

24 February 2022

Subject : Management Discussion and Analysis of the year ended 31 December 2021
Attn. : Director and Manager
The Stock Exchange of Thailand
Encls. : A copy of Audited Financial Statements for the year ended 31 December 2021

The Company, Land and Houses Public Company Limited, would like to submit the audited financial statements for period of the year ended 31 December 2021, for your information and publication.

According to the Company's income statements for the year ended 31 December 2021, the Company and its subsidiaries recorded the net profit in an amount of 6,936.13 million baht while the same period last year recorded the net profit in an amount of 7,144.92 million baht, decreased of 208.79 million baht or decreased by 2.92% because of the followings;

1. In 2021, the Company recorded sales income in an amount of 30,461.25 million baht while the same period last year the Company recorded sales income in an amount of 27,524.72 million baht, increased of 2,936.53 million baht or increased by 10.67%.
2. In 2021, the Company recorded gross profit margin of 32.24%, while the same period last year the Company recorded gross profit margin of 31.79%, increased by 0.45%. because of the relaxation of the COVID-19 control measures.

The increase in sales and slightly increase in gross margin in 1 and 2 make an increase of 1,070.07 million baht in gross profit.

3. Details of the revenue from sale are as follows:

Type of product	2021	2020
Single Detached House	80.0%	77.4%
Town House	11.3%	12.4%
Condominium	8.7%	10.2%
Total	100.0%	100.0%

4. Details of the Company's rental and services income compared to last year are as follows:

	(million baht)	
	2021	2020
Rental and Hotel service Income	1,808.63	2,417.22
Cost	1,471.28	1,977.27
Gross profit	337.35	439.95
Gross profit margin	18.65%	18.20%

The Gross profit from rental and service income decreased of 102.60 million baht due to the Covid-19 pandemic situation which causes a low occupancy rate.

5. In 2021, details of share of profit from investment in associates compared to the year of 2020 are as follows:

	(million baht)	
Name of the Company	2021	2020
LH Financial Group PCL.	272.19	496.00
Quality Construction Products PCL.	30.39	24.12
Home Product Center PCL	1,644.89	1,558.67
LH Property and Loan Fund II	(31.15)	(20.77)
Quality House PCL.	417.01	530.35
Total	2,333.33	2,588.37

Share of profit from investment in associates decreased in the amount of 255.04 million baht from the Covid-19 pandemic situation.

6. The comparison of the Company's administration expenses for the year 2021 and 2020 are as follows:

(million baht)

	2021	%	2020	%	Increase / Decrease	
					MB.	%
Sales income	30,461.25	100.00	27,524.72	100.00	2,936.53	10.67
Selling expenses	539.35	1.77	636.82	2.31	(97.47)	-15.31
Administrative expenses	2,289.89	7.52	2,224.99	8.08	64.89	2.92
Specific Business Tax	1,144.81	3.76	1,041.99	3.79	102.81	9.87
Finance Cost	1,112.40	3.65	888.13	3.23	224.27	25.25
Income Tax	1,279.27	4.20	1,215.74	4.42	63.53	5.23
Total	6,365.72	20.90	6,007.67	21.83	358.05	5.96

In 2021, the Company's selling expense decreased in an amount of 97.47 million baht, also with the Company's administrative expenses increased in an amount of 64.89 million baht when compared to 2020. An increase in Financial Cost of 224.27 million baht was due to an additional investment in investment properties and right-of-use assets.

Please be informed accordingly.

Yours sincerely,

(Wit Tantiworawong)

Mr. Wit Tantiworawong
Managing Director