



No. Dor Phor .11 /2565

February 24 , 2022

Subject : Management Discussion and Analysis for the Year 2021 Ending December 31, 2021

Dear Directors and Managers

Stock Exchange of Thailand

D House Pattana Public Company Limited (“the Company”) and its subsidiaries Would like to clarify the operating results for the period of the year 2020 and 2021, ending on December 31, 2020 and 2021, with details as follows:

Profit (Loss) Statement	consolidated financial statements		separate budget					
	For the year 2021 , ended on December 31, 2021		For the year 2021, ended on December 31, 2021		For the year 2020, ended on December 31, 2020		change increase / (decrease)	
	million baht	percentage	million baht	percentage	million baht	percentage	million baht	percentage
sales income	60.75	100.00%	60.75	100.00%	92.12	100.00%	(31.37)	(34.05%)
cost of sales	40.26	66.26%	40.26	66.26%	42.71	46.37%	(2.46)	(5.75%)
gross profit	20.50	33.74%	20.50	33.74%	49.40	53.63%	(28.91)	(58.51%)
other income	1.25	2.05%	1.24	2.05%	0.58	0.63%	0.67	114.54%
selling expenses	3.83	6.31%	3.83	6.31%	4.88	5.30%	(1.05)	(21.45%)
administrative expenses	23.05	37.94%	22.82	37.56%	21.78	23.64%	1.27	5.82%
financial cost	3.95	6.50%	3.95	6.50%	6.71	7.29%	(2.77)	(41.22%)
income tax expenses	1.80	2.96%	1.80	2.96%	1.68	1.82%	(3.48)	(207.13%)
profit (loss) for the year	(7.28)	(11.99%)	(7.06)	(11.64%)	14.93	16.21%	(22.27)	(148.77%)

sales income

For the year 2021 , the Company has income from real estate sales of 60.75 million baht from the transfers of ownership of the Grand Residence project of 3.58 million baht, The Grand Canal project of 10.59 million baht, the Grand Biz project of 13.90 million baht, and the Pruk Phirom City Hall project of 32.69 million baht. When compared to the year 2020, a decrease of 31.37 million baht, or a decrease of 34.05% was observed. The main reason for the decline in income was due to the situation of COVID-19 which has returned to spread in the country and be intensified. As a result, some customers temporarily delayed their project visits and purchase decisions. Including the fact that the bank does not approve the loan to some customers, therefore they were unable to transfer ownerships. For the subsidiaries, there is no sales revenue.



The remaining reservations pending the transfer of the Company's projects as of December 31, 2021 are as follows:

Project name	Total reserved ownership (unit)	Value (million baht)
The Grand Canal	5	10.64
Pruk Phirom City Hall	3	9.56
Total	8	20.20

Cost of sales and gross margin

For the year 2021 , the Company's cost of sales was 40.26 million baht or 66.26% of sales revenue and had a gross profit of 20.50 million baht or equivalent to a gross profit margin of 33.74%, a decrease of 28.91 million baht or a decrease of 58.51% when compared to the year 2020 with a gross profit of 49.10 million baht or a gross profit margin of 53.63%. A decrease in the gross profit margin was due to the epidemic of COVID-19. The Company has adjusted the promotion policy, by providing promotions, giveaways and special cash discounts for customers who bought homes during that period. Consequently, the overall gross profit margin has decreased.

Selling and administrative expenses

For the year 2021 , the company has selling and administrative expenses equal to 26.88 million baht or 44.25%. of sales revenue, an increased of 0.22 million baht, or an increase of 0.83% Compared to the year 2020. This was mainly due to an increase in administrative expenses coming from employee expenses from recruiting new employees, the cost of purchasing office equipment, subsidiary audit expenses, and fees for various permissions increased to support the expansion of the business in the group of companies.

Net profit

For the year 2021 , the Company has a net loss of 7.28 million baht or a net loss margin of 11.99%. This was mainly due to the decline in sales due to the situation of the COVID-19 epidemic returning to spread in the country and intensifying. As a result, the Company's home ownership transfer plan did not go as expected. As for expenses, the Company also had administrative expenses with higher rates compared to sales revenue because the Company has expenses in supporting the expansion of business in the group of companies.

Company's and Subsidiaries' financial position Unit : Million Baht

Statement of financial position	Consolidated financial statements		Change Increase / (Decrease)	
	As of December 31 , 2021	As of December 31, 2020	Million baht	Percentage
Asset	733.00	829.98	(96.98)	(11.68%)
Debt	282.92	346.41	(63.49)	(18.33%)
Equity	450.08	483.57	(33.49)	(6.93%)
Debt to Equity Ratio (D/E Ratio) : Times	0.63	0.72	(0.09)	(12.50%)

Asset

As of December 31, 2021, the Company had total assets of 733 million baht, compared to the end of 2020 with total assets of 829.98 million baht, there was a decrease of 96.98 million baht or a decrease of 11.68%, mainly due to the reduction of cash items and cash equivalents of 97.17 million baht, real estate development costs of 7.16 million baht, and other current assets that increased by 7.35 million baht. There was a total decrease of 96.98 million baht due to repayment of short-term and long-term borrowings to financial institutions and connected persons in the amount of 63.49 million baht, dividend payment to shareholders of 25.20 million baht. From the Company's loss, as a result, the overall total assets decreased when compared to the end of the year 2020.

Debt

As of December 31, 2021, the Company had total liabilities of 282.92 million baht, compared to the end of 2020 with total liabilities of 346.41 million baht, there was a decrease of 63.49 million baht or a decrease of 18.33%, mainly due to the reduction of repayment of loans from financial institutions of 46.49 million baht and short-term loans from connected persons of 17 million baht. This has resulted in an overall decrease in total liabilities compared to the end of the year 2020 .

Equity

As of December 31, 2021, the Company's shareholders' equity was 450.08 million baht, compared to the end of the year 2020 with shareholders' equity of 483.57 million baht, there was a decrease of 33.49 million baht or 6.92%. The main reason for the decrease was the dividend payment to shareholders of 25.20 million baht from retained earnings and the loss of the Company.



Debt to Equity Ratio

As of December 31, 2021, the Company has a debt to equity ratio of 0.63. times decreased by 0.09 times when compared to the end of 2020 due to a decrease in total liabilities of 63.49 million baht while shareholders' equity decreased by 33.49 million baht, resulting in a decrease in the debt to equity ratio compared to the end of the year 2020 .

Please be informed accordingly.

Best regards

Pongpot Lertrungporn

(Mr. Pongpot Lertrungporn)

Chief Executive Officer

DHouse Pattana Public Company
Limited