

Ref. LPN/SorKor/092/2565

5th May 2022

Re: Financial Statements Analysis Report Q1/2022

Dear: Director and Manager

The Stock Exchange of Thailand

L.P.N. Development Public Co.,Ltd. would like to submit the financial statements in Q1/2022 of the Company and subsidiary companies to the Stock Exchange of Thailand as follows:

L.P.N. Development Public Co., Ltd. and subsidiary companies provide a complete range of property development services with the focus on the quality of life of the residents and develop a home for all ranges of income earners at the affordable price. In 2022, the target of the gross sales volume is approximately 13,000 million THB. The Company aims to launch 16 new projects with the combined value of 11,000 million THB i.e. 5 residential condominium projects worth 7,000 million THB, 10 single house projects worth 3,300 million THB and 1 premium single house project worth 700 million THB. The budget for investment in plots of land for project development is approximately 4,000 million THB.

Report on the complete projects ready to be handed over, sales volume and backlog in Q1/2022

1. **Projects completed and ready to be handed over:** 3 projects worth 2,480 million THB, namely,
 - 1) One residential condominium project i.e. Lumpini Place Taopoon Interchange worth 1,770 million THB.
 - 2) One single house project of a subsidiary company i.e. Lumpini Town Place Ladprao 101 - Pokaew worth 600 million THB.
 - 3) One commercial building project of a subsidiary company i.e. Lumpini Town Ville Ladkrabang - Suvamabhummi worth 110 million THB.

2. **Backlog**

2.1 The backlog in Q1/2022 is 2,220 million THB i.e.

- 1) 75% of the sales volume derives from condominium projects.
- 2) 25% of the sales volume derives from single house projects.

2.2 The backlog of 2,450 million THB will gradually be recognized in 2022 and 2023.

As of 31st March 2022 the sales volume and backlog of the Company and subsidiary company are as follows:

Unit: Million THB

<u>Sales Volume</u>	Amount
1. Residential Condominium	1,660
2. Single House	560
3. Total Sales Volume	2,220

<u>Backlog</u>	To Be Handed Over in 2022	To Be Handed Over in 2023	Total
1. Residential Condominium	1,150	490	1,640
2. Single House	810	-	810
3. Total Backlog	1,960	490	2,450

After revision

Performance in Q1/2022 and 2021

Consolidated profit (loss) statements

The net profit of the Company and subsidiary companies increases 55.73% from the same period of the previous year because of the increase of the income from sales. 69% of the income from sales is from the income recognition of condominium projects and 31% from that of single house projects. The income from rental and service business is more or less similar to that of the same period of the previous year. The income from management increases 18.91% from the same period of the previous year from management of residential projects and provision of engineering service and other services.

Table 1: Gross income of the Company and subsidiary companies in Q1/2022 and 2021

Type of Income	Q1/2022 (million THB)	Q1/2021 (million THB)	% Variance
1. Income from sales of real estate ¹	1,784.66	1,056.58	68.91%
1.1 Residential condominium	1,229.55	674.05	82.41%
Proportion (%)	68.90%	63.80%	5.10%
1.2 Single house	555.11	382.53	45.12%
Proportion (%)	31.10%	36.20%	(5.10%)
2. Income from rental and service business	71.06	72.88	(2.49%)
3. Income from management business	349.06	293.54	18.91%
4. Total Main Income	2,204.78	1,423.00	54.94%
5. Other income ^{Note 1}	9.56	3.61	165.30%
6. Total income	2,214.35	1,426.60	55.22%

^{Note 1} Other income comprises received interest, received dividend, income from fees from the change of owner, change of details or breach of contract of the sales of real estate projects, profit from sales of assets, income from supporting departments collected from associated companies, income from construction management fee collected from associated companies, income from public service, income from insurance claim and miscellaneous income.

