received form loans from financial institutions of 849.55 million Baht, cash received form short-term loans from financial institutions of 220.00 million Baht, and cash received from issuance of debentures and convertible bonds of 270.00 million Baht. In this regard, the Company had repaid short-term and log-term loans from financial institutions of 765.36 million Baht and paid dividend of 53.04 million Baht.

In 2022, net cash from financing activities of the Group was 321.38 million Baht, mainly due to cash received form loans from financial institutions of 659.40 million Baht, cash received from issuance of debentures of 640.00 million Baht. In this regard, the Company had repaid loans from financial institutions of 786.24 million Baht and paid dividend of 89.23 million Baht.