

KUN 045/2566

11 May 2023

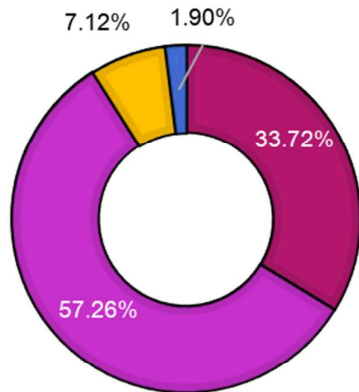
Subject : Management Discussion and Analysis (MD&A) for the quarter 1 ended 31 March 2023 which decreased over 20% from the same period last year.

Attention: Directors and Managers of The Stock Exchange of Thailand

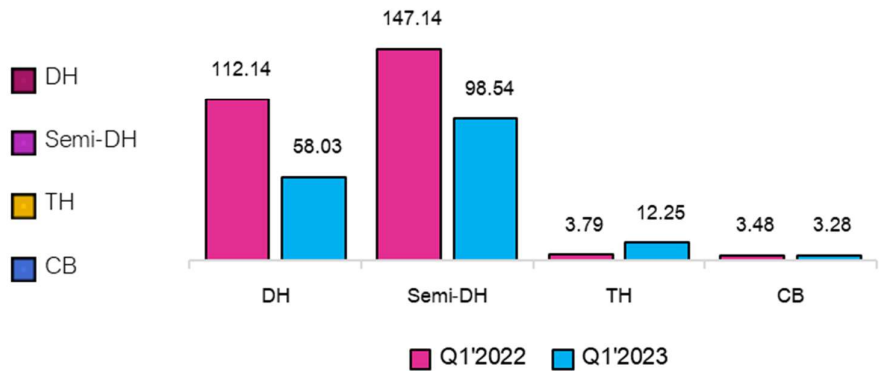
The performance of Villa Kunalai Public Company Limited (“KUN”) for the period ended 31 March 2023 compared to the prior period are summarized as follows:

Income Statement (3 month)	3M'2023		3M'2022		Movment	
Revenue from sales of real estates	172.09	100.00%	266.55	100.00%	(94.46)	-35.44%
Cost of sales	(133.94)	-77.83%	(184.10)	-69.07%	50.16	-27.25%
Gross profit	38.16	22.17%	82.45	30.93%	(44.29)	-53.72%
Other income	0.88	0.51%	0.96	0.36%	(0.08)	-8.33%
Selling expenses	(14.15)	-8.22%	(17.96)	-6.74%	3.81	-21.21%
Administrative expenses	(16.58)	-9.63%	(15.91)	-5.97%	(0.67)	4.21%
Finance costs	(1.60)	-0.93%	(1.09)	-0.41%	(0.51)	46.79%
Profit before income tax expense	6.70	3.89%	48.45	18.18%	(41.75)	-86.17%
Income tax expense	(1.43)	-0.83%	(9.78)	-3.67%	8.35	-85.38%
Profit for the period	5.27	3.06%	38.67	14.51%	(33.40)	-86.37%
Profit/(Loss) attributable to:						
Owners of the parent	5.20	3.02%	38.63	14.49%	(33.43)	-86.54%
Non-controlling interests	0.07	0.04%	0.04	0.02%	0.03	75.00%
	5.27	3.06%	38.67	14.51%	(33.40)	-86.37%
Basic earnings per share	0.01		0.06			

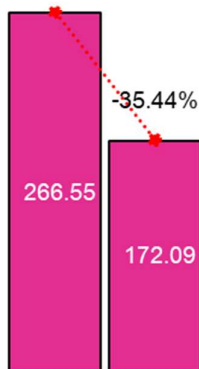
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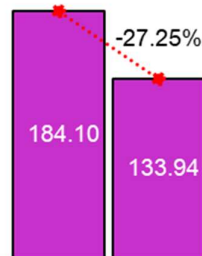
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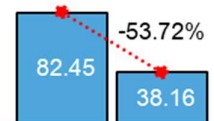
Revenue



