



# Annual Report 2023

## (Form 56-1 One Report)

Land and Houses Public Company Limited



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**For a Better Living**

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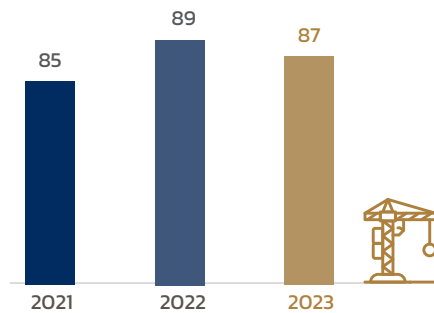






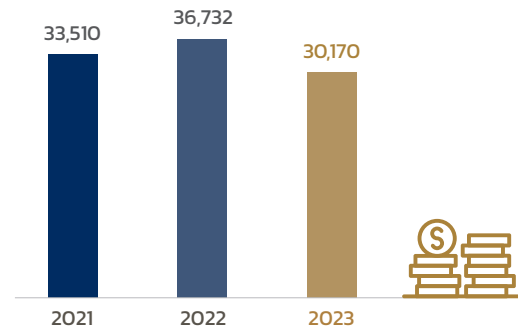
## Financial Highlights

### No. of Projects operating during the year



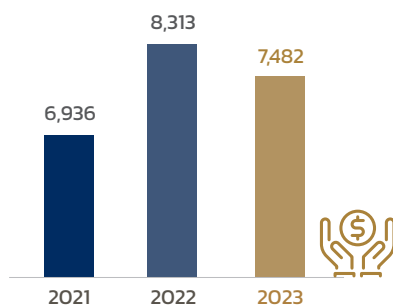
### Total Revenue

(Unit : MB)



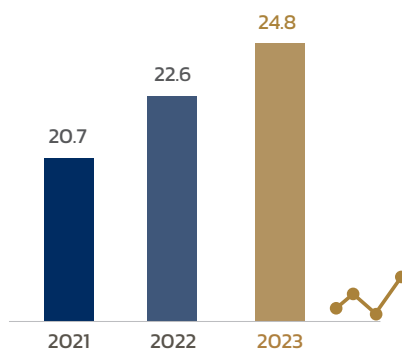
### Net Profit

(Unit : MB)



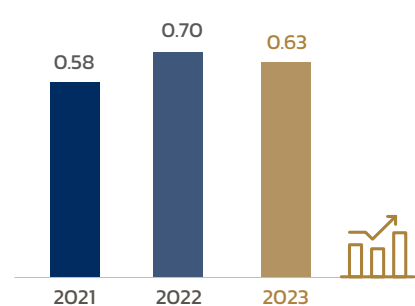
### Return on Total Revenues

(Unit : %)



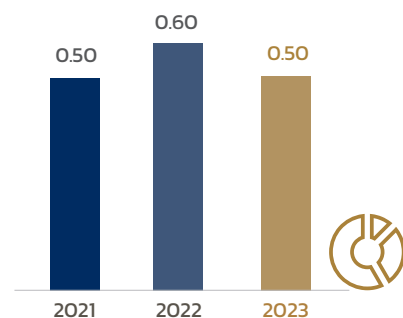
### Earning per share

(Unit : Baht)



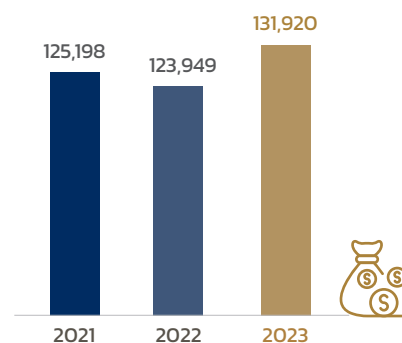
### Dividend per share

(Unit : Baht)



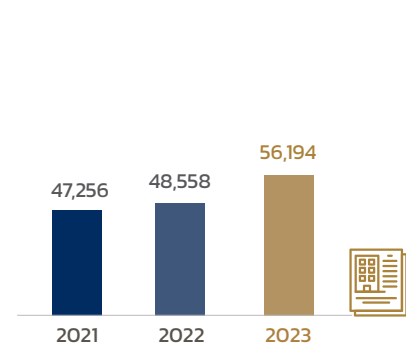
### Total Assets

(Unit : MB)



### Inventory

(Unit : MB)





## Report of the Board of Directors

### Dear Shareholders,

Despite the notable easing of the impacts of Covid-19 this year, the domestic economy was consistently pressured by the global economy and uncertainty posed by trade wars and conflicts in several countries, resulting in a domestic economic slowdown caused by the decline in export as well as surging interest rates and household debts. Yet, the Thai economy has commanded growth in its service sector, stemming from the recovery from Covid-19 and the government's advocacy for visa exemption for certain groups of tourists—resulted in over 28 million of tourists therefore visited Thailand, a sharp rise from last year. For the residential real estate market in 2023, there was a general slowdown in demand for single-detached houses and townhouses, consistent with the economic situation, as well as the greater supply, while demand for condominiums has rebounded for certain locations and price segments.

Committed to the decent quality of products and services, Land and Houses Plc has been striving to deliver a good quality of life to inspire customers' living for over four decades. The Company thus consistently developed and introduced new projects to meet customers' dynamic needs. This year, the Company launched 17 new projects with a total value of 43,460 million Baht, all but one of which were low-rise projects and one was a riverfront condominium project namely Wanvayla Na Chaophraya, which was warmly received, evident in its presales worth 35 percent of the total project value.

On account of our business structure, consisting of 1) residential real estate business, 2) rental and services businesses, and 3) investment business, the Company successfully finetuned our strategies in keeping with shifting economic situations and markets to maintain our steady performance as well as shareholders' confidence in our security.

In 2023, the Company's real estate business, with income from the sales of single-detached houses, townhouses, and condominiums, generated 23,000 million Baht in total presales, declined by 24 percent from last year, along with 18,966 million Baht in recognized revenue from the residential unit

transfer, declined by 38 percent from last year. The rental and service businesses, consisting of the shopping center, hotel, and rental apartment businesses, posted 7,779 million Baht in revenue, rose by 61 percent from last year. The Company recognized a share of profits of 3,300 million Baht, rose by 13 percent from last year, from the associated companies.

Other notable events of the Company and its subsidiaries are listed below:

- Issued and offered three series of bonds worth 16,000 million Baht:
  - No. 1/2566 (1<sup>st</sup> tranche), worth 2,800 million Baht, with maturity of 2 years 4 months and 29 days and a discount rate of 2.72 percent p.a.
  - No. 1/2566 (2<sup>nd</sup> tranche), worth 5,200 million Baht, with maturity of 3 years and 4 days and a fixed coupon rate of 2.92 percent p.a.
  - No. 2/2566 (1<sup>st</sup> tranche), worth 1,300 million Baht, with maturity of 2 years, 6 months, and 3 days and a fixed coupon rate of 3.51 percent p.a.
  - No. 2/2566 (2<sup>nd</sup> tranche), worth 5,800 million Baht, with maturity of 3 years and 3 days and a fixed coupon rate of 3.63 percent p.a.
  - No. 3/2566, worth 900 million Baht, with maturity of 2 years and 10 days and a discount rate of 3.34 percent p.a.
- The interim dividend paid for the first half-year was at 0.20 Baht per share and, according to the Board of Directors' meeting on 28 February 2024, the dividend payment for the second half-year was approved at 0.30 Baht per share.
- LH Mall and Hotel Co., Ltd. (LHMH), a subsidiary, divested two hotels namely Grande Centre Point Pattaya and Grande Centre Point Space Pattaya to LH Hotel Leasehold Real Estate Investment Trust (LHHOTEL) on 15 November 2023 for 9,400 million Baht, with the before-tax profit of approximately 5,000 million Baht which was recognized in the fourth quarter of 2023 around 2,500 million Baht while the rest will be recognized in the income statements of 2024-2032.





LH Mall and Hotel Co., Ltd. (LHMH) commenced the operation of a new project namely Grande Centre Point Surawong on 25 November 2023, with an investment of 2,300 million Baht, and made an additional investment in LHHOTEL of 1,952 million Baht in November 2023, thus raising the total investment in the trust from 14.73 to 26.17 percent.

The Company rolled out its 14 policies on sustainable development in 2023, which embrace environmental, social, governance and economic aspects. These policies aimed to guide the business conduct of the Company with due regard for impacts on nature and the surroundings, conscientious and optimal consumption of resources and energy, as well as responsibility for societies and communities. In parallel, the Company strives to create value and sound performance to meet stakeholders' needs and expectations. The highlights of our policy implementation during the year are as follows:

**Environment:** In managing greenhouse gases (GHG), the Company extended the scope for the GHG emission reporting to cover the technician offices and the service offices. These reports were verified and certified according to the ISO 14064-1 for the second successive year, and the moves are being made to file for carbon footprint label certification from Thailand's Greenhouse Gas Management Organization (Public Organization) also for the second year. As for the management of GHG reduction, our activities such as the use of energy-saving tools and renewable energy, as well as electric scooters in projects, have successfully reduced GHG emission by 15.52 tons of carbon dioxide equivalent. Besides easing environmental impacts, such activities allowed the Company to save energy costs.

**Society:** Focusing on improving the quality of life, the Company is also dedicated to being equitably responsible for all stakeholders with due respect for human rights. As for employees, a training course for occupational safety officers was conducted this year for supervisory and management levels, to establish suitable supervision of safety, occupational health, and work environment management for the safety of all employees, including related parties. The Company has also engaged in improving the quality of life of the communities and societies for sustainable relationships and co-existence, through activities and projects, for example; 1) #THINK, a charity project (in its third consecutive year) that sold multipurpose cloth bags and donated all proceeds to Siriraj Foundation's fund for patients in needs 2) a project

supporting medical apparatus purchase for the Hua Chiew Traditional Chinese Medical Clinic, and 3) an annual scholarship project for the children of operating-level employees.

**Corporate governance and economic:** The Company declared its intention in 2023 to become a coalition partner of the Thai private sector in combating corruption practices; the Company is in the process of formalizing various policies and measures concerning anti-corruption. To this end, the Company has revised the complaint management process and channels to formalize them and obtain appropriate and efficient plans in consistence with the corporate governance code. In addition to anti-corruption, the Company places importance on supply chain management in order to minimize risks from suppliers' actions which could affect its operations.

The Company's dedication to conducting its business in a way that promotes sustainable development has been rewarded in national and international selections and recognitions received this year, including 1) the selection to be a constituent of the FTSE4GOOD Emerging Markets Index and FTSE4GOOD ASEAN 5 Index 2) "BBB" level of the ESG Score, attested by MSCI 3) "Low Risk" level of the ESG Risk Score, attested by Morningstar Sustainalytics 4) "A" rating of the SET ESG Rating, attested by the Stock Exchange of Thailand 5) the selection to the ESG100 group of securities, attested by Thaipat Institute 6) "Excellent" rating on the corporate governance report, attested by Thai Institution of Directors (IOD).

On behalf of Land and Houses PCL, I therefore wish to express my sincere gratitude to all shareholders and stakeholders—employees, customers, suppliers, business partners, financial institutions, communities, society, and public agencies—for their staunch faith in and support to our undertaking through the years. We retain our commitment to business under the corporate governance code for customers' improved quality of life and will certainly strive to create value for all stakeholders while nurturing secure and sustainable business growth.

Sincerely,

Naporn Sunthornchitcharoen  
Chairman of the Board of Directors  
and Chairman of the Executive Committee



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# Report of the Risk Management and Sustainable Development Committee

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## Dear Shareholders,

The Risk Management and Sustainable Development Committee comprehensively and efficiently executed Board-assigned duties and responsibility as required by its charter. In 2023, the committee met 2 times, with perfect attendance, and invited management to its meetings as seen fit. The performance highlights this year appear below:

### 1. Risk management

- Defined and reviewed a suitable enterprise risk management framework that is consistent with the Company's strategic plans and prevailing circumstances. In 2023, the committee added corruption risks to its key business risks so that the risk management working group may properly proceed with risk assessment and map out corruption risk management.
- Monitored and reviewed the suitability and adequacy of the policy, strategy, and guidelines for corporate risk management that embraces strategic, operational, financial, and requirements and legal risks to ensure that such policy, strategy, and guidelines not only were consistent with the Company's business strategy and directions, but could also ensure that the Company's risk appetite was met.
- Commented, advised, and monitored risk management outcomes by organizing quarterly meetings with management and the working group to ensure that the Company's operations were efficient under concrete mitigation plans and the risk appetite.
- Monitored and reviewed risk factors under shifting business circumstances, including climate change, an emerging risk, so that the Company may promptly manage impacts.
- Communicated and shared data and information between risk management and internal control by joining an annual meeting with the Audit Committee, prescribed in the Company's risk management plan, to share ideas and

critical advice to lead to efficient and sustainable corporate risk management suiting the Company's business.

### 2. Sustainable development

- Monitored and oversaw sustainable development activities by defining a policy and goals for sustainable management embracing Environment, Social and Governance (ESG) aspects so that the Company's sustainable development may prove consistent with business goals while aligning with the United Nations Sustainable Development Goals (SDGs). In 2023, the committee valued climate change induced by global warming and biodiversity.
- Monitored, oversaw, and provided guidelines as well as advice to the environmental working group for its preparation of a corporate greenhouse gas report under Carbon Footprint for Organization (CFO) certification guidance of the Thailand Greenhouse Gas Management Organization (Public Organization) and the international standard management system, ISO 14064-1
- Commented on, advised, and advocated integration of social responsibility activities and the greenhouse gas reduction plan by focusing on lower resource consumption, more consumption of alternative energy, and promotion of innovative goods and service development.
- Advocated a review of materiality issues and improvement of business processes, plans, and indicators in line with business circumstances, new world challenges, and all stakeholders' expectations. Also, advised the Company to undergo ranking on sustainable development by third-party domestic and international agencies. This year the Company passed the following selection:
  - SET ESG Ratings 2023 (formerly known as Thailand Sustainability Investment (THSI)), "A" level in its first year of assessment





- An ESG100 company, attested by Thaipat Institute
- FTSE4Good Index Series membership in its first year of assessment
- MSCI ESG Ratings – “BBB” level
- Assessment of corporate governance reports – “5 stars” level

On account of these activities, the Risk Management and Sustainable Development Committee is confident that the Company’s risk management and sustainable development command continuity and proceed efficiently, consistent with the corporate governance code and guidelines, so that the Company may achieve its goals and provide optimum benefits for the shareholders and all stakeholders.

### 3. Performance, assessment, and director development report

- Reported its own performance of the year 2023 to the Board for acknowledgment.
- Reviewed and amended its own charter to make the scoping of its authority, duties, and responsibility specific, comprehensive, and up-to-date.
- Oversaw continuing development of directors consistent with the principles of risk management and sustainable development by advocating directors’ training in assorted courses organized by Thai Institute of Directors (IOD) and related agencies.
- Conducted its own annual self-assessment under The Stock Exchange of Thailand’s (SET) guidelines so that the outcomes may serve as guidelines for improving their performance, which was reported to the Board. In 2023, the assessment outcomes were regarded as “Excellent”.

Sincerely Yours

Bundit Pitaksit

Chairman of the Risk Management  
and Sustainable Development Committee



## Report of the Audit Committee

### Dear Shareholders,

Land and Houses PCL's Audit Committee is made up of 3 independent directors with expertise in finance and accounting, law, and management. All are fully qualified by the rules defined by the Securities and Exchange Commission (SEC) and the Audit Committee Charter. None is an executive or employee of the Company. The list and attendance of the committee of 2023 appear below:

Name	Position	Attendance/ total meetings
Mr. Pakhawat Kovithvathanaphong <sup>1</sup>	Chairman of the Audit Committee	2/2
Ms. Chadanuch Meepien <sup>2</sup>	Chairman of the Audit Committee	4/4
Mr. Piphob Veraphong	Member of the Audit Committee	6/6
Mr. Bundit Pitaksit	Member of the Audit Committee	6/6

<sup>1</sup> Resigned from the Board, independent directorship, and chairmanship of the Audit Committee on 30 June 2023

<sup>2</sup> Was appointed Chair of the Audit Committee on 6 July 2023, in place of the resigned Chairman

The committee executes Board-assigned duties and complies with the requirements of the Securities and Exchange Commission (SEC) and the Audit Committee Charter by leveraging due competency, prudence, and freedom for proper, transparent, and accountable operations in the best interests of stakeholders.

This year it held 6 meetings with the external auditor, Internal Audit and System Development, and the management. The committee routinely reported its material outcomes and advice for the Board's acknowledgment. Below are the highlights of its performance this year.

#### 1. Review of financial reports

The committee reviewed and endorsed the Company's audited quarterly and annual financial statements of 2023, verified by the external auditor before submission to the Board for approval. At each meeting, the committee reviewed critical issues, including financial reports' accuracy and comprehensiveness, information disclosure adequacy, key accounting policy changes, accuracy of accounting estimates, reports on the Company's key litigation, and key audit matters to ensure that the preparation of financial statements complied with generally accepted accounting principles, credible, with adequate as well as timely information disclosure.

The committee's view is that the Company's financial reports complied with generally accepted accounting principles and that the data disclosed in the financial statements were complete, adequate, and timely.

#### 2. Review of internal control

Each quarter the committee reviewed the internal-control system with Internal Audit and System Development to ensure that the system is efficient and can detect irregularities, prevent, and minimize errors or losses to the Company.

The committee acknowledged the findings presented by Internal Audit and System Development throughout the year 2023, on which it commented and provided guidance for management's corrective actions. It also presented deficiencies to the Board for management to acknowledge and jointly identify problem resolutions. In the year 2023, the committee detected no material deficiency in internal control, a view reflected by the external auditor.





This year the Company amended and developed the internal-control system for greater efficiency. Below are the highlights.

- The committee advocated the Company's amendment to the anti-corruption policy and measures, including improvement made to complaint or whistleblowing channels to give the complaint-handling process even greater efficiency.
- The committee valued personal data protection by assigning Internal Audit and System Development to routinely review such data and report review outcomes. It joined the consultation and provided recommendations for amending the customer consent data compilation system to give the system greater efficiency and consistency with the Personal Data Protection Act of 2019.

The committee organized a private session with the external auditor in the absence of the Executive Committee and management to consider the 2023 audit plan, assess the level of cooperation and efficiency of various functions related to the audit, review key audit matters, and share views, observations, and critical observations. The meeting took place on 20 December 2023, and the external auditor reported on data accuracy that the data were accurate and were transmitted in a timely way. Finally, the random checking of the internal-control system detected no material vulnerability or shortcoming.

### 3. Review of risk management

The committee recognizes and values risk management so that the Company may achieve short-term as well as long-term goals while fostering sustainable growth. To this end, it holds a meeting with the Risk Management and Sustainable Development Committee to review and comment on the amendment to risk measurement criteria, risk indicators, risk appetite, monitoring of the risk status, and review of risk mitigation plans.

Besides, the committee assesses the adequacy of the internal-control system and risk management system under the COSO guidelines in all 5 components, namely the control environment, risk assessment, control activities, information and communication, and monitoring activities. It was found

this year that the Company had conformed to all COSO elements of internal control. It is reasonable, therefore, for the committee to be confident that the designed procedures will lead to goal achievement in operation, reporting, and compliance aspects.

Finally, it is the committee's opinion that the Company commands a proper and adequate business risk management system.

### 4. Significance of corporate governance

The Board of Directors recognizes the significance of corporate governance improvement, as seen in its adherence to international standards, including the Stock Exchange of Thailand (SET) Principles of Good Corporate Governance for Listed Companies 2012 and the Corporate Governance Code for Listed Companies 2017 (CG Code). This year 2023, the committee advocated and urged continuing elevation of the Company's corporate governance practices, including hybrid meeting organization of the AGM (physical and E-AGM), the Board restructuring by adding a female director, an increase in the Board meetings per year to 6 or more, and active encouragement of affiliates to become Thai Collective Action Against Corruption (CAC) members.

The committee's view is that the Company has consistently engaged in ethical business as well as the corporate governance code, which resulted in its "Excellent" rating out of a survey of corporate governance practices of listed companies in 2023, attested by Thai Institute of Directors Association (IOD), as well as a perfect 100 scores for the quality of its 2023, attested by the Thai Investors Association.

### 5. Oversight of Internal Audit

The committee ensures that Internal Audit and System Development is independent of management by requiring it to report directly to the Audit Committee. To this end, the committee examines and approves its annual internal audit plan, prepared on the basis of the Company's critical business process assessment. It also routinely provides comments on Internal Audit and System Development's practices.



The committee's view is that the Company commands an adequate and suitable internal-audit system. Internal Audit and System Development performs with freedom, while providing helpful recommendations for the Company's decision-making on work improvement or business improvement.

