

27 February 2023

Subject : Management Discussion and Analysis of the year ended 31 December 2022
Attn. : Director and Manager
The Stock Exchange of Thailand
Encls. : A copy of Audited Financial Statements for the year ended 31 December 2022

The Company, Land and Houses Public Company Limited, would like to submit the audited financial statements for period of the year ended 31 December 2022, for your information and publication.

According to the Company's income statements for the year ended 31 December 2022, the Company and its subsidiaries recorded the net profit in an amount of 8,312.52 million baht while the same period last year recorded the net profit in an amount of 6,936.13 million baht, increased of 1,376.39 million baht or increased by 19.84% because of the followings;

1. In 2022, the Company recorded sales income in an amount of 30,751.79 million baht while the same period last year the Company recorded sales income in an amount of 30,461.25 million baht, increased of 290.54 million baht or increased by 0.95%.
2. In 2022, the Company recorded gross profit margin of 32.96%, while the same period last year the Company recorded gross profit margin of 32.24%, increased by 0.72% because of higher sales of high level-priced units more than last year.

The increase in sales and slightly increase in gross margin in 1 and 2 make an increase of 316.34 million baht in gross profit.

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

Type of product	2022	2021
Single Detached House	77.0%	80.0%
Town House	9.7%	11.3%
Condominium	13.3%	8.7%
Total	100.0%	100.0%

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

(million baht)

	2022	2021
Rental and Hotel service Income	4,845.22	1,808.63
Cost	3,360.29	1,471.28
Gross profit	1,484.93	337.35
Gross profit margin	30.65%	18.65%

The Gross profit from rental and service income increased of 1,147.58 million baht due to hotel and shopping mall could run business normally and tourists travel to Thailand independently than last year.

5. In 2022, details of share of profit from investment in associates compared to the year of 2021 are as follows:

(million baht)

Name of the Company	2022	2021
LH Financial Group PCL.	345.42	272.19
Quality Construction Products PCL.	65.13	30.39
Home Product Center PCL	1,879.56	1,644.89
LH Property and Loan Fund II	21.34	(31.15)
Quality House PCL.	599.59	417.01
Total	2,911.04	2,333.33

Share of profit from investment in associates increased in an amount of 577.71 million baht due to the easing back of the Covid-19 pandemic situation to normal.

6. The comparison of the Company's administration expenses for the year 2022 and 2021 are as follows:

(million baht)

	2022	%	2021	%	Increase / Decrease	
					MB.	%
Sales income	30,751.79	100.00%	30,461.25	100.00%	290.54	0.95%
Selling expenses	1,039.54	3.38%	539.35	1.77%	500.19	92.74%
Administrative expenses	2,588.75	8.42%	2,289.89	7.52%	298.86	13.05%
Specific Business Tax	1,158.25	3.77%	1,144.81	3.76%	13.44	1.17%
Finance Cost	1,054.78	3.43%	1,112.40	3.65%	(57.62)	-5.18%
Income Tax	1,511.21	4.91%	1,279.27	4.20%	231.94	18.13%
Total	7,352.53	23.91%	6,365.72	20.90%	986.81	15.50%

In 2022 compared to 2021, the Company's selling expense increased in an amount of 500.19 million baht due to an increase in broker fees and marketing expenses. And administrative expenses increased by 298.86 million baht due to the recovery in hotel and shopping mall business.

Please be informed accordingly.

Yours sincerely,

(Wit Tantiworawong)

Mr. Wit Tantiworawong
Managing Director