คุณาลัย สร้างพื้นที่ สร้างความสุข

# Notication of Allocation and Subscription Documents for Convertible Debentures of Villa Kunalai Public Compeny Limited

for offering
convertible debentures to the existing shareholders of Villa Kunalai Public Company Limited whose names appear in the share register book as of September 1, 2021 (Record Date)
not more than 120,000 units, worth 1,000 Baht per 1 unit of convertible debentures,
total offering value is not more than 120,000,000 Baht

## Subscription Period

between 27 – 30 September 2021 (total 4 business days) between 9:00 a.m. and 5:00 p.m.

## Place for Subscription and Subscription Payment for Convertible Debentures

UOB Kay Hian Securities (Thailand) Public Company Limited
130-132 Sindhorn Tower 1, 3rd Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330
as an agent for the subscription of convertible debentures of the Company

**Notification of the Allocation of Convertible Debentures of Villa Kunalai Public Company Limited No. 1/2021 Maturity in Year 2024, which the convertible debenture issuer has the right to redeem the convertible debenture before the maturity date.**

2 September 2021

**Subject** The Allocation of Convertibel Debentures of Villa Kunalai Public Company Limited No. 1/2021

**To** Shareholders
Villa Kunalai Public Company Limited

According to the Annual General Meeting of Shareholders of Villa Kunalai Public Company Limited ("**the Company**") for the year 2021 held on 28 April 2021, it was resolved that the Company issuing and offering convertible debentures of Villa Kunalai Company Limited Public Company Limited No. 1/2021 ("**Convertible Debentures**"), amount not exceeding 120,000 units. By offering and allocating the whole amount to the existing shareholders of the Company who are entitled to allotment (Right Offering) with a total value of convertible debentures offered for sale not exceeding 120,000,000 Baht. The Board of Directors Meeting No. 6/2021, held on 13 August 2021, therefore resolved to determine the list of shareholders entitled to be allocated on September 1, 2021 (Record Date). The Company will allocate convertible debentures to existing shareholders of the Company in proportion to 5,720 ordinary shares per 1 unit of convertible debentures (in case there is a fraction from the calculation, it must be cut off in all cases). Any shareholder of the Company who holds less than 5,720 shares will not have the right to subscribe for convertible debenutres (but can subscribe for more than their rights). In addition, the Company will allocate the warrants to purchase the ordinary shares of Villa Kunalai Public Company Limited No. 1 ("**Warrant No. 1**" or "**KUN-W1**") to shareholders who subscribe for convertible debentures in proportion to the number of shares held by each shareholder (Right Offering) free of charge (zero Baht) at the ratio of 1 unit of convertible debentures per 1,000 units of warrant. The subscription and payment schedule for convertible debentures are as follows:

<u>Schedule to subscribe and receive payment for the subscription of convertible debentures</u>

1. **Determining the subscription date and payment for convertible debentures**

   Between 27 – 30 September 2021 (4 business days in total) between 9:00 a.m. and 5:00 p.m. at the office of the convertible debeture subscription agent.

2. **Place of subscription and subscription payment for convertible debentures**

   Shareholders can contact to subscribe for convertible debentures at the office of the convertible debenture subscription agent which is

   **UOB Kay Hian Securities (Thailand) Public Company Limited**

   **As an agent for the subscription of convertible debentures of the Company**

   **Wealth Management B Department**
   130 - 132 Sindhorn Tower 1, 3rd Floor, Wireless Road, Lumpini, Pathumwan, Bangkok10330
   Telephone : (662) 659-8103 Fax : (662) 651-5236
   Contact : Mr. Atthachai Chaovanichkul

<u>In this regard, the convertible debenture subscription agent will not accept the convertible debenture subscription by post, fax, or through the Company's branch or the convertible debenture subscription agent's branch.</u>

3. Allocation of convertible debentures

The Company will allocate convertible debentures for sale to the existing shareholders of the Company in proportion to their respective shareholdings (Rights Offering), totaling not more than 120,000 units, worth 1,000 Baht per 1 unit of convertible debentures. The total value of convertible debentures offered for sale is not more than 120,000,000 Baht, which will be allocated in the proportion of 5,720 ordinary shares per 1 unit of convertible debentures (in case there is a fraction from the calculation, it must be cut off in all cases). Any shareholder of the Company who holds less than 5,720 shares will not have the right to subscribe for convertible debentures (but can subscribe in excess of their rights) in which the existing shareholders who are entitled to be allocated can subscribe for convertible debentures according to their rights or less than their rights or waive the right not to subscribe for convertible debentures offered for sale at this time. The Company will allocate the convertible debentures to the shareholders who subscribed according to their right to complete beforehand. In the event that there are convertible debentures remaining from the allocation according to the rights that the shareholders must receive. The Company will allocate the remaining convertible debentures to the shareholders who subscribe and pay for the convertible debentures in excess of their rights until there are no convertible debentures to allocate.

In this regard, the Company has the right to use its discretion to consider not offering for sale or not allocate the above convertible debentures to any existing shareholders if the offering or allotment of such convertible debentures is as follows:

(A) It is an act against the law or any regulations of Thailand or abroad or the articles of association of the Company; or

(B) not in accordance with the methods, rules and conditions specified in the allocation of the Company

However, the Company has the right, at its discretion, to offer and allocate such convertible debentures to certain existing shareholders who are not in Thailand by virtue of the exceptions contained in foreign law.

The Company is hereby informing you of your right to subscribe for convertible debentures with the amount specified in the Certificate of Subscription Rights for Convertible Debentures issued by the Thailand Securities Depository Company Limited (Attachment 2). The details of the subscription for the convertible debentures are as specified in the notice of the allocation of the convertible debentures as detailed in the attachment (Attachment 1).

To enable the bondholders to communicate with the Company about the issuance and offering of convertible debentures of the Company. The Company has established a communication channel through Line Official Account with a team providing information and clarifications regarding the convertible debentures of the Company. The details of the procedure are as follows:

1. All bondholders can add Line Official Account named "KUN – Insight" by scanning the QR Code on your mobile phone by following the QR Code below.

or Add Line ID: @kun-insight

2. Once you have successfully scanned the QR Code, there will be a message appearing on your Line Account. Please inform your name, surname, telephone number, for example

   "Ms. Villa Kunalai | Tel. 081 xxx xxxx"

   In order for the team to verify the accuracy of the information and contact back if necessary to clarify by phone.
3. You can ask questions, questions or suggestions to the company via Line OA "KUN – Insight". The Company has provided officers or representatives of the Company to answer questions for all shareholders.

In this regard, if there are any questions about the allocation, procedures and methods of subscription Please contact Wealth Management B Department, UOB Kay Hian Securities (Thailand) Public Company Limited at (662) 659-8103 as the Company's convertible debenture subscription agent.

## Section 1 Information on the allocation of convertible debentures

### 1. Objectives of this convertible debenture issuance

The Company will issue and offer for sale convertible debentures totaling not more than 120,000 units, worth 1,000 Baht per 1 unit of convertible debentures, total value of convertible debentures offered for sale is not more than 120,000,000 Baht. The Company will use the proceeds from the issuing and offering of convertible debentures to invest in the purchase of land for the development of new projects of the Company in the amount of not more than 100.00 million Baht and use as working capital of the company in the amount of not more than 20.00 million Baht. The development of new projects will create added value to the Company's business as well as the ability to compete according to strategic plans under the concept "Happy at home in the suburbs" in 4 directions around Bangkok.

### 2. Date and time of the Board of Directors' meeting and the shareholders' meeting which resolved to allocate convertible debentures

The issuance of convertible debentures to the existing shareholders of the Company in proportion to their respective shareholdings (Rights Offering) has been approved by the Board of Directors Meeting No. 2/2021 on 23 February 2021 and has been approved by the Board of Directors. Approved by the 2021 Annual General Meeting of Shareholders on 28 April 2021.

### 3. Details of convertible debentures offered to existing shareholders of the Company

According to the 2021 Annual General Meeting of Shareholders of the Company held on 28 April 2021, it was resolved to issue and offer convertible debentures to the existing shareholders of the Company who are entitled to be allocated in proportion to their shareholding (Right Offering), total not more than 120,000 units, par value 1,000 Baht per 1 unit of convertible debentures. Total value of convertible debentures offered for sale is not more than 120,000,000 Baht. The list of shareholders who are entitled to receive convertible debenture allocation (Record Date) is set on 1 September 2021 and the subscription date for convertible debentures is set between 27 - 30 September 2021, (4 business days in total) with details of the offering and allocation as follows:

| | | |
|---|---|---|
| Convertible debenture name | : | Convertible Debentures of Villa Kunalai Public Company Limited No. 1/2021, due in 2024, the issuer of convertible debentures has the right to redeem the convertible debentures prior to the maturity date ("**Convertible Debentures**"). |
| How to sell and allocate | : | The Company will offer and allocate convertible debentures in full to the existing shareholders of the Company who are entitled to be allocated in proportion to their respective shareholdings (Right Offering), which will be allocated in the proportion of 5,720 ordinary shares per 1 unit of convertible debentures (in case there is a fraction from the calculation, it must be cut off in all cases). In this regard, any company's shareholders holding less than 5,720 shares will not have the right to subscribe for convertible debentures as they are entitled to (but can subscribe in excess of their rights) and existing shareholders who are entitled to allotment can subscribe for convertible debentures according to their rights, less than their rights, or more than their rights, or waive the right not to subscribe for convertible debentures offered for sale at this time, where the Company will allocate the convertible debentures to the shareholders who |

subscribed according to their right to complete beforehand. In the event that there are convertible debentures remaining from the allocation according to the rights to be received by the shareholders, the Company will allocate the remaining convertible debentures to the shareholders who subscribe and pay for the convertible debentures. The condition exceeds their rights until there are no convertible debentures to allocate.

In addition, the Company has the right, at its discretion, not to offer or to allocate convertible debentures above to any existing shareholders. If the offer for sale or allotment of convertible debentures may result in (A) being contrary to any law or regulation of Thailand or abroad; or the articles of association of the Company; or (B) not in accordance with the methods, rules, and conditions stipulated in the allocation of the Company. However, the Company has the right, in its sole discretion, to offer and allocate such convertible debentures to certain existing shareholders outside Thailand by virtue of the exemptions available under foreign law.

| | | |
|---|---|---|
| Subscription date for convertible debentures | : | 27 - 30 September 2021 (4 business days in total) |
| Issuing date of convertible debentures | : | 1 October 2021 |
| Terms of the convertible debentures | : | 2 years 3 months from the date of issuing of convertible debentures |
| Maturity date of convertible debentures | : | 1 January 2024 |
| Interest rate | : | 6.00 percent per year |
| Interest payment | : | 4 times a year with interest payment every 3 months of every year from the issuing date of convertible debentures, i.e. 1 January, 1 April, 1 July, 1 October |
| Restrictions on the transfer of convertible debentures | : | -None- |
| Convertible debenture registrar | : | CIMB Thai Bank Public Company Limited |
| Convertible debenture holders representative | : | Asia Plus Securities Company Limited |
| Credit rating | : | Convertible debenture issuers do not have a credit rating of convertible debentures and convertible debenture issuers. |
| Convertible price | : | 3.00 Baht per share, subject to change when there is a change in the exercise of the convertible debentures in accordance with the procedures stipulated in the terms and conditions |
| Conversion ratio | : | 1 unit of convertible debentures: 333.333333 shares (or other rates arising from the conversion price adjustment according to the conditions to be specified in the terms and conditions) |

| | | |
|---|---|---|
| Number of convertible debentures | : | Not more than 120,000 units |
| Value of convertible debentures | : | 1,000 Baht per unit |
| Offering value | : | Not more than 120,000,000 Baht |
| Number of shares supported for the exercise of convertible debentures | : | 40,000,000 shares (par value of 0.50 Baht per share)<br><br>Remarks: According to the resolution of the 2021 Annual General Meeting of Shareholders held on 28 April 2021, there was a resolution to approve the allocation of the Company's newly issued ordinary shares to support the issuing and offering of convertible debentures |
| Allotment of convertible debentures | : | Allocation and offering to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offering), holding shares on 1 September 2021 (Record Date). The Company will allocate and offer to the existing shareholders of the Company in the ratio of 5,720 existing shares per 1 unit of convertible debentures (in case there is a fraction from the calculation, it must be cut off in all cases). In this regard, any company's shareholders holding less than 5,720 shares will not have the right to subscribe for convertible debentures as they are entitled to (but can subscribe for more than their rights). |
| Convertible date | : | The convertible rights can be exercised after 2 years from the date of issuance of the convertible debentures. The conversion can begin on 1 October 2023 or the next business day in case such date is not a business day and the maturity date of convertible debentures, which is the last conversion date on 1 January 2024 (hereinafter referred to as "**the date of exercising the right of conversion**"). |
| Exercise of rights of convertible debentures | : | In exercising the right to convert the convertible debentures into ordinary shares of the issuer of the convertible debentures to the convertible debenture holder whose name shows the owner or the last transferee, wishing to exercise the conversion rights, submit the convertible debenture certificates for the amount they wish to exercise together with the form indicating the intention to exercise the conversion rights of the convertible debentures (Attachments 3 and 4 of the Terms of Rights) with complete information between 9.30 a.m. and 3:30 p.m. at the head office of the convertible debenture issuer or the head office of the convertible debenture registrar within 5 business days prior to the conversion due date, with the conversion beginning on 1 October 2023 or the next business day in case such date is not a business day (convertible debenture holders can express their intention to exercise the convertible rights of convertible debentures between 25 September 2023 and 29 September 2023) or 15 – 30 days prior to the last conversion date / convertible debenture expiration date which is 1 January 2024 (convertible bondholders can express their intention to exercise their convertible |

| | | |
|---|---|---|
| | | debentures between 2 December 2023 and 17 December 2023, only on business days).<br><br>Therefore, the exercise of conversion rights of convertible debentures by postal delivery shall not be permitted and convertible debenture issuer or convertible debenture holder (as the case may be) will be responsible for paying the tax and any stamp duty as required by law, such person is obliged to pay the tax and any stamp duty on the exercise of convertible debentures (if any). |
| Other important information | : | The Company will allocate the warrants to purchase the ordinary shares of Villa Kunalai Public Company Limited No. 1 ("**Warrant No. 1**" or "**KUN-W1**") to the shareholders who subscribe for the convertible debentures, in proportion to the number of shares held by each shareholder (Right Offering) free of charge (zero Baht) in the ratio of 1 unit of convertible debentures per 1,000 units of warrant (Details in Part 3). |

4. **Determine the closing date of the share registration book to suspend the transfer of shares for the right to subscribe for convertible debentures**

   The Board of Directors Meeting No. 6/2021, held on 13 August 2021, resolved to determine the list of shareholders entitled to receive convertible debenture allocation (Record Date) on 1 September 2021.

5. **Schedule for the subscription and payment of convertible debentures**

   **5.1 Determine the date for the subscription and payment of the convertible debenture subscription**

   Between 27 - 30 September 2021 (4 business days in total) between 9:00 a.m. and 5:00 p.m.

   **5.2 Place for subscription and payment for convertible debentures**

5.2.1 If a shareholder who has the right to subscribe for convertible debentures wishes to subscribe for convertible debentures, please contact to submit a purchase form, subscription documents, and evidence of payment for the subscription for convertible debentures at UOB Kay Hian Securities (Thailand) Public Company Limited, which is an agent for the subscription of convertible debentures ("**Subscription Agent for Convertible Debentures of the Company**") at the address stated below.

**Wealth Management B Department**
130 - 132 Sindhorn Tower 1, 3rd Floor, Wireless Road, Lumpini, Pathumwan, Bangkok10330
Telephone : (662) 659-8103 Fax : (662) 651-5236
Contact : Mr. Atthachai Chaovanichkul

For shareholders who hold ordinary shares in the scripless system, please contact the securities company that you have a trading account with and deposit the company's ordinary shares in order for that securities company to collect documents and submit a request to the subscription agent for the convertible debentures of the Company. In this regard, the Company's convertible debenture subscription agent will not accept the subscription documents for convertible debentures by mail.

5.2.2 The shareholder must fill in the details of the subscription in the convertible debenture subscription form correctly, completely, and clearly by specifying the number of convertible debentures that each shareholder wishes to subscribe in proportion to their subscription according to their rights. It has been shown in the certificate of subscription rights for convertible debentures and the number of convertible debentures to be oversubscribed with their signatures. If the subscriber is a juristic person, it must be signed by the authorized signatory of that juristic person together with the Company's seal (if any) and supporting documents for the subscription as follows:

(1) Certificate of Subscription Rights for Convertible Debentures

Thailand Securities Depository Company Limited ("**Securities Depository**") as the Company's registrar delivered to each shareholder which will specify the number of convertible debentures that the shareholders are entitled to be allocated in proportion to their shareholding to the shareholders.

(2) Presence Documentation

- Individual shareholders of Thai nationality: copy of ID card, government official card, or state enterprise employee card that has not expired with a signature certifying true copy (in the case of a government official card or state enterprise employee card Identification card number is not specified, please attach a copy of your house registration with 13 digits of identification number with your signature certifying true copy). However, in the event that the subscriber is a minor, a copy of the parent's identification card must be attached (father/mother/legitimate representative), a copy of the minor's ID card (if any), and a copy of the house registration where the minor resides, signed to certify true copy. The signature must be the same as the signature on every document related to the subscription for convertible debentures.
- Ordinary shareholders of foreign nationality: a copy of alien certificate or a copy of passport that has not expired with a signature certifying true copy. The signature must be the same as the signature on every document related to the subscription for convertible debentures.
- Thai juristic persons: 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 by authorized directors to bind the juristic person and affix the company's seal (if any) and a copy of the identification card civil servant card or state enterprise employee card that has not expired with a signature certifying true copy (in the case of a government official card or state enterprise employee card Identification card number is not specified, please attach a copy of your house registration with 13 digits of identification number with your signature certifying true copy). In the case that the authorized director of the juristic person is a person who is not of Thai nationality, a copy of the alien certificate or a copy of a valid passport of the authorized director shall be used to bind the juristic person with a signature certifying true copy. The signature must be the same as the signature on every document related to the subscription for convertible debentures.

  In this regard, a copy of the documents for the juristic person who is not of Thai nationality above must be certified of the author or certifying the correctness of the document by a Notary Public with the creditor's seal at the Notary Public and certified by the Thai embassy staff or a Thai consulate in the country where the said document has been prepared. The certification of the above documents must be certified no later than 6 months prior to the last day of the subscription period for convertible debentures.