#### 6. Compliance with applicable laws

The committee provided oversight of the Company's compliance with laws and requirements of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), and applicable business laws by assigning Internal Audit and System Development to report laws, regulations, and intelligence issued by related agencies and to review and monitor key litigation involving Land and Houses PCL every quarter. This year of 2023, the committee detected no significant incident where the Company had broken the law or regulations on its business, thus ensuring that the Company had engaged in no significant infringement of business law, which have a significant impact on the Company.

#### 7. Related-party transactions or transactions with potential conflicts of interest

The committee supervises the Company's compliance with applicable notifications and regulations on engagement in transactions or apparent acquisition or disposal of assets or transactions of related parties under the requirements of the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC). It also supervises the Company's complete and adequate disclosure of transaction engagement with related parties. In 2023, the Company disclosed complete details about its connected transactions with parties or companies with potential conflicts of interest and commented that all its related-party transactions were regular commercial transactions conducted at arm's length.

#### 8. Selection of the external auditor and consideration of audit fees

The committee reviews the selection of the external auditor as well as its audit fees by reviewing performance of past years, competency, freedom, and suitable fees. This year it tabled for the Board's consideration EY Office Limited for its external audit, which the 2023 AGM duly approved.

#### 9. Self-assessment

The committee conducts self-assessment to review integrity under the defined scope of its own charter and applied assessment outcomes to future performance improvement. In 2023, it conducted self-assessment at its meeting No. 5/2023 on 21 December 2023. The assessment yielded an "Excellent" grade.

In summary, the Audit Committee exercised due competency and prudence in the equitable interests of all stakeholders and concurred that the Company had indeed valued shareholders' and all sectors' interests. The Company indeed complied with the Corporate Governance Policy. Finally, the Audit Committee has detected no material deficiency in the Company's conduct of business.

Sincerely yours,

Chadanuch Meepien  
Chairman of the Audit Committee





## Report of the Nomination and Compensation Committee

### To Shareholders,

The Board of Directors appointed the Nomination and Compensation committee, which consist of at least three directors, the majority of whom must be independent directors, to seek for qualified people under the company's process and criteria for nomination as directors and consider remuneration types and criteria for directors, before proposing for the Board's endorsement and later for the approval of the shareholders, as required by law.

The current Nomination and Compensation Committee comprises three directors, two of whom are independent directors and one of whom is executive director of the Company namely:

- |                          |   |
|--------------------------|---|
| 1. Mr. Piphob Veraphong  | Chairman of the Nomination and Compensation Committee |
| 2. Mr. Bundit Pitaksit   | Member of the Nomination and Compensation Committee   |
| 3. Mr. Wit Tantiworawong | Member of the Nomination and Compensation Committee   |

In 2023, the Nomination and Compensation Committee has performed its duties and responsibilities, which were defined in the Charter of the Nomination and Compensation Committee, as assigned by the Board of Directors. The Nomination and Compensation Committee held 3 meetings in total to consider various agendas and proposed the report of meeting together with comments and recommendations to the Board of Directors' Meeting as follows:

1. Determining guidelines and criteria regarding the age of the person serving as company directors for the Board of Directors' approval and also adding such criteria to the Charter of the Board of Directors.
2. Allocating the amount of bonus for 2022's operation to directors.

3. Allocating remuneration and meeting allowance for the year 2023 to each director and member of committees.
4. Determining and fixing the remuneration budget for year 2023 to directors.
5. Nominating qualified person as the company directors replacing those who retired by rotation.
6. Nominating qualified person as the company directors replacing those who resigned.
7. Extending retirement period to the Chairman of Executive Committee and propose to the Board of Directors for approval.
8. Reviewing a salary increase and bonus payment to the Chairman of Executive Committee and propose to the Board of Directors for approval.
9. Reviewing the Self-Assessment of the Nomination and Compensation Committee for 2023.

The Nomination and Compensation Committee has performed its duties in compliance with the rules and regulations established in accordance with good corporate governance principles for maximum benefit of the Company and all stakeholders.

Yours sincerely,

Mr. Piphob Veraphong  
Chairman of the Nomination  
and Compensation Committee



# Achievements of ESG Towards Sustainable Business

## International Level



### FTSE4Good

The Company was selected to be a constituent of the FTSE4Good Index Series, a sustainability index that evaluate environmental, social and governance performance by FTSE Russell, the UK.

### MSCI ESG RATINGS

CCC B BB **BBB** A AA AAA



The Company received an MSCI ESG Ratings at BBB in the business category of the Real Estate Development & Diversified Activities by MSCI.



The Company received an ESG Risk Rating at the Low Risk level from the evaluation by Sustainalytics.

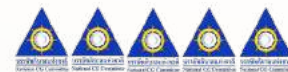
## National Level



The Company was classified to be in the SET ESG Ratings for the year 2023, the list of sustainable stocks on the Stock Exchange of Thailand (SET).



The Company was selected as one of the 100 listed companies with outstanding performance of environmental, social and governance (ESG 100) by Thaipat Institute.



The Company achieved the highest score Excellent (5 stars) from the result of the Corporate Governance Assessment for SET's listed companies in 2023, conducted by the Thai Institute of Directors Association (IOD).



### BCI Asia Top 10 Developers Award 2023

The Company was honored by the BCI Asia Top 10 Developers Award 2023 for three consecutive year, for its two low-rise projects, awarded by BCI Asia Construction Information Co., Ltd. The award hold prestige value for the real estate developing companies, Influence in developing the construction industry and embracing environmental impacts.



### Credence Award in Real Estate 2023

The Company received the Credence Award in Real Estate 2023, as a brand benchmark setter for product quality and customers dream fulfillment from Terra BKK, at the event TERRA HINT: BRAND SERIES 2023 ONE WORLD.









The background of the page features a scenic landscape. In the foreground, a calm pond reflects the sky and surrounding greenery. Several fountains are active in the pond, creating gentle sprays of water. In the mid-ground, there are lush green trees and a well-maintained lawn. In the background, a modern, light-colored house with a dark roof is visible. The sky is a clear, vibrant blue with a few wispy clouds. A thin white vertical line runs down the center of the page, passing through the text area.

## Section 1

# Business Operations and Performance

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# 1. Structure and Operations of the Group Companies

## 1.1 Policy and business overview

### 1.1.1 Vision, Goals, and Operating Strategies of the Group Companies

Land and Houses PCL's vision is being a leading property developer in Thailand focusing on creating a better living for house buyers and all stakeholders under good governance. The Company attaches importance to the whole processes starting from the beginning until the delivery of the project and the quality house to the consumer. The Company concentrates on research, development, innovation, technology, construction, design, through to material selection and service for building residences which can respond well and appropriately to the changeable needs of the consumers in order that the consumers will have a good quality of life and a better living. In addition, the Company values society, partners, shareholders, employees, and all stakeholders to follow the Company's vision.

The Company aims to remain the leader in the real estate development business in Thailand by focusing on the development of quality residential projects in the category of detached single houses, townhouses and residential condominiums for sale to target customers according to the needs of customers at different price levels by focusing on project development in Bangkok Metropolitan Region and projects in the large provinces such as Chiang Mai, Chiang Rai, Nakorn Ratchasima, Khon Kaen, Maha Sarakham, Udon Thani, Prachuap Khiri Khan, Ayutthaya, and Phuket. The Company has adopted a strategy of pre-built houses for sale since 2000, which has been well accepted by customers.

To avoid sole reliance on the real estate development business, the Company has grown its rental real-estate business as well as investing in associates that engage in undertakings related to its core business, since the performance results of these two would lend stability to its own performance.



The Company engages in the rental and service businesses in Thailand and other countries. In Thailand, it is of the hotel category under the Grande Centre Point brand, whereas in the retail service business, and shopping center under Terminal 21 brand. In the US, the Company runs the apartment and hotel types of real estate business. Note that each year, the Company reviews possible sale of these properties as another profitable strategy for the Company and its shareholders.

### **Policy on dividing operations of the Company, subsidiaries and associated companies**

The Company has a clear policy to divide the operations of the companies in the group as follows:

- (1) The Company, its 10 subsidiaries and 3 associated companies engage in real estate development business, shopping mall business and hotel business.
- (2) 2 associated companies engage in business related to real estate development such as construction material manufacturing business and building materials retail business.





The Company has invested in 6 associated companies which comprises



- (3) 1 associated company operates as a holding company of which subsidiaries operate in banking business, fund management companies, securities companies, and the advisory company.

#### **Policy on investing in the subsidiaries and associated companies**

The Company has a policy to invest in the subsidiaries and associated companies which operate in real estate development business and businesses related to the Company's core business such as retail business related to home products, construction material manufacturing business and commercial bank that has policy to provide credit loan to retail residential buyers etc. In addition, if there are any interesting businesses with good returns, the Company may take it into consideration and such investment must be passed the resolution by the Company's Board of Directors.

For management policy in subsidiaries and associated companies, the Company will send directors who are representatives of the Company to participate in the management of the subsidiaries and associated companies in proportion to the percentage of shareholding of the Company. This is to set the significant policies and control the business of the subsidiaries and associated companies to be in the right and proper direction and make profits to the Company.

#### **1.1.2 Major changes and development**

Land and Houses Public Company Limited was established on August 30, 1983 to operate in real estate development with an initial registered capital of 5 million Baht, the major shareholders at the beginning comprised Mr. Anant Asavabhokin and Ms. Piangjai Harnpanij. The Company was approved to be listed on the Stock Exchange of Thailand on February 17, 1989 and changed its status to become a listed company on April 1, 1991.

The Company had faced the financial difficulties during 1998-1999 as a result of the economic crisis and the change of the foreign exchange rate to free-floating rate. The Company completed its debt restructuring in 1999 with the injection of the capital by existing shareholders and a new shareholder, namely the Government of Singapore Investment Corporation (GIC). However, GIC was no longer be the shareholders of the Company since 2021.

During the year 2018 to August 26, 2024 which is the latest registration Book Closing Date, the Company has significant changes and development with regard to the shareholding structures and capital increase as follows:



Shareholder	% of shareholding					
	Aug. 2018	Aug. 2019	Aug. 2020	Aug. 2021	Aug. 2022	Aug. 2023
1. Mr. Anant Asavabhokhin Group						
1.1 Mr. Anant Asavabhokhin	23.93	23.93	23.93	23.93	23.93	23.93
1.2 Mayland Co., Ltd. *	5.67	5.67	5.67	5.67	5.67	5.67
1.3 Ms. Piangjai Harnpanij **	1.13	1.13	1.13	1.13	1.13	1.13
Total. Mr. Anant Asavabhokhin's Group	30.73	30.73	30.73	30.73	30.73	30.73
2. GIC Private Limited	8.01	8.01	1.27	-	-	-
3. Others	61.26	61.26	68.00	69.27	69.27	69.27
Total	100.00	100.00	100.00	100.00	100.00	100.00
Paid-up capital (million Baht)	11,949.7	11,949.7	11,949.7	11,949.7	11,949.7	11,949.7

Note : \* 100 percent owned by Mr. Achanan Asavabhokhin, Mr. Anant 's son and other related companies

\*\* Mr. Anant Asavabhokhin's mother

### 1.1.3 Use of the proceeds from the issuance of debentures

The Company utilized the proceeds derived from the issuance and offer of Thai Baht Bond (enforced under Thai laws) fulfilling its objectives as to redeem the debentures at maturity and to use as working capital in its operation.

### 1.1.4 The obligations that the Company has given in the registration statement

-None-

### 1.1.5 General Information

1. Name	: Land and Houses Public Company Limited
2. Nature of Business	: Develop real estate for sale
3. Head Office Location	: 1 Q. House Lumpini Building 37 <sup>th</sup> -38 <sup>th</sup> Floor, South Sathon Road, Thung Mahamek, Sathon Bangkok 10120
4. Company registration number	: 0107535000249
5. Telephone	: +662 343 8900
6. Telefax	: +662 230 8133
7. Home Page	: www.lh.co.th
8. Total number of shares issued and paid up	: 11,949,713,176 ordinary shares at par value of Baht 1 as of December 31, 2023





## 1.2 Nature of Business

### 1.2.1 Revenue structure

Product	Operated by	% Shareholding by the Company	2021		2022		2023	
			Million Baht	%	Million Baht	%	Million Baht	%
1. Real Estate Development	LH, LHNE, LA, LM, SN	-, 100, 100, 55, 100						
Revenue from single detached house			24,141	72.1	23,675	64.5	16,703	55.4
Revenue from townhouse			3,459	10.3	2,971	8.1	1,225	4.1
Revenue from condominium			2,661	7.9	4,105	11.2	1,038	3.4
Revenue from vacant land			200	0.6	-	0.0	-	-
Total Revenue from Real Estate Development			30,461	90.9	30,751	83.7	18,966	62.9
2. Revenue from Rental and Services	LHP, LHMH, LH USA	60, 100, 100	1,809	5.4	4,845	13.2	7,779	25.8
3. Profit from sale of Rental Properties	LH USA, LHMH	100, 100	-	0.0	-	0.0	2,501	8.3
4. Other Income			1,240	3.7	1,136	3.1	925	3.1
5. Total Revenue 1 – 4			33,510	100.0	36,732	100.0	30,171	100.0
6. Share of profit from investment in associated companies			2,333	7.0	2,911	7.9	3,300	10.9
Total Revenue 5+6			35,843	107.0	39,643	107.9	33,471	110.9

Remark : LH = Land and Houses PCL,  
LM = LH Muang Mai Co., Ltd.,  
LHMH = LH Mall and Hotel Co., Ltd.,

LHNE = Land and Houses Northeast Co., Ltd.,  
SN = Siam Tanee Property Co., Ltd.,  
LH USA = Land and Houses U.S.A. Inc.

LA = LH Assets Co., Ltd.  
LHP = L&H Property Co., Ltd.,



## 1.2.2 Products and Services

### (1) Product or Service Characteristics

The Company and its subsidiaries engage in real estate development for sale in the category of single detached house, townhouse and residential condominium. The Company and its subsidiaries focus to develop the projects in Bangkok and Greater Bangkok and ones in large provinces such as Chiang Mai, Chiang Rai, Khon Kaen, Nakorn Ratchasima, Phuket, Prachuap Khiri Khan (Hua Hin), Udon Thani, Maha Sarakham, and Ayutthaya.



The projects that the Company and its subsidiaries develop for sale to customers will be pre-built sale which consists of single detached house and townhouse. The Company will complete the construction of the house before selling to customers, so when customers are interested in buying, they can pay the reservation fee and a certain amount of the contract advance. After that, when the customers pay the rest of the house price to the Company, then the Company will therefore proceed in conveyancing, transferring the ownership of the house with land to the customer, which can be done immediately or within 7 days if the customers apply for a bank loan. For residential condominium which needs a long construction period, the Company will make customers to reserve the units and pay the down payment in installments about 10-25 percent of the total value. The rest will be paid on the day of ownership transfer when the condominium is completed.

The Company has been a leader in operating the strategy of pre-built houses since 2000, which had been well accepted by the customers. At present, the Company still carry on operating with this strategy which has helped the Company's operations in various field to be more accurate. The key point is the benefits from the economy of scale, which affect production costs reduction. The pre-built house construction allows the Company to know the actual cost incurred and can control the quality of work as well as provide confidence to the customers that they will receive a complete house in the complete project environment. The customers can choose and see the completeness of readiness to move in, safety and social conditions. For the residential condominiums, the construction will be carried out immediately when opening for the reservations in order to comply with the construction plan and deliver to the customers on time.



## Projects currently in operation with the backlog to transfer (as at December 31, 2023)

No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/ Rental area (Rai/ Sq.m.)	Total Investment In the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit trans-ferred (Units)
									Total funded invested (Million Baht)	% of work completed			
Land and Houses Public Company Limited													
1	2004	074-CHAIYAPRUEK Chiang Mai	Chiang Mai - Maejo road km. 4.5, Tambon Nong Chom, Amphoe San Sai, Chiang Mai	DH	321	65	64	330	327	99	522	302	302
2	2004	107-CHONLADA Chiang Mai	Moo 4, Chiang Mai – Maejo road, Tambon Nong Han, Amphoe San Sai, Chiang Mai	DH	327	109	70	741	723	98	1,122	317	317
3	2005	140-siwalee Klong Chon.-Chiang Mai	Khlong Chonprathan road, Moo 2, Tambon Mae Hia, Amphoe Mueang Chiang Mai, Chiang Mai	DH	294	82	55	710	697	98	1,163	291	291
4	2013	188-Villaggio Bangna	Bangna-Trad road, ABAC, Tambon Bang Bo, Amphoe Bang Bo, Samut Prakan	DH, TH	1016	153	82	2,156	2,014	93	3,126	998	998
5	2016	203-NANTAWAN Serene Lake-Chiang Mai	Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	DH	98	69	32	1,439	1,140	79	2,008	38	38
6	2011	229- siwalee Sankamphang-Chiang Mai	Chiang Mai-San Kamphaeng road, Moo 3, Tambon San Klang, Amphoe San Kamphaeng, Chiang Mai	DH	309	86	55	944	861	91	1,863	263	262
7	2012	243-siwalee Mittraphap Road-Nakhon Ratchasima	Mittraphap road, Tambon Kokkruad, Amphoe Mueang, Nakhon Ratchasima	DH	379	97	63	1,152	1,139	99	2,206	376	375
8	2014	246-siwalee Maliwan Road-Khon Kaen	Maliwan road, Tambon Ban Thum, Amphoe Mueang, Khon Kaen	DH	305	97	63	1,236	965	78	1,744	262	261
9	2018	249-Villaggio Rangsit Klong 2	Liap Khlong Song road, Tambon Khlong Song, Amphoe Khlong Luang, Pathum Thani	DH, SEMI-DH	483	87	55	1,534	1,213	79	2,143	473	473
10	2016	253-NANTAWAN Udonthani	Asian Highway road, 12 , Tambon Mak Khaeng, Amphoe Mueang, Udon Thani	DH	82	38	23	707	647	92	1,015	53	53
11	2013	254-siwalee Udonthani	Mittraphap road, Tambon Kut Sa, Amphoe Mueang, Udon Thani	DH	316	82	50	1,121	1,120	100	1,750	280	278
12	2013	258- NORTH CONDO 3 SERENE LAKE-CHIANGMAI	51 Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	110	105	95	169	68	68
13	2013	260- NORTH CONDO 5 SERENE LAKE-CHIANGMAI	53 Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	120	107	89	173	58	57
14	2560	261- NORTH CONDO 6 SERENE LAKE-CHIANGMAI	54 Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	121	116	96	186	45	45



No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/Rental area (Rai/Sq.m.)	Total Investment In the project (Million Baht)	Progress in construction Total invested (Million Baht) % of work completed	Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit transferred (Units)
15	2014	266-siwalee Sri Wiang-Chiang Rai	209/11 Moo 3, Tambon Rop Wiang, Amphoe Mueang, Chiang Rai	DH	216	57	37	741	732 99	952	145	144
16	2022	272-MANTANA Motorway-Korat	Liang Mueang (bypass) road, Tambon Nongkratum, Amphoe Mueang, Nakhon Ratchasima	DH	352	100	63	1,782	829 47	2,652	53	49
17	2015	286-siwalee Maha Sarakham	Maha Sarakham-Kosum Phisai-208 road, Tambon Tha Song Khon, Amphoe Mueang Maha Sarakham, Maha Sarakham	DH	323	85	54	1,273	1,090 86	1,610	269	268
18	2018	292-Villaggio Phetkasem-Sai 4	Phuttha Sakhon 2 road, Tambon Suan Luang, Amphoe Krathum Baen, Samut Sakhon	DH, SEMI-DH, TH	405	48	28	875	799 91	1,321	396	396
19	2019	304-MANTANA 2 Serene Lake-Chiang Mai	Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	DH	78	47	22	786	720 92	1,443	73	70
20	2016	318-THE BANGKOK Thonglor	Sukhumvit 5 road, Khwaeng Khlong Tan Nuea, Khet Vadhana, Bangkok	CD	148	2	11,893	2,447	2,447 100	3,560	75	75
21	2019	323-indy WESTGATE	Liap Khlong Bang Phai road, Bang Rak Phatthana, Amphoe Bang Bua Thong, Nonthaburi	TH	353	36	22	830	759 92	1,169	244	244
22	2020	329-siwalee Srinakarin-Romklao	6 Yaek 2, Khwaeng Min Buri, Khet Min Buri, Bangkok	DH	260	70	41	1,287	1,142 89	1,800	239	237
23	2020	337-anyu WESTGATE	Tambon Bang Rak Phatthana, Amphoe Bang Bua Thong, Nonthaburi	SEMI-DH	164	32	18	683	625 92	979	75	75
24	2018	338-Villaggio Sansai-Chiang Mai	289, Moo 3, Tambon San Na Meng, Amphoe San Sai, Chiang Mai	DH, TH	246	32	20	567	514 91	810	137	136
25	2022	341-Villaggio 2 Ayutthaya	63 Moo 7 Ban Krot, Amphoe Bang Pa-in, Ayutthaya	DH, TH	332	56	34	987	749 76	1,447	40	38
26	2020	344-MANTANA Sansai-Chiang Mai	242 Moo 5, Chiang Mai-Doi Saket road, Tambon San Na Meng, Amphoe San Sai, Chiang Mai	DH	122	41	26	839	577 69	1,255	38	38
27	2018	345-THE ROOM Sukhumvit 38	Soi Sukhumvit 38, Sukhumvit road, Khwaeng Phra Khanong, Khet Khlong Toei, Bangkok	CD	229	2	14,436	2,197	2,197 100	3,157	40	40
28	2018	346-indy 2 Srinakarin	Srinakarin road, Tambon Bang Mueang, Amphoe Mueang Samut Prakan, Samut Prakan	TH	445	46	27	1,043	921 88	1,471	442	442
29	2018	347-THE ROOM Phayathai	567, Si Ayutthaya road, Khwaeng Thanon Phaya Thai, Khet Ratchathewi, Bangkok	CD	437	3	20,078	2,362	2,362 100	3,534	248	241





