

9 November 2023

Subject : Management Discussion and Analysis of the third quarter 2023 ended 30 September 2023
Attn. : Director and Manager
The Stock Exchange of Thailand
Encls. : A copy of Reviewed Financial Statements for the third quarter 2023 ended 30 September 2023

The Company, Land and Houses Public Company Limited, would like to submit the reviewed financial statements for period of the third quarter ended 30 September 2022, for your information and publication.

In the third quarter of 2023, the Company and its subsidiaries recorded the net profit in the amount of 1,185.40 million baht while the same period last year recorded the net profit in the amount of 2,248.83 million baht, decreased of 1,063.43 million baht or 47.29% because of the following;

1. In the third quarter of 2023, the Company recorded sales income in the amount of 4,450.85 million baht while the same period last year the Company recorded sales income in the amount of 7,504.68 million baht, decreased of 3,053.83 million baht or decreased by 40.69%.
2. In the third quarter of 2023, the Company recorded gross profit margin of 26.31%, while the same period last year the Company recorded gross profit margin of 31.95%, decreased by 5.64% due to the decrease in sales. Meanwhile the indirect cost did not decrease in the same proportion as sales.

The effects from 1 and 2 make an decrease of 1,226.99 million baht in gross profit.

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

Type of product	3 rd quarter of 2023	3 rd quarter of 2022
Single Detached House	89.6%	69.7%
Town House	6.6%	9.6%
Condominium	3.9%	20.7%
Total	100.0%	100.0%

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

(Million baht)

	3 rd quarter of 2023	3 rd quarter of 2022
Rental and services income	1,972.17	1,360.55
Cost	1,251.20	956.91
Gross (loss) profit	720.97	403.64
Gross (loss) profit margin	36.56%	29.67%

The Gross profit of rental and services income increased in the amount of 317.33 million baht due to the easing of the Covid-19 pandemic situation in 2023 and the opening of a hotel and a shopping center at the end of 2022.

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

(Million baht)

Name of the Company	3 rd quarter of 2023	3 rd quarter of 2022
LH Financial Group Plc.	118.73	106.99
Quality Construction Products Plc.	48.88	19.60
Home Product Center Plc.	463.52	463.56
LH Property and Loan Fund II	15.73	11.81
Quality House Plc.	158.29	159.86
Total	805.15	761.82

The share of profit from investment in associates has increased in the amount of 43.33 million baht which effect from the better operation from the same period last year.

6. The comparison of the Company's sales income and administrative expenses of the third quarter of 2023 and 2022 are as follows:

	3 rd quarter of 2023 (MB)	%	3 rd quarter of 2022 (MB)	%	Increase / Decrease	
					MB.	%
Sales income	4,450.85	100.00%	7,504.68	100.00%	(3,053.83)	-40.69%
Selling expenses	295.18	6.63%	248.20	3.31%	46.98	18.93%
Administrative expenses	659.74	14.82%	684.44	9.12%	(24.70)	-3.61%
Specific Business Tax	170.23	3.82%	287.99	3.84%	(117.76)	-40.89%
Finance Cost	391.57	8.80%	252.50	3.36%	139.07	55.08%
Income Tax	133.95	3.01%	469.12	6.25%	(335.17)	-71.45%
Total	1,650.67	37.09%	1,942.25	25.88%	(291.58)	-15.01%

During the third quarter of 2023, the Company's selling expenses increased in the amount of 46.98 million baht due to the easing of the Covid-19 pandemic situation in 2023 and the opening of a hotel and a shopping center at the end of 2022.

For the period of nine months ended 30 September 2023 the Company and its subsidiary recorded the net profit in the amount of 3,989.10 million baht while the same period last year recorded the net profit in the amount of 6,319.56 million baht, decrease of 2,330.46 million baht or decrease by 36.88% because of the followings;

1. In the first nine months of 2023, the Company recorded sales income in the amount of 14,293.19 million baht while the same period last year the Company recorded sales income in the amount of 22,830.36 million baht, decrease of 8,537.17 million baht or decrease 37.39%.
2. In the first nine months of 2023, the Company recorded gross profit margin of 28.07%, while the same period last year the Company recorded gross profit margin of 32.80%, decreased by 4.73%.

The effect from 1 and 2 make an decrease of 3,476.03 million baht in gross profit.

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

Type of product	9 months of 2023	9 months of 2022
Single Detached House	88.0%	76.1%
Town House	5.9%	10.3%
Condominium	6.1%	13.6%
Total	100.0%	100.0%

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

(Million baht)

	9 months of 2023	9 months of 2022
Rental and services income	5,725.26	2,941.77
Cost	3,635.69	2,141.05
Gross profit	2,089.57	800.72
Gross profit margin	36.50%	27.22%

The gross profit of rental and services income increased in the amount of 1,288.85 million baht.

- 5 Details of share of profit from investment in associates in the 9 months of 2023 compared to the 9 months of 2022 are as follows:

(Million baht)

Name of the Company	9 months of 2023	9 months of 2022
LH Financial Group Plc.	381.70	269.99
Quality Construction Products Plc.	114.80	40.08
Home Product Center Plc.	1,440.34	1,379.90
LH Property and Loan Fund II	61.45	5.40
Quality House Public Plc.	472.15	434.60
Total	2,470.44	2,129.97

The profit from investment in associates increased 340.47 million baht due to the better operation from the same period last year of associates Company.

- 6 The comparison of the Company's sales income and administrative expenses of the 9 months of 2023 and the 9 months of 2022 are as follows:

(Million baht)

	2023		2022		Increase / Decrease	
	Jan. – Sep.	%	Jan. – Sep.	%	(MB)	%
Sales income	14,293.19	100.00%	22,830.36	100.00%	(8,537.17)	-37.39%
Selling expenses	843.69	5.90%	701.38	3.07%	142.31	20.29%
Administrative expenses	2,090.15	14.62%	1,884.28	8.25%	205.87	10.93%
Specific Business Tax	544.75	3.81%	861.38	3.77%	(316.63)	-36.76%
Finance Cost	1,071.41	7.50%	751.64	3.29%	319.77	42.54%
Income Tax	479.59	3.36%	1,187.62	5.20%	(708.03)	-59.62%
Total	5,029.59	35.19%	5,386.30	23.59%	(356.71)	-6.62%

During the period of nine months of 2023, the Company's selling expenses increased in the amount of 142.31 million baht due to the opening of a hotel and a shopping center at

the end of 2022.

The administrative expenses increased in the amount of 205.87 million baht due to the opening of a hotel and a shopping center at the end of 2022.

Please be informed accordingly.

Yours sincerely,

(Wit Tantiworawong)

Mr. Wit Tantiworawong
Managing Director