(3) Copy of savings account passbook

Copy of first page savings account passbook (to receive interest and principal repayment) with a signature certifying true copy by the name of the bank account must be the same name as the subscriber's name only.

In this regard, the Company's convertible debenture subscription agent reserves the right to reimburse the subscription for the unallocated convertible debentures, by paying by crossed check or transferring money to a bank account according to the passbook page. The type of issuance that has been sent together (Details in Section 5.3).

(4) Power of attorney (in case of assigning an attorney to act on your behalf)

Attach a 30 Baht stamp duty along with a copy of the attorney's evidence and the attorney under Section 1, Clause 5.2.2. (2), as the case may be.

5.2.3. Shareholders must bring the subscription form and supporting documents under Section 1, Clause 5.2.2 (1) and (2) and (3) or (4), if any, together with the full one-time subscription payment both in the part of the subscription under the right and the oversubscription, go to contact to subscribe for convertible debentures as specified in Section 1, Clause 5.2.1. Subscription payments can be made as follows:

(1) In the case of payment by deposit / transfer by cash using the Bill Payment form to a bank account

Payments can be made from 9:00 a.m. or the opening hours of the Company's convertible debenture subscription agent until 5:00 p.m., or the closing time of the Company's convertible debenture subscription agent on 27 – 30 September 2021, (4 business days in total).

which must transfer money winto the following account,

for subscription through UOB Kay Hian Securities (Thailand) Public Company Limited, transfer to the following account:

Account name in Thai: **บริษัท หลักทรัพย์ ยูโอบี เคย์เฮียน (ประเทศไทย) จำกัด (มหาชน) เพื่อจองซื้อหลักทรัพย์**

Account name in English: UOB Kay Hian Securities (Thailand) Public Co., Ltd. For Securities Subscriptions

| Bank | Branch | Account Type | Account Number/Com Code |
|---|---|---|---|
| Siam Comercial Bank | Wireless Road | Current account | 049-3-14404-9 |
| Bangkok Bank | Sindhorn Building | Current account | 89899 / UOBKHSUB |

And specify

Ref. 1: the 10-digit shareholder registration number that appears in the certificate of rights to subscribe for convertible debentures; and

Ref. 2: provide 13-digit identification number/passport number/alien certificate number (depending on the case).

(2) In the case of Bill Payment via Internet Banking System of Bangkok Bank Public Company Limited (Internet Banking / Mobile Application by Bangkok Bank Plc.) and via Internet Banking System of Siam Commercial Bank Public Company Limited (Internet Banking / Mobile Application by Siam Commercial Bank Plc.).

Transfer money via internet banking to account.

Account name in Thai: **บริษัท หลักทรัพย์ ยูโอบี เคย์เฮียน (ประเทศไทย) จำกัด (มหาชน) เพื่อจองซื้อหลักทรัพย์**

Account name in English: UOB Kay Hian Securities (Thailand) Public Co.,Ltd. For Securities Subscriptions

Bangkok Bank Public Company Limited, Service Code: UOBKHSUB Comp Code: 89899

**Siam Commercial Bank Public Company Limited, account number / Comp Code: 049-3-14404-9** and specify

Ref. 1: the 10-digit shareholder registration number that appears in the certificate of rights to subscribe for convertible debentures; and

Ref. 2: provide 13-digit identification number/passport number/alien certificate number (depending on the case).

Specify completely and accurately, the subscription payment can be made from 27 – 30 September 2021 (4 business days in total) from 9:00 a.m. – 5:00 p.m. (only for shareholders who have a deposit account with Bangkok Bank Public Company Limited) via the "Bualuang iBanking Online" system" and shareholders who have deposit accounts with Siam Commercial Bank Public Company Limited via "SCB Easy Net / SCB Mobile Banking" system only).

(3) In the case of paying by cheque / cashier's cheque / draft, deposit into the account by Bill Payment

Depositing cheque / cashier's cheque / drafts with the Bill Payment form into the account

Account name in Thai: **บริษัท หลักทรัพย์ ยูโอบี เคย์เฮียน (ประเทศไทย) จำกัด (มหาชน) เพื่อจองซื้อหลักทรัพย์**

Account name in English: **UOB Kay Hian Securities (Thailand) Public Co.,Ltd. For Securities Subscriptions**

**Bangkok Bank Public Company Limited, Service Code: UOBKHSUB Comp Code: 89899**

**Siam Commercial Bank Public Company Limited, account number / Comp Code: 049-3-14404-9** and specify

Ref. 1: the 10-digit shareholder registration number that appears in the certificate of rights to subscribe for convertible debentures; and

Ref. 2: provide 13-digit identification number/passport number/alien certificate number (depending on the case).

Specify completely and accurately, the deposits can be made from 27 – 29 September 2021, 9:00 a.m. – 5:00 p.m. (or bank business hours) by cheque, cashier cheque or draft, must be dated within the subscription period but not beyond September 29, 2021 and must be able to collect money from the clearing house in the same district within the next business day.

To facilitate the transfer of payments for the subscription of convertible debentures, The Company has attached a bill payment form (Attachment 6). Subscribers please specify your name, surname, contact phone number and Ref. 1, specify a 10-digit shareholder registration number that appears in the certificate of rights to subscribe for convertible debentures, part of Ref. 2, specify 13-digit identification number / passport number / alien certificate number (as the case may be) complete and correct.

### 5.3 Refund of Subscription Fee for Convertible Debentures and Return of Cheque for Subscription Fee for Convertible Debentures

In the event that the subscription for convertible debentures is required to be refunded or a cheque return of the subscription for convertible debentures is required The Company by the Subscription Agent of the Company's convertible debentures will proceed as follows:

5.3.1 In the event that the shareholders oversubscribe for the convertible debentures and are not allocated, due to insufficient amount of convertible debentures remaining compared to the number of convertible debentures oversubscribed by the shareholders. The Company will refund the subscription fee for the convertible debentures to the shareholders who oversubscribe and not allocate the convertible debentures, without any interest or damages. The Company will proceed as specified by the subscriber in the convertible debenture subscription form, as follows.

(1) Pay by crossed cheque

The Company's convertible debenture subscription agent will pay by crossed cheque only payable to the subscriber of the convertible debentures as specified in the subscription form within 14 days from the end of the subscription period by sending the cheque to the subscriber via registered mail. However, in any case, if the Subscription Refund Cheque has been duly sent by registered mail to the address specified in the subscription form, it shall be deemed that the subscriber has duly received the refund of the Subscription, and the subscriber will no longer have a right to claim interest and/or damages of any kind.

(2) Transfer money to a commercial bank account that has a branch in Thailand

The company's convertible debenture subscription agent will transfer the money to a commercial bank account that has a branch in Thailand as specified in the subscription form within 14 days from the end of the subscription period for convertible debentures. In addition, the subscriber will be responsible for any transfer fees and/or bank fees (if any) by which the Company will deduct any fees (if any) from the funds to be transferred to the subscriber.

(3) Pay in bank drafts in foreign currency

The company's convertible debenture subscription agent will pay in foreign currency bank drafts paying the convertible debenture subscriber as specified in the subscription form within 14 days from the end of the convertible debenture subscription period by sending bank drafts to the subscriber via registered mail or Air Mail. In addition, the subscriber will be responsible for the fees for preparing bank drafts and/or various bank fees, whereby the Company will deduct any fees (if any) from the money to be transferred to the subscriber. The subscriber acknowledges and agrees that the exchange rate will depend on the exchange rate as of the bank draft issuing date. However, in any case, if a bank draft is returned for the subscription fee by registered mail or Air Mail at the address specified in the subscription form, it shall be deemed that the subscriber has been able to receive a refund of the purchase price already like and the subscriber will not have the right to claim interest and/or any further damages.

In the event that the Company is unable to refund the reservation fee to the subscriber within the said time, the Company must pay interest to the subscriber at the rate of 7.00 percent per annum, calculated from the unallocated portion of the subscription fee.

5.3.2 In the event that the subscribed shareholders do not receive the allocation of convertible debentures due to violation of the subscription conditions and/or failure to collect the subscription payment for convertible debentures according to the convertible debenture subscription cheque. The the Company's convertible debenture subscription agent will return the check for the convertible debenture subscription to the subscriber who has not been allotted to the convertible debenture. Due to violation of the subscription conditions and/or being unable to collect the subscription payment for convertible debentures according to the subscription cheque by the subscriber must contact UOB Kay Hian Securities (Thailand) Public Company Limited at the address specified in Section 1, Clause 5.2.1 within 30 days from the end of the convertible debenture subscription period.

5.4 Method of delivery of securities

The convertible debenture subscriber can choose the Company or the Company's registrar of the convertible debentures that is CIMB Thai Bank Public Company Limited to take action in any of the following cases:

5.4.1 In the event that the subscriber wishes to apply for the convertible debenture certificate, the Company will issue the convertible debenture certificate on behalf of the subscriber and the Company's convertible debenture registrar will deliver the convertible debenture certificate according to the amount received allocating to convertible debentures allotted by registered mail or Air Mail (in case of sending to the convertible debenture holder abroad) to the name and address specified in the subscription form within 15 business days from the closing date of the subscription for the convertible debentures.

5.4.2 In the event that the subscriber wishes to use the services of the Securities Depository, the convertible debentures will be deposited in the account of the securities company in which they have a securities trading account, the subscriber's name must match the name of the securities trading account that the subscriber wishes to deposit the shares in the securities company's account. Otherwise, the Company reserves the right to issue convertible debentures to the subscriber.

In this case, the Company will deposit the convertible debentures with "Thailand Securities Depository Company Limited for Depositors" and the depositor will record the amount of convertible debentures deposited by the securities company. Convertible debentures exist at the same time, the securities company will record the amount of convertible debentures deposited by the subscriber and issue proof of deposit to the subscriber within 7 business days from the closing date of the convertible debenture subscription.

5.5 Allotment and other subscription information

5.5.1 Holding shares of any company holding less than 5,720 shares will not have the right to subscribe for convertible depentures but can express their intention to subscribe in excess of their rights.

5.5.2 Existing shareholders who are entitled to allotment may subscribe for convertible debentures, less than their right, or greater than their right, or waive their right not to subscribe to the convertible debentures offered for sale at this time. The Company will allocate the convertible debentures to the shareholders who subscribed according to their right to complete beforehand. In the event that there are convertible debentures remaining from the allocation according to the rights to be received by the shareholders, the Company will allocate the remaining convertible debentures to the shareholders who subscribe and pay for the convertible debentures. The condition exceeds their rights until there are no convertible debentures to allocate.

5.5.3 In the event that the shareholders subscribe for convertible debentures in excess of their rights must express their intention to subscribe for convertible debentures in excess of the rights under the convertible debenture subscription at the same time as the subscription for convertible debentures. In the event that if there are convertible debentures remaining from the subscription according to the rights, the shareholders who have oversubscribed will be allocated the convertible debentures oversubscribed, as follows.

(1) In the event that the remaining convertible debentures are more than the total demand of the shareholders who oversubscribe, all oversubscription shareholders will be allocated according to the needs of the oversubscribing shareholders.

(2) In the event that the remaining convertible debentures are less than the total number of shareholders who oversubscribe. Shareholders who oversubscribe will be allocated the convertible debentures oversubscribed in proportion to their original shareholding until there are no remaining convertible debentures oversubscribed.

In this regard, the number of convertible debentures eligible to be allocated shall not exceed the number of convertible debentures that have been subscribed by each shareholder and paid for the subscription, by allocating the remainder of the convertible bonds. to shareholders who oversubscribe. If there is a fraction of the convertible debentures from the calculation, the Company will round off the rest of the convertible debentures in full. In the event that there are convertible debentures remaining from such rounding, the Company will continue to allocate such convertible debentures to shareholders in accordance with the above procedure until there is no fraction of convertible debentures remaining. If the remainder remains and the above calculation method is not possible, the Company will allocate the remaining convertible debentures 1 unit at a time, in order of the subscription rights.

5.5.4 The subscribed shareholders will receive evidence of convertible debenture subscription signed by the Company's officer by the Company's convertible debenture subscription agent, as evidence of convertible debenture subscription. The result of the subscription will be valid when the Company has been able to collect payment as specified in Section 1, Clause 5.2.3.

5.5.5 A shareholder who submits an intention to subscribe for convertible debentures and has already paid the subscription fee may cancel the subscription for convertible debentures and cannot request a refund. In this regard, the Company has the right to cancel the subscription of the shareholders who do not complete the procedures specified in Section 1, Clause 5.2.

## 6. Method of payment of principal and interest

### 6.1 Principal payment

In the event that the convertible debenture holder does not express his intention to convert the convertible debentures last time. The convertible debenture issuer will pay principal on the convertible debenture as of the convertible debenture expiration date, which is January 1, 2024 (in the event that the convertible debenture expires on a public holiday, it will be postponed to the next business day). Additional interest will be charged on the postponed date to the convertible bondholders, whose names appear in the convertible debenture holders register book through the convertible debenture registrar by:

(1) Issuing a crossed cheque only on behalf of the convertible debenture holders dated on the same business day on which payment is due in accordance with the terms and conditions. The convertible debenture registrar will send the check in advance via registered mail or Air Mail (in case of sending to the convertible debenture holders abroad) to the address appearing in the convertible debenture holders register book as of the closing date of the convertible debenture holders register book; or

(2) Transfer of funds to bank accounts of convertible bondholders in Thailand according to the details that the convertible debenture holder has notified in the convertible debenture subscription form or as notified in writing to the convertible debenture registrar not less than 15 (fifteen) business days before the payment due date. The convertible debenture holder is not required to surrender the convertible debenture certificate to receive payment, except in the case of reasonable suspicion. The convertible

debenture issuer or the convertible debenture registrar may require the convertible debenture holder to surrender the convertible debenture certificate, in which case the convertible debenture issuer is not required to pay until the convertible debenture certificate is received.

In this regard, the convertible debenture holder acknowledges and agrees that the exchange rate will depend on the exchange rate as of the bank draft issuing date of the bank issuing the draft. However, in any case If the original bank draft has been sent by registered mail or Air Mail, at the address specified in the subscription form or as notified in writing by the convertible debenture registrar correctly, it shall be deemed that the convertible debenture holder has duly received the principal repayment and convertible bondholders will no longer be entitled to claim principal, interest, and/or damages.

6.2 Payment of interest or any other amouth (if any)

The convertible debenture issuer will pay interest at the rate of 6.00 percent per annum every January 1 April, 1 July, and 1 October of each year throughout the term of the convertible debentures (in the event that it falls on a public holiday, it will be postponed to the next business day) and the last interest payment date is 1 January 2024 (in the event that the convertible debenture expires on a public holiday will be postponed to the next business day, the additional interest will be charged on the postponed date) to the convertible bondholder whose name appears in the convertible debenture holders register book through the convertible debenture registrar.

(1) Issuing a crossed cheque only in the name of the convertible bondholders dated on the same business day that payment is required under the terms and conditions. The convertible debenture registrar will send the cheque in advance via registered mail or Air Mail (in case of sending to the convertible debenture holders abroad) to the address appearing in the convertible debenture holders register book as of the closing date of the convertible debenture holders register book; or

(2) Transfer of funds to bank accounts of convertible bondholders in Thailand according to the details that the convertible debenture holder has notified in the convertible debenture subscription form or as notified in writing to the convertible debenture registrar not less than 15 (fifteen) business days prior to the maturity date. The convertible debenture holder is not required to surrender the convertible debenture certificate to receive payment, except in the case of reasonable suspicion, the convertible debenture issuer or the convertible debenture registrar may require the convertible debenture holder to surrender the convertible debenture certificate, in which case the convertible debenture issuer is not required to pay until the certificate is convertible debentures received. Unless the convertible debenture holder has expressed his intention to convert the convertible debentures, the convertible debenture holder must submit the convertible debenture certificate or convertible debenture certificate together with supporting documents and evidence as specified in Section 1, item 7.

6.3 In the event that the subscriber wishes to receive dividends/other monetary rights into the bank account (e-Dividend) of Thailand Securities Depository Company Limited by transferring money to a bank account in Thailand.

The subscriber and/or convertible debenture holders who wish to receive dividends/any other monetary rights into the bank account (e-Dividend) of Thailand Securities Depository Company Limited by transferring money to a bank account in Thailand (the bank account name must be the same as the name of the subscriber and/or the convertible debenture holder only). Please fill out “Application for Payment of Dividend/Interest/Other Monetary Rights into Bank Accounts (e-Dividend)" of Thailand Securities Depository Company (Attachment 5), sign, affix 10 Baht stamp duty (if authorized), and prepare a separate set of documents as specified in the “e-Dividend application form” (not able to use evidence in conjunction with the convertible debenture subscription form) deliver to the Company together with the purchase order form.

In the event that the subscriber and/or convertible bondholders informs the subscriber's information and/or convertible debenture holders and/or bank account details in “Application for payment of dividends/interests/any other monetary rights into a bank account (e-Dividend)” does not match the database of Thailand Securities Depository Company that the subscriber and/or convertible bondholders has been notified before. Thailand Securities Depository Company will update the subscriber and/or convertible debenture holder information and/or bank account details to be in accordance with the information in “Application for payment of dividend/interest/any other monetary rights into bank account (e-Dividend)” and such information will also be used with other securities held by the subscriber and/or the convertible debenture holder.

6.4 Office of the registrar of convertible debentures

CIMB Thai Bank Public Company Limited
Registrar and Payment Agent, Floor 15
No. 44 Langsuan Road, Lumpini Subdistrict, Pathum Wan District, Bangkok 10330

Contact name Chief Registrar: Mr. Chinruj Ramanchai
Tel. 02-626-7503, 7504, 7506, 7218, 7511
Tel. 02-638-8112, 8447, 8508

6.5 Office of the securities depository

Thailand Securities Depository Company Limited
62 The Stock Exchange of Thailand Building
Ratchadaphisek Road, Khlong Toei District, Bangkok 10110
Telephone: 0 2229-2800
Fax: 0 2359-1259
TSD Call center: 0 2229-2888
Website: http://www.tsd.co.th
E-mail: TSDCallCenter@set.or.th

7. Transformation and conditions for transformation

7.1 Conversion deadline

Convertible debenture holders can exercise their rights to convert into ordinary shares of the convertible debenture issuer in accordance with the conversion rate stipulated in the rights of convertible debentures, which can be converted after 2 years, from the date of issuance of convertible debentures which is 1 October 2023 or the next business day in case such date is not a business day, and the maturity date of the convertible debentures, which is the last convertible date, which is 1 January 2024 (hereinafter referred to as “The date of exercising the right of conversion”).

