

KUN 014/2565

25 February 2022

Subject : Clarification on the Change of Operational Performance Exceeding 20%

Attention: Directors and Managers of The Stock Exchange of Thailand

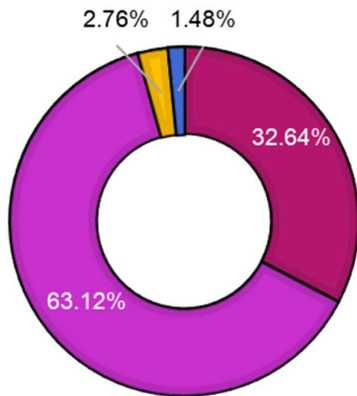
Management discussion and analysis for the period ended 31 December 2021

Executive Summary

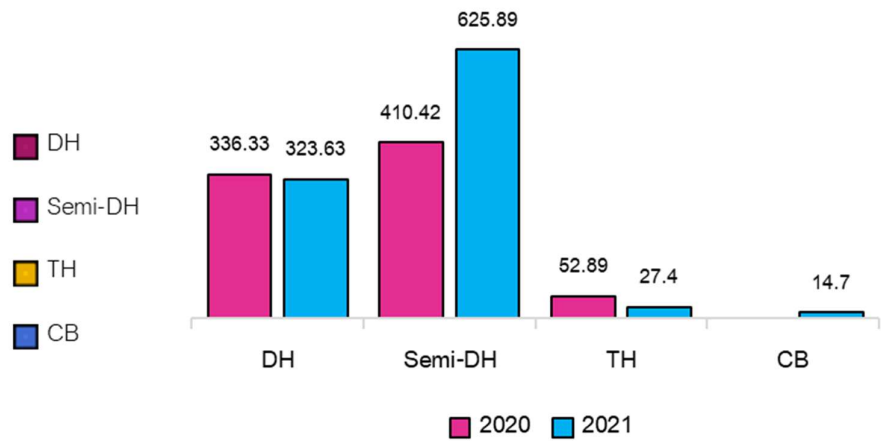
The performance of Villa Kunalai Public Company Limited (“KUN”) for the year ended 31 December 2021 compared to the prior period are summarized as follows:

Income Statement (for the year ended)	2021		2020		Movment	
Revenue from sales of real estates	991.62	100.00%	799.64	100.00%	191.98	24.01%
Cost of sales	(672.23)	-67.78%	(582.79)	-72.88%	(89.44)	15.35%
Gross profit	319.39	32.22%	216.85	27.12%	102.54	47.29%
Other income	4.77	0.49%	4.15	0.52%	0.62	14.94%
Selling expenses	(68.01)	-6.86%	(58.23)	-7.28%	(9.78)	16.80%
Administrative expenses	(60.76)	-6.13%	(57.27)	-7.16%	(3.49)	6.09%
Finance costs	(0.19)	-0.02%	(0.24)	-0.03%	0.05	-20.83%
Profit before income tax expense	195.20	19.71%	105.26	13.16%	89.94	85.45%
Income tax expense	(39.46)	-3.90%	(20.62)	-2.58%	(18.84)	91.37%
Profit for the period	155.74	15.81%	84.64	10.58%	71.10	84.00%
Profit/(Loss) attributable to:						
Owners of the parent	154.80	15.71%	84.66	10.59%	70.14	82.85%
Non-controlling interests	(0.05)	0.00%	(0.02)	0.00%	(0.03)	113.29%
	154.75	15.71%	84.64	10.58%	70.11	82.84%
Basic earnings per share	0.23		0.12			