No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/ Rental area (Rai/ Sq.m.)	Total Investment in the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit trans-ferred (Units)
									Total funded invested (Million Baht)	% of work completed			
30	2021	349-Vilaggio 2 Srinakarin-Bangna	Bua Nakarin road, Tambon Bang Kaeo, Amphoe Bang Phli, Samut Prakan	DH, TH	399	69	39	1,355	1,223	90	1,926	335	330
31	2023	351-Vilaggio 3 Srinakarin-Bangna	Liap Klong Luang Phaeng Road, Bang Kaeo, Bang Phli, Samut Prakan	DH, TH	313	66	37	1,359	625	46	1,974	61	48
32	2022	354-Vilaggio Bangyai	Klong Thanon road, Tambon Ban Mai, Amphoe Bangyai, Nonthaburi	DH, SEMI-DH	453	92	51	1,516	1,071	71	2,140	134	133
33	2023	355-CHAIYAPRUEK Pheikhasem 69	Liap Khlong Phasi Charoen Road, South Side, Nong Khaem, Nong Khaem, Bangkok	DH	220	94	58	1,813	874	48	2,732	17	17
34	2018	357-THE KEY MRT Peichkasem 48	234 Phet Kasem road, Khwaeng Bang Wa, Khet Phasi Charoen, Bangkok	CD	639	4	20,115	1,541	1,541	100	2,226	427	427
35	2022	362-MANTANA 2 Motorway-New Krungthep Kritha	Phatthana Chonnabot 4 road, Khwaeng Khlong Song Ton Nun, Khet Lat Krabang, Bangkok	DH	128	32	20	774	742	96	1,086	87	86
36	2023	363-Wanvayla Na Chao Phraya	Samsen Road, Thanon Nakhon Chai Si, Dusit, Bangkok	CD	1,593	17	92,688	9,081	2,399	26	13,639	373	-
37	2023	368-MANTANA 100+ Kanchana-Bangbon 5	Bang Bon Road 5, Nong Khaem, Nong Khaem, Bangkok	DH	200	98	61	2,266	1,302	57	3,351	17	16
38	2021	372-MANTANA Ratchaphruek-Nakhon In	Talingchang-Suphanburi road, Bang Len, Amphoe Bang Yai, Nonthaburi	DH	346	99	61	2,749	2,079	76	4,071	122	122
39	2021	375-Vilaggio Suksawat-Pracha Uthit	929 Moo 10, Tambon Nai Khlong Bang Pla Kot, Amphoe Phra Samut Chedi, Samut Prakan	DH, TH	482	73	44	1,326	1,120	84	1,877	231	231
40	2021	376-CHAIYAPRUEK Bangna km 15	Bang Na - Trat 15 Road, Tambon Bang Chalong, Amphoe Bang Phli, Samut Prakan	DH	329	87	54	2,313	2,104	91	3,329	256	248
41	2023	377-VIVE Krungthep Kritha	Krungthep Kreettha Road, Thap Chang, Saphan Sung, Bangkok	DH	49	19	12	1,206	936	78	1,832	33	20
42	2022	379-NANTAWAN Rama 9 - New Krungthep Kritha	Krung Thep Kritha Road, Khwaeng/Khet Saphan Sung, Bangkok	DH	136	69	43	3,309	2,966	90	5,058	77	76
43	2023	380-CHAIYAPRUEK Bangna km 13	Bang Phli Yai, Bang Phli, Samut Prakan	DH	170	54	34	1,514	936	62	2,218	5	4
44	2023	381-VIVE Bangna km 13	Bang Phli Yai, Bang Phli, Samut Prakan	DH	95	40	24	1,941	966	50	2,979	8	6
45	2023	382-PRUEKLADA Pinklao-Salaya -345	Pichai Khet Road, Sala Sala, Bang Krui, Nonthaburi	DH	142	37	23	721	466	65	1,022	10	9



No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/ Rental area (Rai/ Sq.m.)	Total Investment In the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit trans-ferred (Units)
									Total funded invested (Million Baht)	% of work completed			
46	2021	383-PRUEKLADA Ratchapruek-345	345 road, Tambon Lahan, Amphoe Bang Bua Thong, Nonthaburi	DH	376	86	55	1,610	1,403	87	2,170	199	196
47	2022	384-inizio Bangna	298 Moo 8 Tambon Bang Bo, Amphoe Bang Bo, Samut Prakan	SEMI-DH	382	64	39	1,259	901	72	1,799	65	65
48	2022	390-inizio Ratchapruek-Rattana Thibet	63 Soi Tha It 15 Tambon Tha It, Amphoe Pak Kret, Nonthaburi	SEMI-DH	74	13	8	289	289	100	420	74	73
49	2022	391 -NANTAWAN Pinklao-Kanchana	Kanchanaphisek Road, Khwaeng Bang Ramat, Khet Taling Chan, Bangkok	DH	179	97	61	4,017	2,935	73	6,098	62	60
50	2023	399-inizio Srinakarin	Sap Phat Thana Road, Bang Mueang Mai, Mueang Samut Prakan, Samut Prakan	SEMI-DH	176	27	17	817	597	73	939	112	110
51	2023	403-CHAIYAPRUEK 1 Serene Lake-Chiang Mai	Mae Hia, Mueang Chiang Mai, Chiang Mai	DH	10	3	2	49	42	86	94	9	9
52	2023	404-CHAIYAPRUEK 2 Serene Lake-Chiang Mai	Mae Hia, Mueang Chiang Mai, Chiang Mai	SEMI-DH	9	3	2	70	49	70	91	6	5
53	2023	405-CHAIYAPRUEK 3 Serene Lake-Chiang Mai	Mae Hia, Mueang Chiang Mai, Chiang Mai	DH	20	7	4	101	77	76	196	7	7
54	2023	406-CHAIYAPRUEK Chaengwattana	Rural Highway Road, Nonthaburi 2051, Khlong Khoi, Pak Kret, Nonthaburi	DH	233	75	45	1,776	1,149	65	2,702	17	16
55	2023	410-CHAIYAPRUEK 2 Rangsit Klong 4	Rangsit-Nakhon Nayok Road, Bueng Yitho, Thanyaburi, Pathum Thani	DH	325	100	60	2,480	1,228	50	3,697	8	7
56	2023	414-CHAIYAPRUEK Prannok-Sai 2	Thawi Watthana-Kanchanaphisek Road, Thawi Watthana, Thawi Watthana, Bangkok	DH	56	26	16	685	575	84	1,023	7	5
			Total DH, SEMI-DH, TH		12,528 Units	3,046	1,874 Rai	61,078	46,959	77	90,395	7,763	7,684
			Total CD		3,253 Units	33	167,202 Sq.m.	17,979	11,274	63	26,644	1,334	953
L.H. Muang Mai Company Limited													
57	2011	300-88 Land and Houses	88 Chao Fah road, Tambon Chalong, Amphoe Mueang Phuket, Phuket	DH	63	15	9	245	237	97	420	62	62



No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/ Rental area (Rai/ Sq.m.)	Total Investment In the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit trans-ferred (Units)
									Total funded invested (Million Baht)	% of work completed			
58	2555	301-88 L&H Hillside	Moo 5, Chao Fah road, Tambon, Chalong, Amphoe Mueang Phuket, Phuket	DH	100	52	30	524	486	93	1,279	87	87
59	2555	302- Inizio Koh Keaw - Phuket	Moo 4, Tambon Ko Kaeo, Amphoe Mueang Phuket, Phuket	DH	128	27	18	345	341	99	600	128	125
60	2013	303-88 L&H Koh Keaw	88/11, Moo 5, Thap Krasatri road, Tambon Ko Kaeo, Amphoe Mueang Phuket, Phuket	DH	182	54	32	850	763	90	1,450	166	158
61	2020	401-Siwalee Rasada - Phuket	Pracha Uthit 1 road, Tambon Ratsada, Amphoe Mueang Phuket, Phuket	DH	192	84	45	1,900	518	27	2,730	58	49
			Total DH		665 Units	231	134 Rai	3,864	2,345	61	6,479	501	481
Land and Houses Northeast Company Limited													
62	2020	408-Villaggio Srinakarini	Sap Phatthana road, Tambon Bang Mueang, Amphoe Mueang Samut Prakan, Samut Prakan	DH, TH	346	48	30	1,102	1,016	92	1,587	260	260
63	2022	410-inizio Suksawat-Pracha Uthit	926/141 Moo 10 Pracha Samakki road, Tambon Nai Klong Bangplakot, Amphoe, Phra Samut Chedi, Samut Prakan	SEMI-DH	196	33	20	572	551	96	820	83	82
64	2022	411-CHAIYAPRUEK Ayutthaya	99/72 Moo 7 Tambon Klong Suan Phlu, Amphoe Phra Nakhon Si Ayutthaya, Phra Nakhon Si Ayutthaya	DH	73	21	13	438	421	96	626	24	23
65	2023	415-MANTANA Motorway-Rama 9	Motorway road, Krung Thep-Chonburi Saimai, Khwaeng Tubchang, Khet Lat Krabang, Bangkok	DH	52	23	14	518	370	71	767	9	7
66	2022	417-MANTANA 100+ Bangkokthian-Chaithale	Bangkokthian Chai Thalee road, Khwaeng Tha Kham, Khet Bang Khun Thian, Bangkok	DH	85	48	29	947	821	87	1,428	42	41
67	2022	419-Villaggio Rangsit Klong 4	89/265 Moo 2, Tambon Khlong Si, Amphoe Khlong Luang, Pathum Thani	DH, TH	263	40	25	772	734	95	1,115	78	78
			Total DH, SEMI-DH, TH		1,015 Units	211	129 Rai	4,347	3,912	90	6,344	496	491
LH Asset Company Limited													
68	2014	016-inizio Chiang Mai	111/339, Moo 12, Tambon San Kamphaeng, Amphoe San Kamphaeng, Chiang Mai	DH	336	78	52	894	624	70	1,316	189	189
69	2023	020-MANTANA Maliwan-Khon Kaen	Maliwan road, Tambon Ban Ped, Amphoe Mueang Khon Kaen, Khon Kaen	DH	182	67	41	1,175	426	36	2,065	20	-



No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/ Rental area (Rai/ Sq.m.)	Total Investment in the project funded (Million Baht)	Progress in construction Total funded invested (Million Baht)	% of work completed	Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit trans-ferred (Units)
70	2020	023-MANTANA Peichkasem-Sai 4	Phuttha sakorn road, Tambon Suan Luang, Amphoe Krathum Baen, Samut Sakhon	DH	228	57	35	1,146	996	87	1,642	183	181
71	2019	024-indy Ayutthaya	Tambon Ban Krot, Amphoe Bang Pa-in, Phra Nakhon Si Ayutthaya	TH	230	23	14	452	421	93	626	215	215
72	2022	025-PRUEKLADA Ramindra Expressway-Chatuchot	Nong Rahaeng Road, Khwaeng Sam Wa Tawan Tok, Khet Khlong Sam Wa, Bangkok	DH	204	51	31	1,071	880	82	1,532	79	76
73	2021	029-anya Ratchaphruek-Nakhon In	Bang Krui - Sai Noi road, Tambon Bang Len, Amphoe Bang Yai, Nonthaburi	SEMI-DH	250	51	28	1,273	1,269	100	1,825	240	238
74	2022	030-MANTANA Bangna km 15	456 Moo 3 Debaratna road, Tambon Bang Chalong, Amphoe Bang Phi, Samut Prakan	DH	243	90	57	2,489	1,999.77	80	3,782	79	75
			<b>Total DH, SEMI-DH, TH</b>		<b>1,673 Units</b>	<b>417</b>	<b>258 Rai</b>	<b>8,499</b>	<b>6,615</b>	<b>78</b>	<b>12,788</b>	<b>1,005</b>	<b>974</b>
<b>Siamtanee Property Company Limited</b>													
75	2020	007-anya Pheikhasem-Sai 4	Phuttha Sakorn road, Tambon Suan Luang, Amphoe Krathum Baen, Samut Sakhon	SEMI-DH	260	45	27	862	704	82	1,242	108	108
			<b>Total SEMI-DH</b>		<b>260 Units</b>	<b>45</b>	<b>27 Rai</b>	<b>862</b>	<b>704</b>	<b>82</b>	<b>1,242</b>	<b>108</b>	<b>108</b>
			<b>Grand Total DH, SEMI-DH, TH, L</b>		<b>16,141 Units</b>	<b>3,951</b>	<b>2,423 Rai</b>	<b>78,651</b>	<b>60,534</b>	<b>77</b>	<b>117,249</b>	<b>9,873</b>	<b>9,738</b>
			<b>Grand Total CD</b>		<b>3,253 Units</b>	<b>33</b>	<b>167,202 Sq.m.</b>	<b>17,979</b>	<b>11,274</b>	<b>63</b>	<b>26,644</b>	<b>1,334</b>	<b>953</b>

DH = Detached House SEMI-DH = Semi-Detached House TH = Townhouse CD = Condominium L = Land

**Closed Project in 2023**

No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/ Rental area (Rai/ Sq.m.)	Total Investment in the project funded (Million Baht)	Progress in construction Total funded invested (Million Baht)	% of work completed	Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit trans-ferred (Units)
<b>Land and Houses Public Company Limited</b>													
1	2019	223-MANTANA WESTGATE	Kanchanapisek ring road, Tambon Bang Rak Yai, Amphoe Bang Bua Thong, Nonthaburi	DH	293	94	58	2,007	2,007	100	3,867	293	293



No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (Units)	Size of Project's Land (Rai)	Sales/Rental area (Rai/Sq.m)	Total Investment in the project (Million Baht)	Progress in construction Total funded invested (Million Baht) % of work completed	Total sale value of the project (Million Baht)	Amount of Unit sold (Units)	Amount of Unit transferred (Units)
2	2016	240-Villaggio Pinklao-Salaya	Samret Phatthana road, Tambon Sala Klang , Amphoe Bang Kruai, Nonthaburi	DH, TH	944	163	104	2,128	100	4,058	944	944
3	2013	259-NORTH CONDO 4 SERENE LAKE-CHIANGMAI	52 Chiang Mai 700 Years Sompoch road, Tambon Sutthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	106	100	185	69	69
4	2015	288-LADAWAN Rama 2	Rama 2 road, Khwaeng Samae Dam, Khet Bang Khun Thian, Bangkok	DH	105	69	42	3,766	100	5,444	105	105
5	2014	293-THE ROOM Charoen Krung 30	Charoen krung road, Khwaeng Bang Rak, Khet Bang Rak, Bangkok	CD	214	2	13,316	1,474	100	2,063	214	214
6	2019	324-CHAIYAPRUEK Ramindra Expressway-Chatuchot	Kanchanaphisek frontage road, Khwaeng Sam Wa Tawan Tok, Khet Khlong Sam Wa, Bangkok	DH	398	99	63	1,496	100	2,553	398	398
7	2560	333-indy 2 Bangyai	Thoet Phra Kiat road, Tambon Bang Mae Nang, Amphoe Bang Yai, Nonthaburi	TH	207	18	11	372	100	568	207	207
8	2020	339-CHAIYAPRUEK WESTGATE	98 Moo 4, Sai Bueng Bua-Klong Prapa Road, Tambon Bang Mae Nang, Amphoe Bang Yai, Nonthaburi	DH	129	31	19	439	100	757	129	129
9	2021	342-inizio 4 Pinklao-Wongwaen	Atchariya Phatthana road, Tambon Sala Klang, Amphoe Bang Kruai, Nonthaburi	SEMI-DH	158	26	16	511	100	781	158	158
10	2019	369-THE KEY Rama 3	Rama 3 road, Khwaeng Bang Khlo, Khet Bang Kho Laem, Bangkok	CD	454	3	18,179	1,323	100	1,909	454	454
11	2020	370-indy Srinakarin-Praeksa	Tambon Thai Ban Mai, Amphoe Mueang Samut Prakan, Samut Prakan	TH	286	28	17	592	100	945	286	286
Land and Houses Northeast Company Limited												
12	2020	407-siwalae 3 Ayuthaya	Ayothaya road, Tambon Khlong Suan Phlu, Amphoe Phra Nakhon Si Ayutthaya, Phra Nakhon Si Ayutthaya	DH	70	18	10	298	100	455	70	70
13	2022	416-VIVE Rama 9	38 Krung Thep Krittha road, Khwaeng Thap Chang, Khet Saphan Sung, Bangkok	DH	75	25	15	1,220	100	2,287	75	75
LH Asset Company Limited												
14	2021	027-indy 2 Bangna-Ramkhamhaeng 2	Soi Ramkhamhaeng 2, Khwaeng Dok Mai, Khet Prawet, Bangkok	TH	489	49	29	1,181	100	2,024	489	489
15	2020	028-siwalae Petchkasem 69	Liap Khlong Phasi Charoen Fang Tai road, Khwaeng Nong Khaem, Khet Nong Khaem, Bangkok	DH	82	36	21	605	100	937	82	82
			Grand Total DH, SEMI-DH, TH		3,236 Units	655	407 Rai	14,617	100.0	24,676	3,236	3,236
			Grand Total CD		737 Units	7	34,159 Sq.m.	2,904	100.0	4,157	737	737

DH = Detached House SEMI-DH = Semi-Detached House TH = Townhouse CD = Condominium L = Land





## (2) Market and Competition

### Marketing policy and characteristics

#### Competitive strategies

The Company continued its main strategy, the pre-built strategy, for all low-rise residential projects including single-detached houses, semi-detached houses, and townhouse projects. In 2023, one condominium project (Wanvayla Na Chaophraya) was launched. Meanwhile, the pre-booking strategy was applied to the project, as it is a condominium project which is anticipated to take 2.5 years in construction process. The project was launched for the booking before construction, which providing lower risk exposure to the Company as well as more time for customers to improve their financial preparation, especially for mortgage loan approvals from commercial banks, with total down payments payable in installments during the construction. Once construction is completed, the ownership of the property can be transferred to the customer upon completion of the total down payment and financial mortgage loan arrangement.

Such strategy garnered excellent customer responses in 2023. For some projects, the demand exceeded the number of constructed houses, for which the Company adjusted its strategies through pre-booking, requiring that the pre-booked houses must be completed in three months and all these houses must pass quality control by Land and Houses' standard before ownership transfer.

For low-rise residential projects, the pre-built strategy continues to provide optimal outcomes for work planning and maximum efficiency for all work details, ranging from cost control, quality control, to marketing and sales. The strategy also provides competitive advantages to the Company, while catering to the needs and confidence of customers.

In implementing this strategy, the Company continually values customers' preference research on house functions, styles of houses and projects, and customers' lifestyles to cater to the best living of customers and their family members, particularly the New Normal, new lifestyles coming from shifting residential and behavioral conditions.

The Company fully adheres to the work philosophy with a focus on quality of products and services, as well as good quality of personnel. Throughout its operations, it also values risk management and sustainable development.

Regarding marketing and sales operations, the Company's business growth is driven by expansion of its customer base and markets in new geographic locations. This year it completed furnished houses for sales in various projects, which would be scaled up as a premium product for other sectors of the market base. Consequently, the Company values development of residential living and innovations to cater for the higher-quality residential requirements, notably.