7.2 Period of exercising the right to convert

The convertible debenture holder who wishes to exercise the conversion right of the convertible debentures of the company must notify the intention to exercise the convertible debentures at the contact place for the exercise of the convertible debentures as specified in Section 1, Clause 7.3, and according to the methods and procedures for conversion specified in Section 1, Clause 7.4. By exercising the right to convert the convertible debentures into ordinary shares of the convertible debenture issuer to the convertible debenture holder whose name shows the owner or the last transferee. Those wishing to exercise the conversion rights submit the convertible debenture certificates in the amount they wish to exercise together with the form indicating the intention to exercise the conversion rights of the convertible debentures (Attachments 3 and 4 of the Terms and Conditions) with complete information between 9.30 a.m. and 3:30 p.m. at the head office of the convertible debenture issuer or the head office of the convertible debenture registrar, within 5 business days prior to the conversion due date, with the conversion beginning on 1 October 2023 or the next business day in case such date is not a business day (convertible debenture holders can express their intention to exercise the convertible rights of convertible debentures between 25 September 2023 and 29 September 2023) or 15 – 30 days prior to the last conversion date / convertible debenture expiration date which is 1 January 2024 (convertible bondholders can express their intention to exercise their convertible debenture between 2 December 2023 and 17 December 2023, only on business days).

7.3 Contact place to exercise the right to convert

Convertible debenture holders wishing to exercise the convertible debentures convertible debentures convertible debentures to ordinary shares can express their intention to exercise the convertible debentures at the head office of the convertible debenture issuer or the registrar's head office. convertible debentures on business days between 9.30 a.m. and 3:30 p.m.

The head office of the convertible debenture issuer
Villa Kunalai Public Company Limited

No. 819 Moo 7, Ban Kluay-Sainoi Road

Phimonrat Subdistrict, Bang Bua Thong District, Nonthaburi Province 11110

Phone number: 02 834-4938-41
Fax: 02-834-4954-55

Head office of the convertible debenture registrar
CIMB Thai Bank Public Company Limited
Registrar and Payment Agent, Floor 15
No. 44 Langsuan Road, Lumpini Subdistrict, Pathum Wan District, Bangkok 10330

Contact Chief Registrar: Mr. Chinruj Ramanchai
Phone: 02-626-7503, 7504, 7506, 7218, 7511
Tel. 02-638-8112, 8447, 8508

In the event that the Company has changed the contact place for the conversion, the Company will inform the convertible debenture holders of details through the SET's Information Disclosure System (ELCID).

7.4 Methods and procedures for converting

7.4.1 In exercising the right to convert the convertible debentures into ordinary shares of the issuer of the convertible debentures, the convertible debenture holder whose name indicates the owner or the last transferee who wishes to exercise the conversion right submit the convertible debenture certificate for the amount he wishes to exercise, together with the form indicating the intention to exercise the conversion rights of the convertible debentures (Attachments 3 and 4 of the Terms and Conditions) between 9.30 a.m. and 3:30 p.m. within 5 business days prior to the conversion due date, with the conversion beginning on 1 October 2023 or the next business day in case such date is not a business day (convertible debenture holders can express their intention to exercise the convertible rights of convertible debentures between 25 September 2023 and 29 September 2023) or 15 – 30 days prior to the last conversion date / convertible debenture expiration date which is 1 January 2024 (convertible bondholders can express their intention to exercise their convertible debentures between 2 December 2023 and 17 December 2023, only on business days). The form of intent to exercise the convertible debentures can be obtained at the contact point for the exercise of convertible rights at the address specified in Section 1, Clause 7.3, and provide the following documents:

(1) Form for exercising the conversion rights of convertible debentures that have filled in all the information correctly, clearly and completely ready to be signed by the convertible debenture holder.

(2) Convertible debenture certificate or convertible debenture certificate in which the convertible debenture holder has signed the transferor, on the reverse side which contains the number of units of the convertible debentures, greater than, or equal to the amount specified in the form of intent to exercise the convertible debentures condition.

(3) Power of attorney for others to receive new convertible debentures for convertible debentures that have not yet been converted (for convertible bondholders who are partially converted from convertible bonds).

(4) Evidence of conversion

- Convertible debenture holders of Thai nationality: A certified true copy of identification card, government official card, or state enterprise employee card with signature certifying true copy (in the case of a government official card or state enterprise employee card does not specify the identification card number, attach a copy of the house registration with 13 digits of identification number with a signature certifying true copy). However, in the event that the subscriber is a minor must be attached a copy of the parent's identity card (father/mother/legitimate representative), a copy of the minor's ID card (if any), and a copy of the house registration where the minor resides with certified true copy by that signature must be the same as the signature signed in the form indicating the intention to exercise the conversion rights of the convertible debentures and the back of the convertible debenture certificate.

- Holding shares of ordinary juristic person with foreign nationality: a copy of alien certificate, or a copy of passport that has not expired with a signature certifying true copy. The signature must be the same as the signature of the convertible debentures and the reverse side of the convertible debentures.

- Thai juristic person shareholders: A copy of the Ministry of Commerce certificate issued no later than 6 months prior to each conversion date with a signature certifying true copy by authorized directors to bind the juristic person, affix the Company's seal (if any), a copy of ID card civil servant card or state enterprise employee card which has not expired of the authorized director of the juristic person (in the case of a government official card or state enterprise employee card, not specified ID number (please attach a certified copy of your house registration with 13 digits of identification number). In the case that the authorized director signing for a juristic person who is not of Thai nationality must use a copy of the alien certificate or a copy of a valid passport of the director authorized to bind the juristic person with a signature certifying true copy. The signature must be the same as the signature of the convertible debentures and the back of the convertible debenture certificate.

- Non-Thai juristic persons: A copy of the juristic person registration certificate, the memorandum of association, the certificate issued by the juristic person's officer or the agency of the country in which the juristic person is domiciled certifying the name of the juristic person, the name of the authorized signatory to bind the juristic person, location of the head office, and the powers or conditions of the signature binding the juristic person, issued no later than 6 months prior to each conversion date with a signature certifying true copy. By the authorized director to bind the juristic person and affix the company's seal (if any) and a copy of the identification card, government official card, or state enterprise employee card that has not expired of the director authorized to bind the juristic person (in the case of a government official card or state enterprise employee card does not specify an identification number (please attach a certified copy of your house registration with 13 digits of identification number). In the case where the director authorized to sign on behalf of the juristic person is a person who is not of Thai nationality Use a copy of the alien certificate or a copy of a valid passport of the director authorized to bind the juristic person, with a signature certifying true copy, that signature must be the same as the signature signed in the form of intent to use convertible rights of convertible debentures and the back of convertible debentures.

  In this regard, the above documents for non-Thai juristic persons must be certified by the notary public with the seal of Notary Public and certified by the Thai embassy staff or the Thai consulate in the country where the said documents have been prepared by certifying the above documents must be certified no later than 6 months before each conversion date.

(5) Power of attorney affixing a 30 Baht stamp duty (in case of appointing a proxy to act on his behalf) along with a copy of the attorney's evidence. and the authorized person according to Section 1, Clause 7.4.1 (4), as the case may be.

(6) Copy of first page savings account passbook in the event that the convertible debenture holder wishes to receive a cash payment of 0.01 Baht per 1 unit of convertible debentures, according to the conditions of the conversion of the convertible debentures by transferring money to a bank account as specified in the convertible debenture subscription form (Attachment 4).

Convertible debenture holders wishing to convert will be responsible for tax expenses and/or stamp duty (if any) in accordance with the provisions of the Revenue Code on stamp duty category or regulations or other relevant laws or enforce the conversion under the convertible debentures (if any).

7.4.2 The convertible debenture holder can exercise the right to convert the convertible debenture last time. By using the form of intent to exercise the conversion rights of the convertible debentures last time (Attachment 4 of the Terms and Conditions) attached herewith or contact to obtain a form of intent to exercise the conversion rights of the convertible debentures last time to the Company at the address specified in Section 1, Clause 7.3, during the period of 2 December 2023 to 17 December 2023 (or a period of 15 - 30 days prior to the date of the last conversion only on business days). The convertible debenture holder who wishes to convert the convertible debentures for the last time must comply with the conversion conditions. The convertible debenture holder must comply with the regulations or laws that are applicable to the conversion as well by proceeding and submitting the following documents to the Company at the address specified in Section 1, Clause 7.3 above.

(1) Form for the last exercise of the convertible debentures that have filled in all the information correctly, clearly, and completely ready to be signed by the convertible debenture holder.

(2) Convertible debenture certificate or convertible debenture certificate which the convertible debenture holder has signed the transferor's name on the back.

(3) Evidence supporting the conversion according to Section 1, Clause 7.4.1 (4)

(4) Power of attorney affix a stamp duty of 30 Baht (in case of entrusting a proxy to act on his behalf), together with a copy of the evidence of the attorney and attorney under Section 1, Clause 7.4.1. (4), as the case may be.

(5) Copy of first page savings account passbook In the event that the convertible debenture holder wishes to receive a cash payment of <u>0.01 Baht per 1 unit of convertible debentures</u> according to the conditions of the conversion of the convertible debentures by transferring money to a bank account as specified in the convertible debenture subscription form (Attachment 4)

Convertible debenture holders wishing to convert will be responsible for tax expenses and/or all stamp duty (if any) in accordance with the provisions of the Revenue Code on stamp duty category or regulations or other relevant laws or enforce the conversion under the convertible debentures (if any).

According to the form of intent to exercise the conversion rights of the convertible debentures last time, <u>each convertible bondholder must choose an option: (A) request the redemption of the convertible debentures for cash, or (B) request the redemption of the convertible debentures by conversion, according to the conditions of the convertible loan one only, the convertible debentures held by one cannot be divided to select alternatives (A) and (B).</u>

7.4.3 The number of units of convertible debentures requested for conversion must be whole numbers only. The conversion rate is equal to 1 unit of convertible debenture per 333.333333 ordinary shares (if the conversion price is calculated at 3.00 Baht per common share, the value is 999.99 Baht per 1 unit of convertible debenture). Unless there is an adjustment of rights and the Company will pay the convertible debenture holders in cash from the conversion in the amount of 0.01 Baht per 1 unit of convertible debentures according to the terms of conversion of the convertible debentures.

7.4.4 The Company will pay cash from the convertible in the amount of 0.01 Baht per 1 unit of convertible debenture to the convertible debenture holder according to the conditions of the conversion of the convertible debentures by:

(1) Issuing a crossed cheque only on behalf of the convertible debenture holders dated on the same business day on which payment is due in accordance with the terms and conditions. The convertible debenture registrar will send the check in advance via registered mail or Air Mail (in case of sending to the convertible debenture holders abroad) to the address shown in the convertible debenture holders register book, condition as of the closing date of the convertible debenture holders register book; or

(2) Transfer of funds to bank accounts of convertible bondholders in Thailand in accordance with the details that the convertible debenture holder has notified in the convertible debenture subscription form or as notified in writing to the convertible debenture registrar not less than 15 (fifteen) business days prior to the maturity date.

7.4.5 Number of ordinary shares issued upon conversion will be calculated by taking the number of units of convertible debentures requested for conversion multiply by the conversion rate of 333.333333 ordinary shares (unless there is a right adjustment). The fraction of the number of ordinary shares from the conversion under the convertible debentures shall be eliminated from the fraction of the shares. The convertible debenture issuer will pay in cash back to the convertible debenture holder by calculating (1) the number of fractions of shares multiplied by (2) the conversion price.

In the event that a change in price and conversion rate is required according to the conversion price adjustment criteria and the conversion rate as specified in the rights adjustment conditions and there is a fraction of the number of ordinary shares from the conversion under the convertible debentures, the fraction of the shares shall be eliminated. The convertible debenture issuer will pay in cash back to the convertible debenture holder by calculating (1) the number of fractions of shares multiplied by (2) the conversion price (adjusted to the conversion price).

7.4.6 The change in the exercise of convertible debentures shall be in accordance with the terms and conditions of the convertible debentures.

7.4.7 If the Company does not receive the convertible debenture certificates in the amount specified in the form of Intention to Exercise the Convertible Debentures or the Company can verify that the information that the convertible debenture holder enters in the form indicating the intention to exercise the conversion rights of the convertible debenture or evidence supporting the request for conversion is incomplete or incorrect or affixing stamp duty (if any) not complete according to the regulations or other laws, the convertible debenture holder must make amendments to comply with the conditions within the period of intent to convert at that time. Otherwise, the Company will consider that the notification of intent to convert is invalid without conversion. and the Company will return the convertible debenture certificates to the convertible debenture holders via registered mail within 14 days from each conversion date without interest under any circumstances. However, the convertible debentures that have not yet been converted. The said contract is still valid until the last conversion date unless that transformation is the last transformation. The Company reserves the right to do the following. It will be deemed that the convertible debenture holder does not wish to convert and would like to request a full refund of the principal amount (or want to request the company to redeem the convertible debentures to cash in full).

- For convertible debenture holders in Thailand: The Company will redeem the convertible debentures in the amount of 1,000 Baht per 1 unit of convertible debentures by paying a crossed check payable only on behalf of the convertible debenture holders. It will be delivered by registered mail to the address of the convertible debenture holder specified in the convertible debenture subscription form or as the convertible debenture holder has notified in writing to the convertible debenture registrar not less than 15 (fifteen) days before the last conversion within 14 days from the last conversion date. However, in any case, if a redemption cheque of convertible debentures is sent by registered mail at the address specified in the purchase order form or as the convertible debenture holder has notified in writing to the convertible debenture registrar correctly. It shall be deemed that the convertible debenture holder has duly received the redemption of the convertible debentures and the convertible bondholders will no longer have any right to claim interest and/or damages; or
- For foreign convertible debenture holders: The Company will redeem the convertible debentures in the amount of 1,000 Baht per 1 unit of convertible debentures by paying bank drafts in foreign currency. On behalf of the convertible debenture holders by Air Mail to the address of the convertible debenture holder specified in the convertible debenture subscription form or as the convertible debenture holder has notified in writing to the convertible debenture registrar not less than 15 (fifteen) days prior to the last conversion within 14 days from the last conversion date. In addition, the convertible bondholders will be responsible for the bank draft preparation fees and/or bank fees, whereby the Company will deduct any fees (if any) from the money to be transferred to the convertible bondholders. The convertible debenture holder acknowledges and agrees that the exchange rate will depend on the exchange rate as of the bank draft issuing date of the bank issuing the draft. However, under any circumstances, if the redemption cheque of convertible debentures is sent via Air Mail to the address specified in the subscription form or as the convertible debenture holder has correctly notified in writing to the convertible debenture registrar. It shall be deemed that the convertible debenture holder has duly received the redemption of the convertible debentures and the convertible bondholders will no longer have any right to claim interest and/or damages.

7.4.8 When the convertible debenture holder has complied with the conditions for the conversion notification, both the convertible debenture certificates or the convertible debenture certificates have been delivered with a form expressing the intention to exercise the convertible debentures or the form of intent to exercise the conversion rights of the convertible debentures last time (depending on the case) together with the evidence supporting the conversion is correctly and completely. Convertible bondholders are not able to revoke the conversion, unless the written consent of the Company has been obtained.

7.4.9 After the end of the last conversion date but the convertible debenture holder has not fully complied with the conditions of the conversion and/or has not expressed his intention to exercise the right to convert. However, within the period specified in Section 1, Clauses 7.2 and 7.4, it shall be deemed that such convertible debentures have ceased to be converted without conversion and the convertible bondholders will not be able to convert any more. The Company reserves the right to proceed with the redemption of the convertible debentures as specified in Section 1, Clause 7.4.7, whereby the holder of such convertible debentures has no right to claim any damages against the Company and the Company will not compensate for any damages or compensation incurred as a result of all such actions.

7.4.10 In the event that it is not the last exercise of conversion right, convertible bondholders deliver convertible debenture certificates or convertible debenture certificates in more units than the number of convertible debentures. The Company will send a new convertible debenture containing the remaining number of convertible debentures to the holders of such convertible debentures by registered mail within 14 days from the date of the conversion and the old convertible debentures will be cancelled.

7.4.11 The Company shall apply for registration of the change of its paid-up capital with the Ministry of Commerce for the number of newly issued ordinary shares for each conversion within 14 days from the date of each conversion. In addition, the Company will register the convertible debenture holders who have converted them to become ordinary shareholders of the Company in the share register book according to the number of ordinary shares calculated from the conversion at that time.

7.4.12 In the event that the ordinary shares reserved to support the conversion are insufficient, the Company will indemnify the holders of the non-convertible convertible debentures, as stated in the Terms on Rights and Duties of Convertible Debenture Issuers and Convertible Bondholders.

7.4.13 To the Board of Directors and/or persons assigned by the Board of Directors and/or the managing director considers other terms and conditions and other details or cause for the issuance of new shares as well as changes. Both the conversion price and the conversion rate, according to the appropriate calculation method. When there is an event stipulated by the relevant notification of the Securities and Exchange Commission. However, if there is a case where it is necessary to request a resolution from the shareholders' meeting, the Board of Directors will propose to the shareholders' meeting in accordance with the rules.

7.5 Issuing and delivery of new ordinary shares

Convertible debenture holders can choose to have the Company take any of the following actions:

(1) In the case of convertible debenture holders who have been allocated shares wish to request for the new ordinary shares certificates obtained from the conversion under the convertible debentures by issuing share certificates in the name of the convertible debenture holder. The Securities Depository will deliver the share certificates to the convertible debenture holders by registered mail or Air Mail (in the case of sending to the convertible debenture holder abroad) within 15 business days from each conversion date. In this case, the convertible bondholder may not be able to sell the convertible shares until the share certificate is received, which may be received after the Company's newly issued ordinary shares have been approved to be traded on the stock exchange.

(2) In the case that the convertible debenture holder who has been allocated shares does not wish to apply for a share certificate, but wishes to use the services of the Securities Depository by depositing shares in the account of the securities company that they have a brokerage account with. The name of the convertible debenture holder who has converted into ordinary shares must match the name of the securities trading account that the convertible debenture holder wishes to deposit in the account of the securities company only. Otherwise, the Company reserves the right to issue share certificates to the convertible bondholders who have been allocated shares pursuant to Section 1, Clause 7.5 (1) instead.