Statement of financial position as of 31st March 2022 and 31st December 2021

Total assets

The total assets of the Company increases 563.28 million THB or 2.37% i.e. from 23,776.63 million THB to 24,339.91 million THB. The main reasons are as follows:

1. Cash increases 134.45 million THB or 40.14% from 2021 from business operation.
2. Land and project costs during construction and finished goods inventory increase 688.70 million THB or 3.85% i.e. from 17,865.81 million THB to 18,554.51 million THB. In Q1/2022, 3 projects have been completed, namely, one condominium project, one single house project and one commercial building as mentioned above with the combined value of 2,480 million THB. Moreover, the payment for plots of land for the development of 3 projects, namely,
 - 1) Lumpini Place 168 Pinklao,
 - 2) Lumpini Town Ville Lam Lukka - Kukot Station
 - 3) Lumpini Town Ville Ladpladuk - Westgate, has been paid.

Total liabilities

Total liabilities increase 444.65 million THB or 3.59% i.e. from 12,379.43 million THB to 12,824.07 million THB. It is mainly because of the increase of loan from financial institutions for project development and operation of 248.92 million THB or 2.39% i.e. from 10,426.33 million THB to 10,675.25 million THB.

As a result of the above reasons, the interest-bearing debt to equity ratio and the debt-to-equity ratio have increased from 0.91:1 to 0.93:1 and from 1.09:1 to 1.11:1 as of 31 March 2022 and 31st December 2021 respectively. In comparison with the same period of the previous year, the ratios have increased from 0.91:1 to 0.93:1 and 1.14:1 to 1.11:1 respectively. The Company has strictly upheld the financial discipline and investment balance for future growth. It is expected that within the end of the year, the interest-bearing debt to equity ratio will be at 1:1.

Financial structure

The Company continues to emphasize the efficiency of management of financial structure, be flexible in time of economic fluctuation and maintain financial costs to be appropriate for business operation in the future. In addition, the financial policy of the Company is carefully implemented. The Company is financially stable with sufficient liquidity to continue operating during high-risk period. The Company has no financial liquidity issues, strives to build confidence in the performance of the organization and strictly control costs.

Cash flow statement

Regarding the cash flow statement as of 31st March 2022 and 31st December 2021, the net cash flow increases 134.45 million THB or 40.14% from business operation. But comparing with the same period of the previous year, the cash flow statement as of 31st March 2022 and 31st March 2021, the net cash flow decreases 993.35 million THB or 67.91% from the ease of liquidity enhancement scheme during the crisis and the reduction of financial costs.

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Important numbers in the financial statements Q1/2022 and 2021

Table 2: Profit/Loss Statement in Q1/2022 and 2021

Number	Consolidated Financial Statements			Separate Financial Statements		
	Q1/2022	Q1/2021	%Variance	Q1/2022	Q1/2021	%Variance
1. Main income (million THB)	2,214.35	1,426.60	55.22%	1,546.50	805.17	92.07%
2. Gross profit from sale (%)	22.05%	25.57%	(3.52%)	21.92%	25.91%	(3.99%)
3. Gross profit from rental and service business (%)	32.86%	43.73%	(10.87%)	34.02%	44.79%	(10.77%)
4. Gross profit from management business (%)	45.89%	49.80%	(3.91%)	-	-	-
5. Gross profit from main income (million THB)	577.04	448.19	28.75%	345.74	220.88	56.53%
(%)	26.17%	31.50%	(5.33%)	22.47%	27.61%	(5.14%)
6. Expenses on sales (million THB)	91.21	63.77	43.03%	73.42	47.24	55.42%
(%)	4.12%	4.47%	(0.35%)	4.75%	5.87%	(1.12%)
7. Expenses on sales (million THB)	21.68	21.75	(0.32%)	16.20	17.45	(7.16%)
(excluding ownership transfer)						
(%)	0.98%	1.52%	(0.54%)	1.05%	2.17%	(1.12%)
8. Expenses on management (million THB)	210.29	179.92	16.88%	85.90	79.13	8.56%
(%)	9.50%	12.61%	(3.11%)	5.55%	9.83%	(4.28%)
9. Profit before interest and income tax (million THB)	280.18	200.90	39.46%	190.80	93.69	103.65%
Corporate income (%)	12.65%	14.08%	(1.43%)	12.34%	11.64%	0.70%
10. Profit before corporate income tax (million THB)	243.01	155.39	56.39%	153.03	46.04	232.38%
(%)	10.97%	10.89%	0.08%	9.90%	5.72%	4.18%
11. Net profit (loss) (million THB)	191.33	122.86	55.73%	118.68	33.66	252.58%
(of the main Company) (%)	8.64%	8.61%	0.03%	7.67%	4.18%	3.49%
12. Net profit (loss) per share (THB)	0.13	0.08	62.50%	0.08	0.02	300.00%
13. Book value per share (THB)	7.92	7.81	1.41 %	7.01	7.02	(0.14%)