- **Innovative breathable houses with “AirPlus<sup>2</sup> (AirPlus Square)”**, a house with good quality breathing air circulating through the ventilation of indoor air outflow and outdoor air inflow, integrated with a PM2.5 preventive system. AirPlus<sup>2</sup> has become a standard for the Company's single-detached houses and semi-detached houses and will be introduced to future townhouse and condominium projects.
- **“Home Environment Design”**, a concept of residential housing project which integrated with nature, with a focus on the environmental habitat allowing residents to dwell in harmony with nature. For instance, arranging the comfort zone in a semi-outdoor setting with a private yard equipped with inside-out and outside-in scenic views.
- **“Save Space to Create Space” concept**, a housing design with an integration of various functions such as mailbox, parcel cabinet, and trash bin to optimize convenience. The design was originally developed from the “YON” multipurpose cabinet, which has won two world-class design awards: Good Design Award 2023 from Japan and Design Excellence Award 2023 (DEmark) from the Department of International Trade Promotion, Ministry of Commerce.
- **Priority for the elderly**: The Company's new designs cater to the elderly's needs and provide a common area to ready them for their physical limitations.
- **Energy Saving Design**, with tall solar power installation to reduce energy costs while beautifying the landscape of the project and common gardens as well as gate lamps.
- **Sustainable property development under the concept of understanding** the basics of sustainable architecture with the consideration of all sustainable aspects, including the environment, the community, governance and economics (ESG – Environment, Social, Governance).
- **Integration of Smart Home**, or Home Automation, as a single application for ease of use and improved living conditions.
- **Improvement of working systems to optimize convenience for customers, including**
  - Introduction of the houses and recommendation for livings using QR Codes, which aid customers' understanding for the use and maintenance of internal equipment, key components of the houses, as well as the project and other important information.



- **Development of financial systems**, including QR Code Credit, QR Payment, Payment Gateway and QR Cross Bank.
- **Development of a house inspection system** through an application.
- **Development of the iDesign system**, which gives customers access to customized designs for house decoration through an application.
- **Facilitation for moving into the residences**, the Company has introduced a relocation service by moving experts under a “No more worries about moving into new homes” concept.
- **Sales development with Service Design concept**, thus aiding in-depth analysis and understanding of customers' needs.
- **Optimized efficiency of personnel performance**, for which the Company has relentlessly developed IT programs for agility and speed to address requirements for sales, construction, services, and internal units for more efficient and speedier operations.

The Company currently categorizes its product segments by brands, with a primary focus on prices and customer groups, equipped with careful consideration of marketing mix and segmentation. This has worked out well for its business in catering to customers' needs for each segment. Below are consideration factors:

- **Project location**: The location of each project is crucially selected to best meet the needs of each customer segment, considering all aspects including travel and transport, access to utility systems, and



public facilities in the vicinity. Selection of geographic locations of projects is decided to address customers' needs in various locations of Bangkok and Periphery, and in response to the geographic and demographic demands of a given customer segment. In addition, the Company continuously conducts studies for future project development and has consistently acquired land in high-potential residential areas as land bank.

- **House or product designs:** Since the needs of consumer groups are different by each price segment or each brand, the Company continually values proactive behavioral research for each customer group, on project residents, visitors, potential buyers, and buyers of other projects in order to apply the research findings find to product development or address customers' needs for greater satisfaction. The Company periodically introduced new designs and models of the houses to the market, including the breathable homes with the "AirPlus<sup>2</sup> (AirPlus Square)" innovation, which have created product differentiation in the market.
- **Pricing policy:** The Company has adopted the pre-built strategy given the Company competitive advantages in setting prices that truly reflect the actual costs and the most current market competition at each project location and at a certain period, without no policy in setting prices for bargaining to prevent unfair pricing and poor customer treatment.
- **Product quality:** The Company put importance to standards in each stage of its operations, particularly construction work. The Company has set operating standards in each stage of its work as to deliver decent quality of products to customers, including
  - Landfilling standard, soil structure analysis and specification of landfilling soils in projects
  - Public utilities standard, embracing construction standards and inspection stages, with an explicit focus on criteria of orderly procedures and inspection
  - Product design and material choice standards, for which the Company's emphasis is on high product quality

- Procedural construction standard, for which individual stages of construction work and inspection must pass the predetermined criteria that the Company has set. For example, there must be an inspection process to ensure that the construction works follow the construction blueprint. In addition, the Company set clear construction policy requiring that "Every house must pass quality control (QC) at the Company's accepted good standard level" before delivery to customers

In project development, apart from the house itself, the Company takes seriously the project environment, ranging from project layout, with emphasis not only on sales acreage but on living requirements, choice of durable materials for project utilities work, to the choice of amenities in line with living conditions and the safety of residences, meaning the Company's emphasis on stewardship of project conditions so that they make for livable communities. It has established a foundation for project management and maintenance of utility systems before delivery to housing estate juristic persons of each project so that projects and communities will be livable for years to come.

#### Customers' characteristics and target groups

The Company's residential projects have reached various locations in Bangkok Metropolis and periphery as well as other regions, namely Chiang Mai, Chiang Rai, Khon Kaen, Nakhon Ratchasima, Maha Sarakham, Udon Thani, Phuket, and Ayutthaya under the pre-built strategy so that the houses are ready for customers to move in. The Company strives for standards on quality of houses and projects as well as sound and standard inspection, which have enabled the Company to reach target groups of customers and effectively address their needs in each price segment.

Market expansion to cater more to customers' needs in every price range (segmentation) enables the Company to broaden marketing opportunities for new target groups, thus raising sales revenue. Even so, the Company has expanded its residential market by pursuing new users and enlarging projects in Bangkok and periphery as well as the provincial



areas while recognizing the significance of product quality. It also values after-sale services, regarded as its forte, and recognizes the need to look after residents for everyday matters, notably residential safety and living conditions, as well as facilitation for using the call center and the internet to notify assorted problems. Public utility shall be planned to ensure quality systems before delivery while the Company ensures the formation of housing estate juristic persons.

As for sales management, it has relentlessly developed a CRM (customer relationship management) system together with a CEM (customer emotional management) system to aid sales, marketing, and customer satisfaction efforts, thus giving it an insight into customer groups' needs and arrange ongoing activities with customer groups. As a result, more than 30 percent of its customer groups are residents, relatives, or siblings, and this is an upside for lower cost operations.

### **Distribution and distribution channels**

The Company leverages distribution channels through sales offices located in diverse locations in Bangkok and Periphery as well as those in various provinces. The Company strongly believes in and respects customers' decisions based on their direct exposure to the actual location and environmental setting of a given project, as well as the actual physical structures of the houses. Various online and offline social media have been employed to connect with various target customer groups, with the following key activities:

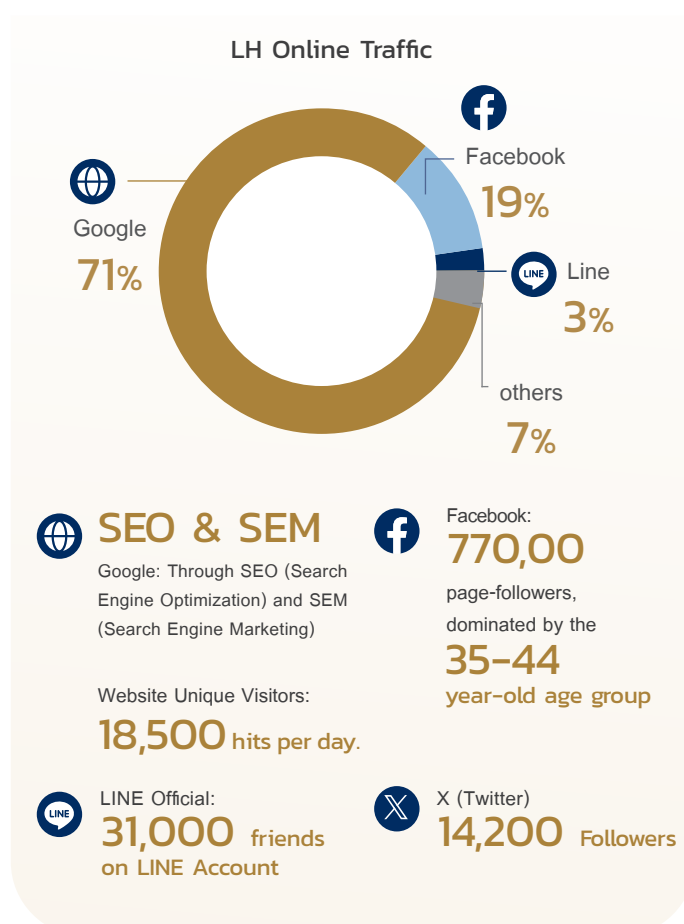
- Online social media was dominant in 2023 among three connection options, for customers to access information of residential projects. The proportion of project visitors and customers who actually book the residences are as follows:

Media	Visitors (%)	Booking customers (%)
Internet	55	58
Billboards	27	17
Friends / relatives	16	22
Others	2	3

Remarks: Customers can provide more than one answer.

Considering the cost per head for visitors and booking customers, the offline cost per head is twice that of the online cost for visitors and 3.5 times more costly for customers' booking.

- Key online social media can be categorized below:







## Industry Market and Competition

### Housing Market in 2023

Regarding the overall housing market in 2023, considering the number of registered houses, only in housing projects, the total number of newly registered houses was 68,055 units, a decrease of 8.9 percent from 2022, which saw a total of 74,677 units registered.

#### Comparative data of newly registered housing units by type of operation during 2020-2023

Unit : units

Type	2020	2021	2022	2023	1995*
Self-building	21,427	19,860	21,870	27,808	32,118
% Change	6.5	-7.3	10.1	27.2	
Housing Project	91,213	60,376	74,677	68,055	146,735
% Change	-7.5	-33.8	23.7	-8.9	
Total	112,640	80,236	96,547	95,863	178,853
% Change	-5.1	-28.8	20.3	-0.7	4.4

Source: Real Estate Information Center (REIC)

Remarks: % Change calculated on a year-to-year basis

\* 1995 boasted the highest number of newly registered houses since 1987

For the newly registered houses, only in housing projects, in 2023 versus 2022, the changes classified by specific housing type are as follows:

- Single-detached houses: In 2023 a total of 17,010 units, an increase of 44.0 percent from 2022 with a total of 11,809 units.
- Semi-detached houses: In 2023 a total of 6,988 units, an increase of 99.8 percent from 2022 with a total of 3,497 units.
- Townhouses and commercial buildings: In 2023 a total of 13,047 units, a decrease of 3.2 percent from 2022 with a total of 13,477 units.
- Condominiums: In 2023 a total of 31,010 units, an increase of 32.4 percent from 2022 with a total of 45,894 units.



**Comparative data of newly registered residences  
by type during 2020-2023**

Unit : units

Type	2020	2021	2022	2023	1995*
Single-detached houses	10,736	10,582	11,809	17,010	20,793
% Change	-20.8	-1.4	11.6	44.0	16.4
Semi-detached houses	2,536	3,107	3,497	6,988	938
% Change	-16.1	22.5	12.6	99.8	336.3
Townhouses and Commercial Buildings	16,424	13,540	13,477	13,047	58,093
% Change	-22.8	-17.6	-0.5	-3.2	16.0
Condominiums	61,517	33,147	45,894	31,010	66,911
% Change	1.3	-46.1	38.5	-32.4	-1.5
<b>Total</b>	<b>91,213</b>	<b>60,376</b>	<b>74,677</b>	<b>68,055</b>	<b>146,735</b>
% Change	-7.5	-33.8	23.7	-8.9	7.8

Source: Real Estate Information Center (REIC)

Remarks: % change calculated on a year-to-year basis

\* 1995 boasted the highest number of newly registered houses since 1987

**Condominium Market in 2023**

Registration of condominium ownership transfer, by juristic persons, as reported by the Real Estate Information Center (REIC), with key summaries (detailed in Table 1) as follows:

- Total condominium units transferred by juristic persons in 2023 amounted to 45,419, valued at 170,644 million Baht, decreased from 2022 by 9.6 percent in units and decreased by 2.4 percent in value.

**Table 1: Condominium units transferred ownership by juristic persons in Bangkok and Periphery during 2020-2023**

	2020	2021	2022	2023
Number of units	74,710	47,607	50,255	45,419
% Change	1.4	-36.3	5.6	-9.6
Value: million Baht	221,022	168,524	174,752	170,644
% Change	-1.1	-23.8	3.7	-2.4

Source: Real Estate Information Center (REIC)



The new projects launched in 2023 (detailed in Table 2) are summarized below:

- The number of new projects launched in 2023 was 98 projects, a 10.1 percent increase from 2022 with 89 projects. Of this, the number of units commanded total sales of 49,030 units, a 8.8 percent decrease from last year's 53,778 units. The total value of the new projects launched in 2023 was 166,106 million Baht, a 17.1 percent increase from 2022 with a total value equivalent to 141,760 million Baht.
- As for the sales generated by the new projects in 2023, accounted for 45.6 percent of total units newly launched, a similar proportion compared to 2022.

**Table 2: Condominium units sold in Bangkok and Periphery during 2020-2023**

	2020	2021	2022	2023
<b>New Projects</b>				
Number of Projects	70	65	89	98
% Change	-51.4	-7.1	36.9	10.1
Number of Units	25,906	23,445	53,778	49,030
% Change	-61.0	-9.5	129.4	-8.8
Value: million Baht	71,679	93,402	141,760	166,106
% Change	-70.8	30.3	51.8	17.1
<b>Number of Units Sold from New Projects</b>				
Number of Units	9,484	7,825	24,861	22,353
Percentage of total units	36.6	33.4	46.2	45.6

Source: Survey by Agency for Real Estate Affairs

The supply of condominiums in Bangkok and Periphery available for sales at the end of 2023 totaled 84,200 units, comparable to 2022. The remaining units by price segment are summarized in Table 3:

- Price range below 2.0 million Baht, a total of 27,779 units remaining for sale, representing 33.0 percent.
- Price range between 2.0-5.0 million Baht, a total of 43,498 units remaining for sale, representing 51.7 percent.
- Price range between 5-10 million Baht, a total of 7,902 units remaining for sale, representing 9.4 percent.
- Price range between 10-20 million Baht, a total of 3,116 units remaining for sale, representing 3.7 percent.
- Price range of 20 million Baht or more, a total of 1,905 units remaining for sale, representing 2.3 percent.

**Table 3: Remaining supply of residential condominiums at the end of the year in Bangkok Metropolitan Region, classified by price segment**

Price Range	2020	2021	2022	2023	% Ratio in 2023
< 1 million Baht	8,333	7,247	6,086	5,393	6.4
1.0-2.0 million Baht	28,607	24,434	25,596	22,386	26.6
2.01-3.0 million Baht	26,722	25,073	25,588	28,285	33.6
3.01-5.0 million Baht	12,760	14,317	15,889	15,213	18.1
5.01-10.0 million Baht	9,998	10,098	8,197	7,902	9.4
10.01-20 million Baht	2,861	2,489	2,500	3,116	3.7
> 20 million Baht	1,560	1,655	1,819	1,905	2.2
<b>Total</b>	<b>90,841</b>	<b>85,313</b>	<b>85,675</b>	<b>84,200</b>	<b>100</b>

Source: Survey by Agency for Real Estate Affairs

The changes in residential property market in 2023 were driven by the following key positive and negative factors.

- The sluggish economy, going from 2.5 percent economic growth (GDP) in 2022 down to 1.9 percent in 2023 (2.6 percent for Q1, 1.8 percent for Q2, 1.4 percent for Q3, and 1.7 percent for Q4).
- A drop in general inflation from 6.1 percent in 2022 to 1.2 percent in 2023.
- Rising interest rates — five adjustments of interest rates imposed by the Monetary Policy Committee (MPC) from 1.25 percent at the end of 2022 to 1.50 percent in January 2023 and to 2.50 percent in September 2023 and on hold to the end of 2023, driven by a continuous rise in interest rates in the global market.
- Following the rise in interest rates imposed by MPC, commercial banks followed suit. Table 4 illustrates the average loan interest rates from six major commercial banks, for each period, as reported by REIC.

- The average minimum loan rate (MLR) of Q1-Q3 of 2023 was 5.44 percent, before rising in October and reached 5.86 percent in December. Likewise, the minimum retail rate (MRR) was adjusted, rising from 6.06 percent in early 2022 to 6.21 percent at the end of the year.
- With the rise in policy rates in 2023, the loan rates announced by commercial banks were adjusted through the year, as shown in Table 4. The MLR was 6.33 percent on average in January 2023, up 0.5 percent from the end of 2022, and rose to 6.63 percent during April-May and to 6.83 percent during June-August. The MLR continued to rise in the last quarter and stood at 7.04 percent through the end of 2023. The MRR followed the same pattern, going from 6.06 percent in January to 7.30 percent for the last quarter of 2023.





Table 4: Average interest rates announced by six major commercial banks

Period	Mortgage rates	MLRs	MRRs	Policy interest rates
Jan - Jun 2022	5.87	5.43	6.06	0.50
Dec 2022	6.07	5.86	6.21	1.25
Jan 2023	6.47	6.33	6.64	1.50
Apr - May 2023	6.71	6.63	6.87	1.75-2.00
Jun - Aug. 2023	6.92	6.83	7.09	2.25
Oct- Dec 2023	7.21	7.04	7.30	2.50

Source: Real Estate Information Center (REIC)

Remarks: The average MLR and MRR from six commercial banks: Government Housing Bank, Kasikorn Bank, Bangkok Bank, Bank of Ayudhya, Krungthai Bank, and Siam Commercial Bank Plc  
MLR = Minimum Loan Rate  
MRR = Minimum Retail Rate

- The Bank of Thailand announced a revocation of the relaxation on LTV (Loan-to-Value Ratio) launched in 2022, automatically reverting to the original LTV rule – demanding home buyers to place down payment for houses that are not their first contract. The announcement directly affected mortgage loans, as many home buyers' applications for the loans were rejected.
- With the world oil price (Brent crude oil price) in 2023 comparatively lower than last year and the government's policy on capping retail diesel prices, the inflation was artificially pressured. The 2023 average Brent crude oil price was below the 2022 level. The 2023 average Brent cost USD 80.8 per barrel, ranging from the bottom of USD 71.28 per barrel to the peak of USD 97.69 per barrel, sharply lower than the 2022 average of USD 96.5, and ranged between USD 75.11 and USD 125.28 per barrel.
- With nearly stable prices of construction materials from 2022 to 2023, the 2023 overall construction materials price index (CMI) was 112.9, very close to the 2022 CMI of 112.8, mainly driven by the fall in the iron and steel price index from 141.2 in 2022 to 136.1 in 2023. Nevertheless, this index was considered high versus the 130.4 recorded in 2021.

### The Company's Performance in 2023

The Company's 2023 operating performance in project development, investment and financial performance is as follows:

### Residential project development performance

- 17 new projects were launched with a total project value of 43,460 million Baht, consisting of 16 low-rise residential projects and 1 condominium project. The total project value rose 8,500 million Baht from 34,960 million Baht originally planned after the project replacement of the 6,500-million-Baht 'The Key Srinakharin' with the 15,000-million-Baht 'Wanvayla Na Chaophraya'.
- The Company made an investment with a total value of 6,100 million Baht in land acquisition for future project development.
- Proportion of presales by product category is as follows:

Type of Residences	Presales Proportion (%)
Single-Detached Houses	68
Townhouses	5
Condominiums	27
<b>Total</b>	<b>100</b>
Bangkok and Periphery	90
Provinces	10



- Low-rise housing products include single-detached houses, semi-detached houses, and townhouses, as the main products that generated presales. The proportion of sales of low-rise houses and condominiums was 73:27.
- When classified by area, Bangkok and Periphery remained the main areas that generated sales. The proportion of sales from projects in Bangkok and Periphery to sales from projects in other provinces was 90:10.
- The proportion of houses with price per unit more than 10 million Baht accounted for about 57 percent of presales.

- The total number of operating projects at the beginning of 2023 was 70 projects: 41 projects in Bangkok and Periphery and 29 projects in the provinces.
- 17 projects newly launched in 2023 with 43,460 million Baht in total value, consisting of 16 low-rise projects with 28,460 million Baht in total value and one condominium project with 15,000 million Baht in total value.
- There were 87 projects operating during 2023, while 14 projects ended during the year, thus a total 73 projects carried forward for operations in 2024 with a total value of 68,350 million Baht. Of this total, 66 projects are low-rise with a total value of 52,350 million Baht, and 7 were condominium projects with a total value of 16,000 million Baht.
- The total value of condominium presales exceeded 6,200 million Baht, a 176 percent increase from the previous year. This condominium booking accounted for 27 percent of the total presales of the Company.
- The average price per unit in 2023 was 9.6 million Baht, exceeding the 2022 average price per unit of 8.8 million Baht.