In this case, the Company will deposit the shares from the conversion with "Thailand Securities Depository Company Limited for Depositors" and the Securities Depository will record the account balance of the number of shares deposited by the securities company. At the same time, the securities company records the number of shares deposited by the convertible debenture holders and issuing evidence of deposit to the convertible bondholders within 7 business days from the date of conversion. In this case, the convertible debenture holder who has been allocated shares will be able to sell the convertible shares on the Exchange as soon as the Exchange permits the Company's newly issued ordinary shares to be traded on the Exchange.

(3) In the event that the convertible debenture holder who has been allocated shares does not wish to apply for a share certificate but wishes to use the services of the Securities Depository wishing to deposit shares in the issuer account number 600 for me. In this case, the Company will deposit the shares resulting from the conversion with the Securities Depository and the Securities Depository will record the account balance of the number of shares according to the amount allocated by the convertible debenture holders in the issuer account number 600 and issue evidence of deposit to the convertible debenture holder who has been allocated shares within 7 business days from the date of each conversion date. When the allotted person wishes to sell the shares, the allotted person must withdraw the 600 shares from the account, by contacting the general securities company, which may be subject to operating fees as specified by the Securities Depository and/or securities companies. Therefore, in this case, the allotted share holders will be able to sell their allocated shares on the stock exchange as soon as the stock exchange permits the Company's shares to be traded on the stock exchange and the person who has been allocated shares has withdrawn the shares from the said account 600.

8. Others

8.1 The Company will allocate warrants to purchase ordinary shares of Villa Kunalai Public Company Limited, No. 1, to shareholders who subscribe for convertible debentures in proportion to the number of shares held by each shareholder (Right Offering) free of charge (zero Baht) in the ratio of 1 unit of convertible debentures per 1,000 units of warrant with details in Section 3.

8.2 Shareholders, please see other details and conditions of convertible debentures in (draft) provisions on rights and obligations of convertible debenture issuers and convertible debenture holders of Villa Kunalai Public Company Limited as attached.

8.3 Details of the convertible bondholders' representative

Asia Plus Securities Company Limited
Head Office 3/1 Floor Sathorn City Tower
No. 175 South Sathorn Road, Thungmahamek,
Sathorn District, Bangkok 10120

8.4 A summary of important information of the instrument (Factsheet) as detailed on the next page.

# Factsheet
## Villa Kunalai Public Company Limited

Real estate development business of housing estates with land for sale and construction
offer sale of convertible debentures with convertible debentureholders' representative which the issuer of convertible debenture has the right to redeem the debenture before the maturity date, offering between September 27 – 30, 2021 in total 4 business days

### Characteristic of debenture

| | |
|---|---|
| Duration | 2 years 3 month |
| Interest rate | Fixed at 6.00% per year |
| Installment of interest | Every 3 months |
| Call option | The issuer has the right to redeem the convertible debenture before the maturity date after 6 months (six) from the date of issuance |
| Total selling offer value | Not more than 120.00 million baht |
| Collateral | – none – |
| Bondholders' representative | Asia Plus Securities Company Limited |
| Objective | To invest in land purchase for the Company new project development at the amount of 100.00 million baht and to utilize as working capital at the amount of 20.00 million baht |
| Exercise of the right to convert | Convertible debenture holder can exercise the right to convert debenture for the first time on October 1, 2023 (express an intention to exercise the right to convert between 25 - 29 September 2023) and the second time on the maturity date of convertible debenture which is January 1, 2024 (express an intention to exercise the right to convert between 2 - 17 December 2023) |

### Credit Rating

Non-rated

### Other important details

| | |
|---|---|
| Date of issuance | 1 October 2021 |
| Maturity date | 1 January 2024 |
| Offer category | Right Offering (RO) |
| Subscription agent of convertible debenture | UOB Kay Hian Securities (Thailand) Public Company Limited |
| Bond registrar | CIMB Thai Bank Public Company Limited |

### Important financial ratio of issuer

| Financial ratio (time) | Industry average (latest) | Half Year of 2021 | 2020 | 2019 |
|---|---|---|---|---|
| Interest coverage ratio[1] | N/A | 6.64 | 4.69 | 2.44 |
| Quick ratio[1] | N/A | 0.20 | 0.24 | 0.16 |
| Debt to equity: D/E ratio[2] | N/A | 1.20 | 1.02 | 1.05 |
| Debt to total equity (according to the terms and conditions) | N/A | 0.76 | 0.49 | 0.62 |

1 the higher number, the higher potential of repayment
2 the higher number, the more debts

### Risk rate

(Considering age of debenture and credibility rate)

Low 1 2 3 4 5 6 7 **8** High

Bond which the issuer has the right to redeem early

### Term of remaining financial ratio

The company will remain Net Debt to Equity Ratio as terms and conditions for 3:1 on the terminal date of accounting period each year throughout the debenture duration

### Yield to maturity (YTM)

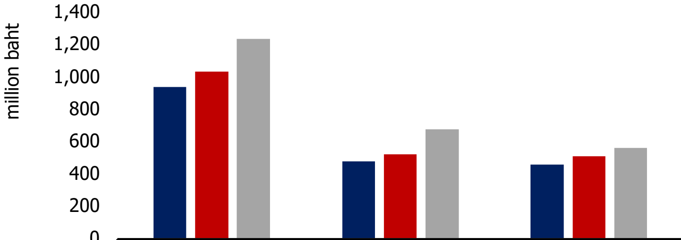
- none -

### Risk of the issuer

1. Risk of developing the project and operating the business in the highly competitive industry. In 2020, real estate in the category of condominium has decelerated with 26,125 open unit, decreasing for 60 % when compared to the previous year. As a result, many real estate entrepreneurs have adjusted their plans to launch new projects from condominiums to more low-rise properties. Therefore, in 2020, there are 44,001 units of low-rise properties projects opened which is 63% increasing compared to 42% in 2019
2. Risk of relying on the revenue of real estate project concentrated in Bangbuathong, Nonthaburi. In this regard, the company has developed projects in the area of Nonthaburi for 4 projects and 1 project in Chachoengsao
3. Risk that the future business performance might not reach the goal because clients cannot transfer the ownership on the date specified in the contract. In this regard, the projects of group of company will acknowledge the revenue when the ownerships are transferred after the project developments are completed
4. Risk of volatility in construction materials prices, labor shortage risk and the risk of relying on few contractors
5. Risk of political, legal and regulatory changes which may affect the Group's real estate business
6. Risk of seeking land for future project development
7. Risk of default on repayment of loan from financial institutions and the company debentures. In this regard, on June 30 2021, the issuer had total financial institution debt of 249.48 million baht and outstanding debenture balance of 236.49 million baht. The Quick Ratio is 0.20 times, which is low. However, if the issuer does not receive the money transferred of Backlog from customers according to the plan, the issuer will risk defaulting on such debts because the Company insufficient liquidity.

## Summary of financial position and business performance based on consolidated financial statements for the past 3 years

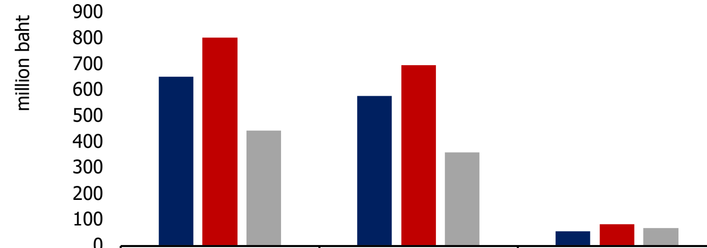
### Statement of Financial Position




| | Total Assets | Total Liabilities | Equity |
|---|---|---|---|
| 2562 | 940.41 | 481.36 | 459.05 |
| 2563 | 1,034.98 | 522.02 | 512.96 |
| 6M/2564 | 1,238.63 | 676.88 | 561.75 |

2562 2563 6M/2564

### Statement of Income



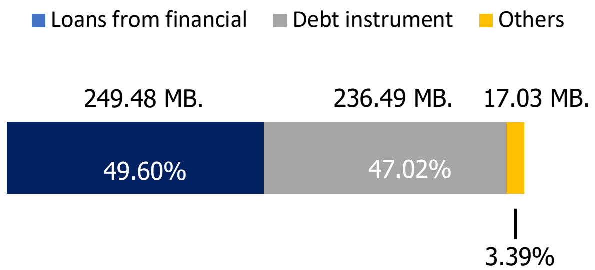

| | Total Revenue | Cost & Expenses* | Net profit |
|---|---|---|---|
| 2562 | 652.67 | 578.79 | 56.26 |
| 2563 | 803.79 | 698.29 | 84.64 |
| 6M/2564 | 446.11 | 361.09 | 68.50 |

2562 2563 6M/2564

Remark* financial cost and income tax are not included in expenses

## The ratio of interest-bearing debt of the issuer

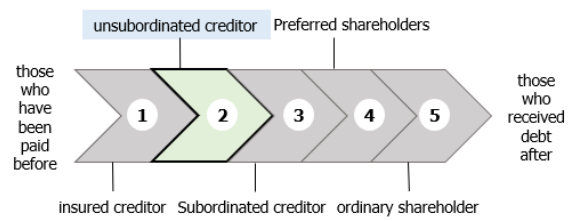
As of June 30, 2021




*Others are loans from other parties and lease liabilities

## Order of repayment

when the issuer is placed under receivership or is adjudged bankrupt or there is a liquidation for the dissolution of the company




## Characteristics and Major Risks of Debentures

1. Investing in convertible bonds is not a deposit. Investors may be prepared to hold convertible debentures until the maturity date because selling before maturity can be difficult or cheaper than its value or purchase price
2. Due to the low liquidity of debt securities in Thailand, selling a debenture before its maturity in the secondary market may result in a decrease or increase in the selling value of the debenture, depending on market conditions and demand at that time
3. Debenture may have high returns, yet a high risk. Investors should understand the nature of the debenture as well as analyze the risks and debt repayment ability of the issuer before making investment decisions
4. Convertible debenture issuer has not been rated for credibility. Investors should study the business performance of the convertible debenture issuer company and keep up to date with the news of the issuing company
5. Redemption of convertible debentures before the maturity date by the issuer may expose the convertible debenture holders to the risk that they cannot predict the exact cash inflows from the convertible debenture. Moreover, they may risk losing the opportunity to receive high returns from the investment in the convertible debenture mentioned.

## Disclaimer and other notices

Disclaimer

- An approval from the SEC is not a recommendation for investment, guarantee of debt repayment, returns or principal and does not guarantee the accuracy of information
- This summary is part of the convertible debenture allocation notice, which is just a summary of the sale offering, characteristics and risks of securities and companies issuing and offering securities. Therefore, investors must analyze the risks and study the information from the convertible debenture allocation notice, terms of rights and subscription documents for convertible debentures

History of default

☑ Not present ☐ Present

The company is not presented with history of default on interest or principal of debt or default on loans from commercial banks, finance company, Credit Foncier Company or a financial institution established by a specific law to review the past 3 years history from the National Credit Bureau and financial statements audited by an authorized auditor

## Section 2 : Information of Villa Kunalai Public Company Limited ("KUN")

### 1. The name and details of the convertible bonds

| | | |
|---|---|---|
| Company Name | : | Villa Kunalai Public Company Limited |
| Head Office Addres | : | No. 819, Village No. 7, Phimonrat Subdistrict, Bang Bua Thong District Nonthaburi Province 11110 |
| Phone | : | 02-834-4938-40 |
| Nature of Business | : | Real Estate Development |
| Registration Number | : | 0107562000025 |
| Website | : | www.kunalai.co.th |
| Registered Capital | : | 423,199,996.50 baht (four hundred twenty-three million, one hundred ninety-nine thousand nine hundred ninety-six point five zero) |
| Paid-up Capital | : | 343,199,962.00 baht (three hundred forty-three one hundred ninety-nine thousand nine hundred and sixty-two) |
| Par value per share | : | 0.50 Baht (fifty Satang) |

### 2. Business Overview

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 of companies has a policy to sell before the construction of the house is completed to allow customers to pay down payment according to the construction plan and prepare for entry In general cases, the amount of down payment will be 3 - 5 percent of the selling price. The number of installments will depend on the time the construction will be completed. It takes no more than 6 months to build a house and customers make an average down payment of 4 - 6 installments, depending on the time the construction is completed. During the down payment, you can also contact financial institutions to prepare for loan approval. 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.

At present, the main business of the group is to operate a horizontal real estate 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, the group will develop small-medium projects with project area 8 - 47 Rai and project life 3-5 years. There are 7 closed projects, 5 projects in progress and 1 projects in the future projects with names and product characteristics of each project as follows.

| Projects | 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 |
| 7. Kunalai Begins | | | / | | Project closed |
| 8. Kunalai Pollen | | / | | | Project closed |
| 9. Kunalai Joy | / | / | | | Under construction and sale |
| 10. Kunalai Joy On 314 | / | / | | | Under development and construction |
| 11. Kunalai Begins 2 | | | / | / | Under development and construction |
| 12. Kunalai Preem | / | / | | | Under development and construction |
| 13. Villa Vanich | | | | / | Future project |

Because in 2017, the Company started planning a new marketing model in line with the Company's vision that "create space, create happiness", thus planning the future for the products sold by the Company. There are only 4 groups of products according to the price level and the product that can be summarized as follows.

(1) “Kunalai Begins”, a project with an average selling price of approximately 2.04 million baht, is a townhome project and commercial buildings, focusing on middle-class target customers starting a new family or preparing for retirement with a small family of about 2 - 4 people who want their own place to live at an affordable and worthwhile price. Moreover, it takes advantage of the cost-effective internal space layout

and has allocated utility areas that are more special than general projects such as focusing on park areas, etc.

There are currently 2 projects as follows.

- Kunalai Begins project – started for sale in 2017, currently 1 unit is left for sale
- Kunalai Begins 2 project – under development and under construction

(2) "Kunalai Joy", a project with an average selling price of approximately 3.63 million baht, is used for single-detached and twin houses. It is designed to be easy to use and focusing on open space. For example, the ground floor of the house will have a wide-open area so that customers can apply according to each usage by focusing on customers who are working age who have extended family members. and grow up about 3 - 6 people. Projects in the same level are Kunalai Proud, Kunalai Courtyard, Kunalai Preem. However, in the future, there is a plan to stop using the name of Kunalai Proud and Kunalai Courtyard due to the improvement of the marketing plan making projects in this group, there will be only the names "Kunalai Joy" and "Kunalai Preem".

Currently, there are a total of 5 projects that belong to this group of products.

- Kunalai Pround project – started for sale in 2013 and is currently closed
- Kunalai Courtyard project – opened for sale in 2014 and is in the process
- Kunalai Joy project – started for sale in 2018 and is in the process
- Kunalai Preem project – started for sale in 2020 and is in the process
- Kunalai Joy On 314 project – opened for sale in 2019 and is in the process

(3) "Kunalai Pollen", a project with an average selling price of approximately 4.01 million baht, is used for a single-detached house project and different from other projects of the Company, for example, there is a wide-open ground floor living area. There is a small common area for easy maintenance. and have high privacy. The house style of the Kunalai Pollen project is not much different from the Kunalai Joy project, but the Kunalai Pollen project is a smaller project than other projects making high privacy. There will be less than 50 houses, focusing on working-age customers who like privacy and want to expand the size of the residence.

Currently, there is a total of 1 project as follows.

- Kunalai Pollen project – started for sale in 2018 and is currently closed

(4) "Kunalai Symphony", a project with an average selling price of approximately 4.65 million baht, is used for projects with single-detached houses only. It was designed with the concept that 3 generations of people, comprising grandmother - mother - grandchildren, who are 3 generations of different eras, can live together with an area of at least 60 square Wah and still have privacy to be able to live with a large family. There are at least 4 bedrooms and the downstairs bedroom must have a bathroom to make it

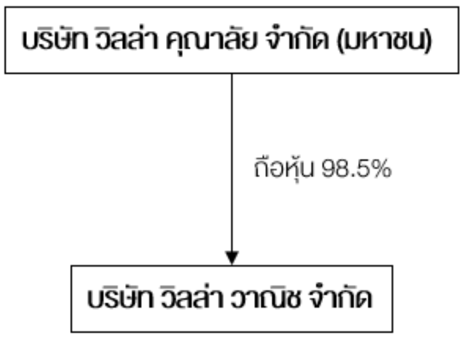
comfortable for the elderly. By focusing on customers who like houses with large plots of land and have families with elderly people living with 6 or more family members.

Currently, there is a total of 1 project as follows.

- Kunalai Symphony project – opened for sale in 2015 and is currently closed

## 3. Shareholding structure of the group

The Company has one direct owned subsidiary, Villa Vanich Co., Ltd., engaged in real estate development business. by developing residential projects types of single-detached houses, twin houses, townhouses and commercial buildings by focusing on project development in Nonthaburi province.




Villa Vanich Company Limited was established for the purpose of dividing the project allocation to suit the market conditions. and for faster project management by helping the Company to reduce the process of asking for permission to build a housing project with government agencies that are eligible for EIA 1.) the project has a land size of more than 100 Rai or 2.) the number of houses in the project exceeds 500 plots. Villa Vanich Co., Ltd. operates the project Kunalai Symphony and Kunalai Pollen.

As of December 31, 2020, Villa Vanich Co., Ltd. is able to close the sale of houses in the Kunalai Symphony Project and the Kunalai Pollen project (details in Section 3.2.2 Nature of Business).

## 4. Income structure of KUN

The group operates the business of developing low-rise real estate for sale. focusing on areas in the perimeter, especially Bang Bua Thong district Nonthaburi province. Most of the projects of the group selling price is about 2 - 6 million baht, which the main customers of the group of companies, including the group of customers who are starting to work with group of customers who need additional housing with the age range of 21 - 55 years, local customers who want to expand their family. However, as of June 30, 2021, the allocation projects that the group has been able to close the sale of projects totaled 7 projects, 5 projects in progress and one project in the future.

The income of the group of companies can be classified according to each type of product characteristics as follows.

| Revenue structure | Consolidated financial statements | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 31 Dec 2018 | | 31 Dec 2019 | | 31 Dec 2020 | | 30 Jun 2021 | |
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Income form real estate sales | | | | | | | | |
| Single-detached houses | 318.25 | 71.18 | 388.60 | 59.54 | 336.33 | 41.84 | 129.82 | 29.10 |
| Twin houses | 26.99 | 6.04 | 162.81 | 24.95 | 410.42 | 51.06 | 291.41 | 65.32 |
| Townhome | 101.01 | 22.59 | 98.05 | 15.02 | 52.89 | 6.58 | 15.30 | 3.43 |
| Commercial building | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 7.45 | 1.67 |
| **Total income from real estate sales** | **446.25** | **99.81** | **649.46** | **99.51** | **799.64** | **99.48** | 443.98 | 99.52 |
| Other income[1] | 0.84 | 0.19 | 3.21 | 0.49 | 4.15 | 0.52 | 2.14 | 0.48 |
| **Total income** | **447.09** | **100.00** | **652.67** | **100.00** | **803.79** | **100.00** | 446.11 | 100.00 |

Notes: 1/ Income from forfeiture of money received in advance and revenue from renting out the club building is the main.

