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9th May 2024

RE: Financial Statements Analysis Report Q1/2024

Dear President

The Stock Exchange of Thailand

L.P.N. Development Public Co., Ltd. would like to submit the financial statements in in Q1/2024 of the Company and subsidiary companies as well as the performance report as follows:

Overall Operating Results of the Company and its Subsidiaries for Q1'24, Q1'23 and Q4'23

Table Summarizing Consolidated Statement of Profit and Loss					
Item	Q1'24	Q1'23	%YoY	Q4'23	%QoQ
Amount Unit: Million Baht					
1. Total revenue	1,413.22	1,823.88	(22.52%)	1,880.42	(24.85%)
2. Total revenue from sales	1,407.03	1,816.20	(22.53%)	1,867.38	(24.65%)
1) Revenue from sales of real estate	792.73	1,280.22	(38.08%)	1,253.16	(36.74%)
2) Rental and service business income	96.18	79.28	21.32%	88.38	8.83%
3) Income from management business	518.12	456.71	13.45%	525.84	(1.47%)
3. Total other income	6.19	7.67	(19.30%)	13.04	(52.53%)
4. Gross profit	362.96	442.32	(17.94%)	380.99	(4.73%)
5. Selling and administrative expenses	243.96	250.78	(2.72%)	331.35	(26.37%)
1) Selling expenses	73.58	90.77	(18.94%)	110.12	(33.18%)
2) Administrative expenses	170.38	160.01	6.48%	221.23	(22.99%)
6. EBIT	125.18	199.22	(37.16%)	62.68	99.71%
7. EBITDA	131.13	204.32	(35.82%)	68.86	90.43%
8. Profit for the quarter	85.55	145.04	(41.02%)	22.23	284.84%
9. Profit attributable to the Company	83.55	145.03	(42.39%)	16.60	403.31%
Significant financial ratio (%)					
10. Total Gross Profit Margin	25.80%	24.35%	1.44%	20.40%	5.39%
1) Gross Profit Margin from Real Estate Sales	26.39%	24.14%	2.25%	18.12%	8.28%
2) Gross Profit Margin from Rental and Service Business	35.35%	40.65%	(5.30%)	37.22%	(1.87%)
3) Gross Profit Margin from Management Business	23.11%	22.11%	0.99%	23.02%	0.09%
11. Total selling and administrative expenses to total sales revenue	17.26%	13.75%	3.51%	17.62%	(0.36%)
12. EBIT margin	8.86%	10.92%	(2.07%)	3.33%	5.52%
13. EBITDA margin	9.28%	11.20%	(1.92%)	3.66%	5.62%
14. Net Profit Margin (for the quarter)	6.05%	7.95%	(1.90%)	1.18%	4.87%
15. Net Profit Margin (attributable to the Company)	5.91%	7.95%	(2.04%)	0.88%	5.03%

After Revision

The details of the operating results are as follows:

In Q1'24 the net profit of the Company and its subsidiaries decreased by 61.48 million baht or 42.39% when compared to Q1'23. (It increased by 66.95 million baht or 403.31% in Q1'24 when compared to Q4'23 due to the gross profit margin from the core business of Q4'23 being lower than Q1'24 by 5.39%, even though revenue from real estate sales declined. Furthermore, selling and administrative expenses decreased by 22.99%.) This was mainly because the revenue from real estate business decreased by 38.08%. (In Q1'24 compared to Q4'23, it decreased by 36.74%.) At the same time in Q1'24 the gross profit of the Company from the aforementioned business increased by 2.25%. The income from rental business and management business in Q1'24 increased by 21.32% and 13.45% respectively due to the increase in residential rental demand and the business expansion of engineering management business and other services.

In Q1'24, the selling and administrative expenses decreased by 2.72% from 250.78 million baht to 243.96 million baht (decreasing by 26.37% when compared between Q1'24 and Q4'23) due to the fact that the ownership transfer expenses decreased in accordance with the decline in revenue. There was a 6.48% increase in administrative expenses to support the expansion of new projects (decreasing by 22.99% when compared between Q1'24 and Q4'23). With the above reasons, the net profit attributable to the Company decreased by 42.39% in Q1'24 (increasing by 403.31% when compared between Q1'24 and Q4'23).

