

11 May 2023

Subject : Management Discussion and Analysis of the first quarter 2023 ended 31 March 2023
Attn. : Director and Manager
The Stock Exchange of Thailand
Encls. : A copy of Reviewed Financial Statements for the first quarter ended 31 March 2023

The Company, Land and Houses Public Company Limited, would like to submit the reviewed financial statements for period of the first quarter ended 31 March 2023, for your information and publication.

In the first quarter of 2023, the Company and its subsidiaries recorded the net profit in the amount of 1,353.99 million baht while the same period last year recorded the net profit in the amount of 1,931.49 million baht, decreased of 577.50 million baht or decreased by 29.9% because of the following;

1. In the first quarter of 2023, the Company recorded sales income in an amount of 4,832.37 million baht while the same period last year the Company recorded sales income in an amount of 6,965.67 million baht, decreased of 2,133.30 million baht or decreased by 30.63%.
2. In the first quarter of 2023, the Company recorded gross profit margin of 28.69%, while the same period last year the Company recorded gross profit margin of 32.79%, decreased by 4.10% as the sales was decline while the indirect cost that is fixed cost was not decline.

The decrease in sales and gross profit margin in 1 and 2 make the decrease of 897.73 million baht in gross profit.

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

Type of product	1 st quarter of 2023	1 st quarter of 2022
Single Detached House	89%	81%
Town House	5%	11%
Condominium	6%	8%
Total	100%	100%

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

(Million baht)

	1 st quarter of 2023	1 st quarter of 2022
Rental and services income	1,875.10	660.98
Cost	1,191.00	468.98
Gross profit	684.15	192.00
Gross profit margin	36.49%	29.05%

4.1 Rental and service income in the first quarter of 2023 was 1,875.10 million baht compared to 660.98 million baht at the same period last year, increased of 1,214.12 million baht or increased by 183.68%. This was a result of the cancellation of COVID-19 measures and the Company has opened new hotels and shopping malls in late 2022, thus the revenue was risen.

4.2 Gross profit margin of the Company's rental and service income in the first quarter of 2023 increased by 7.44% because of the higher margin of the new hotels and shopping malls.

5. In the first quarter of 2023, details of share of profit from investment in associates compared to 2022 are as follows:

(million baht)

Name of the Company	1 st quarter of 2023	1 st quarter of 2022
LH Financial Group Public PLC.	146.56	111.96
Quality Construction Products Public PLC.	33.18	9.70
Home Product Center Public PLC.	487.07	456.79
LH Property and Loan Fund II	34.41	(7.70)
Quality House Public PLC.	146.65	146.06
Total	847.87	716.81

The share of profit from investment in associates in 1st quarter of 2023 increased in an amount of 131.06 million baht when compared to the same period last year, due to better turnover which result from the cancellation of COVID-19 measures.

6. The comparison of the Company's administration expenses of the first quarter of 2023 and 2022 are as follows:

	1 st quarter of 2023		1 st quarter of 2022		Increase / Decrease	
	MB.	%	MB.	%	MB.	%
Total revenue	6,976.61	100.00	7,942.65	100.00	(966.04)	(12.16)
Selling expenses	290.99	4.17	165.48	2.08	125.51	75.85
Administrative expenses	769.96	11.04	579.32	7.29	190.64	32.91
Specific Business Tax	183.45	2.63	260.79	3.28	(77.34)	(29.66)
Finance Cost	288.03	4.13	245.54	3.09	42.49	17.30
Income Tax	147.16	2.11	319.85	4.03	(172.69)	(53.99)
Total	1,679.59	24.07	1,570.98	19.78	108.61	6.91

6.1 In the first quarter of 2023, the Company's selling expenses was 290.99 million baht, increasing 125.51 million baht when compared to the same period last year as a result of the opening of new hotels and shopping mall.

6.2 In the first quarter of 2023, the Company's administrative expenses was 769.96 million baht, increasing 190.64 million baht when compared to the same period last year. Part of this expense was from the delivery of housing projects to housing estate juristic person and the increasing of repairs expenses, another was from the opening of new hotels and shopping malls.

6.3 In the first quarter of 2023, the Company's finance cost was 288.03 million baht compared to 245.54 million baht of the same period last year, increased of 42.49 million baht as a result of an increase in borrowing and higher interest rates.

6.4 In the first quarter of 2023, the Company's income tax was 147.16 million baht while the same period last year the Company's income tax was 319.85 million baht, decreased of 172.69 million baht due to the decrease in net profit.

Please be informed accordingly.

Yours sincerely,

(Mr. Wit Tantiworawong)

Mr. Wit Tantiworawong
Managing Director