## 5. Shareholders and Board of Directors

### 5.1 Shareholders

List of the top 10 shareholders of the Company as listed in the latest shareholder register of the Company as of July 15, 2021 are as follows.

| Order | List of shareholders | Number of shares (shares) | Shareholding (%) |
|---|---|---|---|
| 1 | Kunavalai Company Limited | 171,600,000 | 25.00 |
| 2 | Mr. Khuna Thewa-aksorn | 76,355,632 | 11.12 |
| 3 | Mrs. Praweerat Thewa-aksorn | 52,200,056 | 7.60 |
| 4 | LGT BANK (SINGAPORE) LTD | 52,000,208 | 7.58 |
| 5 | Mr. Paisan Sangkwanich | 30,500,095 | 4.44 |
| 6 | Mrs. Supitcha Saipornchai | 26,020,430 | 3.79 |
| 7 | Ms. Nuttawan Saegang | 23,550,000 | 3.43 |
| 8 | Mr. Narongdej Saipornchai | 22,820,030 | 3.32 |
| 9 | Ms. Sawitree Nomlom | 12,152,892 | 1.77 |
| 10 | Mr. Kittipan Suksomkit | 11,638,860 | 1.70 |
| Total | | 478,838,203 | 69.75 |

Source: The Stock Exchange of Thailand

### 5.2 Board of Directors

List of 7 people in the Board of Directors of the Company.

| Order | Name - Surname | Position |
|---|---|---|
| 1 | Mr. Tawatchai Suthikitpisan | Chairman of the Board / Independent Director |
| 2 | Mr. Khuna Thewa-aksorn | Chairman of Executive Committee / Director |
| 3 | Mrs. Praweerat Thewa-aksorn | Chief Executive Officer / Director |
| 4 | Mr. Paisan Sangkwanich | Director |
| 5 | Mr. Anan Sirisaengthaksin | Independent Director / Chairman of the Audit Committee |
| 6 | Mr. Nawamin Prasopnet | Independent Director / Member of the Audit Committee |
| 7 | Mr. Teerawit Thanakijsoontorn | Independent Director / Member of the Audit Committee |

Source: The Stock Exchange of Thailand

5.3 Managment team

List of the Company's top management team consists of the following.

| Order | Name - Surname | Position |
|---|---|---|
| 1 | Mrs. Praweerat Thewa-aksorn | Chief Executive Officer |
| 2 | Mrs. Anupha Thongplea | Director of Revenue Operations |
| 3 | Mr. Suradet Prachuapsrirat | Director of Accounting, Finance and Budget |
| 4 | Miss Wanmai Poomthavorn | Director of Support |
| 5 | Mr. Surachet Panthai | Director of Planning and operating the project |
| 6 | Miss Jintana Roinak | Accounting Manager |
| 7 | Ms. Kulisara Thanyawikai | Company Secretary |

## 6. Financial status and operating results

### 6.1. Statement of financial position

Statements of financial position as of December 31, 2019, December 31, 2020, and June 30, 2021 are as follows.

| Statement of financial position (Unit: Million Baht) | Audited financial statement As of 31 Dec 2019 (consolidated financial statement) | | Audited financial statement As of 31 Dec 2020 (consolidated financial statement) | | Audited financial statement As of 30 Jun 2021 (consolidated financial statement) | |
|---|---|---|---|---|---|---|
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Assets | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | 54.71 | 5.82 | 89.14 | 8.61 | 71.24 | 5.75 |
| Financial assets measured at amortized cost method | - | - | 1.51 | 0.15 | - | - |
| Trade accounts and other receivables | 3.30 | 0.35 | 2.76 | 0.27 | 4.36 | 0.35 |
| Real estate development costs | 694.38 | 73.84 | 698.28 | 67.47 | 892.77 | 72.08 |
| Other current assets | 8.23 | 0.88 | 23.69 | 2.29 | 41.66 | 3.36 |
| Total current assets | 760.62 | 80.89 | 815.38 | 78.78 | 1,010.03 | 81.54 |
| Non-current assets | | | | | | |
| Deposits at financial institutions with collateral obligations | 0.76 | 0.08 | 29.52 | 2.85 | 21.25 | 1.72 |
| Land waiting for development | 86.89 | 9.24 | 98.97 | 9.56 | 98.97 | 7.99 |
| Investment Property | 23.04 | 2.45 | 21.55 | 2.08 | 20.82 | 1.68 |
| Land, buildings, and equipment | 60.80 | 6.46 | 56.53 | 5.46 | 59.08 | 4.77 |
| License assets | - | - | 4.93 | 0.48 | 4.23 | 0.34 |
| Intangible assets | 3.60 | 0.38 | 2.68 | 0.26 | 1.92 | 0.15 |
| Deferred tax assets | 1.35 | 0.14 | 2.49 | 0.24 | 2.98 | 0.24 |
| Other non-current assets | 3.36 | 0.36 | 2.93 | 0.28 | 19.37 | 1.56 |
| Total non-current assets | 179.79 | 19.11 | 219.60 | 21.22 | 228.61 | 18.46 |
| Total assets | 940.41 | 100.00 | 1,034.98 | 100.00 | 1,238.63 | 100.00 |
| Liabilities and Equity | | | | | | |
| Current liabilities | | | | | | |

| Statement of financial position (Unit: Million Baht) | Audited financial statement As of 31 Dec 2019 (consolidated financial statement) | | Audited financial statement As of 31 Dec 2020 (consolidated financial statement) | | Audited financial statement As of 30 Jun 2021 (consolidated financial statement) | |
|---|---|---|---|---|---|---|
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Bank overdrafts and short-term loans from financial institutions | - | - | 30.00 | 2.90 | 40.00 | 3.29 |
| Trade and other payables | 130.10 | 13.83 | 143.48 | 13.87 | 146.30 | 12.03 |
| Contract Liabilities | - | - | - | - | 8.27 | - |
| Advance income | 7.43 | 0.79 | 2.10 | 0.20 | - | - |
| Short-term loans from other people | 19.50 | 2.07 | 13.50 | 1.30 | 13.50 | 1.11 |
| Liabilities under finance lease agreements due within one year | 0.47 | 0.05 | 1.37 | 0.13 | 1.40 | 0.12 |
| The portion of the debentures due within one year | | | 1.33 | 0.13 | 3.13 | 0.26 |
| Long-term loans from financial institutions that have reached due within one year | 194.65 | 20.70 | 183.18 | 17.70 | 147.20 | 12.10 |
| Accrued income tax | 4.14 | 0.44 | 9.15 | 0.88 | 11.59 | 0.95 |
| Other current liabilities | 0.37 | 0.04 | 1.62 | 0.16 | 0.00 | 0.00 |
| Total current liabilities | 356.67 | 37.92 | 385.74 | 37.27 | 371.39 | 30.54 |
| Non-current liabilities | | | | | | |
| Liabilities under lease agreements | - | - | - | - | 2.13 | 0.18 |
| Liabilities under finance lease agreements | 1.00 | 0.11 | 2.84 | 0.27 | - | - |
| Debentures | - | - | 87.01 | 8.41 | 233.36 | 19.19 |
| Long-term loans from financial institutions | 118.51 | 12.60 | 40.51 | 3.91 | 62.28 | 5.12 |
| Employee benefit obligations | 5.18 | 0.55 | 5.92 | 0.58 | 7.72 | 0.64 |
| Total non-current liabilities | 124.69 | 13.26 | 136.28 | 13.17 | 305.49 | 25.12 |
| Total liabilities | 481.36 | 51.18 | 522.02 | 50.44 | 676.88 | 55.65 |
| Equity | | | | | | |
| Share capital | | | | | | |
| Registered capital | 300.00 | 31.90 | 312.00 | 30.15 | 423.20 | 34.17 |
| Issued and paid capital | 300.00 | 31.90 | 312.00 | 30.15 | 343.20 | 27.71 |
| Premium on ordinary shares | 123.55 | 13.14 | 123.55 | 11.94 | 123.55 | 9.97 |
| Retained earnings – appropriated as legal reserve | 8.79 | 0.93 | 13.03 | 1.26 | 13.03 | 1.05 |
| Retained earnings – unappropriated | 39.11 | 4.16 | 76.81 | 7.42 | 94.43 | 7.62 |
| Other components of equity | (13.67) | (1.45) | (13.67) | (1.33) | (13.67) | (1.10) |
| Total equity of the parent company | 457.78 | 48.68 | 511.72 | 49.44 | 560.54 | 45.25 |
| Non-controlling interests | 1.27 | 0.14 | 1.24 | 0.12 | 1.22 | 0.10 |
| Total Shareholders' Equity | 459.05 | 48.82 | 512.96 | 49.56 | 561.75 | 45.35 |
| Total liabilities and shareholders' equity | 940.41 | 100.00 | 1,034.98 | 100.00 | 1,238.63 | 100.00 |

## 6.2 Income statement

Summary of statements of comprehensive income for the year 2019 - 2020 and the second quarter of 2020 – 2021.

| Consolidated statement of comprehensive income (Unit: Million Baht) | Audited financial statement 31 Dec 19 | | Audited financial statement 31 Dec 20 | | Audited financial statement 30 Jun 20 | | Audited financial statement 30 Jun 21 | |
|---|---|---|---|---|---|---|---|---|
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| <u>Income</u> | | | | | | | | |
| Income from real estate sales | 649.46 | 99.51 | 799.64 | 99.48 | 325.96 | 99.67 | 443.98 | 99.52 |
| Other incomes | 3.21 | 0.49 | 4.15 | 0.52 | 1.07 | 0.33 | 2.14 | 0.48 |
| Total income | 652.67 | 100 | 803.79 | 100 | 327.03 | 100.00 | 446.11 | 100.00 |
| <u>Costs</u> | | | | | | | | |
| Cost of real estate sales | 470.02 | 72.37 | 582.79 | 72.88 | 241.29 | 73.78 | 300.99 | 67.47 |
| Selling expenses | 49.24 | 7.58 | 58.23 | 7.28 | 23.71 | 7.25 | 31.16 | 6.98 |
| Administrative expenses | 59.53 | 9.17 | 57.27 | 7.16 | 27.50 | 8.41 | 28.94 | 6.49 |
| Total cost | 578.79 | 89.12 | 698.29 | 87.33 | 292.51 | 89.44 | 361.09 | 80.94 |
| Profit (loss) before finance costs and income tax expenses | 73.88 | 11.32 | 105.5 | 13.13 | 34.53 | 10.56 | 85.03 | 19.06 |
| Financial cost | 2.89 | 0.44 | 0.24 | 0.03 | 0.17 | 0.05 | 0.09 | 0.02 |
| Profit (loss) before income tax expenses | 71 | 10.88 | 105.26 | 13.1 | 34.36 | 10.51 | 84.94 | 19.04 |
| Income tax expenses | 14.35 | 2.2 | 20.62 | 2.57 | 6.99 | 2.14 | 16.44 | 3.69 |
| Net profit (loss) for the year | 56.65 | 8.68 | 84.64 | 10.53 | 27.37 | 8.37 | 68.50 | 15.35 |
| <u>Other comprehensive income (loss)</u> | | | | | | | | |
| Remeasurement of employee benefit obligations | (0.48) | (0.07) | - | - | - | - | (1.23) | (0.28) |
| Income tax on the remeasurement of employee benefit obligations | - | - | - | - | - | - | 0.25 | 0.06 |
| Income tax on items that will not be reclassified subsequently to profit or loss | 0.1 | 0.01 | - | - | - | - | - | - |
| Total comprehensive income (loss) for the year | 56.27 | 8.62 | 84.64 | 10.53 | 27.37 | 8.37 | 67.51 | 15.13 |
| <u>Profit sharing (loss)</u> | | | | | | | | |
| Ownership of the parent company | 56.31 | 8.63 | 84.66 | 10.53 | 27.36 | 8.37 | 68.52 | 15.36 |
| Non-controlling interests | 0.33 | 0.05 | (0.02) | 0 | 0.01 | 0.00 | (0.03) | (0.01) |
| Net Profit (Loss) | 56.65 | 8.68 | 84.64 | 10.53 | 27.37 | 8.37 | 68.50 | 15.35 |
| <u>Total Comprehensive Profit (Loss) Sharing</u> | | | | | | | | |
| Ownership of the parent company | 55.93 | 8.57 | 84.66 | 10.53 | 27.36 | 8.37 | 67.54 | 15.14 |
| Non-controlling interests | 0.33 | 0.05 | (0.02) | 0.00 | 0.01 | 0.00 | (0.03) | (0.01) |
| Total net comprehensive income (loss) | 56.27 | 8.62 | 84.64 | 10.53 | 27.37 | 8.37 | 67.51 | 15.13 |
| Basic earnings (loss) per share (Baht) | 0.12 | | 0.14 | | 0.04 | | 0.10 | |

## 6.3 Cash flow statement

Summary table of cash flow statement for the year 2019 - 2020 and the second quarter of 2020 – 2021.

| List | Audited financial statement | | | |
|---|---|---|---|---|
| | Year 2019 | Year 2020 | 30 Jun 20 | 30 Jun 21 |
| Cash flow from operating activities | | | | |
| Profit before income tax expenses | 71.00 | 105.26 | 34.36 | 84.94 |
| Update list | | | | |
| Allowance for doubtful accounts and bad debts | 0.05 | - | 0.00 | - |
| Depreciation of investment properties | 1.27 | 1.48 | 0.74 | 0.74 |
| Depreciation of buildings and equipment | 4.95 | 4.20 | 1.91 | 2.27 |
| Amortization of intangible assets | 1.35 | 1.44 | 0.69 | 0.72 |
| Employee benefit expenses | 1.64 | 0.88 | 0.37 | 0.68 |
| Loss on amortization of equipment | - | - | 0.00 | 0.06 |
| Profit from selling equipment | 0.04 | (0.02) | 0.00 | (0.00) |
| Interest earned | (0.01) | (0.11) | (0.03) | (0.04) |
| Interest expense | 2.89 | - | 0.00 | |
| Financial cost | - | 0.24 | 0.17 | 0.09 |
| Changes in operating assets and liabilities | 83.18 | 113.37 | 38.20 | 89.46 |
| Decrease in operating assets (increase) | | | | |
| Trade accounts and other receivables | (1.30) | 0.55 | 0.65 | (1.61) |
| Real estate development costs | (60.05) | 22.72 | (5.54) | (181.22) |
| Other current assets | (0.05) | (15.02) | 4.97 | (17.93) |
| Land waiting for development | - | (12.08) | 0.00 | - |
| Other non-current assets | (2.92) | 0.42 | (5.32) | (16.44) |
| Operating liabilities increase (decrease) | | | | |
| Trade and other payables | (3.29) | 13.50 | (17.99) | 1.04 |
| Contract under lease agreement | - | - | - | 6.17 |
| Advance income | 7.43 | (5.33) | 5.79 | - |
| Other current liabilities | (3.03) | 1.26 | (0.36) | (1.62) |
| Employee benefit obligations | - | - | - | (0.11) |
| Cash received (paid) from operating activities | 19.97 | 119.39 | 20.40 | (122.27) |
| Earn interest | 0.01 | 0.10 | 0.01 | 0.05 |
| Pay employee benefits | - | (0.14) | 0.00 | - |
| Pay interest | (33.43) | (24.00) | (10.77) | (11.40) |
| Pay income tax | (7.36) | (17.18) | (7.98) | (14.29) |
| Net cash used in operating activities | (20.81) | 78.16 | 1.66 | (147.91) |
| Cash flow from investing activities | | | | |
| Decrease in deposits at financial institutions | 0.49 | (28.75) | (12.01) | 8.27 |
| Cash paid to purchase financial assets measured at amortized cost method | - | (1.51) | 0.00 | 1.51 |
| Cash paid for the purchase of land building and equipment | (0.90) | (0.33) | (0.99) | (1.07) |
| Cash paid for use rights assets | | (0.84) | 0.00 | - |
| Cash paid for the purchase of intangible assets | (0.17) | (0.53) | (0.50) | - |
| Proceeds from the sale of equipment | - | 0.02 | 0.01 | 0.00 |
| Cash paid for investment property purchases | (0.18) | - | 0.00 | - |
| Net cash used in investing activities | (0.76) | (31.94) | (13.49) | 8.70 |
| Cash flow from financing activities | | | | |
| Cash received from short-term loans from financial institutions | - | 190.00 | 40.00 | 80.00 |
| Cash repayment of short-term loans from financial institutions | (100.00) | (160.00) | - | (70.00) |
| Cash repayment of short-term loans from related parties | - | - | - | - |

| List | Audited financial statement | | | |
|---|---|---|---|---|
| | Year 2019 | Year 2020 | 30 Jun 20 | 30 Jun 21 |
| Cash received from short-term loans from related parties | - | - | - | - |
| Cash received from short-term loans from others | - | - | (6.00) | - |
| Cash repayment of short-term loans from others | - | (6.00) | - | - |
| Proceeds from issuing debentures | | 90.00 | - | 150.00 |
| Cash paid for the cost of issuing debentures | | (3.34) | - | (4.87) |
| Cash repayment of long-term loans from financial institutions | (514.30) | (358.57) | (113.43) | (318.79) |
| Cash received from long-term loans from financial institutions | 583.13 | 267.79 | 140.80 | 304.36 |
| Cash repayment of liabilities under finance lease agreements | (0.54) | (0.94) | - | (0.68) |
| Dividends are paid to non-controlling interests in subsidiaries | (0.30) | - | - | - |
| Cash dividends | (49.50) | (30.72) | (12.00) | (18.72) |
| Proceeds from non-controlling interests | - | - | 0.00 | - |
| Cash received from capital increase | 165.00 | - | 0.00 | - |
| Cash paid for the cost of issuing shares | (9.22) | - | - | - |
| Employee benefit obligations | - | - | (0.29) | - |
| Net cash provided by (used in) financing activities | 74.27 | (11.78) | 49.08 | 121.30 |
| Net increase in cash and cash equivalents | 52.70 | 34.44 | 37.24 | (17.90) |
| Cash and cash equivalents at the beginning of the year | 2.00 | 54.71 | 54.71 | 89.14 |
| Cash and cash equivalents at the end of the year | 54.70 | 89.14 | 91.95 | 71.24 |

## 7. Description of operating results and financial position

### 7.1 Performance analysis

Revenue structure of the group of companies for the year 2018 - the second quarter of 2021 classified by type of income. The details are as follows.

| Revenue structure | Consolidated financial statement | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31 Dec 2018 | | 31 Dec 2019 | | 31 Dec 2020 | | 30 Jun 20 | | 30 Jun 21 | |
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Income from real estate sales | | | | | | | | | | |
| Total income from real estate sales | 446.25 | 99.81 | 649.46 | 99.51 | 799.64 | 99.48 | 325.96 | 99.67 | 443.98 | 99.52 |
| Other income[1] | 0.84 | 0.19 | 3.21 | 0.49 | 4.15 | 0.52 | 1.07 | 0.33 | 2.14 | 0.48 |
| Total income | 447.09 | 100.00 | 652.67 | 100.00 | 803.79 | 100.00 | 327.03 | 100.00 | 446.11 | 100.00 |

Notes: 1/ Other income consists of Compensation income for home repair work from contractors Revenue from forfeiture received in advance and revenue from club building rental

For the year 2018, 2019, 2020 and the second of 2021, the Group's total revenue is 447.09 million baht, 652.67 million baht, 803.79 million baht and 446.11 million baht respectively, other income such as income from forfeiture received in advance and income from renting out the club building, etc. The Group will recognize revenue when the ownership transfer to the buyer is complete.