Proportion of Total Revenue of the Company and its Subsidiaries for Q1'24, Q1'23 and Q4'23

Type of Revenue	Q1'24	Q1'23	%YoY	Q4'23	%QoQ
1. Revenue from sales of real estate	792.73	1,280.22	(38.08%)	1,253.16	(36.74%)
1.1 Residential Condominium	569.03	994.80	(42.80%)	937.79	(39.32%)
Proportion (%)	71.78	77.71	(5.93%)	74.83	(3.05%)
1.2 Residential Home	223.70	285.42	(21.62%)	315.37	(29.07%)
Proportion (%)	28.22	22.29	5.93%	25.17	3.05%
1.3 Gross Profit Margin	26.39%	24.14%	2.25%	18.12%	8.28%
2. Rental and service business income	96.18	79.28	21.32%	88.38	8.83%
3. Income from management business	518.12	456.71	13.45%	525.84	(1.47%)
4. Total main revenue	1,407.03	1,816.20	(22.53%)	1,867.38	(24.65%)
5. Gross Profit Margin of main business	25.80%	24.35%	1.44%	20.40%	5.39%
6. Other income <small>Note 1</small>	6.19	7.67	(19.30%)	13.04	(52.53%)
7. Total revenue	1,413.22	1,823.88	(22.52%)	1,880.42	(24.85%)

Note 1 Other income includes interest income, dividend received, fee incomes from ownership transfer, changes of details or breach of contract, profits from sales of assets, business support income, income from pre-construction management service collected from associate companies, income from public services, income from insurance claim and miscellaneous income.

After Revision

Sales Volume and Backlog

1. The sales volume is approximately 1.86 billion baht.
 - 1) 80% of which is from residential condominium projects.
 - 2) 20% of which is from residential home projects.

According to the 2024 investment plan, the Company has planned to launch 6 new projects with a combined value of 6.52 billion baht. These projects consist of 1 condominium project with a project value of approximately 980 million baht, and 5 residential home projects with a project value of approximately 5.54 billion baht. The majority of these projects are located in the Bangkok Metropolitan Region. This is the first year in a five-year cycle for the Company to expand its residential development projects upcountry, following previous launches of condominium projects in Udon Thani Province, Chonburi Province, Pattaya, and Cha-am. Towards the end of Q1'24, the Company introduced a new project with a project value of approximately 580 million baht, which is a residential home project called "Lumpini New Nakhon Pathom," featuring a new town home with 2 floors and 3 bedrooms. The location is favorable, situated near main roads with multiple access points and in close proximity to Central Nakhon Pathom.

2. The backlog of 2.54 billion baht will gradually be recognized in 2024 and 2026.

Sales Volume and Backlog as at 31st March 2024

Sales Volume	Q1'24	Backlog	To be handed over in 2024 - 2026
1. Residential Condominium (million baht)	1,470	1. Residential Condominium (million baht)	2,330
Proportion (%)	80	Proportion (%)	92
2. Residential Home (million baht)	390	2. Residential Home (million baht)	210
Proportion (%)	20	Proportion (%)	8
3. Total Sales Volume	1,860	3. Total Backlog	2,540

After Revision

Analysis of Consolidated Statement of Financial Position of the Company

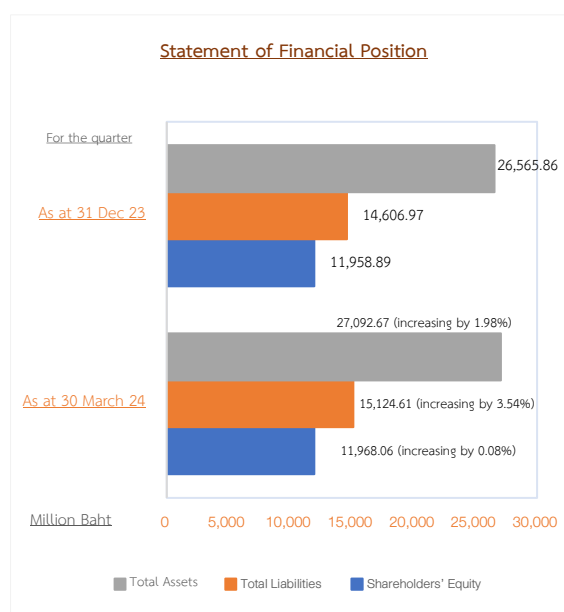
Table Summarizing Consolidated Statement of Financial Position of the Company and its subsidiaries as at 31st March 2024 and as at 31st December 2023