Cost of sales



Gross profit



Revenue from sales of real estates

Revenue from sales of real estates for the 3 month period decreased by THB 94.46 million or 35.44% compared with the same period last year, decrease from THB 266.55 million to THB 172.09 million. Because of the government had lowered transfer fees from 2 percent to 0.01 per cent and mortgage fees from 1 per cent to 0.01 per cent until December 31, 2022 and the Bank of Thailand will not extend the easing of loan-to-value (LTV) measures for mortgage loans. It was the reason why many customers decided to bought real estate in 2022. The demand for real estate decreased in the first quarter in 2023.

Cost of sales

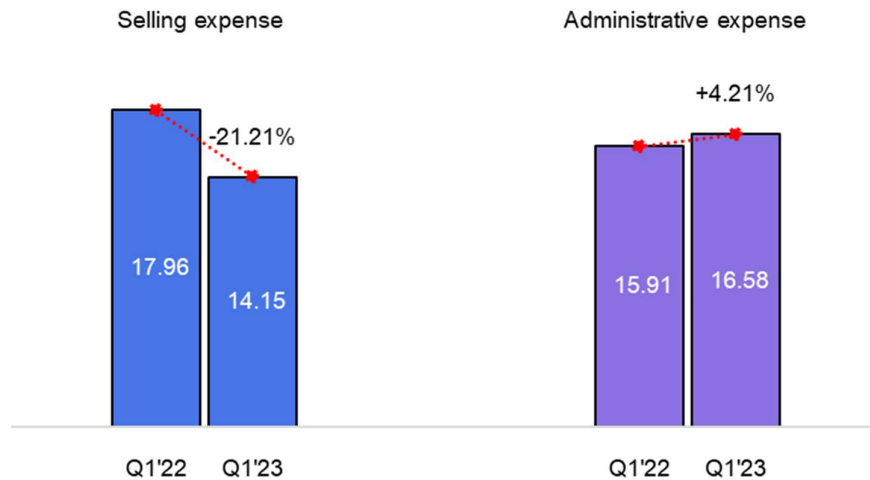
Cost of sales for the 3 month period decreased by THB 50.16 million or 27.25% compared with the same period last year from THB 184.10 million to THB 133.94 million. Because of the cost of goods sold increased from the increase in construction material prices.

Gross Profit

Gross profit for the 3 month period decreased by THB 44.29 million or 53.72% compared with the same period last year from THB 82.45 million to THB 38.16 million. Because of the construction material price increase along energy price increase.

Other income

Other income for the 3 month period decreased by THB 0.08 million or 8.33% compared with the same period last year from THB 0.96 million to THB 0.88 million.



Selling expenses

Selling expenses for the 3 month period decreased by THB 3.81 million or 21.21% compared with the same period last year from THB 17.96 million to THB 14.15 million. Because of selling expenses varying with revenue from sales of real estates. Adjusted according to the decrease in income.

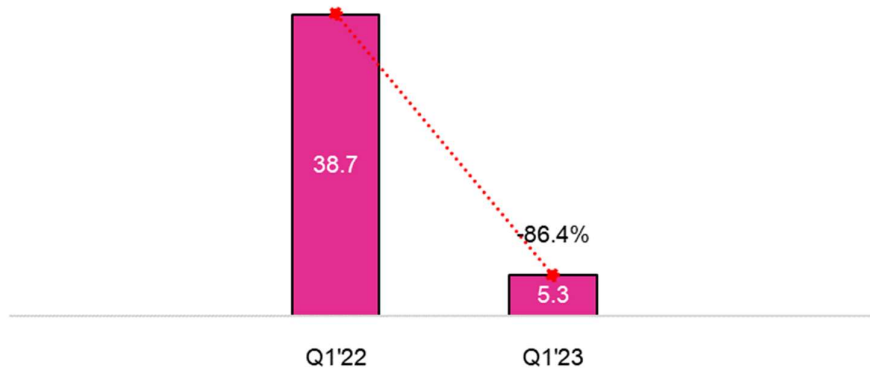
Administrative expenses

Administrative expenses for the 3 month period increased by THB 0.67 million or 4.21% compared with the same period last year from THB 15.91 million to THB 16.58 million.