For sales of detached houses The Group's sales of single-detached houses increased from 318.25 million baht in 2018 to 388.60 million baht in 2019, an increase of 70.35 million baht or an increase of 22.11% due to an increase in ownership transfers, mainly derived from the single-detached house products of the Kunalai Joy project. And in 2020, the Group's sales of single-detached houses were 336.33 million baht, a decrease of 52.27 million baht from 2019, or a 13.45 percent decrease, due to single-detached home products of the Kunalai Symphony project and the Kunalai Project. Lai Pollen sold out while sales from Kunalai Joy and Khunalai Preem were replaced.

For the sales of twin houses, the Group's sales of twin houses increased from 26.99 million baht in 2018 to 162.81 million baht in 2019, an increase of 135.82 million baht or accounted for an increase of 503.22% due to the increase in ownership transfers, with the main income coming from the duplex house products of the Kunalai Joy project and in 2020, the Group has sales of twin houses equal to 410.42 million baht, an increase of 247.61 million baht or an increase of 152.09% competing on price and value with nearby competitors.

As for townhome sales, the Group's sales of townhome products decreased from 101.01 million baht in 2018 to 98.05 million baht in 2019, a decrease of 2.96 million baht or a 2.93% decrease from the transfer of ownership, decrease in Kunalai Begins Project. In addition, and in 2020, the Group has sales of townhomes equal to 52.89, a decrease of 45.16 million baht from the year 2019, or a decrease of 46.06%, due to the Kunalai Begins 1 project, which has remaining houses brought forward only 10 units and there are 6 units of ownership transfer. In addition, from the marketing survey, it was found that townhomes in the Kunalai Westgate project zone have much higher competition. The Company therefore plans to postpone the construction and launch for sale of the Kunalai Begins 2 Project. The Kunalai Begins 2 project was launched for sale in April 2020 and the ownership transfer commenced in June 2020; thus, the revenue from townhome down decreases.

1.) Income from real estate sales

Revenue from real estate sales in 2018, 2019, 2020 and As of June 30, 2021 were 446.25 million baht, 649.46 million baht, 799.64 million baht and 446.11 or 99.81%, 99.51%, 99.48% and 99.52% of total revenue, respectively.

However, the recognition of income from real estate sales will increase. with the transfer of ownership of the house to the buyer. The factors affecting the sale and transfer of houses are the volume of completed homes ready for sale, the salesperson's ability to sell the home and to accept the ownership transfer of the customer's home, the customer's bank loan approval, and the efficiency of the home's construction and delivered by building contractor.

Details of revenue recognition from real estate sales by project for the year 2018 - June 30, 2021 can be summarized as follows.

| Project | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | Year 2018 | | Year 2019 | | 30 Jun 2021 | |
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Kunalai Courtyard | 105.7 | 23.69 | - | - | 7.45 | 1.68 |
| Kunalai Symphony | 166.07 | 37.21 | 105.94 | 16.31 | - | - |
| Kunalai Begins | 101.01 | 22.64 | 98.05 | 15.10 | 1.95 | 0.44 |
| Kunalai Pollen | 73.47 | 16.46 | 70.22 | 10.81 | 0.02 | 0.01 |
| Kunalai Joy | - | - | 355.27 | 54.7 | 43.10 | 9.71 |
| Kunalai Joy On 314 | - | - | 19.98 | 3.08 | 57.95 | 13.05 |

| Project | Consolidated financial statement | | | | | |
|---|---|---|---|---|---|---|
| | Year 2018 | | Year 2019 | | 30 Jun 2021 | |
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Kunalai Preem | - | - | - | - | 320.17 | 72.11 |
| Kunalai Begins 2 | - | - | - | - | 13.34 | 3.01 |
| Total income from real estate sales | 446.25 | 100.00 | 649.46 | 100.00 | 443.98 | 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 |
| คุณาKunalai Pollen | July 2018 | October 2017 | August 2018 |
| Kunalai Joy | August 2018 | August 2018 | 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 |

In 2018, the Group's income from real estate sales was 446.25 million baht. The Group's main income was from the continuous transfer of ownership of 4 projects, namely the Kunalai Courtyard project valued 105.70 million baht, accounting for 23.69% of the revenue from real estate sales in 2018, Kunalai Symphony Project valued at 166.07 million baht, or 37.21% of revenue from real estate sales, and Kunalai Begins project valued 101.01 million baht, or 22.64% of revenue from real estate sales. In addition, the Company has launched a new project for sale, namely Kunalai Pollen valued 73.47 million baht.

In 2019, the Group's income from real estate sales was 649.46 million baht, an increase of 203.21 million baht from 2018, or an increase of 45.54 percent from transfer of ownership and the Group has launched a presale of the houses of the Kunalai Joy project, which started construction and sales at the same time in August 2018. Many of the houses that were sold during 2018 were transferred in 2019. In this regard, the house ownership has been transferred from the Kunalai Joy project worth 355.27 million baht, or 54.70% of the total ownership transfer value in 2019. In addition, there was a transfer of ownership of the house from the Kunalai Symphony project, which had a new house design that was renovated in the first half of the year with a low-usage space in the first half of 2018 and started to be completed and ready for transfer in the second half of the year 2018. It is a house with a lower price than the original house of the project. As a result, it has gained more attention from customers, enabling the Company to sell and transfer houses in higher volumes from the second half of 2018 until 2019.

In 2020, the Group's income from real estate sales was 799.64, 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

As of June 30, 2021, the Company's income from real estate sales increased from as of June,2020 by 118.02 million baht or 36.21 percent, increasing from 325.96 million baht to 443.98 million baht. This is because the total number of units sold has increased from 48 units in second June 30, 2020 to 78 units in June 30, 2021 because of the Kunalai Preem project, which is a best-selling project and it is a result of the company's sales increase continuously from last year.

2.) Other incomes

Other income of the Group consists of compensation for home repair work from contractors. Income from forfeiture received in advance and income from renting club buildings, etc. The Group has other income in 2018 - the first quarter of 2021 amounting to 0.84 million baht, 3.21 million baht, 4.15 million baht and 1.25 million baht, respectively, accounted for 0.19%, 0.49%, 0.52% and 0.66% of total revenue during the past period. In 2018, the Company entered into a contract to lease the central club building of the Company with a third party, resulting in the recognition of revenue from renting the clubhouse building to be recorded in other income of the Group. Moreover, in 2020, the Group's other income increased by 0.94 million baht or an increase of 29.28% compared to the year 2019 due to other income. This was caused by a change in the allocation of project expenses with the sale of houses.

As of June 30, 2021, the Company's other income increased from As of June 30, 2020 by 1.07 million baht or 100.00%, increasing from 1.70 million baht to 2.14 million baht.

(Unit: Million Baht)

| Other income | Year 2018 | Year 2019 | Year 2020 | 30 Jun 2020 | 30 Jun 2021 |
|---|---|---|---|---|---|
| Income from forfeiture received in advance | 0.26 | 0.25 | 0.37 | 0.16 | 0.13 |
| Club building rental income | 0.33 | 2.76[1] | 1.75 | 0.83 | 1.15 |
| Interest earned | 0.02 | 0.01 | 0.11 | 0.03 | 0.04 |
| Others | 0.23 | 0.19 | 1.92 | 0.05 | 0.82 |
| **Total other income** | **0.84** | **3.21** | **4.15** | **1.07** | **2.14** |
| Percentage of total income | 0.19 | 0.49 | 0.52 | 0.33 | 0.48 |

Notes: 1/ In 2019, the Company entered into a new contract of lease of land and buildings of the clubhouse building with the previous tenant and the monthly rental is set at a new rate. resulting in the Company Increased club building rental income in 2019.

3.) Cost of 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 real estate sales

| Cost of goods sold | Consolidated Financial Statement | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Year 2018 | | Year 2019 | | Year 2020 | | 30 Jun 20 | | 30 Jun 21 | |
| | Million Baht | Percentage to income | Million Baht | Percentage to income | Million Baht | Percentage to income | Million Baht | Percentage to income | Million Baht | Percentage to income |
| Cost of real estate sales | 333.66 | 74.77 | 470.02 | 72.37 | 582.79 | 72.88 | 241.29 | 74.02 | 300.99 | 67.79 |
| Total income from real estate sales | 446.25 | 100.00 | 649.46 | 100.00 | 799.64 | 100.00 | 325.96 | 100.00 | 443.98 | 100.00 |

In 2018 – 2020, the Group had cost of real estate sales of 333.66 million baht, 470.02 million baht and 582.79 million baht, respectively, or equivalent to 74.77%, 72.37% and 72.88% of revenue from real estate sales, respectively.

For the year 2019, the Group's cost of real estate sales was 470.02 million baht or 72.37% of the revenue from real estate sales. This decreased by 2.40% compared to the proportion of cost of sales to revenue from real estate sales in 2018 at 74.77%. This was mainly due to the fact that during the year 2018, the Group adopted the best-selling single-detached houses with lower construction costs than the Kunalai project. The courtyard came as a model for the home improvement of the Kunalai Symphony project and house designs in the Kunalai Joy project, as well as the acquisition of a new contractor for the Kunalai Symphony project, resulting in lower construction costs for the Kunalai Symphony project. New designs that have been sold since the 3rd quarter of 2018 (the construction started in the first quarter of 2018) is lower than the previous year.

For the year 2020, the Group's cost of real estate sales is 582.79 million baht or 72.88% of the revenue from real estate sales, which increased by 0.52% compared to the proportion of cost of sales to revenue from real estate sales in 2019 at 72.37%. Due to the impact of the COVID-19 epidemic causing negative economic growth in Thailand. In addition, competition in real estate business has increased due to the release of inventory in high-rise real estate or condominiums and the introduction of more low-rise real estate projects. Thus, a price war ensued and more promotional and for the group of companies able to achieve income goals. As a result, in the first quarter to the third quarter of 2020, the Group does not increase the selling price of the houses that are open for sale.

As of June 30, 2021, the Group's cost of real estate sales was 300.99 million baht, or 67.79 percent of revenue from real estate sales. This increased by 24.74% compared to the proportion of cost of sales to revenue from real estate sales in June 30, 2020 at 74.02%. Since the beginning of 2021, the epidemic of COVID-19 has resulted in many companies having measures for employees to work from home, which working at home must have an appropriate space for working. Most of the population is renting high-rise properties or condominiums turned more attention to buying low-rise real estate. To increase the working space appropriately, thus enabling the Company to sell houses at higher prices because the price varies according to the demand for horizontal home purchases.

4.) Gross profit

| Net profit (Million Baht) | Year 2018 | Year 2019 | Year 2020 | 30 Jun 20 | 30 Jun 21 |
|---|---|---|---|---|---|
| Gross profit | 112.59 | 179.45 | 216.85 | 84.67 | 142.98 |
| Gross margin | 25.23 | 27.63 | 27.12 | 25.98 | 32.21 |

The Company had gross profit in 2018 - second quarter of 2021 amounting to 112.59 million baht, 179.44 million baht, 216.85 million baht and 84.67 million baht, respectively, or accounted for gross profit margin of 25.23%, 27.63%, 27.12% and 25.98% 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 2018 - 2020, it will be found that the group of companies. The gross profit margin increased from 25.23% in 2018 to 27.63% in 2019. Moreover, in 2020, the Group's gross profit margin was 27.12%, a slight decrease compared to 2019, mainly due to the Group's former development of large detached houses in the Kunalai Symphony project (main ownership transfer in 2017 and 2018). It is a project that wants to capture a higher level of customers with an average house selling price of approximately 4.65 million baht, such projects have chosen to use higher quality housing materials and higher costs, along with the hiring of new contractors in 2016, resulting in construction costs. The houses in such projects are higher than in other projects. However, during the year 2018, the Group took home designs that sold well and had lower construction costs from the Kunalai Courtyard project and converted and used them as new houses in the Kunalai Symphony project. As a result, the cost of construction of the Kunalai Symphony project's house was reduced. In addition, projects developed and transferred in 2019 and 2020 include the Kunalai Joy project, the Kunalai Preem project, which is a project developed on land acquired by the Group since 2014, as well as the development of a new house style, which responds to the market demand in terms of house sizes and suitable house styles, resulting in a decrease in overall cost of sales since 2018.

Asof June 30, 2021, the Group's gross profit margin was 32.12%, an increase from 25.98% compared to June 30,2020. because of better cost control coupled with the rising selling price in early 2021, the gross profit ratio was higher.

5.) Selling and administrative expenses

| Selling and administrative expenses | Year 2018 | | Year 2019 | | Year 2020 | | 30 Jun 20 | | 30 Jun 21 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Selling expenses | 47.86 | 10.72 | 49.24 | 7.58 | 58.23 | 7.28 | 23.71 | 7.28 | 31.16 | 7.02 |
| Administrative expenses | 46.48 | 10.42 | 59.53 | 9.17 | 57.27 | 7.16 | 27.50 | 8.44 | 28.94 | 6.52 |
| Total selling and administrative expenses | 94.33 | 21.14 | 108.77 | 16.74 | 115.49 | 14.44 | 51.22 | 15.71 | 60.10 | 13.54 |

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 salary and 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 2018 – June 30,2021 amounted to 47.86 million baht, 49.24 million baht, 58.23 million baht and 31.16 million baht, or 10.72%, 7.58%, 7.28% and 7.02% of income from sales of real estate, respectively.

In 2019, the Group had sales expenses of 49.24 million baht, an increase of 1.38 million baht from the same period of 2018 or an increase of 2.88%. In 2019, 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 2018. In addition, in 2019, the Group had lower promotional/marketing and PR expenses compared to the same period of the previous year, mainly due to the sale of houses from the Kunalai Joy project, which is a product that is not expensive and is a good product. Therefore, there are less marketing promotions than the previous year, as a result, the promotional cost was reduced accordingly. In addition, the Group has changed advertising media from offline such as large billboards, billboards along electric poles to more online media such as Facebook, LINE, websites, etc. Therefore, selling expenses in 2019 are reduced.

In 2020, the Group's selling expenses were 58.22 million baht, an increase of 8.99 million baht from the same period of 2019, or an increase of 18.25 percent. Regarding the transfer of ownership of the house, the cost of which is proportional to the high transfer amount of the Group compared to 2019. However, in 2020 the Group has slightly lower promotional expenses compared to the previous year. As a result of the sale of houses from emerging projects, which are similar projects (Kunalai Joy), the cost of sales promotion is close to 2019.

Asof June 30, 2021, the Group's selling expenses were 31.16 million baht, an increase from as of 2020 by 7.45 million baht or 31.42%. Expenses related to home ownership transfer, which are variable according to the increased transfer amount of the Kunalai Preem project.

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 2018 - As of 2021 amounted to 46.48 million baht, 59.53 million baht, 57.27 million baht and 28.94 million baht or 10.42%, 9.17%, 7.16% and 6.52% of revenue from real estate sales, respectively.

In 2019, administrative expenses were 59.53 million baht, an increase of 13.05 million baht from the same period last year or an increase of 28.07%. In 2019, the Group's administrative expenses were mainly due to increased total employee-related expenses, increased from the addition of employees in 2019 and the impact of employee benefit adjustments, according to the new labor law. In addition, the Group has listed expenses incurred prior to raising funds for listing on the SET.

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 still 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 the Stock Exchange in 2019.

As of June 30, 2021, administrative expenses were 28.94 million baht, an increase from June 30, 2020 by 1.44 million baht or 5.24% due to an increase in house sales. This results in an increase in after-sales service fees.

6.) 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 2018 –June 30, 2021, the Company had financial costs of 3.61 million baht, 2.89 million baht, 0.24 million baht and 0.09 million baht, or 0.81%, 0.44%, 0.03% and 0.02% of total income, respectively.

| Finance cost (Million Baht) | Year 2018 | Year 2019 | Year 2020 | 30 Jun 20 | 30 Mar 21 |
|---|---|---|---|---|---|
| Financial cost | 3.61 | 2.89 | 0.24 | 0.17 | 0.09 |

In 2019, the financial cost of the group of companies was 2.89 million baht or decreased from the year 2018 by 0.72 million baht or equivalent to a decrease of 19.94% from the year 2018. The reason for the decrease in the financial cost of the group of companies. 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 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. The reason for the decrease in the financial cost of the group of companies. 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 June 30, 2021, finance costs decreased by 0.08 million baht or 47.06%, decreasing from 0.17 million baht in June 30, 20200.09 million baht because most of the finance costs were recorded as real estate development costs.

