

10 August 2021

Subject : Management Discussion and Analysis of the second quarter 2021 ended 30 June 2021  
Attn. : Director and Manager  
The Stock Exchange of Thailand  
Encls. : A copy of Reviewed Financial Statements for the second quarter 2021 ended 30 June 2021

The Company, Land and Houses Public Company Limited, would like to submit the reviewed financial statements for period of the second quarter ended 30 June 2021, for your information and publication.

In the second quarter of 2021, the Company and its subsidiaries recorded the net profit in the amount of 1,869.53 million baht while the same period last year recorded the net profit in the amount of 1,394.93 million baht, increased of 474.60 million baht or 34.02% because of the following;

1. In the second quarter of 2021, the Company recorded sales income in the amount of 8,465.06 million baht while the same period last year the Company recorded sales income in the amount of 7,230.22 million baht, increased of 1,234.84 million baht or increased by 17.08%.
2. In the second quarter of 2021, the Company recorded gross profit margin of 31.64%, while the same period last year the Company recorded gross profit margin of 31.00%, increased by 0.64% as a result of the sales of high-margin single detached houses in a larger proportion.

The effect from 1 and 2 make an increase of 437.43 million baht in gross profit.

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

| Type of product       | 2 <sup>nd</sup> quarter of 2021 | 2 <sup>nd</sup> quarter of 2020 |
|-----------------------|---------------------------------|---------------------------------|
| Single Detached House | 79.2%                           | 78.7%                           |
| Town House            | 9.6%                            | 11.1%                           |
| Condominium           | 11.2%                           | 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)

|                            | 2 <sup>nd</sup> quarter of 2021 | 2 <sup>nd</sup> quarter of 2020 |
|----------------------------|---------------------------------|---------------------------------|
| Rental and services income | 405.87                          | 326.34                          |
| Cost                       | 363.04                          | 389.51                          |
| Gross (loss) profit        | 42.83                           | (63.17)                         |
| Gross (loss) profit margin | 10.55%                          | (19.36%)                        |

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

(Million baht)

| Name of the Company                | 2 <sup>nd</sup> quarter of 2021 | 2 <sup>nd</sup> quarter of 2020 |
|------------------------------------|---------------------------------|---------------------------------|
| LH Financial Group Plc.            | 90.06                           | 112.15                          |
| Quality Construction Products Plc. | 6.83                            | 7.45                            |
| Home Product Center Plc.           | 433.21                          | 285.28                          |
| LH Property and Loan Fund II       | (7.78)                          | (7.68)                          |
| Quality House Plc.                 | 121.87                          | 114.25                          |
| Total                              | 644.19                          | 511.48                          |

The share of profit from investment in associates has increased by 132.71 million baht.

6. The comparison of the Company's sales income and administrative expenses of the second quarter of 2021 and 2020 are as follows:

|                            | 2 <sup>nd</sup> quarter of<br>2021<br>(MB) | %      | 2 <sup>nd</sup> quarter of<br>2020<br>(MB) | %      | Increase /<br>Decrease |         |
|----------------------------|--|--------|--|--------|------------------------|---------|
|                            |  |        |  |        | MB.                    | %       |
| Sales income               | 8,465.06                                   | 100.00 | 7,230.22                                   | 100.00 | 1,234.84               | 17.08   |
| Selling expenses           | 131.39                                     | 1.55   | 152.64                                     | 2.11   | (21.25)                | (13.92) |
| Administrative<br>expenses | 551.59                                     | 6.52   | 523.43                                     | 7.24   | 28.17                  | 5.38    |
| Specific Business<br>Tax   | 317.95                                     | 3.76   | 274.76                                     | 3.80   | 43.18                  | 15.72   |
| Finance Cost               | 293.02                                     | 3.46   | 256.25                                     | 3.54   | 36.77                  | 14.35   |
| Income Tax                 | 326.49                                     | 3.86   | 260.81                                     | 3.61   | 65.68                  | 25.18   |
| Total                      | 1,620.44                                   | 19.14  | 1,467.89                                   | 20.30  | 152.55                 | 10.39   |