Finance cost

Finance cost for the 3 month period increased by THB 0.51 million or 46.79% compared with the same period last year from THB 1.09 million to THB 1.60 million. Because some financial cost can't be capitalized as real estate development cost.

Net Profit

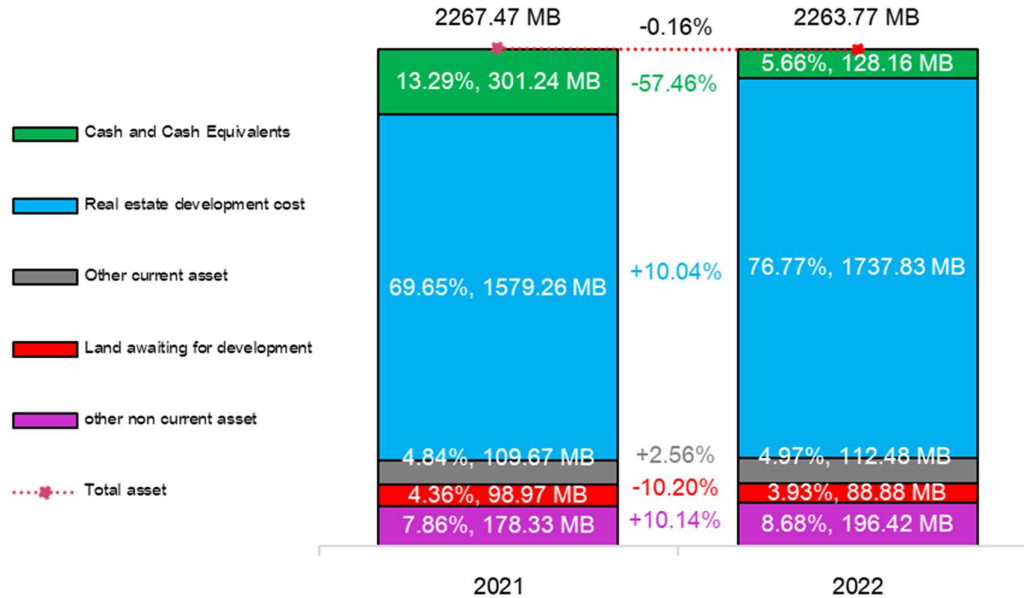


Net profit

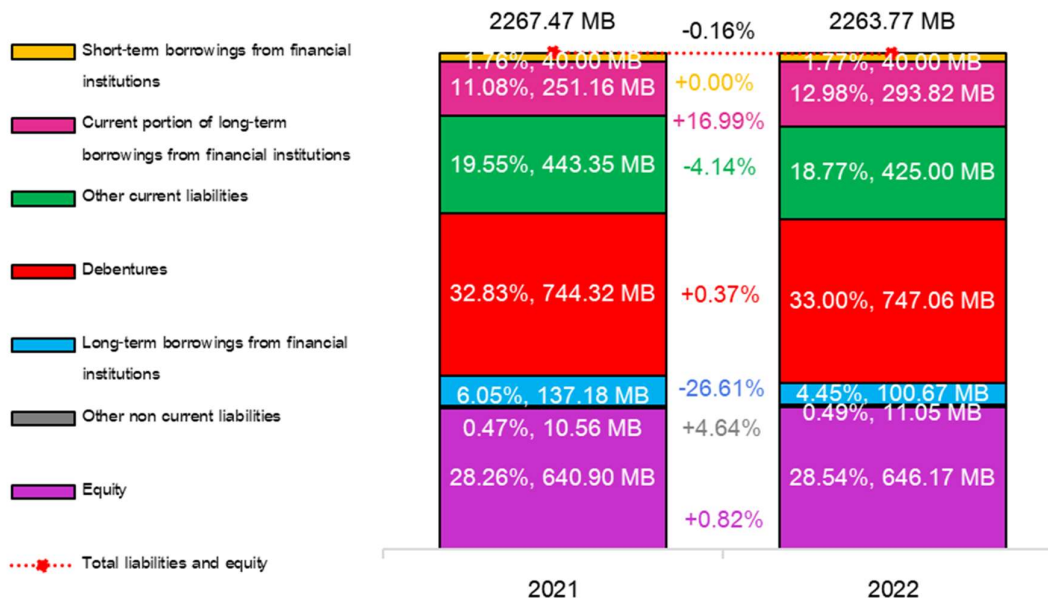
Overall performance of the Company for the 3 month period ended 31 March 2023 was net profit of THB 5.27 million, compared with net profit of THB 38.67 million, the company had reduction in profit of 86.37% compared to the same period last year. Because of decrease in revenue from sales of real estates together with the increased cost of sales. The company has used alternative materials. Including adjusting the project model to suitable.

Statement of Financial Position	Q1'2023	2022	Movment	
Assets				
Current assets	1,978.47	1,990.17	(11.69)	-0.59%
Non-current assets	285.30	277.30	7.99	2.88%
Total assets	2,263.77	2,267.47	(3.70)	-0.16%
Liabilities and equity				
Current liabilities	758.82	734.51	24.31	3.31%
Non-current liabilities	858.78	892.06	(33.28)	-3.73%
Total liabilities	1,617.60	1,626.57	(8.97)	-0.55%
Equity				
Issued and paid-up share capital	343.20	343.20	-	0.00%
Premium on paid-up capital	123.55	123.55	-	0.00%
Convertible Debentures - equity portion	2.03	2.03	-	0.00%
Warrants	6.79	6.79	-	0.00%
Retained earnings				
Appropriated - Legal reserve	25.74	25.74	-	0.00%
Unappropriated	157.06	151.86	5.20	3.43%
Other components of equity	(13.67)	(13.67)	-	0.00%
Non-controlling interests	1.46	1.40	0.07	4.74%
Total equity	646.17	640.90	5.27	0.82%