7.) Income tax expenses

Income tax expenses of the Group in 2018 –June 30, 2021 were 3.93 million baht, 14.35 million baht, 20.62 million and 16.44 million baht or  or 0.88%, 2.20%, 2.57% and 3.69% of total revenue, respectively. By an increase in income tax expenses, due to the increase in the Group's profit before tax.

| Income tax (Million Baht) | Year 2018 | Year 2019 | Year 2020 | 30 Jun 20 | 30 Jun 21 |
|---|---|---|---|---|---|
| Income tax | 3.93 | 14.35 | 20.62 | 6.99 | 16.44 |

8.) Net profit

The Company has net profit in 2018 –June 30,2021 equal to 11.56 million baht, 56.65 million baht, 84.64 million baht and 68.50 million baht respectively, or equivalent to a net profit margin of 2.59%, 8.68%, 10.53% and 19.04% of total revenue, respectively.

| Net profit (Million Baht) | Year 2018 | Year 2019 | Year 2020 | 30 Jun 20 | 30 Jun 21 |
|---|---|---|---|---|---|
| Net profit | 11.56 | 56.65 | 84.64 | 27.37 | 68.50 |
| Net Profit Margin (%) | 2.59 | 8.68 | 10.53 | 8.37 | 15.35 |

In 2019, the Group had a net profit of 56.65 million baht, an increase of 45.09 million baht from 2018, or 390.05% increase, as a result of income from real estate sales that increased from 446.25 million baht in 2018 to 649.46 million baht in 2019, following the higher transfer of ownership of the Group. Meanwhile, the Group's cost of real estate sales as a percentage of real estate sales declined from 74.77% in 2018 to 72.37% in 2019 as a result of low-cost housing transfers than from the modification of the house. In addition, selling and administrative expenses as a proportion of the Group's real estate sales decreased as well as cost of sales, with selling expenses decreased as a result of the sale of houses from the main project, Kunalai Joy project that is is a low-priced product and a best-selling product. Therefore, there are fewer marketing promotions than the previous year and the increase in administrative expenses at a rate less than the rate of increase in real estate sales revenue compared to 2018, resulting in the Group had a net profit of 56.65 million baht and a net profit margin increased to 8.68%.

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 of companies. 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.

As of June 30, 2021, the Group's net profit was 68.50 million baht, an increase of 41.13 million baht from June 30, 2020 or 150.27%, as a result of an increase in revenue from real estate sales from 325.96 million baht in June 30, 2020 to 443.98 million baht in June 30,2021. The Kunalai Preem project was the best-seller and having a unit transfer ratio of 62.50%, while the cost of real estate sales of the Group. As a percentage of real estate sales revenue, it decreased from 74.02% in June 30, 2020 to 67.29 in June 30, 2021. This was due to an increase in the demand for horizontal real estate, resulting in higher selling prices. In addition, the Company's financial cost decreased.

## 7.2 Financial position analysis

1.) Assets

| Assets | As of 31 December 2018 | | As of 31 December 2019 | | As of 31 December 2020 | | As of 30 June 2021 | |
|---|---|---|---|---|---|---|---|---|
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Current assets | 515.48 | 63.01 | 760.62 | 80.89 | 815.38 | 78.78 | 1,010.03 | 81.54 |
| Non-current assets | 302.61 | 36.99 | 179.79 | 19.11 | 219.60 | 21.22 | 228.61 | 18.46 |
| **Total assets** | **818.09** | **100.00** | **940.41** | **100.00** | **1,034.98** | **100.00** | **1,238.63** | **100.00** |

At the end of 2018 – 2020, the Group had total assets of 818.09 million baht, 940.41 million baht and 1,034.98 million baht, respectively, and land awaiting development.

As of December 31, 2019, the Group had total assets of 940.41 million baht, an increase of 14.95% from 818.09 million baht at the end of 2018, due to an increase in projects under development such as the Kunalai Joy On 314 project, etc. Resulting in the recognition of costs associated with such projects added to the list of real estate development costs of the Group.

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 awaiting development, and deposits at financial institutions with collateral obligations.

As of June 30, 2021, the Group's total assets amounted to 1,238.63 million baht, an increase of 19.68% from 1,034.98 million baht at the end of 2020. This was mainly due to an increase in real estate development costs, other current assets, and other non-current assets. The main items are as follows:

Cash and cash equivalents

As of June 30, 2021, the Company had cash and cash equivalents of 71.24 million baht, a decrease of 17.90 million baht or 20.08% compared to as of December 31, 2020, which had cash and cash equivalents of 89.14 million baht due to the Group's investment in projects increased and prepare plans for future projects.

Real estate development costs

At the end of 2018, as of the first quarter of 2021, the Group's real estate development costs were 486.69 million baht, 694.38 million baht, 698.28 million baht and 747.38 million baht, representing 59.49%, 73.84%, 67.47%, and 66.12% of the Group's total assets, respectively.

At the end of 2019, the Group had real estate development costs of 694.38 million baht, an increase of 207.69 million baht from the end of 2018, representing an increase of 42.67%, resulting from the development of new projects. Such as, the Kunalai Joy On 314 project, where the Company received land ownership transfers in May 2019 and started construction of the project's utilities and houses. Therefore, it was recognized as real estate development cost as of December 31, 2019. In addition, Kunalai Preem project, which started to develop the project's infrastructure in the second quarter of 2019 to support revenue recognition in 2020.

As of December 31, 2020, the Company had property development project costs in the amount of 698.28 million baht, an increase of 3.90 million baht or 0.56% compared to the year 2019 due to the increase in construction value due to the start of construction of the Kunalai Preem project.

As of June 30, 2021, the Group's cost of real estate development in the amount of 892.77 million baht, an increase of 194.49 million baht or 27.85%. This was mainly from the recognition of the value of projects under development for projects that will be sold in the fourth quarter of 2021 and projects that will be released for sale in 2022, as well as investments in projects that are open for sale to have completed houses and ready to transfer. in 2021

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 2018-2020, the Group has land waiting for development equal to 197.52 million baht, 86.89 million baht and 98.97 million baht, representing 24.14%, 9.24% and 9.56% of the Company's total assets, respectively.

At the end of 2019, the land waiting for development value was 86.89 million baht, a decrease from 2018 to 56.01% due to the transfer of land waiting for development of the Kunalai Preem project to real estate development costs during the second quarter of the year 2019. As a result, the Group has only one plot of land waiting for development, worth 86.89 million baht.

At the end of 2020, land waiting for development valued at 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.

As of June 30, 2021, land waiting for development valued at 98.97 million baht no change compared to as of June 30, 2020

2) Liabilities

| Liabilities | As of 31 December 2018 | | As of 31 December 2019 | | As of 31 December 2020 | | As of 30 June 2021 | |
|---|---|---|---|---|---|---|---|---|
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Current liabilities | 519.69 | 99.41 | 356.67 | 74.1 | 385.74 | 73.89 | 371.39 | 54.87 |
| Non-current liabilities | 3.11 | 0.59 | 124.69 | 25.90 | 136.28 | 26.11 | 305.49 | 45.13 |
| **Total liabilities** | **522.8** | **100.00** | **481.36** | **100.00** | **522.02** | **100.00** | **676.88** | **100.00** |

As of December 31, 2018 – 2020, the Group has total liabilities of 522.80 million baht, 481.36 million baht and 522.02 million baht respectively, representing 63.91%, 51.19% and 50.44% 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, and debentures. In this regard, the Group will have most of the liabilities from 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 2018 and 2020, the Group's interest-bearing liabilities increased as a result of the Group's project development.

As of December 31, 2019, the Group's total liabilities amounted to 481.36 million baht, a decrease of 41.44 million baht from the end of 2018, or a decrease of 7.93%, mainly due to overdraft payments and short-term loans of the Group.

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 in short-term loans from financial institutions and trade accounts payable and debentures.

As of June 30, 2021, the Group's total liabilities amounted to 676.88 million baht, an increase of 68.91 million baht from the end of 2020 in amount of 522.02 million baht or an increase of 29.67%, This is because the company has issued and offered debentures in the second quarter of 2021 for investment in future projects.

Bang overdrafts and short-term loans from financial institutions

Short-term loans from financial institutions is a loan to be used primarily as working capital of the Group. As of June 30, 2021, the Group had short-term loans from financial institutions of 40.00 million baht, an increase of 10.00 million baht from 30.00 million baht or 33.33% compared to 31 December 2020. In the year 2019, the Group has no outstanding short-term loans from financial institutions.

Trade and other payables

Trade and other payables of the Group are trade accounts payable-persons and other parties, trade payables-persons 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, 2018 – as of June 30, 2021, trade and other payables of the Company was 134.94 million baht, 130.10 million baht, 143.48 million baht and 146.30 million baht, representing 16.49%, 13.83%, 13.87% and 11.81% of total assets, respectively.

.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 | Consolidated financial statements | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | As of 31 December 2018 | | As of 31 December 2019 | | As of 31 December 2020 | | As of 31 March 2021 | |
| | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent | Million Baht | Percent |
| Long-term Loans from financial institutions due within one year | 245.41 | 100.00 | 194.65 | 62.16 | 183.18 | 81.88 | 147.20 | 70.27 |
| Long-term loans from financial institutions | - | - | 118.51 | 37.84 | 40.51 | 18.12 | 62.28 | 29.73 |
| Total loans from financial institutions | 245.41 | 100.00 | 313.16 | 100.00 | 223.69 | 100.00 | 209.48 | 100.00 |

At the end of 2018 – as of June 30, 2021, the Group had loans from financial institutions in the total amount of 245.41 million baht, 313.16 million baht, 223.69 million baht and 209.48 million baht or 30.00%, 33.30%, 21.61% and 16.91% of total assets, respectively.

At the end of 2019, the Group had loans from financial institutions equal to 313.16 million baht, or an increase of 27.61% from the end of 2018, mainly due to the drawdown of loans from financial institutions from additional development project; especially the Kunalai Joy On 314 project for use in the construction of houses and project utilities and the withdrawal of long-term loans for the development of the Kunalai Begins 2 project amounting to 70.16 million baht, and the Kunalai Preem project in the amount of 120.00 million baht, resulting in an increase in overall borrowing from financial institutions of the Group.

At the end of 2020, the Group had loans from financial institutions equal to 223.69 million baht, or a decrease of 28.57% from the end of 2019. The Group issued debentures No. 1/2020 in the amount of 90.00 million baht to be used in the purchase of land for future projects and used as working capital in the Group. Therefore, for the management of financial costs The Group, reduced the disbursement of loans from financial institutions.

As of June 30, 2021, the Group has borrowings from financial institutions in the amount of 209.48 million baht or 6.35% decrease from the end of 2020. The Group has repaid long-term loans from financial institutions in the amount of 318.79 million baht and borrowed more during the period of 304.36 million baht.

Debentures

In 2020, the Group has debentures of Baht 90.00million for the purpose of using the Company's working capital and to purchase additional land for future development projects.

In the second quarter of 2021, the Group has issued secured debentures of Villa Kunalai Public Company Limited No. 1/2021, due in 2023, amounting to Baht 150 million. Therefore, as of June 30, 2021, the Group has Change of debentures in the amount of 233.36 million baht.

Equity

| Equity | As of 31 December 2018 | As of 31 December 2019 | As of 31 December 2020 | As of 30 June 2021 |
|---|---|---|---|---|
| | Million Baht | Million Baht | Million Baht | Million Baht |
| Registered capital | 225.00 | 300.00 | 312.00 | 423.20 |
| Issued and paid capital | 225.00 | 300.00 | 312.00 | 343.20 |
| Retained earnings | 41.48 | 47.90 | 89.84 | 107.46 |
| Premium on ordinary shares | 41.25 | 123.55 | 123.55 | 123.55 |
| Other components of equity | (13.67) | (13.67) | (13.67) | (13.67) |
| Non-controlling interests | 1.23 | 1.27 | 1.27 | 1.22 |
| Total Shareholders' Equity | 295.29 | 459.05 | 512.96 | 561.75 |

Shareholders' equity as of December 31, 2018 - as of June 30, 2021 amounted to 295.29 million baht, 459.05 million baht, 512.96 million baht and 561.75 million baht, respectively, which accounted for 36.09%, 48.81%, 49.56% and 45.35% of total assets, respectively.

The Group's shareholders' equity as of December 31, 2019 amounted to 459.05 million baht, an increase compared to the equity at the end of 2018 that was 295.29 million baht. This was due to the recognition of net profit from operating results in 2019 to be recorded as retained earnings totaling 55.93 million baht and the Company offered an initial public offering (IPO) of 150 million shares at a rate of 1.10 per share. baht, a total value of 165.00 million baht. However, in May and October 2019, the Company paid dividends of 22.50 million baht and 27.00 million baht, 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 net profit recognition. From the operating results in 2020, it was 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 June 31, 2021 amounted to 561.75 million baht, an increase compared to the existing shareholders' equity at the end of 2020 of 512.96 million baht, operating as of June 30, 2021, recorded as retained earnings totaling 107.46 million baht.

8. Industrial conditions

An overview of the overall economy of Thailand

The Thai economy in December 2020 is still recovering, but the recovery is not yet thorough and began to see the impact of a new wave of the COVID-19 epidemic at the end of the month on some economic activities by private consumption indicators, although still expanding. However, a new wave of outbreaks has begun to affect travel activity and consumer confidence. Merchandise exports expanded in line with domestic demand, better trading partners, private investment indicators grew higher in line with investment in machinery and equipment, and public expenditures also expanded in line with capital expenditures. However, the tourism sector still contracted strongly due to the restriction measures. International travel still exists.

Gross domestic product in Q4/2020 decreased by (4.2%), improving from a decrease of (6.4%) in Q3/2020 due to improvements in private consumption expenditure and the government expanded, domestic investment, and merchandise exports improved. Meanwhile, revenue from foreign services continued to shrink. Agricultural production grew by 0.9% in line with major crop yields such as paddy, cassava, and maize. Non-agricultural sector decreased by (4.7%), improving from a decrease of (6.7%). In the third quarter of 2020, this was a result of the global economic recovery and the overall improvement in domestic spending, including the government's economic stimulus measures, the manufacturing sector, both the industrial and service sectors, started to resume production from the third quarter of 2020. Production of industrial products decreased (0.7%), improved from a decrease of (5.3%) in the previous quarter. The service sector declined (5.9%) compared to a decline (7.2%) in the previous quarter. The main service activities have begun to recover, such as wholesale and retail sectors. Transportation and storage sectors have improved. Information and Communications, Financial and Insurance Activities, Health and Social Work Activities, and Education continue to expand. On the expenditure side, private final consumption expenditure grew by 0.9%, while consumer expenditure of the government final year grew by 1.9%. Investment, exports and imports of goods and services fell (2.5%), (21.4%) and (7.0%), respectively. As a result, the overall GDP of the country in 2020 decreased by 6.1% compared to the year 2019 which was 2.3% (Source: National Economic and Social Development Agency).


On the stability front, headline inflation was less negative in line with labor market energy inflation, the unemployment rate slightly decreased as the number of employed people increased. However, non-agricultural income declined. For the current account, the deficit narrowed due to a larger trade surplus, while the revenue services and transfers deficits were closer to the previous month.

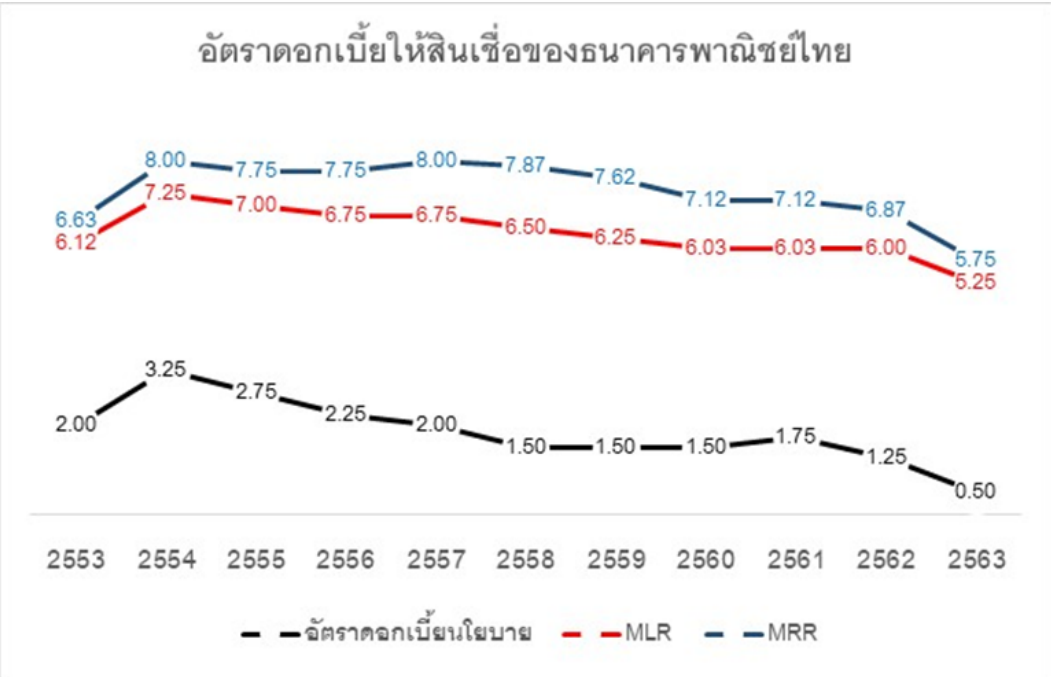
The Government Housing Bank Real Estate Information Center reported the confidence index of housing developers in Bangkok - its vicinity, found that during the fourth quarter of 2020, the Current Situation Index, entrepreneurs improved confidence, with an index of 46.3%, an increase from the previous quarter (with an index of 42.8%). However, still lower than the median at a level below 50% for 7 consecutive quarters since the second quarter of 2019, as a result of the announcement of the LTV measure, still lacking confidence in housing development business. In addition, the results of the confidence index survey for the next 6 months (Expectations Index). Entrepreneurs that conducted survey at the end of 2020, where there was no new wave of COVID-19 epidemic, was 54.4%, an increase from the previous quarter (with an index of 52.9%), higher than the middle value at 50.0%, reflecting that entrepreneurs. At that time, there was hope for a recovery in the housing market in 2021. This is because the economy has continuously recovered from the government's economic stimulus measures. This new wave of COVID-19 epidemic, is expected to lower the confidence of entrepreneurs in the first six months of 2021 than the results surveyed above.

### Interest rate conditions

The interest rate level is another key factor for both the demand and supply of the real estate market, especially in real estate investment decisions, as interest rates are the determinants of an entrepreneur's debt level. It also plays an important role in determining the ability to pay off debt and consumer spending.