ASSETS (Unit: Million Baht)	As at 31 st Mar 2024	As at 31 st Dec 2023	Variance (%)
Cash and cash equivalents	664.09	569.30	16.65%
Trade and other receivables	490.62	475.04	3.28%
Land and costs of project under construction	13,738.16	13,036.98	5.38%
Inventories	6,300.45	6,673.16	(5.59%)
Other current assets ^{Note 1}	81.63	336.50	(75.74%)
Non-current assets ^{Note 2}	5,817.73	5,474.88	6.26%
TOTAL ASSETS	27,092.67	26,565.86	1.98%
LIABILITIES AND SHAREHOLDERS' EQUITY (Unit: Million Baht)	As at 31st Mar 2024	As at 31st Dec 2023	Variance (%)
Bank overdrafts and short- term borrowings	8,409.53	10,384.40	(19.02%)
Trade and other payables	1,411.16	1,027.50	37.34%
Long-term borrowings	4,585.87	2,484.71	84.56%
Income tax payables	16.92	9.01	87.74%
Non-current liabilities ^{Note 3}	701.13	701.34	(0.03%)
TOTAL LIABILITIES	15,124.61	14,606.97	3.54%
Shareholders' equity	11,968.06	11,958.89	0.08%
Total liabilities and shareholders' equity	27,092.67	26,565.86	1.98%

^{Note 1} Comprising temporary investment, short-term loans to related parties

^{Note 2} Comprising investments in subsidiaries and associates, land and costs of project held for development, investment properties, property, plant and equipment, goodwill, intangible assets, leasehold right, deferred tax assets and other non-current assets

^{Note 3} Comprising unearned rental income, provisions for employee benefit, rental and service deposit and other non-current liabilities



After Revision

The value of total assets of the Company increased by 526.81 million baht or 1.98% from 26.56586 billion baht to 27.09267 billion baht. The main reasons were as follow:

1. Cash and Cash Equivalents increased by 94.79 million baht or 16.65%. This was for the Company's business operation.
2. Land and costs of projects under construction increased by 701.18 million baht whereas inventories decreased by 372.71 million baht. Overall, there was an increase of 328.47 million baht, or 1.67%, from 19.71014 billion baht to 20.03861 billion baht. This increase was attributed to the ongoing development of projects from the previous year. In addition, there was a recognition of revenue from ready-to-move-in projects and ready-to-move-in inventories were utilized for rental and service businesses.
3. Investment in Associates increased by 287.18 million baht, or 540.41%. This increase was because its associate increased its capital by 600 million baht, of which the amount of 300 million baht was invested by the Company.
4. Investment property increased by 177.05 million baht, or 6.27% from 2.82294 billion baht to 2.99998 billion baht due to the increased use of ready-to-move-in products in rental and service businesses which increased by 45.35 million baht, and there was to classify the categories of investment property of the subsidiary by increased 131.70 million baht.
5. The short-term loan to related parties of associates decreased by 254.88 million baht or 75.74%, from 336.50 million baht to 81.63 million baht. During the quarter, there was repayment of loans from associates.

From the 5 aforementioned reasons, the value of total assets increased by 526.81 million baht or 1.98%.

Total liabilities of the Company increased by 517.65 million baht, or 3.54%, from 14.60697 billion baht to 15.12461 billion baht. The primary reason for this increase was:

1. The short-term and long-term borrowings of the Company increased by 126.29 million baht or 0.98% from 12.86911 billion baht to 12.9954 billion baht for future project development and business operation.
2. The value of trade and other payables increased by 383.67 million baht or 37.34% due to the construction payables and retention that increased according to project development. In addition, during the quarter there were accrued dividends, due to be paid to shareholders on 17th April 2024.
3. The income tax payable increased by 7.91 million baht, or 87.74%, consisting of income tax payable from 2023 operating results, awaiting payment in May 2024, and income tax payable from Q1'24 operating results.