#### Number of Projects operated during 2023-2024

	2023	2024 <sup>1</sup>
Number of projects at the beginning of the year	70	73
Bangkok and Periphery	41	43
Provinces	29	30
New projects launched during the year	17	11
Bangkok and Periphery	13	10
Provinces	4	1
Total project value (million Baht)	43,460	30,200
Total operating projects during the year	87	84 <sup>2</sup>
Total projects closed during the year	(14)	(22)

Remarks: 1. Estimated

2. The total number of operating projects in 2024 is 74 excluding provincial projects with a few remaining units.



## Details of New Projects Launched in 2023

Project	Type	Size of project (Rai)	Total units	Average price per unit (MB)	Total project value (MB)
1. CHAIYAPRUEK 1 Serene Lake-Chiang Mai	Single-detached	4.1	10	9.8	98
2. CHAIYAPRUEK 2 Serene Lake-Chiang Mai	Single-detached	4.1	9	10.4	94
3. CHAIYAPRUEK 3 Serene Lake-Chiang Mai	Single-detached	10.1	20	10.2	203
4. inizio Srinakarin	Semi-detached	27.1	176	5.5	970
5. MANTANA 100+ Kanchana-Bangbon 5	Single-detached	97.8	200	17.0	3,400
6. CHAIYAPRUEK Chaengwattana	Single-detached	74.5	233	11.7	2,730
7. VIVE Krungthep Kritha	Single-detached	19.4	49	41.8	2,050
8. VIVE Bangna km 13	Single-detached	40.4	95	33.2	3,150
9. CHAIYAPRUEK Prannok-Sai 2	Single-detached	25.7	56	19.3	1,080
10. Villaggio 3 Srinakarin-Bangna	Total	66.3	358	5.6	2,010
	Single-detached	51.4	204	7.1	1,450
	Townhouse	14.9	154	3.6	560
11. Wanvayla Na Chaophraya	Condominium	18.3	1,512	9.9	15,000
12. PRUEKLADA Pinklao-Salaya	Single-detached	36.7	142	7.2	1,025
13. CHAIYAPRUEK Rangsit Klong 4	Single-detached	99.6	324	11.4	3,700
14. CHAIYAPRUEK Phetkasem 69	Single-detached	94.3	219	12.8	2,800
15. CHAIYAPRUEK Bangna km 13	Single-detached	53.7	170	13.5	2,300
16. MANTANA Motorway-Rama 9	Single-detached	22.6	52	15.4	800
17. MANTANA Maliwan-Khon Kaen	Single-detached	66.7	182	11.3	2,050
<b>Total</b>		<b>761.4</b>	<b>3,807</b>	<b>11.4</b>	<b>43,460</b>

## Financial Performance

- The Company issued debentures with 2-3 years of maturity and a total value of 16,000 million Baht, offering an average coupon rate of 3.2 percent per annum.
- At the end of 2023, the estimated net outstanding interest-bearing debt was 70,957 million Baht, equivalent to
  - Debt-to-equity ratio of 1.53
  - Weighted average cost of capital of 2.75

In 2023, the rental property business showed a strong growth, particularly from hotels and shopping malls in Thailand with y-o-y growth recorded at 67 percent and 55 percent, respectively, driven by the increase in foreign tourist arrivals, which is the key driver for the rental property business. Performance of the Company's rental property is detailed as follows:

- The Company invested 2,870 million Baht in rental project development through LHMH and LH USA:
  - Grande Centre Point Surawong Hotel, with development cost of 920 million Baht
  - Grande Centre Point Lumpini, with development cost of 870 million Baht
  - Hotel and apartment business development, with development cost of 1,080 million Baht

## Rental property business performance

The Company engages in the rental property business in Thailand and the U.S. through its subsidiaries LH Mall and Hotel Company Limited (LHMH) and L&H Property Company Limited (LHP), operating in Thailand, and Land and Houses U.S.A., Inc. (LH USA) operating in the U.S. The property varies from shopping malls to hotels, apartments, and office space.



- LHMH made an additional investment in LH Hotel Leasehold Real Estate Investment Trust (LHHOTEL), with a total value of 1,952 million Baht, thus increasing its holding from 14.73 percent to 26.17 percent.
- In November 2023, LHMH commenced the operation of a new project called the Grande Centre Point Hotel Surawong with a total investment for the project of 2,300 million Baht. Besides the hotel opening, LHMH divested 2 hotels namely Grande Centre Point Hotel Pattaya and Grande Centre Point Space Hotel Pattaya to LHHOTEL with the proceed of 9,400 million Baht. The Company recognized 2,501 million Baht gain from the divestment as profit before tax in the fourth quarter, and the remaining gain will be recognized in the income statements during 2024-2032.

**Details of all projects shown as rental income and revenue from hotel operations reported in the profit & loss statement are as follows:**

#### Projects in Thailand

No.	Project	Development value (MB)	Ownership	Type	Location	Expected year for commercial operation
1	Grande Centre Point Ploenchit	1,500	LHPFII	Hotel	Bangkok	Operating
2	Grande Centre Point Ratchadamri	2,600	LHHOTEL	Hotel	Bangkok	Operating
3	Grande Centre Point Terminal 21	2,000	LHHOTEL	Hotel	Bangkok	Operating
4	Grande Centre Point Sukhumvit 55	2,000	LHHOTEL	Hotel	Bangkok	Operating
5	Grande Centre Point Pattaya	1,600	LHHOTEL	Hotel	Pattaya	Operating
6	Grande Centre Point Space Pattaya	3,200	LHHOTEL	Hotel	Pattaya	Operating
7	Terminal 21 Pattaya	3,800	LHMH	Shopping Mall	Pattaya	Operating
8	Terminal 21 Rama 3	3,700	LHMH	Shopping Mall	Bangkok	Operating
9	Grande Centre Point Surawong	2,300	LHMH	Hotel	Bangkok	Operating
10	Grande Centre Point Lumpini	4,800	LHMH	Mixed-use	Bangkok	4 <sup>th</sup> Quarter of 2024
11	Grande Centre Point Ratchadamri 2	4,600	LHMH	Hotel	Bangkok	4 <sup>th</sup> Quarter of 2026
12	Grande Centre Point Pattaya 3	4,400	LHMH	Hotel	Pattaya	1 <sup>st</sup> Quarter of 2027
Total Project Development Value		36,500				

Remark: LHPF-II = Land and Houses Property and Loan Fund-II  
LHHOTEL = LH Hotel Leasehold Real Estate Investment Trust  
LHMH = LH Mall & Hotel Co., Ltd.

#### Projects in the United States

No.	Project	Development value (million USD)	Type	Location	Expected year for commercial operation
1.	Parc	135	Apartment	Campbell, California	Operating
2.	Yard	127	Apartment	Portland, Oregon	Operating
3.	Revere	119	Apartment	Campbell, California	Operating
4.	SpringHill	31	Hotel	Anaheim, California	Operating
Total Project Development Value		412			





### Residential market trend in 2024

The residential market trend in 2024 for housing projects and condominiums is anticipated to expand more than those in 2023, based on the following key factors:

- Thailand's 2024 economic growth (GDP) is forecasted to be 2.2-3.2 percent as reported by the National Economic and Social Development Council (NESDC).
- Mortgage interest rates are set to fall from the 2023 level, in line with the policy rates. The market predicted that commercial banks are considering whether to offer a fixed rates for the first three years, while the rates imposed in 2023 were mostly float rates when the rates were on an uptrend.
- The 2024 inflation rate estimated by NESDC is 0.9-1.9 percent versus 1.23 percent recorded in 2023.
- The costs for construction and construction materials are likely to remain comparable to 2023. However, the minimum wage policy and the cancellation of the energy policy on capping retail diesel prices will affect the cost of construction by at least around 5 percent.
- The revocation of the relaxation on Loan-to-Value (LTV) by the Bank of Thailand will significantly impact mortgage loan applications by retail customers who would purchase or invest but not as their first houses. This could increase the mortgage loan rejection rates from commercial banks.
- Prices of land for low-rise property development are likely to become highly competitive, inevitably driving the land prices further. Prices of land for high-rise property projects are, however, likely to stay flat or drop very slightly.
- Prices of low-rise residential units are set to stabilize, while those of condominium units are likely to fall until the market oversupply is absorbed.
- Consumer confidence is set to improve from the 2023 level following anticipated economic growth. However, this confidence could possibly be deteriorated by global economic concerns such as geopolitical tensions and wars.

### 2024 Work Plan

#### 1. Operational Plans

- In 2024, the Company plan to launch 11 new projects: 10 projects in Bangkok Metropolitan Region and 1 project in the provinces. The total project value of new projects is set at 30,200 million Baht, down 30 percent from 2023, reflecting the launch of the 15,000-million-Baht Wanvayla Na Chaophraya project in 2023. As for the low-rise residential projects particularly, the value is budgeted to grow 6 percent from 2023.
- All new projects in 2024 are low-rise residential projects, consisting of 11 single-house projects and 1 townhouse project. (The Villaggio Lamlukka-Wongwaen project includes single-detached houses and townhouse units.)
- There are 84 projects operating in 2024 with a total value of 98,550 million Baht, consisting of 77 low-rise residential projects with a total value of 82,550 million Baht and 7 condominium projects with a total value of 16,000 million Baht.
- The overall average price per unit in 2024 is 9.4 million Baht. (versus 9.6 million Baht in 2023)
- The Company plans to focus on selling existing condominium projects and therefore does not plan to launch new ones in 2024. This year, the presales target of condominium are 5,500 million Baht with a transfer target of 2,000 million Baht.

#### 2. Financial and Investment Plans

- The Company plans to issue debentures with a total value of 16,000 million Baht. Its net debt-to-equity ratio is anticipated at around 1.0, down from the end of 2023.
- The Company has set an investment budget totaling 11,500 million Baht, made up of
  - 5,000 million Baht for land acquisition for residential property development
  - 6,500 million Baht for investment in rental property business
- The Company plans to sell one of its shopping malls to REIT.

**Details of New Projects Launched in 2024**

Project	Type	Size of Project (Rai)	Total units	Average price per unit (MB)	Total project value (MB)
1. NANTAWAN Bangna km 15	Single-detached	90.4	118	55.3	6,530
	Total	89.1	484	5.2	2,520
2. Villaggio Lamlukka-Wongwaen	Single-detached	75.5	340	6.2	2,100
	Townhouse	13.6	144	2.9	420
3. MANTANA Borommaratchachonnani-Thawi Watthana	Single-detached	41.1	88	19.1	1,685
4. MANTANA Na Ratchaphruek	Single-detached	62.8	154	20.4	3,140
5. PRUEKLADA New Ratchaphruek	Single-detached	90.6	389	7.0	2,730
6. MANTANA 100+ Rama 2-Bang Khun Thian	Single-detached	93.9	202	16.5	3,330
7. NANTAWAN Private Pool Villa Rama 9-New Krungthep Kritha	Single-detached	34.5	30	96.0	2,880
8. PRUEKLADA 2 Pinklao-Sai 5	Single-detached	49.0	222	8.2	1,830
9. CHAIYAPRUEK Rama 2	Single-detached	21.7	65	13.5	875
10. MANTANA Pinklao-Sai 3	Single-detached	75.1	167	16.2	2,700
11. MANTANA 2 Serene Lake-Chiang Mai	Single-detached	45.4	95	20.8	1,980
<b>Total</b>		<b>693.7</b>	<b>2,014</b>	<b>15.0</b>	<b>30,200</b>

**(3) Procurements of Products or Services****Nature of product development****1) Product design**

In product design, the Company places the importance on the study of and research on consumer behaviors and needs, as well as daily lifestyles of consumers and family members of all ages, to define the proposition of housing design in tune with the new way of life, also known as the New Normal. It will serve as a concept for home designs that will fit the new design trend and generational differences, the new experiences of living, well-being living, universal design, etc., to meet the needs of customers and their families. The operation will be integrated through the cooperation of all parties including sales, marketing, architects, interior designers, landscape architecture, engineers, and related departments, to obtain products that best meet customers' needs.

In addition, in terms of operation, Virtual Reality (VR) assist in examination, design, and inspection at the precast factory before proceeding with construction to avoid mistakes and maximize the efficiency when the product is delivered to the

customer. The Company also engages in research by asking customers' opinions about product and service satisfaction to be used proactively as part of the design process to support and prepare future house designs. In addition, house designs used in project development for a certain period of time or at a specified level of the amount of construction and undergo re-design to always be modern and suitable for its service period.

When designing a product, the Company focuses not only on house designs, but also takes into consideration the design of the overall project areas, facilities in the project, clubhouses, central gardens, and the front-gate environment of the projects. This is another Land and Houses market forte from customers' points of view.

**2) Production and procurement****Production and production policy**

Land and Houses commands a production policy driving support to increase the Company's capacity to meet sales targets as well as customer demand, while ensuring the quality



standards of work delivered by various contractors. The policy demands the following:

- 1) Standards of construction at all levels, including work processes as well as procurement of materials for construction, with comprehensive quality inspection.
- 2) Regular arrangement of training and development for all contractors on the construction work according to the Company's standards.
- 3) Enforcement of the quality control (QC) system to quality inspect the work delivered by all contractors to ensure full QC inspection of all residential units before property ownership transfer.

#### Procurement of construction materials

In the housing industry, the key raw materials are land and construction materials. Therefore, the Company's procurement of raw materials emphasizes efficiency and effectiveness as follows:

- Land acquisition: The Company acquires potential land plots that can be developed immediately. Its acquisition method is one of three approaches:
  - Post advertisements to purchase land on various websites.
  - Contact a land broker to buy land.
  - Directly contact the landowner to purchase the land.

The Company's land acquisition: In addition to studying the feasibility of project development on both the issue of target groups, competitiveness, and the returns to be received from the operation, the Company has a clear policy on good governance, transparency, as well as considering that the land plots can be purchased without disputes with neighboring ones. As for operations, the procurement committee will jointly consider and approve purchases.

- Construction materials: The procurement of raw materials for construction falls into two parts:
  - The Company purchases some construction materials directly, roughly 40 percent of the construction value.
  - The Company allows hired contractors to procure some materials with a fair processing fee included.

Under the Company's procurement system for construction materials, the volumes and types of materials are made known to contractors and business partners before order placement. This ensures that the contractors and business partners can plan their work properly and that the delivery of materials fits well with plans. The system also calls for tests and quality inspection of materials before the physical uses, to warrant the highest quality and meet the Company's standard.

#### **(4) Assets used in business operation**

##### **Key categories of assets**

The key categories of assets used in Company and its subsidiaries' business operations as at December 31, 2023 comprise

(1) Inventory of 56,194 million Baht comprises

	Value (million Baht)	Obligations
Land	30,996	Mortgaged as collateral for the bank loans of 10,633 million Baht
Land Improvement	2,819	
Construction in progress	15,559	
Deferred interest cost	1,927	
Public Utilities expense	4,874	
Houses held for sales	286	
<b>Total</b>	<b>56,461</b>	
Less allowance for diminution in project value	(267)	
<b>Balance</b>	<b>56,194</b>	



(2) Property, plant and equipment - net of 1,879 million Baht comprises

Item	Location	Net Book Value (million Baht)	Ownership characteristics	Obligations
Hotels and land in USA	USA	1,146	Owner	Secured Loan
Sale office at site & land	at all projects	29	Owner	-none-
Office equipment	Head office and at all projects	45	Owner	-none-
Office and Club furnishing	at all projects	314	Owner	-none-
Vehicles	Head office and at all projects	20	Owner	-none-
Other assets	Head office and at all projects	132	Owner	-none-
Assets under construction	at all projects	193	Owner	-none-
<b>Total</b>		<b>1,879</b>		

(3) Right-of-use assets of 18,793 million Baht consists of

Company	Project name	Location / Term	Net Book Value (million Baht)	Obligations
LHMH	Land leasehold rights over 2 shopping malls, 1 hotel and 4 projects under construction	Bangkok and Pattaya / Lease term 25-35 years	14,442	Mortgaged as collateral for the bank loans of 11,296 million Baht
LHMH	Right-of-use over 5 hotels	Bangkok and Pattaya / Term 2-9 years	4,118	-None-
LHP	Right-of-use over 1 hotel	Bangkok / Term 1 years	51	-None-
LH and LHMH	Right-of-use over office building and others	Bangkok / Term 1-3 years	147	-None-
LH and LHMH	Right-of-use over vehicles	Bangkok / Term 1-5 years	35	-None-

LH = Land and Houses Pcl.

LHMH = LH Mall and Hotel Co., Ltd.

LHP = L&H Property Co., Ltd.



**(4) Investment Properties**

As at 31 December 2023, net book value of investment properties is 11,565 million Baht. The properties include 2 apartments for rent and 1 hotel in California, USA and 1 apartment in Oregon, USA, and vacant land.

Company	Location	Net Book Value (million Baht)	Ownership	Obligations
LH USA	California and Oregon, USA	11,353	Owner	-None-
LH	Bangkok	212	Owner	-None-

LH USA = Land and Houses U.S.A. Inc. LH = Land and Houses Pcl.

The apartments in California consist of Parc Residence and The Revere projects, the apartment in Oregon is namely The Yard Residence and 1 hotel in California namely Spring Hill Suites at Anaheim Resort. The investment objective is for rent and for sale once the price is well acceptable in the future.

**Land use for operating projects**

(Please see details in Attachment 5)

**(5) Outstanding of Undelivered Projects**

As at 31 December 2023, the Company and its subsidiaries have 47 housing and condominium projects which have already been booked as detailed follows:

Type	No. of projects	Value (million Baht)
Condominium	3	5,295
Single detached house & Townhouse	44	2,008
<b>Total</b>	<b>47</b>	<b>7,303</b>



## 1.3 Company Group Structure

### 1.3.1. Company Group Structure

The Company has 10 directly owned subsidiaries and 4 subsidiaries that are held through its subsidiaries (details as illustrated in the Company Group and Shareholding Structure chart below), engaging in real estate development business. The Company and its subsidiaries have developed residential projects in the category of single detached houses, townhouses, and residential condominiums for sale, focusing on the development of projects in Bangkok Metropolitan Region and ones in large provinces, namely Chiang Mai, Chiang Rai, Nakorn Ratchasima, Khon Kaen, Maharakam, Udonthani, Prachuab Kirikhun, Ayutthaya and Phuket. The Company has implemented the strategy of “Pre-built houses” in 2000 which has been well accepted from the customers.

#### Company Group and Shareholding Structure (as of December 31, 2023)





## General Information of Business held by the Company 10 percent upward (Direct and Indirect)

Company Name	Address	Telephone	Fax	Type of Business	Authorized Share Capital	% Direct and Indirect Ownership
1 LAND AND HOUSES U.S.A., INC.	17485 Monterey Road Suite 308 Morgan Hill, CA 95037 USA	408 796 7337	-	Property Investment	40 million common shares of USD 1 each	100.00
2 Atlantic Real Estate Co., Ltd.	37 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	0.15 million common shares of Baht 100 each	100.00
3 Land and Houses North Co., Ltd.	319 Moo 4, Thumbon NongJom, Aumphoe Sansai, Chiangmai, Thailand 50210	(053) 498-911-3	(053) 354-349	Property Development	0.5 million common shares of Baht 100 each	100.00
4 Siam Tanee Property Co., Ltd.	37 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1 million common shares of Baht 100 each	100.00
5 LH Asset Co., Ltd.	37 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1 million common shares of Baht 100 each	100.00
6 LH Mall Co., Ltd.	37 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	0.58 million common shares of Baht 100 each	100.00
7 Land and Houses North East Co., Ltd.	37 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1.5 million common shares of Baht 100 each	100.00
8 Siam Tanee Real Estate Co., Ltd.	37 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1.75 million common shares of Baht 50 each	100.00
9 LH Mall and Hotel Co., Ltd.	15 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhmh.co.th	0 2343 8899	0 2343 8890	Property Development	20 million common shares of Baht 100 each	99.99
10 L&H Hotel Management Co., Ltd.	15 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Hotel	1 million common shares of Baht 10 each	99.99
11 L&H Management Co., Ltd.	15 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Management	0.01 million common shares of Baht 10 each	99.98
12 L&H Retail Management Co., Ltd.	15 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Retail	0.01 million common shares of Baht 10 each	99.97
13 L&H Property Co., Ltd.	15 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Property Development	26 million common shares of Baht 5 each	60.00

Remark: LH Real Estate Co., Ltd. renamed to LH Mall Co., Ltd., on 14 December 2023.