For the period of six months ended 30 June 2021 the Company and its subsidiary recorded the net profit in the amount of 3,613.93 million baht while the same period last year recorded the net profit in the amount of 2,738.92 million baht, increase of 875.01 million baht or increase by 31.95% because of the followings;

1. In the first six months of 2021, the Company recorded sales income in the amount of 15,605.26 million baht while the same period last year the Company recorded sales income in the amount of 12,278.51 million baht, increase of 3,326.75 million baht or increase 27.09%.
2. In the first six months of 2021, the Company recorded gross profit margin of 31.75%, while the same period last year the Company recorded gross profit margin of 30.38%, increased by 1.37%.

The effect from 1 and 2 make a increase of 1,223.44 million baht in gross profit.

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

| Type of product       | First Half of 2021 | First Half of 2020 |
|-----------------------|--------------------|--------------------|
| Single Detached House | 80%                | 77%                |
| Town House            | 10%                | 13%                |
| Condominium           | 10%                | 10%                |
| Total                 | 100%               | 100%               |

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

(Million baht)

|                            | First Half of 2021 | First Half of 2020 |
|----------------------------|--------------------|--------------------|
| Rental and services income | 840.25             | 1,313.22           |
| Cost                       | 726.57             | 1,092.64           |
| Gross profit               | 113.68             | 220.58             |
| Gross profit margin        | 13.53%             | 16.80%             |

The Gross profit of Rental and services income decreased in the amount of 106.90 million baht due to the Covid-19 pandemic situation which causes a temporary closure of the hotel service.

- 5 Details of share of profit from investment in associates in the first six months of 2021 compared to the first six months of 2020 are as follows:

(Million baht)

| Name of the Company                | First Half of 2021 | First Half of 2020 |
|------------------------------------|--------------------|--------------------|
| LH Financial Group Plc.            | 213.92             | 322.72             |
| Quality Construction Products Plc. | 19.31              | 20.60              |
| Home Product Center Plc.           | 845.11             | 668.17             |
| LH Property and Loan Fund II       | (15.48)            | (5.69)             |
| Quality House Public Plc.          | 227.98             | 241.92             |
| Total                              | 1,290.84           | 1,247.72           |

- 6 The comparison of the Company's sales income and administrative expenses of the first six months of 2021 and the first six months of 2020 are as follows:

|                         | First Half<br>2021<br>(MB) | %      | First Half<br>2020<br>(MB) | %      | Increase /<br>Decrease |         |
|-------------------------|----------------------------|--------|----------------------------|--------|------------------------|---------|
|                         |                            |        |                            |        | (MB)                   | %       |
| Sales income            | 15,605.26                  | 100.00 | 12,278.51                  | 100.00 | 3,326.75               | 27.09   |
| Selling expenses        | 269.93                     | 1.73   | 323.00                     | 2.63   | (53.07)                | (16.43) |
| Administrative expenses | 1,107.20                   | 7.10   | 1,098.65                   | 8.95   | 8.56                   | 0.78    |
| Specific Business Tax   | 586.50                     | 3.76   | 465.94                     | 3.79   | 120.55                 | 25.87   |
| Finance Cost            | 552.48                     | 3.54   | 438.16                     | 3.57   | 114.32                 | 26.09   |
| Income Tax              | 610.59                     | 3.91   | 352.09                     | 2.87   | 258.50                 | 73.42   |
| Total                   | 3,126.70                   | 20.04  | 2,677.84                   | 21.81  | 448.86                 | 16.76   |

In the first six months of 2021, the Company's selling expenses decreased in the amount of 53.07 million baht as a result of the Covid-19 situation which causes a temporary closure of the hotel service.

In the first six months of 2021, income tax increased 258.50 million baht as a result of an increase in net profit.

Please be informed accordingly.

Yours sincerely,

(Wit Tantiworawong)

Mr. Wit Tantiworawong  
Senior Executive Vice President