After Revision

As a result of the 3 aforementioned reasons, the interest-bearing debt to equity ratio and the total debt to equity ratio increased from 1.08:1 to 1.09:1 and from 1.22:1 to 1.26:1 as at 31st March 2024 and 31st December 2023 respectively. The Company has strictly upheld the financial discipline, maintained the debt-to-equity ratio according to the Company's policy as well as kept the investment portfolio balanced for future growth.

As at 31st March 2024, the shareholders' equity increased by 9.17 million baht, or 0.08%, from 11.95889 billion baht to 11.96806 billion baht. This increase was due to 1) the distribution of dividends to shareholders amounting to 72.71 million baht, due to be paid to shareholders on 17th April 2024, and 2) the 2024 operating results of 85.55 million baht.

Financial structure

In Q1'24, the policy interest rate is at 2.50 percent which is relatively high compared to the past 10 years. As a result, the interest rate cost of the Company is higher. Nevertheless, the Company has strictly upheld the financial discipline, maintained the debt-to-equity ratio at approximately 1:1, as well as exercising caution in investing in new projects to prevent liquidity risks. Additionally, the Company maintains relationships with various financial institutions and consistently provides information to investors to foster confidence among stakeholders and related parties to sustain long-term growth.

Cash flow statement

As for the cash flow statement for the quarter ended 31st March 2024 and at 31st December 2023, the net cash flow increased by 94.79 million baht or 16.65% from 569.30 million baht to 664.09 million baht due to the ownership transfer and the liquidity management to ensure that it is commensurate with the current situation. Furthermore, at the beginning of Q1'24, in addition to the cash inflow from borrowing from financial institutions, the Company also successfully issued debentures worth 1.5 billion baht. This reflects the confidence investors have in the Company's operations.

After Revision

Quarterly Financial Ratio Analysis of the Company and its subsidiaries (Q1'24, Q1'23 and Q4'23)

Quarterly Financial Ratio	Unit	Q1'24	Q1'23	Q4'23
1. Liquidity Ratio				
1.1 Current Ratio	times	2.16	2.30	1.85
1.2 Quick Ratio	times	0.13	0.18	0.12
1.3 Collection Period	days	30.88	3.60	11.84
1.4 Inventory Turnover	days	1,000.54	213.91	604.88
1.5 Payable Period	days	188.07	17.79	86.38
2. Profitability Ratio				
2.1 Gross Profit Margin from Main Business	%	25.80	24.35	20.40
2.2 Gross Profit Margin from Sales of Real Estates	%	26.39	24.14	18.12
2.3 Gross Profit Margin from Rental and Services	%	35.35	40.65	37.22
2.4 Gross Profit Margin from Management services	%	23.11	22.11	23.02
2.5 Net Profit Margin Ratio	%	5.91	7.95	0.88
2.6 Gross Sales to Equity Ratio	%	6.63	10.72	10.53
2.7 Return on Equity	%	0.70	1.21	0.14
3. Efficiency Ratio				
3.1 Return on Assets	%	0.31	0.59	0.07
3.2 Return on Fixed Assets	%	2.78	4.63	0.71
3.3 Total Asset Growth Rate	%	1.98	4.57	10.17
3.4 Total Liability Growth Rate	%	3.54	7.81	19.27
4. Financial Policy Ratio				
4.1 Debt to Equity	times	1.26	1.10	1.22
4.2 Interest Bearing Debt to Equity	times	1.09	0.94	1.08
4.3 Earnings Per Share	baht	0.06	0.10	0.01
4.4 Book Value	baht	8.23	8.26	8.22

Liquidity ratio: In Q1'24 the current ratio is slightly lower compared to Q1'23. The inventory turnover rate indicated a longer time to liquidate inventory compared to Q1'23 and Q4'23. Consequently, the recognition of revenue from the Company's real estate sales decreased by 38.08% and 36.74%, respectively. Nevertheless, the Company still maintains liquidity commensurate with the normal operation of the business.