Company Name	Address	Telephone	Fax	Type of Business	Authorized Share Capital	% Direct and Indirect Ownership
14 LH Muang Mai Co., Ltd.	9/9 Moo 6 Thepkasadtrees, Tumbon Ratsada, Aumthoe Muang, Phuket, Thailand 83000	0 7638 1150-3	0 7638 1112	Property Development	90 million common shares of Baht 10 each	55.00
15 Land and Houses Property and Loan Fund-II	15 <sup>th</sup> , 17 <sup>th</sup> Floor Sindhorn Building Tower III, 130-132 Wireless Road, Bangkok, Thailand 10330	0 2688 7777	0 2688 7700	Property Fund	148.6 million units of Baht 10 each	49.99
16 Home Product Center PCL	31 Prachachuen Road, Bangkhen, Muang, Nonthaburi, Thailand 11000 Website : www.homepro.co.th	0 2832 1000	0 2832 1234	Trading of Construction Material	13,151.2 million common shares of Baht 1 each	30.23
17 Land and Houses Freehold and Leasehold Property Fund	14 <sup>th</sup> Floor Q House Sathon Building, 11 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhpf-pf.com	0 2286 3484 0 2679 2155	0 2286 3585 0 2679 2150	Property Fund	330 million units of Baht 10 each	26.96
18 Quality Houses PCL	7 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.qh.co.th	0 2677 7000 0 2343 8888	0 2677 7009	Property Development	10,714.4 million common shares of Baht 1 each	24.98
19 LH Financial Group PCL	5 <sup>th</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.qh.co.th	0 2359 0000	0 2677 7223	Holding Company (Financial)	21,813.7 million common shares of Baht 1 each	21.88
20 Land and Houses Bank PCL	G, 1 <sup>st</sup> , 5 <sup>th</sup> , 6 <sup>th</sup> , 32 <sup>nd</sup> Floor Q House Lumpini Building, 1 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhbank.co.th	0 2359 0000	0 2677 7223	Bank	2,000 million common shares of Baht 10 each	21.88
21 Land and Houses Securities PCL	M, 10 <sup>th</sup> Floor Q House Sathon Building, 11 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhsec.co.th	0 2352 5100	0 2286 2681 0 2286 2682	Securities	1,274.4 million common shares of Baht 1 each	21.88
22 Land and Houses Fund Management Co., Ltd.	14 <sup>th</sup> Floor Q House Sathon Building, 11 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhfund.co.th	0 2286 3484 0 2679 2155	0 2286 3585 0 2679 2150	Management Fund	3 million common shares of Baht 100 each	21.88
23 Land and Houses Advisory Co., Ltd.	11 Q. House Lumpini Building, 10 <sup>th</sup> Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2286 5100	0 2286 2681 0 2286 2682	Advisory	2 million common shares of Baht 10 each	21.88
24 Quality Construction Products PCL	144 Moo 16 Bangpa-in Industrial Estate, Udomsornayuth Road, Bangkrasan, Bangpa-in, Ayutthaya, Thailand 13160 Website : www.qcon.co.th	0 3525 9131-4 0 3525 8999	0 3525 8948 0 3525 8721	Building Material	400 million common shares of Baht 1 each	21.16
25 LH Hotel Leasehold Real Estate Investment Trust	14 <sup>th</sup> Floor Q House Sathon Building, 11 South Sathon Road, Thungmahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhfund.co.th	0 2286 3484 0 2679 2155	0 2286 3585 0 2679 2150	Property	1,048.9 million common shares of Baht 10 each	26.17

Remark: LH Real Estate Co., Ltd. renamed to LH Mall Co., Ltd., on 14 December 2023.





### 1.3.2 Persons who may have conflicts of interest hold shares in the subsidiaries or associated companies in aggregate more than 10 percent of the number of shares with voting rights

-None-

### 1.3.3 Relationship with the business group of major shareholders

-None-

### 1.3.4 Shareholders

As at the book closing date on August 25, 2023, top 10 major shareholders of the Company are as follows:

Rank	Name of Individual / Juristic Person	Number of shareholding (shares)	Percentage of paid-up capital (%)
1.	Mr. Anant Asavabhokhin *	2,860,000,047	23.93
2.	Thai NVDR Co., Ltd.	1,966,021,457	16.45
3.	Mayland Co., Ltd. *	677,000,069	5.67
4.	THE BANK OF NEW YORK MELLON	381,178,026	3.19
5.	Social Security Office	380,460,140	3.18
6.	STATE STREET EUROPE LIMITED	208,476,179	1.74
7.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	205,226,482	1.72
8.	Miss Piangjai Hampanij *	134,960,000	1.13
9.	Mr. Kittipol Tuantong	133,000,000	1.11
10.	BuaLuang Long-Term Equity Fund	108,154,200	0.91
Total		7,054,476,600	59.03

Remark:\* Mr. Anant Asavabhokin's group has total combined shares of 30.73 percent.

## 1.4 Number of registered shares and paid-up shares

(1) As at December 31, 2023, the Company has registered capital of 12,031,105,828 Baht, with the paid-up capital of 11,949,713,176 Baht, divided into 11,949,713,176 common shares at the par value of 1 Baht per share.

The number of common shareholders holding through the Thai NVDR Co., Ltd. as of January 17, 2024 was 1,462,508,963 shares, representing 12.24 percent of the paid-up shares. Since the shareholders holding through Thai NVDR Co., Ltd. is unable to exercise the right to vote in the shareholders' meeting (except in the case of exercising rights to vote on the delisting of shares from listed securities), the shareholders who do not hold shares through Thai NVDR Co., Ltd. shall have 13.95 percent increase in voting right, in effect the shareholders who hold 21.94 percent shares of the paid-up capital will have the right to vote up to 25 percent of total shares with voting rights. The investors can check the latest number of shares held through Thai NVDR Co., Ltd. from the website of the Stock Exchange of Thailand ([www.set.or.th](http://www.set.or.th)).

(2) Other types of shares

-None-



## 1.5 Issuance of other securities

### 1.5.1. Debenture

As at December 31, 2023, the total amount of outstanding debentures is 43,900 million Baht, all are unsubordinated and unsecured debentures. The details are as follows:

Debenture	Issue Size (million Baht)	Coupon rate per annum	Term / Maturity Date
No. 1/2018	1,200	2.96%, semiannual payment	7 years / 7 March 2025
No. 1/2021 (2)	5,000	1.50%, semiannual payment	3 years / 26 April 2024
No. 2/2021	8,000	1.46%, semiannual payment	3 years / 19 October 2024
No. 1/2022 (1)	2,000	Discount rate 1.73% per annum	2 years / 25 April 2024
No. 1/2022 (2)	4,700	2.26%, semiannual payment	2 years 11 months 30 days / 24 April 2025
No. 2/2022 (1)	1,600	3.00%, semiannual payment	2 years 6 months 13 days / 24 April 2025
No. 2/2022 (2)	4,250	3.25%, semiannual payment	2 years 11 months 28 days / 9 October 2025
No. 3/2022	1,150	Discount rate 2.66% per annum	1 years 11 months 22 days / 3 October 2024
No. 1/2023 (1)	2,800	Discount rate 2.72% per annum	2 years 4 months 29 days / 9 October 2025
No. 1/2023 (2)	5,200	2.92%, semiannual payment	3 years 4 days / 14 May 2026
No. 2/2023 (1)	1,300	3.51%, semiannual payment	2 years 6 months 3 days / 9 April 2026
No. 2/2023 (2)	5,800	3.63%, semiannual payment	3 year 3 days / 9 October 2026
No. 3/2023	900	Discount rate 3.34% per annum	2 year 10 days / 16 October 2026

All debentures are assigned the latest credit rating of A+Stable by TRIS Rating Co., Ltd. on November 23, 2023.

As for the covenant of the debentures, the Company must maintain the net debt to equity ratio of not more than 1.50:1 according to the consolidated financial statements and for the debentures issued from No.1/2021 onwards the Company must maintain the net debt to equity ratio not higher than 2.00:1 according to the consolidated financial statements.



## 1.6 Dividend Policy

The Company currently has a policy to pay dividend distributed from its net profit to the shareholders each year. To pay the dividend, the following factors must be taken into consideration its operating results, financial status, liquidity, business expansion plan and other factors related to the management of the Company. The payment of such dividend must seek approval from the Board of Directors and/or the shareholders' meeting. According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2004 on January 26, 2004, the meeting resolved to amend Article 42 of the Company's Articles of Association Re: Dividend Payment as follows:

Article 42 Re: Dividend Payment "The dividends must be distributed from the profit of the Company. In case the Company still has accumulated loss, the Company is not permitted to pay out dividends. In case the Company earns profits, the Board of Directors can advise the distribution of the profits as dividend payment only if Company's capital is unscathed."

As for the dividend payment policy of the subsidiary, the subsidiaries will pay out dividends to the Company from their net profit, taking various factors into account including performance outcomes, financial position, liquidity, investment plans and other factors related to the management of the subsidiary company.

### Dividend Payment

	2021	2022	2023
Earnings per share (Baht/share)	0.58	0.70	0.63
Dividend per share (Baht/share)	0.50	0.60	0.50
Dividend payout ratio (%)	86	86	80



## 2. Risk Management

### 2.1 Policy and Risk Management

Recognizing significant shifts in the business environment that could impact an organization's ability to strive for sustainable business successes, the Company values risk management as an essential process for managing risks to cope with internal and external uncertainties, enhancing competitiveness and business opportunities to achieve short-term and long-term business goals, as well as boosting confidence among stakeholders.

The Company formulated a risk management policy to guide operations and communicate with all involved parties to promote awareness and compliance. It assigned those in charge of risk management, from the Board of Directors, management to all employees. It also conducts a policy review at least yearly, based on evolving risks affecting the organization. Furthermore, it created a corporate culture of risk management. This implementation ensures a common understanding and awareness of risks, leading to effective development and improvement of the risk management process.

\* The Company has disclosed full version of the risk management policy on the Company's website.

### 2.2 Risk Management Guidelines

The Company's risk management framework is guided by internationally recognized standards: the Committee of Sponsoring Organizations of the Treadway Commission, September 2004 (COSO ERM) and the International Organization for Standardization (ISO 31000:2009

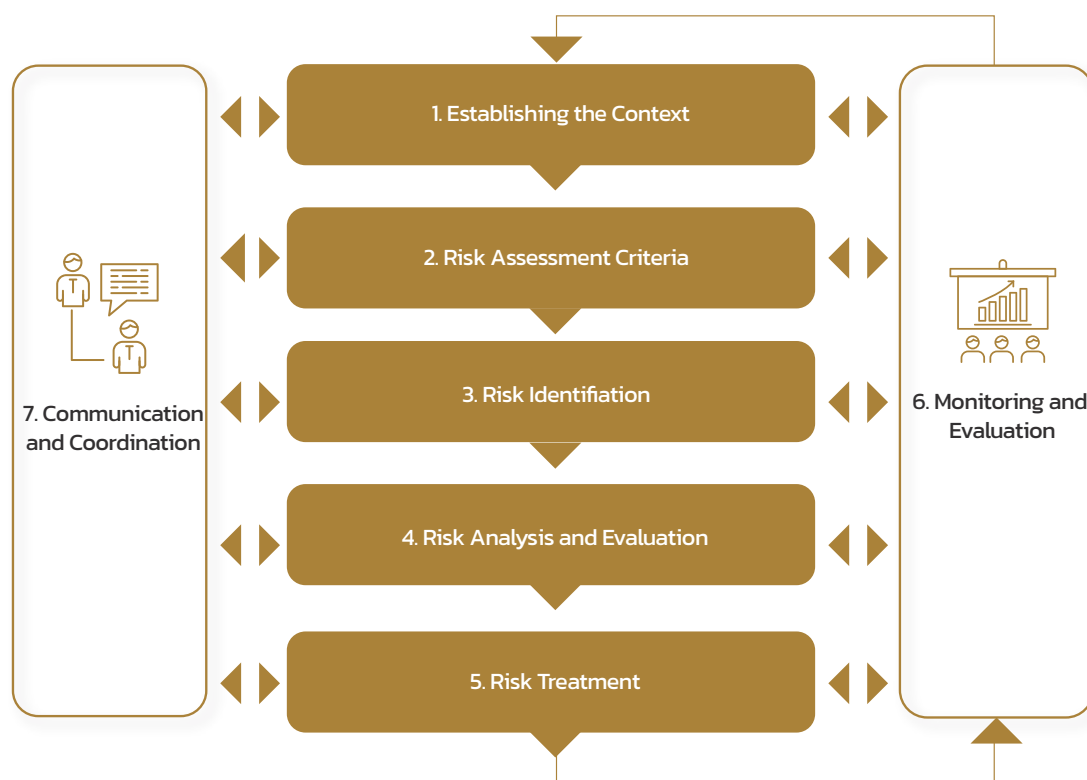


Risk Management), including risk determination from economic, social, and environmental perspectives. The process is directly supervised by the Risk Management and Sustainable Development Committee (RMSDC).

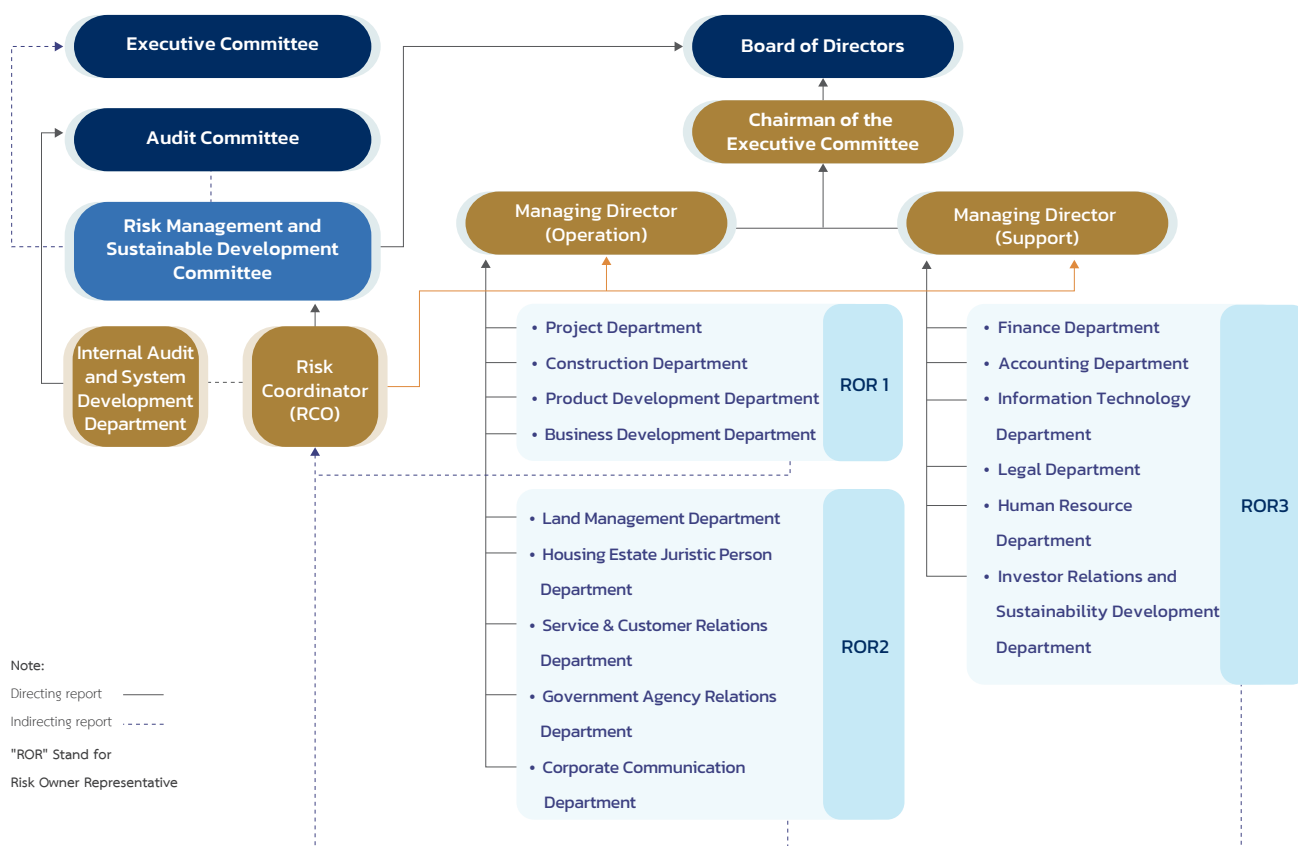
### 2.3 Risk Management Process

The risk management process, executed systematically and continuously, is a shared responsibility of the Board of Directors, management, and employees to minimize the potential damage and meet the Company's risk appetite, which should be assessable, controllable, and auditable. The Company developed and improved the risk management process so that every unit can uniformly perform for corporate business goals. There are 7 stages in the process, as illustrated below:





### The Risk Management Structure





### Promoting Risk Management Culture

The Company promotes the risk management culture by requiring all parties to serve as risk owners, managing risks from risk identification, analysis, and assessment. It aims to determine mitigation measures, including monitoring and evaluating risks. Then communicating through the department's coordinator reports risk levels and status to top management and the Risk Management and Sustainable Development Committee (RMSDC).

In 2023, the Company trained and educated employees about risks and risk management as follows:

- 2 training sessions with tests on personal data protection risks for sales representatives:



**No. 1**  
No. of Trainees  
**167 People**  
Average Scores  
**90%**

**No. 2**  
No. of Trainees  
**157 People**  
Average Scores  
**99%**

- Training on first aid and CPR as one of the measures in operational risks, with 61 employees from all departments joining
- Training on the Personal Data Protection Act (PDPA), with 30 employees from all departments joining. The Company disseminated the contents through its intranet so that all employees could access them. They must also take a post-test to ensure clear understanding of and full compliance with PDPA, since this issue is considered one of the Company's risks.



## 2.4 Risk Factors to Business Operation

### 2.4.1 Strategic Risks

#### (1) Risk from Pre-built construction

The Company conducts business on pre-built houses to increase customer confidence under economic uncertainty and volatility. The benefit is the ability to control costs, quality, construction plan and operations well. However, pre-built houses may not meet customers' needs because their behaviors have changed, and the Company might have conducted behavioral analysis inaccurately. If the Company cannot sell pre-built houses for an extended period, it may lead to liquidity issues because the investment in those houses cannot be converted into revenue in time, thus placing more burden on maintenance costs. Therefore, the Company focuses on constantly and proactively researching the behaviors of each customer segment, such as its residents, walk-in customers, potential customers, and competitors' customers, including the market data and customer insight.

#### (2) Risk from lower consumer demand or purchasing power, resulting in under-the-target sales volume

The volatile Thai economy shows signs of slowing down due to global economic conditions, the rising residential interest rates, the Bank of Thailand's tightened LTV (Loan-to-Value-Ratio) criteria for mortgage loans, and stricter lending policies of commercial banks. Consequently, these factors impact consumers' purchasing demand and purchasing power, thus preventing them from buying or investing in real estate. The Company has taken various counteractions to mitigate such risks, including closely and continuously monitoring the situation, defining a process to study consumer behaviors, adjusting strategies or business plans in line with economic conditions, and formulating a backup plan to cope with future changes and uncertainties that may impact business operations.



## 2.4.2 Operational Risks

### (1) Production risks

The risks associated with a labor and construction material shortage and a higher construction materials cost because multiple real estate developers have sprung up, leading to more demand for construction materials and workers. It may cause a scarcity of materials and labor, resulting in rising material costs. These issues may affect the Company as extended project development periods and increased construction costs, thus affect its liquidity and profitability.

In 2023 the Company and its subsidiaries operated 87 projects on hand, giving the Company's high bargaining power over contractors and material suppliers. Also, the Company has adopted a pre-built strategy for single detached houses, the key product of the Company. This strategy enabled the Company and the contractors to plan construction schedules and order materials ahead, thus preventing a shortage of materials while controlling the costs and construction period as planned. In 2023, since the overall construction material price index rose only 0.1 percent, higher material prices were not an issue.

### (2) Risk from inadequate land or inability to acquire land promptly to meet the demand

Land is considered as the Company's fundamental operational factor. High demand land plots in prime locations are highly competitive and their prices continue to rise. The Company must spend some time on inspection and execution in compliance with laws on land acquisition. However, being unable to purchase land as planned would directly affect its business. Therefore, the Company has proactively managed risks by planning land acquisition to align with project development plans or to reserve land for future use. It leverages several acquisition channels, for instance, its website, as an additional channel to contact agents or landowners directly. Furthermore, it studies and monitors real estate situations closely to learn about the trends and potential land development in different locations.

### (3) Risk from failure to implement high-rise projects as planned

In implementing high-rise projects, the Company is legally obliged to conduct Environmental Impact Assessment (EIA). The reporting and approval-requesting process may take quite some time, leading to a project development not being as planned. However, the Company assigns outsourced consultants to prepare an Environmental Impact Assessment (EIA) report. It also includes the step of environmental approval request in the project consideration process to allow buffer time. Moreover, it provides project information and communicates with surrounding communities to ensure better understanding and completed implementation as planned. As of 31 December 2023, the Company was able to operate as planned.