Total liabilities and equity	2,263.77	2,267.47	(3.70)	-0.16%

Asset



Liabilities & Equity



Statement of Financial Position

Total Assets

Total assets decreased by THB 3.70 million or 0.16 percent from THB 2,267.47 million to THB 2,263.77 million.

Cash and cash equivalents

Cash and cash equivalents decreased by THB 173.08 million or 57.46% from THB 301.24 million to 128.16 million

Real estate development costs

Real estate development costs decreased by THB 158.57 million or 10.04% from THB 1,579.26 million to THB 1,737.83 million because the company purchased additional land within the Kunalai Navara Rama II and started to develop the Kunalai Preem Luxe project.

Land awaiting for development

Land awaiting for development decreased by THB 10.09 million or 10.20 percent from THB 98.97 million to THB 88.88 million. because the company transferred the land of Kunalai Preem Luxe project to real estate development costs and the company has received more land in Bangbuathing.

Total liabilities

Total liabilities decreased by THB 8.97 million or 0.55% from THB 1,626.57 million to THB 1,617.60 million. Because of the decrease in trade and other payables while loans from financial institutions slightly increased.

Total equity

Total equity increased by THB 5.27 million or 0.82% from THB 640.90 million to THB 646.17 million. Main reason for the rise of equity was net profit for the three month period of THB 5.27 million.



Please be informed accordingly.

Mr. Suradech Prachubsirat

Chief Financial Officer

Or Add Line ID: @kun-insight

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

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