After revision

Table 3: Statement of Financial Position as of 31st March 2022 and 31st December 2021

Unit: million THB

Number	Consolidated Financial Statements			Separate Financial Statements		
	as of 31 Mar 22	as of 31 Dec 21	%Variance	as of 31 Mar 22	as of 31 Dec 21	%Variance
14. Cash and cash equivalent	469.41	334.95	40.14%	299.00	198.64	50.52%
15. Trade debtors and other debtors	499.67	748.45	(33.24%)	232.67	323.19	(28.01%)
16. Land and project costs during Construction	9,486.00	9,027.77	5.08%	6,968.29	7,285.42	(4.35%)
17. Backlog	9,068.51	8,838.04	2.61%	8,811.65	8,556.02	2.99%
18. Other current assets Note 1	219.63	202.13	8.66%	269.18	331.68	(18.84%)
19. Non-current assets Note 2	4,596.69	4,625.29	(0.62%)	5,011.86	5,001.07	0.22%
20. Total assets	24,339.91	23,776.63	2.37%	21,592.65	21,696.01	(0.48%)
21. Overdraft and short-term loan	6,631.82	7,104.67	(6.66%)	6,327.94	6,797.94	(6.91%)
22. Trade account payable and other creditors	1,353.09	1,169.67	15.68%	1,047.63	909.76	15.15%
23. Long-term loan	4,043.42	3,321.66	21.73%	3,533.89	3,365.44	5.01%
24. Overdue corporate income tax	29.06	4.29	577.69%	17.67	-	100.00%
25. Non-current liabilities Note 3	766.68	779.14	(1.60%)	464.53	467.86	(0.71%)
26. Total liabilities	12,824.07	12,379.43	3.59%	11,391.65	11,540.99	(1.29%)
27. Shareholders' equity	11,515.83	11,397.20	1.04%	10,200.99	10,155.02	0.45%

[Note 1](#) Comprising temporary investment and short-term loan to connected business.

[Note 2](#) Comprising investment in subsidiary companies and associated companies, real estate for investment, land, building and equipment, goodwill, non-tangible assets, lease hold, deferred tax assets, withholding tax and other non-current assets.

[Note 3](#) Comprising income from rental fee received in advance, estimation of staff benefits, deposit of rental and service fee and other non-current liabilities.

[After revision](#)

Table 4: Financial Ratio in Q1/2022 and 2021

Item	Unit	Q1		Item	Unit	Q1	
		2022	2021			2022	2021
Liquidity Ratio				9. Net Profit	%	8.64	8.61
1. Current Ratio	Time	2.46	2.11	10. Sales to Equity Ratio	%	15.58	9.11
2. Quick Ratio	Time	0.15	0.21	Asset Management Ratio			
3. Collection Period	Day	3.40	8.59	11. Return on Assets	%	0.80	0.51
	Day	579.23	1,116.7	12. Return on Fixed Assets	%	6.25	4.21
4. Inventory Turnover Ratio			7	13. Asset Growth Rate	%	2.37	3.03
5. Payment Period	Day	44.77	82.00	14. Liabilities Growth Rate	%	3.59	9.95
Profitability Ratio				Financial Ratio			
6. Gross Profit Margin from Sales	%	22.05	25.57	15. D/E Ratio	Time	1.11	1.14
7. Gross Profit Margin from Rent	%	32.86	43.73	16. Interest Bearing D/E Ratio	Time	0.93	0.91
8. Gross Profit Margin from Management	%	45.89	49.80				

After revision

Please kindly be informed accordingly.

Sincerely yours,

Mr. Opas Sripayak
Chief Executive Officer and Managing Director