## 2.4.3 Financial Risks

### (1) Risk from the impairment of other non-current financial assets

As of 31 December 2023, the Company and its subsidiaries have non-current financial assets of 2,696.35 million Baht or accounted for 2.04 percent of total assets (details are as described in Section 3, the Management Discussion and Analysis). Main non-current financial assets comprise (1) Vistamalls Inc., the investment in the Philippines of 1,156 million Baht (2) Land and Houses Freehold and Leasehold Property Fund of 538 million Baht (3) Quality Houses Leasehold Property Fund of 165 million Baht (4) Bangkok Mass Transit System PCL of 229 million Baht (5) LH Shopping Centers Leasehold Real Estate Investment Trust of 439 million Baht (6) Derivatives of 169 million Baht. The Company is prone to a risk incurred from the impairment of the investment, perhaps causing a decrease in investment value.

However, it is the Company's equity investment policy to focus on the investment in real estate and other businesses relevant to the Company's main businesses. Those include the businesses that the Company is interested in and has considered that they are likely to have a reasonable return. Investment decisions are subject to consideration by the Board of Directors.



## (2) Risk from loan to subsidiaries

As of 31 December 2023, the Company extended short-term and long-term loans to its 6 subsidiaries in total amount of 20,356 million Baht, principal and accrued interest, in form of unsecured promissory notes as follows:

Subsidiaries	Shares proportion by the Company (%)	Loan to Subsidiaries (million Baht)	Interest rate (%)
Land and Houses U.S.A. Inc.	100.00	12,288	3.58-5.90
Land and House Northeast Co., Ltd.	100.00	1,615	2.50
LH Asset Co., Ltd.	100.00	1,410	2.50
LH Mall & Hotel Co., Ltd.	99.99	4,520	2.50
Siam Tanee Property Co., Ltd.	100.00	200	2.50
Atlantic Real Estate Co., Ltd.	100.00	323	2.50-2.75
<b>Total</b>		<b>20,356</b>	

As of 31 December 2023, the Company has provided long-term loans to Land and Houses U.S.A. Inc. (LH USA), the 100 percent owned subsidiary. The loan amount is 360.8 million USD or 12,288 million Baht, with the interest rate of 3.58-5.90 percent per annum. Such loan will be repaid to the Company once the invested property could be sold, or otherwise, the loan could be refinanced by the financial institutions.

Other subsidiaries have borrowed loans from the Company to develop housing projects. The Company will receive the loan repayment when the subsidiaries finish their projects and transfer the ownership to customers.

Therefore, the Company is prone to a risk of loss on loans to the subsidiaries, however, the invested properties by the subsidiaries could be sold if needed. As for the subsidiary, LH USA, it used the loan from the Company to invest in properties including 3 apartments for rent, 2 in California and 1 in Oregon, and 1 hotel in California which will provide long-term returns to the Company in the future. LH USA has developed a plan to sell each apartment and hotel when the returns are reasonable.

Moreover, it is the Company's policy to emphasize on its subsidiaries' operations, e.g., by sending representatives to serve as directors, establishing policies and closely supervising their business operations as well as overseeing and monitoring the repayment of debts and interests to the Company as per schedule. The Company therefore expects that there should be no problem in the loan repayment of the subsidiaries and yet has not set up an allowance for doubtful accounts from lending to the subsidiaries.

## 2.4.4 Compliance Risk

### (1) Risk from the legal disputes, damages claims or litigation

As of 31 December 2023, the Company does not have any significant lawsuits. The Company carries over a lawsuit filed with a total principal of 61 million Baht which is the maximum damage that may occur to the Company. The Company has already set aside the provision of 2 million Baht.





## 2.4.5 Environmental, Social, and Corporate Governance Risks

### (1) Risk from climate change affecting business operations

#### (2) Human right risks

Both items are emerging risks to the Company.

## 2.4.6 Emerging Risks

### (1) Risk from climate change affecting business operations

Climate change is an urgent and critical global agenda item affecting the environment and socioeconomic adaptation, and the World Economic Forum ranked it as a top global risk. The Company recognizes climate change risk as a crucial issue for it to control the impact and find a way to adapt and grow despite the risk. It has assigned the

Risk Management and Social Development Committee to consider, define, review, and improve climate-change strategies, including managing potential risks, before proposing them to the Board. The Committee also oversees and monitors compliance with such strategies.

In 2023 the Company identified key risks and opportunities related to climate change, such as transition risk and physical risk, and defined the following strategies:

#### 1. Transition Risk

No.	Type	Impact Timeframe	Risk and Opportunity	Potential Financial Impact
1	Policy and law	Medium term and long term (3-20 years)	<ul style="list-style-type: none"> <li>New laws and regulations related to climate change, such as the National Climate Change Act (Global Warming Act) and climate change-related taxes or interest rates</li> <li>Requirements for low-carbon construction materials, products, and services</li> </ul>	<ul style="list-style-type: none"> <li>Increasing costs of construction materials, products, and services</li> <li>Higher operating expenses, such as costs related to greenhouse gas projects</li> <li>Rising interest rates in case of no action taken to manage climate change</li> </ul>
2	Technological change	Medium term (3-10 years)	<ul style="list-style-type: none"> <li>Development of construction technologies and use of energy-efficient or fuel-efficient machinery</li> <li>Growth of renewable-energy technologies or higher energy efficiency</li> <li>Design or use of energy-efficient construction materials, such as energy-saving light bulbs and green materials and equipment</li> <li>Contribution to greenhouse gas reduction</li> <li>Participation in a partnership or agencies related to renewable energy or the design of green materials and equipment</li> </ul>	<ul style="list-style-type: none"> <li>Higher operating expenses if ignoring fuel-efficient or energy-efficient machinery</li> <li>Investment or cooperation with partners to develop innovations</li> <li>Lower operating expenses, such as utility expenses in common areas before the handover to the juristic person</li> <li>Lower electrical expenses and fuel consumption</li> </ul>



No.	Type	Impact Timeframe	Risk and Opportunity	Potential Financial Impact
3	Marketing	Long term (more than 10 years)	<ul style="list-style-type: none"> <li>Increasing demand for green products and services</li> <li>Higher consumer needs for residences using renewable energy</li> <li>Development of innovative products and services to fulfill the needs of environmentally conscious consumers</li> </ul>	<ul style="list-style-type: none"> <li>Shrinking market share If the Company does not adapt itself to consumer behaviors</li> <li>Increasing opportunities to sell products that meet the needs of green consumers</li> <li>Investment in innovation development or collaboration with partners</li> <li>Enhanced corporate image as a company that values the environment</li> </ul>
4	Reputation	At any point in time	<ul style="list-style-type: none"> <li>Tarnished reputation as a non-eco-friendly company</li> <li>Increased ability to manage supply chains and operate under dynamic internal and external factors</li> </ul>	<ul style="list-style-type: none"> <li>The Company's goodwill may influence consumers' decisions to purchase a residence, which impacts the sales volume</li> <li>Increasing costs of resolving environmental impacts</li> <li>Investment in developing the environmental management supply chain</li> <li>Enhanced corporate image as a company that values the environment</li> </ul>

### Strategy for Transition Risk Management

1. Define policies and goals that cover the efficient use of resources, consumption of alternative energy, and reduction of greenhouse gas emissions to become a low-carbon organization in the future
2. Apply the findings of surveys and studies on consumer needs to the design and development of innovative products and services
3. Support the development of green innovation and technologies
4. Follow up and review performance results of greenhouse gas reduction operations

## 2. Physical Risk

No.	Type	Impact Timeframe	Risk and Opportunity	Potential Financial Impact
1	Disaster or drastic climate change	Medium term (3-10 years)	<ul style="list-style-type: none"> <li>Flash floods delaying construction</li> <li>Higher temperatures affecting workers' health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Alonger construction period or interrupted construction due to rain and flooding, resulting in higher operating costs</li> <li>Design that responds to and prevents more severe disasters, leading to higher costs of goods sold</li> <li>Due to flooding, higher maintenance costs of finished residences before delivery to the juristic person</li> </ul>



No.	Type	Impact Timeframe	Risk and Opportunity	Potential Financial Impact
				<ul style="list-style-type: none"> <li>Higher premiums of building or property insurance</li> <li>Medical treatment costs for workers injured or sick from working under warmer conditions</li> </ul>
2	Permanent climate change	Long term (more than 10 years)	<ul style="list-style-type: none"> <li>Heat waves or continued rising temperatures</li> <li>Unusual seasonal changes, such as longer rainy seasons or summers</li> <li>Rising sea levels that may impact land prices</li> <li>Climate changes affecting workers' health</li> </ul>	<ul style="list-style-type: none"> <li>Higher operating costs for longer construction periods due to rain or hot weather</li> <li>Faster deterioration of buildings and constructions due to severe weather conditions, resulting in higher maintenance costs</li> <li>Increasing land costs</li> <li>Costs of medical treatment for workers injured or sick from working under warmer conditions</li> </ul>

### Strategy for Physical Risk Management

1. Create a business continuity management system
2. Manage operational safety

### Metrics and Targets

The Company has disclosed information on greenhouse gas emissions Scopes 1, 2, and 3 of the Head Office and project offices in Form 56-1 One Report. The data were collected under the guidelines of the Thailand Greenhouse Gas Management Organization (Public Organization), 8<sup>th</sup> revised edition, and the ISO 14064-1 international standard. Furthermore, it assigned external auditors to verify and certify the amount of greenhouse gas emissions.

The Company targeted greenhouse gas reduction as follows:

Short-term target by 2025	Long-term target by 2027
To reduce greenhouse gas emissions by 5% from the base year, 2022	To reduce greenhouse gas emissions by 8% from the base year, 2022

The details of the performance can be seen under topic "Greenhouse Gas Management"



### (2) Human rights risks

Recognizing the significance of employees' and all stakeholders' human rights, the Company established policies and guidelines for its respect of human rights, aligned with the United Nations Universal Declaration of Human Rights (UNDHR). Furthermore, it conducted a companywide comprehensive human rights risk assessment to identify, prevent, and mitigate the impact of the risk that actually or potentially occurs. It also sets comprehensive guidelines for investigating human rights issues. For further details can be seen under topic "Human Rights Management".



## 2.5 Crisis Management

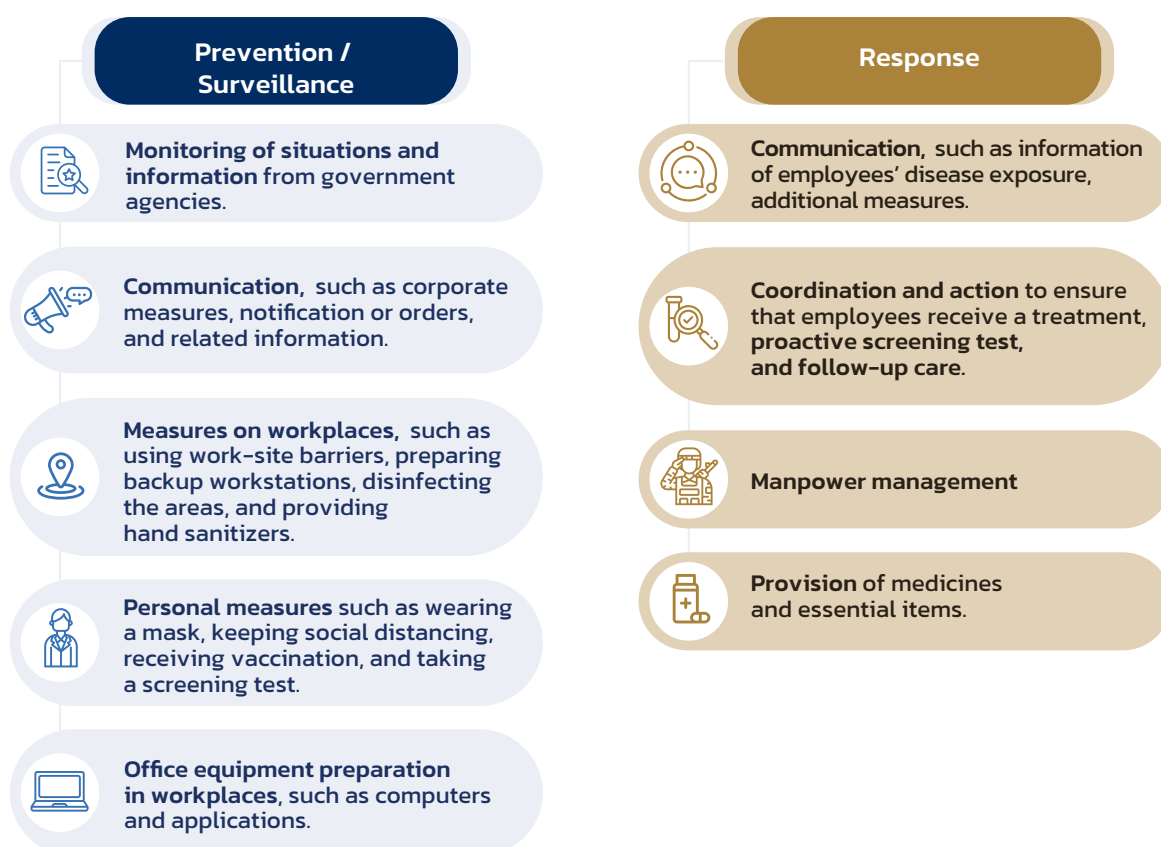
The Company values the significance of responding to critical risks that impact business operations, whether they are elements of nature, such as flash floods and epidemics, or man-made, such as fires, protests, riots, and cyber attacks. Thus, it has introduced the Business Continuity Management System (BCMS) as guidelines for uninterrupted business, for continuous business operation. It also communicates internally with all employees so that they acknowledge and understand the guidelines as follows:

- 1) Determine the key departments or functions responsible as per plan on crisis response, including the Disaster Management Committee.
- 2) Prepare a preventive and response plan : Determine procedures, establish a crisis management command center, and prepare backup work locations.
- 3) Organize drills under the preventive and response plan : Organize an annual drill to ensure that management and employees know their roles and what to do during a given crisis. These drills can also identify shortcomings in established countermeasures so that relevant parties can further improve.

In 2023 Land and Houses organized a drill simulating an emergency that prevented employees from operating at the Head Office. As a result, all employees, including support systems, successfully continued operating, passed the evaluation and were certified by Internal Audit and System Development Department.

### Epidemic prevention and response

To prevent and respond to epidemics, the Company has established a dedicated taskforce to perform the duty under the following guidelines:







## 3. Driving Business for Sustainability

The current business operations face numerous challenges, resulting in the necessity for all businesses to adapt themselves and undergo continuous development for survival and secure as well as sustainable growth. Therefore, sustainability development is crucial.

Land and Houses Public Company Limited is committed to operating business based on good corporate governance in tandem with social-environmental responsibility to create value for all stakeholders, leading to secure, sustainable economic growth.

### 3.1 Sustainability Management Policies and Goals

#### 3.1.1 Policies on Organizational Development toward Sustainability

The Company devises policies and practices on organizational development toward sustainability for the directors, executives, employees, as well as all stakeholders as follows:



**To operate business under the good governance code and good corporate governance**

The Company adheres to corporate governance in accordance with the core characteristics of good corporate governance comprising honesty, transparency, independence, social responsibility, fairness, and responsibility for obligation.



**To operate business by adhering to community, social, and environmental responsibilities**

The Company conducts business with emphasis on the management to reduce negative impacts of its operations on community, society, and the environment, in parallel with the management to promote positive impacts of its operations such as consumption of resources and energy with the most value and efficiency.



**To operate business with participation and consideration of all stakeholders**

The Company values and takes responsibility for stakeholders equally. The Company is also ready to listen to stakeholders' opinions and provide guidelines for efficient response to forge common and sustainable growth with stakeholders.

\* The Company discloses a full Policy on Organizational Development towards Sustainability on the Company's website.



### 3.1.2 Material Sustainability Issues

The Company devises analytical procedures for materiality issues of sustainable development to cover all aspects, including environmental, social, governance and economic aspects as follows:

#### (1) Analytical procedures for materiality issues

##### Process 1 : Identification of materiality issues

Consider the materiality issues from an analysis of internal and external factors, such as the Company's weaknesses and strengths with impact on its business operations, risk indicators at the organizational level, global trend in the real estate industry, United Nations Sustainable Development Goals (UN SDGs), and the Global Reporting Initiative (GRI). The issues of stakeholders' interests through various participation channels include shareholders' meeting, suppliers' meetings, employee satisfaction and opinion surveys, and feedback from customers.

##### Process 2 : Prioritization

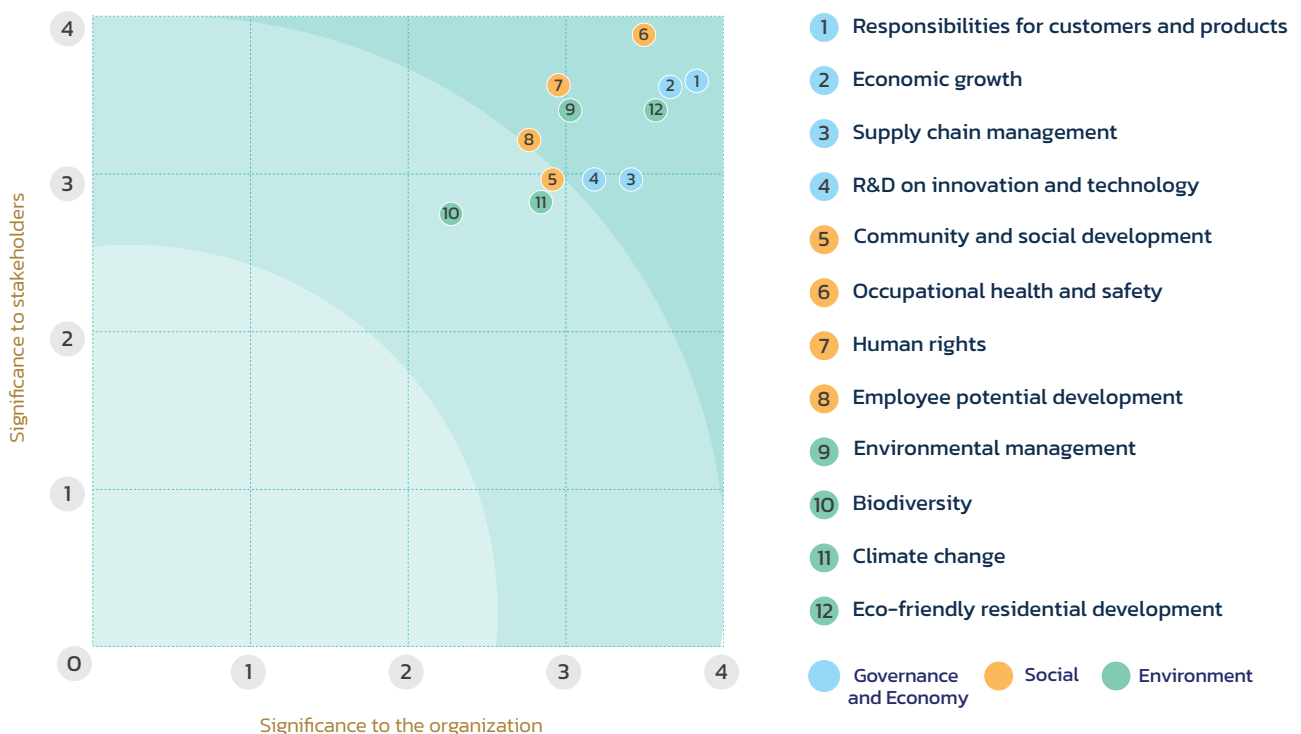
Rank the materiality issues representing environmental, social, governance, and economic opportunities and impacts by considering the materiality issues on the organization and all stakeholders.

##### Process 3 : Verification of issues

Compile and summarize the results of the materiality issues before submitting them to the Risk Management and Sustainable Development Committee for review and approval, as well as approval for relevant contents before incorporating these in the annual report and disseminating on the Company's website. The approved materiality issues will be submitted to senior management for action. In addition, the Company conducts an annual review of materiality issues.