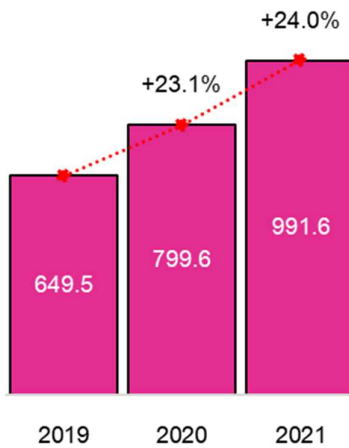
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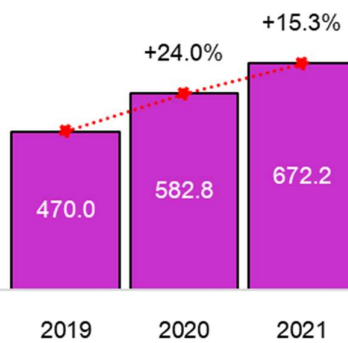
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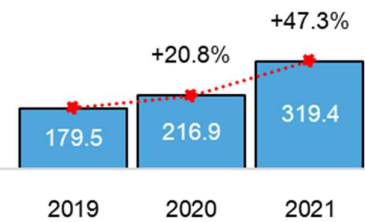
Revenue



Cost of sales



Gross profit



Revenue from sales of real estates

Revenue from sales of real estates for the year ended 2021 increased by THB 191.98 million or 24.01% compared to the same period last year, from THB 799.64 million to THB 991.62 million. Because the increasing demand for low-rise house from 6 our projects. Kunalai Perm project is the most sale proportion in 2021.

Cost of sales

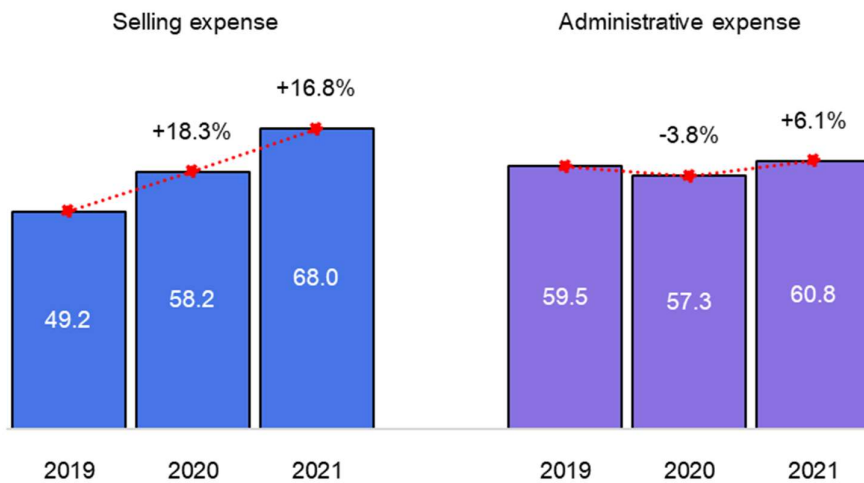
Cost of sales for the year ended 2021 increased by THB 89.44 million or 15.35% compared to the same period last year from THB 582.79 million to THB 672.23 million. As the sale rise, cost of sales is proportionately increased. The company can control the cost of goods sold well. As a result, cost of goods sold ratio decrease.

Gross Profit

Gross profit for the year ended 2021 increased by THB 102.54 million or 47.29% compared to the same period last year from THB 216.85 million to THB 319.39 million. Gross profit margin increased from 27.12 percent in 2020 to 32.22 percent in 2021 because company can control the cost of goods sold well and price of the products has been increasing since the beginning of 2021.

Other income

Other income for the year ended 2021 increased by THB 0.62 million or 14.94% compared to the same period last year from THB 4.15 million to THB 4.77 million.