At its meeting on 23 December 2020, the Monetary Policy Committee (MPC) voted unanimously to maintain the policy rate at 0.50% per annum. The Monetary Policy Committee assessed that the Thai economy continued to recover, but still with low risk and high uncertainty going forward, it still needs support from the continued low policy rate. The Monetary Policy Committee expects the Thai economy to contract by 6.6% in 2020, better than previously assessed due to a recovery in private consumption and merchandise exports. and return to expand by 3.2% and 4.8% in 2021 and 2022, respectively. However, the economic recovery is still highly uncertain, in the short term depending on the situation and measures to control the spread of a new wave of COVID-19 as the next phase depends on the return of foreign tourists, the effectiveness and distribution of the COVID-19 vaccine, and the development of the labor market, which still has a high number of unemployed and virtually unemployed. In addition, the different recovery of each economic sector will affect the sustainability of economic growth going forward. On the sidelines of a stable financial system, there is still some vulnerability in the households and SMEs sector for headline inflation to return to its target range by mid-2021.

As the Monetary Policy Committee (MPC) resolved to maintain the policy rate at 0.50% per annum, it was the lowest policy rate since 2010, resulting in the interest rate on loans of commercial banks in Thailand was also at the lowest rate.

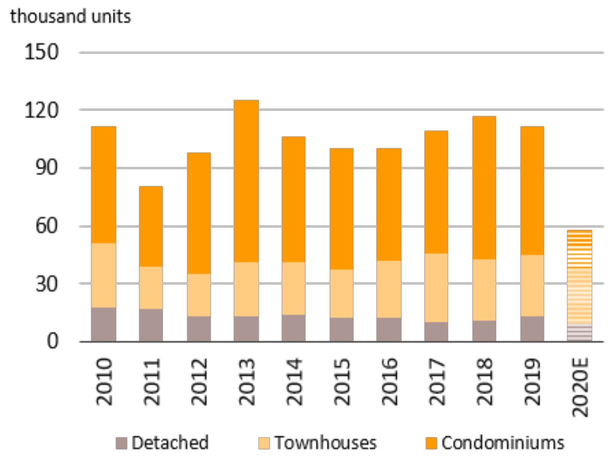



Source: Bank of Thailand

## Real estate market

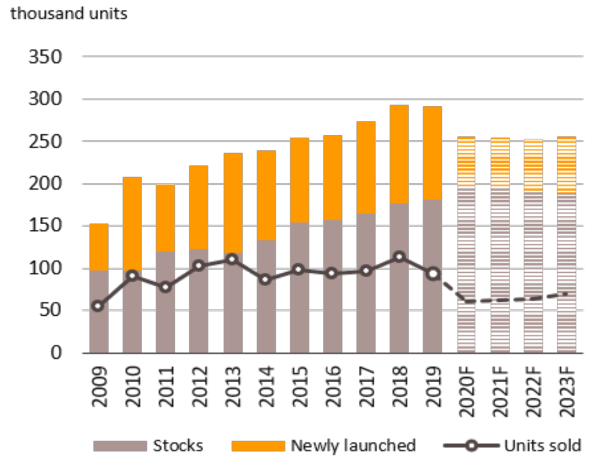
Overall, the housing market in Bangkok and its vicinities in the first half of the year was severely affected by the COVID-19 epidemic, resulting in a total of 27,307 units of new projects launched, a decline of 49.3% YoY. This was due to operators delaying the launch of new projects and accelerating the release of outstanding stocks through various sales strategies, such as giving more discounts than usual, renting out and giving free stays for 1-2 years, etc., in line with pre-sales. The continued contraction since 2019 was 25,629 units (-46.2% YoY).

New Property




Source: Agency for Real Estate Affairs (AREA), Krungsri Research

Total Supply




Source: AREA
Note: Forecast by Krungsri Research

Competition in the real estate development business

There are many competitors in the low-rise housing market. Most of the real estate development companies that are competitors of the Group are low-rise property developers located in close proximity to the Group, most of which are listed on the Stock Exchange of Thailand ("SET"). This is because real estate developments generally require a high investment and time-consuming development process. In addition, entrepreneurs must study the needs of consumers or clear target groups. to make the project successful in selling.

Considering the competitive environment in the market, the Group believes that the project location of the Group's project is in a good location with potential and high growth potential, such as an electric train extension area or a rising-point extension area, access the expressway, etc. In addition, all projects of the Group will focus on designing projects that are unique and maximize the utilization of the usable space, which will satisfy customers and lead to word-of-mouth recommendations. Moreover, the Group also places importance on customer service, such as facilitating customers in applying for loans, etc.

The factors that customers use to decide when to buy a residence are Mainly from location, security, price per square meter, facilities, and utilities. The Nonthaburi area is a residential location that people search for in Bangkok. The largest volume, with good public transport infrastructure and close proximity to Bangkok, which facilitates those working in Bangkok. and nearby Nonthaburi. In addition, housing prices have an average value of 2 - 6 million baht, which is a reasonable price for those with a minimum average salary of 30,000 baht or more, which is consistent with the average monthly income per household by region and Provinces 2002-2019 found that in Bangkok, the median income per household was about 39,459 baht in 2019 and Nonthaburi province had an average income per household of about 37,502 baht in 2019 (Source: National Statistical Office).

As of December 31, 2020, competition conditions in the area close to the project of the Group on Ban Kluay-Sai Noi Road, Bang Bua Thong district Nonthaburi province divided by product characteristics of each project in progress. The details can be summarized as follows.

| Product characteristics | Company project | Other entrepreneurs' projects |
|---|---|---|
| Single-detached house (Bang Bua Thong) | Kunalai Courtyard project (starting price 2.98 million baht)<br>Kunalai Symphony project (starting price 3.98 million baht)<br>Kunalai Pollen project (starting price 3.79 million baht)<br>Kunalai Joy project (starting price 3.29 million baht | Baan View Suan project by Baan View Suan Company Limited (starting price 3.99 million baht)<br>Kunapat Park project by Kunaphat Company Limited (starting price 3.58 million baht)<br>Baan Thongsiri 3 Kanchanaphisek - Bang Bua Thong by Thongsiri Group Co., Ltd. (starting price 3.59 million baht) Single-detached house |
| Single-detached house (Chachoengsao) | Kunalai Joy On 314 project (starting price 3.99 million baht) | Maruay Sothorn 4 project by Maruay Real Estate Company Limited (starting price 3.3-4.2 million baht) Single-detached house (sold out)<br>Pave Motorway project by SC Asset Corporation Public Company Limited (starting price 3.49 million baht) Single-detached house<br>Pave Ban Pho project by SC Asset Corporation Public Company Limited (starting price 4.99 million baht) Single-detached house<br>Baan Pho Ville project by Sinsorn Company Limited (starting price 3.69 million baht) Single-detached house<br>The Trust Ban Pho project by Quality Houses Public Company Limited (starting price 3.49 million baht) Single-detached house (sold out)<br>Lancio Sothon project by Lalil Property Public Company Limited (starting price 3.49 million baht) Single-detached house<br>J Villa Bangpakong - Ban Pho project by J.S.P. Property Public Company Limited (starting price 3.49 million baht) Single-detached house<br>The Plant Sirisothon project by Pruksa Real Estate Public Company Limited (starting price 3.69 million baht) Single-detached house<br>Maruay Riverside project by Maruay Real Estate Company Limited (starting price 3.3-4.2 million baht) Single-detached house |

| Product characteristics | Company project | Other entrepreneurs' projects |
|---|---|---|
| Twin houses<br>(Bang Bua Thong) | Kunalai Courtyard project<br>(starting price 2.98 million baht)<br>Kunalai Joy project<br>(starting price 3.19 million baht) | Baan View Suan project by Baan View Suan Company Limited<br>(starting price 2.61 million baht)<br>The Essence project by Teeka Real Estate Company Limited<br>(starting price 2.79 million baht)<br>Baan Ratirat project by Ratirat Property Company Limited<br>(starting price 2.79 million baht)<br>Baan Thongsiri 3 Kanchanaphisek - Bang Bua Thong by Thongsiri Group Co., Ltd. (starting price 2.99 million baht) Twin houses |
| Twin houses<br>(Chachoengsao) | Kunalai Joy On 314 Project<br>(starting price 3.19 million baht) | Maruay Sothorn 4 project by Maruay Real Estate Company Limited<br>(starting price 2.99 million baht) Twin houses<br>The Trust Ban Pho project by Quality Houses Public Company Limited (starting price 3.19 million baht) Twin houses<br>Baan Pho Ville project by Sinsorn Company Limited<br>(starting price 2.99 million baht) Twin houses<br>Maruay Riverside project by Maruay Real Estate Company Limited<br>(starting price 3.3 million baht) Twin houses<br>Lancio Sothon project by Lalil Property Public Company Limited<br>(starting price 2.79 million baht) Twin houses<br>Pave Motorway project by SC Asset Corporation Public Company Limited (starting price 3.49 million baht) Twin houses |
| Townhome /<br>Commercial Building | Kunalai Begins project<br>(starting price 1.98 million baht) | Lyo Bliss Kanchanaphisek project by Lalil Property Public Company Limited (starting price 1.49 million baht) Townhome<br>Supalai Primo Kanchanaphisek-Chaiyapruek by Supalai Public Company Limited (starting price 2.19 million baht) Townhome<br>Pleno Westgate Project by AP (Thailand) Public Company Limited<br>(starting price 2.19 million baht) Townhome<br>The Essence project by Teeka Real Estate Company Limited<br>(starting price 1.49 million baht) Townhome<br>Baan Ratirat project by Ratirat Property Company Limited (starting price 3.99 million baht) Commercial building<br>The Hamilton Kanchanaphisek-Bangyai project by D-Land Group Co., Ltd. (starting price 1.89 million baht) Townhome<br>Phoomtara Kanchanaphisek - Bang Bua Thong Project by<br><u>Thongchai Real Estate Company Limited</u><br>(starting price 1.79 million baht) Townhome |

| Product characteristics | Company project | Other entrepreneurs' projects |
|---|---|---|
| | | Baan Thongsiri 3 Kanchanaphisek - Bang Bua Thong by Thongsiri Group Company Limited<br>(starting price 1.99 million baht) Townhome |

However, if considering the Company's competitiveness, it is found that the Company is able to compete with other real estate developers who operate in nearby areas. with factors supporting the competition.

The Company has experience and expertise in real estate development in Bang Bua Thong area, Nonthaburi province for more than 10 years, enabling the Company to understand the needs of residents in the area and be able to develop products that meets the needs of target customers in the area exactly

The Company specializes in horizontal real estate development, thus focusing on designing homes to suit the needs of customers looking for new homes that are suitable for each house price level.

The Company has potential in real estate development. In a city style with a variety of amenities such as a clubhouse that offers a gym and swimming pool, parks, and lakes as a place to relax for project buyers.

The Company has a good relationship with many financial institutions, who are ready to support the Company's customers in providing home equity loans It also has good relationships with customers, partners, local people, and surrounding communities. The Company was not greatly affected by the tightening measures on home loans or approval of loan to value of collateral (Loan to Value: LTV), because all property development projects of the Company, whether single-detached houses, twin houses, or townhomes, will all cost less than 10 million baht. The Company's target customer group is Thai working age customers aged 21 - 55 years who want to have a first home with the purpose of buying for living. Therefore, from the market position and main customer groups of the Company mentioned above. Therefore, the Company is not directly affected by such measures.

Section 3 Summary of the preliminary details of the warrants to purchase ordinary shares of Villa Kunalai Public Company Limited No. 1 (KUN-W1)

The Company will allocate the warrants to purchase the ordinary shares of Villa Kunalai Public Company Limited No. 1 (“**Warrant No. 1**” or “**KUN-W1**”) to the shareholders who subscribe for the convertible debentures. in proportion to the number of shares held by each shareholder (Right Offering) free of charge (zero baht) in the ratio of 1 unit of convertible debentures per 1,000 units of warrant. The details are as follows.

| | |
|---|---|
| Issuer and offering of securities | Villa Kunalai Public Company Limited (“**the Company**” or ”**KUN**”) |
| Name of the warrant | Warrants to purchase ordinary shares of Villa Kunalai Public Company Limited No. 1 (“**Warrant No. 1**” or “**KUN-W1**”) |
| Type of the warrant | Type of holder identification and transferable |
| Address of the warrant issuer | 819 Mho. 7 Phimonrat Subdistrict, Bangbuathong District, Nonthaburi Provice |
| Number of warrants issued and offered for sale | Not more than 120,000,000 units, the issuing and offering of Warrants No. 1 will be carried out upon approval from the Annual General Meeting of Shareholders for the year 2021. |
| Offer method | Is the allocation and offering to the existing shareholders who subscribe and receive the allocation of convertible debentures in proportion to the number of shares held by each shareholder (Right Offering).<br><br>The Company will allocate to the shareholders who subscribe to convertible debentures in proportion to the number of shares held by each shareholder (Right Offering) without charge (zero Baht) at a ratio of 1 unit of convertible debentures per 1,000 units, Warrant No. 1 (KUN-W1).<br><br>However, those who exercise the right to purchase the Company's shares Under the Warrant No. 1, it is not necessary to be a shareholder of the Company. |
| Offering price per unit | 0 Baht per unit (zero Baht) |
| Term of the warrant | 2 years and 6 months from the issuing date of the warrant |
| Exercise ratio | 1 unit of warrant per 1 ordinary share of the Company (may be changed after the adjustment conditions) |
| Exercise price | 2.80 Baht, except for the adjustment of the exercise price<br>However, in the event of an adjustment of the exercise price, the exercise price of the Warrant No. 1 per unit after adjustment of the exercise price under any circumstances will not be lower than the par value of the Company's ordinary shares. |
| Exercise period | The Warrant No. 1 holder can exercise the warrants every 6 months after the issuance and offering date of the Warrant No. 1 (KUN-W1) |

| | |
|---|---|
| First exercise date | It can be exercised after 6 months from the date of issuing and offering of the Warrant No. 1. |
| Last exercise date | The date of the Warrant No. 1 is 2 years and 6 months from the date of issuing and offering of the Warrant No. 1. However, in case the last exercise date falls on the Company's business holiday, the last exercise date shall be postponed to the last working day prior to the last exercise date. |
| Period for notification of the intention to exercise the rights | The Warrant No. 1 holders who wish to exercise their rights to purchase the Company's ordinary shares must notify the intention to exercise the rights to purchase ordinary shares of the Company between 9.00-15.00 hours within the period of 5 days prior to each exercise date (period for the notification of the intention to exercise the rights for the exercise of the rights) for the final exercise. There shall be a period for notification of the intention to exercise the rights at least 15 days prior to the last exercise date (period for the notification of the intention to exercise the last right). |
| Inability to cancel the notification of the intention to exercise the rights | Once the warrant holder has notified the intention to exercise the rights to purchase shares under the Warrant No. 1, the warrant holder may not cancel the notification of the intention to exercise such warrant without written consent letters from the Company. |
| Warrant Registrar | Thailand Securities Depository Co., Ltd. |
| Secondary market of the warrant | The Company will list the Warrant No. 1 on the Stock Exchange of Thailand ("SET"). |
| Secondary market of ordinary shares arising from the exercise of warrants | The Company will list the ordinary shares arising from the exercise of the Warrant No. 1 to be listed on the SET. |
| Other rights and benefits | Ordinary shares issued under the exercise of the Warrant No.1 will have the same rights and conditions as the Company's ordinary shares, which went earlier in all respects. |
| Warrant rights adjustment | The Company will adjust the exercise price and exercise ratio when any of the following events occurs. The objective is to protect the interests of the holders of the Warrant No. 1 not to be inferior.<br>1. When there is a change in the par value of the Company's ordinary shares as a result of a stock merger or a share split<br>2. When the Company offers ordinary shares to the existing shareholders and/or the general public and/or private placement. The price per share of the newly issued ordinary shares is less than 90% of the market price per share of the Company's ordinary shares.<br>3. When the Company offers for sale of any new securities to be existing shareholders and/or the general public and/or private placement where such securities grant the right to convert/ convert to ordinary |

| | |
|---|---|
| | shares or granting the right to purchase common shares (such as convertible debentures, the price per share of the newly issued ordinary shares to accommodate such rights is lower than 90% of the market price per share of the Company's ordinary shares.<br>4. When the Company pays all or part of the dividends to newly issued shares to the Company's shareholders.<br>5. When the Company pays dividends in money which is more than 90% of the net profit after tax of the Company for operations in any accounting period, for the Company's financial statements, throughout the life of the warrant.<br>6. When there is any other case similar to No. 1. - 5. that causes any benefits to the warrant holder will be received when the exercise of the warrants is inferior.<br>The definition of the formula for the right adjustment as well as other additional details will be as stated in the rights terms.<br>The Company will assign the Board of Directors to and/or the Executive Committee and/or Chief Executive Officer or a person that the Board of Directors or the Executive Committee or the Chief Executive Officer assign to determine the conditions and other details Involved in the adjustment or change of the exercise ratio and exercise price. |
| Reasons for issuing additional new shares to accommodate the rights adjustment | When the adjustment of the exercise price and the exercise ratio in accordance with the conditions of the adjustment as specified in the Warrant No. 1, which is an event set out in Article 11 (4) (b) in accordance with the Notification of the Capital Market Supervisory Board No. Tor Chor. 34/2551 Re: Application for and Permission to Offer for Sale of Warrants to Purchase Newly Issued Shares and Newly Issued Shares to Support the Warrants dated December 15, 2008 (amendment). |
| Objectives of issuing of warrants and the benefits that the Company will derive from the allocation of this newly issued ordinary shares | Is the preparation and strengthening of the Company's financial strength by issuing warrants at this time. If the warrant holders exercise their rights to purchase all the Company's ordinary shares, the Company will receive an additional capital amount of 336,000,000 Baht for the Company. There is a reserve for use as the Company's working capital and repayment of loans. |
| Benefits that the shareholders will receive from the capital increase | In the event that the Warrant holders exercise their rights to purchase the Company's newly issued ordinary shares according to the Warrant No. 1, the shareholders of the Company will receive benefits due to the Company. The fund received will be used in various projects of the Company in the future as appropriate and in line with the objectives of the issuance and allocation of Warrant No. 1 at this time. |

| | |
|---|---|
| Other conditions | The Board of Directors and/or the Executive Committee and/or Chief Executive Officer or a person that the Board of Directors Executive Committee or the Chief Executive Officer assign to be the person who has the power to set and change the rules, conditions and various details in issuing and offering the Warrant No. 1 in all respects as it deems appropriate and under the jurisdiction stipulated by law such as the allocation and issuance of the first version of the warrant, etc., including having the power to perform necessary and appropriate actions in connection with issuing of the first batch of warrants in all respects. This includes, but is not limited to, contacting, preparing or delivering any necessary documents or relating to the issuance and offering of the Warrant No.1 and listing of the Warrant No.1 as listed securities on the SET, as well as requesting permission from other relevant agencies and the appointment of sub-power attorney etc. |