Profitability ratio: Although the net profit margin attributable to the Company decreased by 2.04% when compared to Q1'23, in Q1'24 the gross profit margin from the main business still increased by 1.44% when compared to Q1'23. This was achieved through sales management using pricing strategies and increasing rate of return appropriate for agencies and the Company's sales network to stimulate sales volume. Additionally, adjustments were made to marketing strategies to suit the current economic conditions. Another contribution was the expansion of subsidiary businesses.

After Revision

Efficiency ratio: Even though the rate of return on total assets and the rate of return on the company's fixed assets in Q1'24 decreased from Q1' 23 due to the profit of the Company decreased by 42.39%. However, the Company being a comprehensive real estate business group. Besides developing residential condominium projects and residential home projects, the Company also has affiliated companies involved in related businesses, generating mid- to long-term returns for shareholders. Each affiliate has been expanding consistently to be in line with the growth policy and the Company's project expansions, respond to consumer demands, and prepare for future revenue recognition. Consequently, there has been continuous investment to maximize asset utilization efficiency, improve profitability, and to create income balance for the organization continuously and sustainably.

Financial ratio: The Company has strictly upheld the financial discipline but has increased flexibility at times to allow the Company to expand its business as planned and to accommodate the Company's project expansions. Additionally, the Company remains financially robust, capable of managing its investment portfolio to generate added value for the organization and increase benefits for all stakeholders, including investors, shareholders, employees, and business alliances.

After Revision

Appendix: Financial Ratio and Formulas

Financial Ratio	Unit	Formula
1. Liquidity Ratio		
1.1 Current Ratio	times	Current Assets / Current Liabilities
1.2 Quick Ratio	times	(Current Assets -Inventory-Land and costs of project under construction) / Current Liabilities
1.3 Collection Period	days	Average accounts receivable / (Total sales revenue / days in the period)
1.4 Inventory Turnover	days	Average Inventory / (COGS / days in the period)
1.5 Payable Period	days	Average accounts payable / (COGS/ days in the period)
2. Profitability Ratio		
2.1 Gross Profit Margin from Main business	%	(Total revenue of main business – Total cost of goods sold) / Total revenue of main business
2.2 Gross Profit Margin from Sales of Real Estate	%	(Net sales - COGS) / Net Sales
2.3 Gross Profit Margin from Rental and Service	%	Rental and service revenue – Cost of rental and service / Rental and service revenue
2.4 Gross Profit Margin from Management Service	%	Revenue from management service – Cost of management service / Revenue from management service
2.5 Net Profit Margin Ratio	%	Profit for the quarter / Total Revenue
2.6 Gross Sales to Equity Ratio	%	Total sales revenue / Average Shareholders' Equity
2.7 Return on Equity	%	Profit for the quarter / Average Shareholders' Equity
3. Efficiency Ratio		
3.1 Return on Assets	%	Profit for the quarter / Average Total Assets
3.2 Return on Fixed Assets	%	(Profit for the quarter + Depreciation) / Average Fixed Assets
3.3 Total Asset Growth Rate	%	Total assets at the end of the quarter – Total assets at the beginning of the quarter / Total assets at the beginning of the quarter
3.4 Total Liability Growth Rate	%	Total liabilities at the end of the quarter – Total liabilities at the beginning of the quarter / Total liabilities at the beginning of the quarter
4. Financial Policy Ratio		
4.1 Debt to Equity	times	Total debt / Shareholders' equity after Minority Interest
4.2 Interest Bearing Debt to Equity	times	Interest Bearing Debt / Shareholders' equity after Minority Interest
4.3 Earnings Per Share	baht	Profit for the quarter/Weighted Average Shares
4.4 Book Value	baht	Shareholders' Equity/Weighted Average Shares

After Revision

Please kindly be informed accordingly.

Sincerely yours,

Mr. Apichart Kasemkulsiri

Chief Executive Officer