Selling expenses

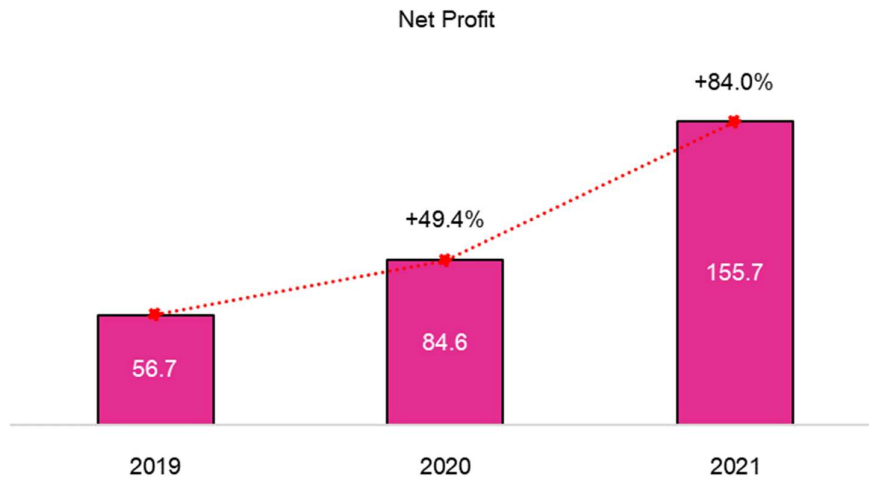
Selling expenses for the year ended 2021 increased by THB 9.78 million or 16.60% compared to the same period last year from THB 58.23 million to THB 68.01 million. Because increased sales of real estates ,selling expense increased accordingly.

Administrative expenses

Administrative expenses for the year ended 2021 increased by THB 3.49 million or 6.09% compared to the same period last year from THB 57.27 million to THB 60.76 million.

Finance cost

Finance cost for the year ended 2021 decreased by THB 0.05 million or 20.83% compared to the same period last year from THB 0.24 million to THB 0.19 million. Because most of the financial cost can be capitalized as real estate development cost.

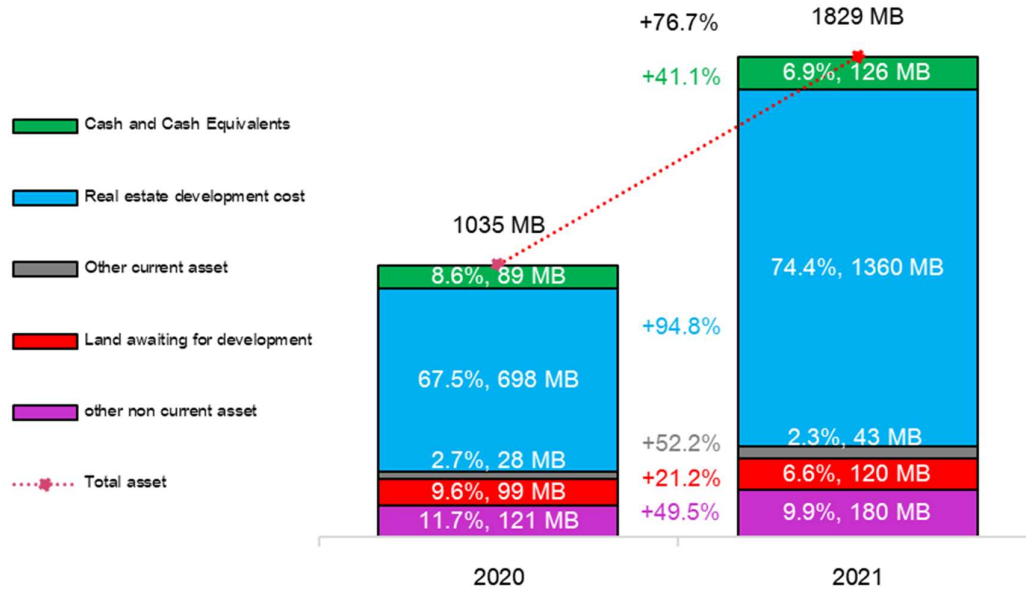


Net profit

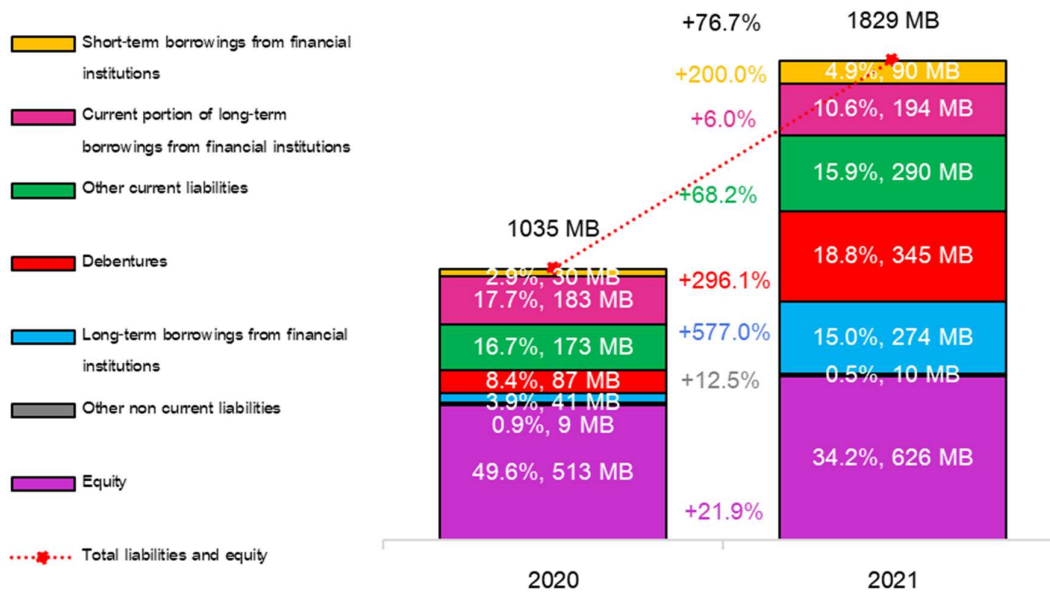
Overall performance of the Company for the year ended 31 December 2021 was net profit of THB 155.74 million, compared to net profit of THB 84.64 million, the company had growth of 84.00% compared to the same period last year.

Statement of Financial Position	2021	2020	Movment	
Assets				
Current assets	1,521.58	815.38	706.20	86.61%
Non-current assets	300.89	219.60	81.29	37.02%
Total assets	1,822.47	1,034.98	787.49	76.09%
Liabilities and equity				
Current liabilities	666.47	385.74	280.73	72.78%
Non-current liabilities	532.50	136.28	396.22	290.74%
Total liabilities	1,198.97	522.02	676.95	129.68%
Equity				
Issued and paid-up share capital	343.20	312.00	31.20	10.00%
Premium on paid-up capital	123.55	123.55	-	0.00%
Convertible Debentures - equity portion	2.03	-	-	n/a
Warrants	6.79	-	-	n/a
Retained earnings				
Appropriated - Legal reserve	21.02	13.03	7.99	61.32%
Unappropriated	139.38	76.81	62.57	81.46%
Other components of equity	(13.67)	(13.67)	-	0.00%
Non-controlling interests	1.20	1.24	(0.04)	-3.23%
Total equity	623.50	512.96	110.54	21.55%
Total liabilities and equity	1,822.47	1,034.98	787.49	76.09%

Asset



Liabilities & Equity



Statement of Financial Position

Total Assets

Total assets increased by THB 787.49 million or 76.04 percent from THB 1,034.98 million to THB 1,822.47 million.

Cash and cash equivalents

Cash and cash equivalents increased by THB 36.53 million or 29.07% from THB 89.14 million to 125.67 million

Real estate development costs

Real estate development costs increased by THB 662.31 million or 94.85% from THB 698.28 million to THB 1,360.59 million because of the company buy new land for future development projects and more invest in real estate development to prepare for home delivery in 2021.

Land awaiting for development

Land awaiting for development increased by THB 21.00 million or 21.22% from THB 98.97 million to THB 119.97 million because of the company buy new land in quarter 4 of 2021.

Total liabilities

Total liabilities increased by THB 676.95 million or 129.68% from THB 522.02 million to THB 1,196.97 million. Because of the company offered debentures in the second quarter and fourth quarter of 2021 amounting to 270.00 million baht and increased drawdown from project loans to develop projects Kunalai Parco, Kunalai Daisy and Kunalai Navara.

Total equity

Total equity increased by THB 110.56 million or 21.55% from THB 512.96 million to THB 623.50 million. Main reason for the rise of equity was net profit for the year ended of THB 155.74 million.

Please be informed accordingly.

Mr. Suradech Prachubsirat

Chief Financial Officer