#### (2) Materiality Matters

In 2023, the Company conducted an analysis based on the determined process and reviewed the materiality matters in addition to those of 2022 for more inclusion. The additional materiality matters included climate change and biodiversity. The results of the analysis of materiality matters are summarized as follows:





Based on such analysis, the Company classified the issues and determined the guidelines for sustainable management as follows:









Environmental Aspect	Social Aspect	Governance and Economic Aspect
Materiality Issues		
<ol style="list-style-type: none"><li>1. Environmental management</li><li>2. Climate change</li><li>3. Eco-friendly residential development</li><li>4. Biodiversity</li></ol>	<ol style="list-style-type: none"><li>1. Human rights</li><li>2. Employee potential development</li><li>3. Occupational health and Safety</li><li>4. Community and social development</li></ol>	<ol style="list-style-type: none"><li>1. Economic growth</li><li>2. R&amp;D on innovation and technology</li><li>3. Supply chain management</li><li>4. Responsibilities for customers and products</li></ol>
Operating Guidelines		
<ul style="list-style-type: none"><li>• Energy consumption and waste management</li><li>• House design in perfect blending with surroundings, in parallel with Eco-friendly technology that promotes well-being</li><li>• Choose circular supplies and install energy-saving devices in the houses</li><li>• Use renewable energy in operational process</li></ul>	<ul style="list-style-type: none"><li>• Equitable treatment to all and respect for human rights</li><li>• Developing competency and increase knowledge and skills of employees continuously, in line with the business strategies</li><li>• Safety, occupational health, and work environment management</li><li>• Continuous implementation of projects and activities for community and society</li></ul>	<ul style="list-style-type: none"><li>• Design and produce Eco-friendly products that meet the needs and behavior of consumers</li><li>• Customer relationship management and handling of complaints</li><li>• Commitment to ensuring customers' personal data security</li><li>• Supplier management to forge common sustainable growth</li></ul>
Concept		
Effective natural resource management	Creating value for all stakeholders	Excellent products and services for sustainable sustainable growth



The Company also conducted an analysis of each materiality issue impacting its operation in order to set operational goals and assess benefits for the Company, community, society, and environment, as well supporting the UN SDGs as follows:

Materiality Issues	Impacts on Company	Sustainability Management Goals	Operating Guidelines	Benefits for Company, community, society, and environment	UN SDGs
<b>Environmental aspect</b>					
1. Environmental management	<ul style="list-style-type: none"> <li>Organization's competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Efficient energy and resource usage, as well as reduced negative impact on environment</li> </ul>	<ul style="list-style-type: none"> <li>Energy consumption and waste management</li> </ul>	<ul style="list-style-type: none"> <li>Long-term cost reduction</li> </ul>	 
2. Climate change	<ul style="list-style-type: none"> <li>Attracting customers value products with environmental responsibilities</li> </ul>		<ul style="list-style-type: none"> <li>House design in perfect blending with surroundings, in parallel with Eco-friendly technology that promotes well-being</li> </ul>	<ul style="list-style-type: none"> <li>Complaints reduction on pollution arising from business operations</li> </ul>	 
3. Eco-friendly residential development	<ul style="list-style-type: none"> <li>Attracting customers value products with environmental responsibilities</li> </ul>		<ul style="list-style-type: none"> <li>with Eco-friendly technology that promotes well-being</li> </ul>	<ul style="list-style-type: none"> <li>Attracting customers value products with environmental responsibilities to take an interest in the Company's products</li> </ul>	 
4. Biodiversity	<ul style="list-style-type: none"> <li>Company's production costs</li> </ul>		<ul style="list-style-type: none"> <li>Choose circular supplies and install energy-saving devices in the houses</li> <li>Use renewable energy in operational process</li> </ul>	<ul style="list-style-type: none"> <li>Raise more environmental awareness</li> <li>Energy consumption reduction</li> <li>Pollution emission reduction into the environment</li> </ul>	 

### Social aspect

1. Human rights	<ul style="list-style-type: none"> <li>Attract talents</li> </ul>	<ul style="list-style-type: none"> <li>Employees' potential and well-being</li> </ul>	<ul style="list-style-type: none"> <li>Equitable treatment of all and respect of human rights</li> </ul>	<ul style="list-style-type: none"> <li>Quality performances from quality employees</li> </ul>	 
2. Employee potential development	<ul style="list-style-type: none"> <li>Confidence in working with the Company</li> </ul>	<ul style="list-style-type: none"> <li>Create livable community and society</li> </ul>	<ul style="list-style-type: none"> <li>Continuous employees' competency development, and their enhanced knowledge and skills in line with business strategies</li> </ul>	<ul style="list-style-type: none"> <li>Employees' well-being, good health, and safety at the workplace</li> </ul>	 
3. Occupational health and Safety	<ul style="list-style-type: none"> <li>Company's competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Community and social acceptance of the Company's business operations</li> </ul>	<ul style="list-style-type: none"> <li>development, and their enhanced knowledge and skills in line with business strategies</li> </ul>	<ul style="list-style-type: none"> <li>Employees' career advancement and engagement</li> </ul>	 
4. Community and social development	<ul style="list-style-type: none"> <li>Community and social acceptance of the Company's business operations</li> </ul>	<ul style="list-style-type: none"> <li>Community and social acceptance of the Company's business operations</li> </ul>	<ul style="list-style-type: none"> <li>Safety, occupational health, and work environment management</li> <li>Continuous implementation of projects and activities for community and society</li> </ul>	<ul style="list-style-type: none"> <li>Desirable company to work with</li> <li>Company recognized by community and society for business operations</li> <li>People living in community and society have good quality of life and well-being</li> </ul>	 



Materiality Issues	Impacts on Company	Sustainability Management Goals	Operating Guidelines	Benefits for Company, community, society, and environment	UN SDGs
Governance and economic aspect					
1. Economic growth	• Business turnover	• Innovative products and services for good dwelling	• Design and produce Eco-friendly goods in response to consumers' needs and behavior	• Company's revenue	8 DECENT WORK AND ECONOMIC GROWTH
2. Research and development on innovation and technology	• Ability to develop products in response to customers' needs	• Company's competitiveness	• Customer relationship management and handling of complaints	• Stakeholders' income (such as employees, shareholders, suppliers)	9 AFFORDABLE AND CLEAN ENERGY
3. Supply chain management	• Company's competitiveness		• Commitment to keeping customers' personal data security	• Customers' good quality of life	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
4. Responsibilities for customers and products	• Business continuity		• Supply chain management to forge common sustainable growth	• Customers' loyalty	11 SUSTAINABLE CITIES AND COMMUNITIES
				• Quality products and services in continuous response to customers' needs	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
				• Shareholders' and investors' confidence in investment	

### (3) Scope of Materiality Issues

Concept	Materiality issue	Supporting activity	Scope of impact on stakeholders							Report topic
			Employee	Shareholder/ investor	Customer	Supplier	Community/ society	Financial institution/ creditor	Public sector	
Effective natural resources management	Environmental management	Energy management	✓	✓	✓	✓	✓	✓	✓	Energy management
		Water and wastewates management	✓	✓	✓	✓	✓		✓	Water and wastewater management
		Waste management	✓	✓	✓	✓	✓		✓	Waste management
	Air pollution management from construction	✓	✓	✓	✓	✓		✓	Air pollution management from construction	





Concept	Materiality issue	Supporting activity	Scope of impact on stakeholders								Report topic
			Employee	Shareholder/ investor	Customer	Supplier	Community/ society	Financial institution/ creditor	Public sector	Competitor	
	Climate change	Climate change risk management	✓	✓	✓	✓	✓	✓	✓		Risk management
		Greenhouse Gas management	✓	✓	✓	✓	✓	✓	✓		Greenhouse Gas management
	Eco-friendly residential development	Construction material management				✓	✓		✓		Eco-friendly residential development
		Eco-friendly design	✓	✓	✓	✓	✓	✓	✓		Eco-friendly residential development
	Biodiversity	Biodiversity conservation/ protection		✓			✓		✓		Biodiversity
Creating value for all stakeholders	Human rights	Human rights management	✓	✓	✓	✓	✓	✓	✓	✓	Human rights management
		Human resource management	✓						✓		Human resource management
		Promoting employee relationship and employee engagement	✓						✓		Human resource management
	Employee potential development	Employee training and development	✓						✓		Human resource development



Concept	Materiality issue	Supporting activity	Scope of impact on stakeholders								Report topic
			Employee	Shareholder/ investor	Customer	Supplier	Community/ society	Financial institution/ creditor	Public sector	Competitor	
Excellent products and services for sustainable growth	Occupational health and safety	Safety, occupational health, and work environment management	✓			✓					Occupational health and safety management
		Create livable community and society					✓				Development and engagement with community and society
	Economic growth	Corporate governance	✓	✓	✓	✓	✓	✓	✓	✓	Corporate governance
		Risk management and crisis management	✓	✓	✓	✓	✓	✓	✓	✓	Risk management and crisis management
	Development of quality of products and services		✓	✓	✓						Development of quality of products and services
Research and development on innovation and technology	Innovation and development of operating processes		✓	✓	✓		✓				R&D on innovation and technology



Concept	Materiality issue	Supporting activity	Scope of impact on stakeholders							Report topic
			Employee	Shareholder/ investor	Customer	Supplier	Community/ society	Financial institution/ creditor	Public sector	
	Responsibilities for customers and products	Development of quality of products and services	✓	✓	✓					Development of quality of products and services
	Supply chain management	Promote supplier code of conduct				✓				Sustainable Supply chain management
		Critical suppliers ESG audit				✓				
		Supplier development for common sustainable business operations				✓				



#### (4) Goals and Performance in Each Aspect

Effective natural resources management	Unit	Goal	2021	2022	2023
Electricity consumption per area unit	Kilowatt per square meter	-	-	64	65
Water consumption per area unit	Liter per square meter	-	-	2,341	3,000
Projects reusing treated water	Percentage	-	-	-	27
Amount of water recycling	Cubic meter	-	-	-	366,720
Amount of garbage and waste taken to landfill	Kilogram	-	-	14,775	14,448
Complaints from community living around construction sites about dust pollution	Time	0	0	0	0
Project of activities on “Reduce dust and tidy areas”	Percentage	100	-	100	100
Verification of GHG emission by external auditor	-	Action taken	-	Action taken	Action taken
Ratio of GHG emission per area unit (Scope 1 and 2)	Ton of carbon dioxide equivalent per square meter	-	-	0.043	0.040
Value of purchase of construction materials certified according to eco label	Percentage	-	-	22	19
Projects using Precast concrete walls	Percentage	-	-	-	94
New projects' designed clubhouses with solar rooftops	Percentage	100	-	-	100
New projects' designed electricity systems that supports EV charging	Percentage	100	-	-	73
Projects operated in biodiversity conservation areas	Project	0	0	0	0
Creating value for all stakeholders	Unit	Goal	2021	2022	2023
Case of human rights violation across value chain	Case	0	0	0	0
Labor dispute	Case	0	0	0	0
Employees' total remuneration	million Baht	-	1,162	1,198	1,138
Ratio of remuneration of female employees to male employees (excluding top management)	Time	-	0.90:1	0.90:1	0.93:1
Percentage of employees joining the provident fund scheme	Percentage	-	95	94	94
Meeting of welfare committee	Time	4	-	4	4
Employees under the protection of welfare committee in establishment	Percentage	-	100	100	100
Employee satisfaction assessment result	Percentage	75	-	80.8	80.1
Employee engagement assessment result	Percentage	75	-	84.5	84.8
Employee average training per person per year	Hour	16	14	16	15



Creating value for all stakeholders	Unit	Goal	2021	2022	2023
Actual training and development budget	million Baht	16	6	6	6
Number of fatalities as a result work-related injury of employee	Person	0	0	0	0
Number of fatalities as a result work-related injury of contractor	Person	0	0	0	0
Number of lost time cases by work-related injury of employee	Person	0	0	0	0
Number of lost time cases by work-related injury of contractor	Person	0	0	0	0
Lost-time injury frequency rate of employees	Person/200,000 hours worked	0	0	0	0
Lost-time injury frequency rate of contractors	Person/200,000 hours worked	0	0	0	0
Significant dispute with community and society	Time	0	0	0	0
Budget used in projects or activities for community and society development	million Baht	-	48	15	3.3
Excellent products and services for sustainable growth	Units	Goals	2021	2022	2023
Founded complaints regarding code of conduct	Topic	0	0	0	1
Cases code of conduct violation	Topic	0	0	0	1
Case of non-compliance with law and regulations regarding the environment, society and corporate governance	Case	0	0	0	0
Rate of dividend payment per net profit	Percentage	-	86	86	80
Drill of business continuity management plan	Time per year	1	1	1	1
Innovation project	Project	-	-	2	2
Actual for Research and Development on innovation budget	million Baht	-	-	4.3	4.4
Customer satisfaction for Company's products and services	Percentage	85	91	92	92
Complaint on violation of personal data security	Case	0	0	0	0
Complaint on violation of consumer rights	Case	0	0	0	0
Other complaints that are resolved	Percentage	99	99.65	99.44	99.37
Suppliers who have signed to abide by the supplier code of conduct	Percentage	50	-	-	84.25
Compliance with the payment policy to supplier	-	Congruent	Congruent	Congruent	Congruent
Number of projects or activities for supplier development	Project	-	-	-	3





## 3.2 Stakeholders in the Business Value Chain

### 3.2.1 Business Value Chain

The Company engages in business value chain and inter-connected key operating processes as follows:

#### Value Chain

By the concept to create a better living



Land Acquisition  
and Funding

01

- Project feasibility study
- High-potential land acquisition
- Target group identification
- Competitor analysis



Project  
Design

02

- Analysis of behavior and needs of target groups
- Design of resident-centric and ECO-friendly buildings and project areas
- Material selection
- Compliance with laws and regulations



Construction

03

- Contractor selection and procurement
- Construction monitoring and supervision
- Product quality inspection
- Project surroundings inspection
- Compliance with laws and regulations



Marketing &  
Sales

04

- Marketing model identification
- Marketing communications and sales promotion
- Loan facilitation
- Ownership transfer and product delivery



After-Sales  
Service

05

- Juristic person establishment
- Product inspection and remedial action within guarantee period
- Customer relationship management
- Feedback follow-up



## 3.2.2 Business Stakeholders

### 1) Process of Stakeholder Analysis

The Company conducts an analysis of stakeholders to appropriately determine the strategy of participation, processes as follows:

01

#### Identification of stakeholders crucial to business

- Consider the relationship of stakeholders on the Company's business operations across the entire value chain

02

#### Classification of stakeholders

- Classify stakeholders according to the format of connection with the Company

03

#### Identification of the Company's impact level on stakeholders

- Assess economic, social, and environmental impacts

04

#### Identification of stakeholders' influence level on the Company

- Assess influence on finance, operation, rules and regulations, reputatiuon, and strategies, etc.

05

#### Ranking of stakeholders

- Classify by the Company's impact level on stakeholders and the stakeholders' influence levels on the Company
- Determine the appropriate guideline and engagement channels for each group of stakeholders.

### 2) Identification of the Company's Stakeholders

The Company identifies stakeholders involved in key operational processes in each value chain and classifies them according to the format of connection with the Company into eight groups :

Internal stakeholders	External Stakeholders
Employees	Shareholders/investors
	Customers
	Suppliers
	Community/society
	Public sector
	Financial institutions/ creditors
	Business competitors

### 3) Ranking of Stakeholders

The ranking of stakeholders is an essential process for analysis and prioritization of stakeholders with whom the Company wants to forge participation and determine appropriate guidelines to create engagement of important stakeholders through consideration of the following factors :

1. **Influence** means the level of stakeholder with influence on the Company's operation with the power to change or decide on any of the Company's issues.
2. **Interest** means the level of stakeholders with interest in the Company's operation.



Table of the level of scores used to assess the level of importance of stakeholders

Level of scores	Y Influence	X Interest
1 - Low	Low level of power or influence to determine the Company's results	Low level of interest or importance to determine the Company's results
2 - Moderate	Moderate level of power or influence to determine the Company's results	Moderate level of interest or importance to determine the Company's results
3 - High	High level of power or influence to determine the Company's results	High level of interest or importance to determine the Company's results
4 - Very high	Very high level of influence to determine the Company's results which may impact or suspend the Company's operation	Very high level of interest or importance which may impact or suspend the Company's operation


The assessment of the level of importance of stakeholders revealed that the top three stakeholder groups included employees, shareholders/investors, and customers.

#### 4) Stakeholder Engagement

The Company forges participation of all stakeholders through numerous channels such as discussion, advice, opinion survey, PR news, Company's website, communication through social media, investor meetings, supplier meetings, shareholders' meeting, and the Company's annual report. This aims to know the needs, expectations, and concerns of each group of stakeholders, and then analyze the opinions and recommendations to understand the expectations and needs to be able to appropriately determine guidelines for responses.

Stakeholder group	Needs / Expectation	Response approach	Engagement channel
<b>Employees</b> 	<ul style="list-style-type: none"> <li>Fair, equitable, and non-discriminatory treatment</li> <li>Suitable compensation and welfare</li> <li>Job security and career advancement</li> <li>Development of caliber and learning</li> <li>Safety at workplace</li> </ul>	<ul style="list-style-type: none"> <li>Human rights management</li> <li>Fair compensation as well as welfare at good level and competitive with the labor market</li> <li>Annual performance assessment</li> <li>Employee training and development</li> <li>Employee relationship and participation</li> <li>Safety, occupational health, and work environment management</li> </ul>	<ul style="list-style-type: none"> <li>General/monthly meetings</li> <li>CEO Message</li> <li>Internal communication</li> <li>Reception of complaints made through phones, email, and complaint post box</li> <li>Employee satisfaction and employee engagement survey</li> <li>Representative of welfare committee</li> <li>Representative of Committee of Occupational Safety, Health and Safety</li> </ul>
<b>Shareholders/ investors</b> 	<ul style="list-style-type: none"> <li>Steady growth in performance</li> <li>Corporate governance with adherence to good governance code and managed with openness, transparency, accountability, and equipped with risk management system</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate payout of dividends</li> <li>Corporate governance</li> <li>Integration of sustainability guidelines with business strategies</li> </ul>	<ul style="list-style-type: none"> <li>Annual report</li> <li>Annual General Meeting of Shareholders</li> <li>Quarterly investor and analyst meetings</li> <li>Company visits</li> </ul>



Stakeholder group	Needs / Expectation	Response approach	Engagement channel
<b>Shareholders/ investors</b> 	<ul style="list-style-type: none"> <li>• Appropriate returns on investment</li> </ul>		<ul style="list-style-type: none"> <li>• Company's regular communication through online channels such as website, Facebook, LINE, and Instagram</li> </ul>
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Responsible products and services with due regard for consumers' rights</li> <li>• Development of products meeting consumers' needs</li> <li>• Quality and standardized products and services</li> <li>• Personal data protection</li> </ul>	<ul style="list-style-type: none"> <li>• Development of innovative products and services</li> <li>• Speedy and efficient complaint-handling</li> <li>• Ongoing communication of product information and customer activities and privileges</li> <li>• Customer relationship management</li> <li>• Policy and practices for customers' personal data security, with strict enforcement</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction survey</li> <li>• Call Center No. 1198</li> <li>• Company's regular communication through online channels such as website, Facebook, LINE, and Instagram</li> </ul>
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>• Fair and non-discriminatory procurement</li> <li>• Efficient, transparent, and accountable procurement system</li> <li>• Mutual business growth</li> </ul>	<ul style="list-style-type: none"> <li>• Policies and practices on procurement</li> <li>• Compliance with regulations and trade conditions</li> <li>• Best practices for suppliers such as business ethics</li> <li>• Promote membership of anti-fraud and anti-corruption network</li> <li>• Receive opinions and guidelines for joint operation</li> </ul>	<ul style="list-style-type: none"> <li>• Regular meetings with suppliers</li> <li>• Supplier assessment form</li> <li>• Supplier Audit</li> <li>• Joint training with suppliers</li> <li>• Company's website</li> </ul>
<b>Community/society</b> 	<ul style="list-style-type: none"> <li>• Business operations with due regard for community and environmental impacts</li> <li>• Environmental protection around community</li> <li>• Fair handling of complaints</li> </ul>	<ul style="list-style-type: none"> <li>• Ecosystem Stewardship of community surroundings</li> <li>• Business process redesign for mitigation and environment-friendliness through controlling pollution, garbage, and waste along with conscientious consumption of water and energy</li> <li>• Environmental improvement both inside and outside the project</li> <li>• Sharing knowledge with institutions, agencies, and organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Survey and engagement meetings with communities</li> <li>• Project visits by agencies/ academic sector</li> <li>• Joint activities with communities, public, private, and academic sectors</li> <li>• Company's website</li> </ul>



Stakeholder group	Needs / Expectation	Response approach	Engagement channel
<p>Community/society</p> 		<ul style="list-style-type: none"> <li>• Using of Eco-friendly construction materials</li> <li>• Listen to community's opinions and complaints</li> </ul>	
<p>Public sector</p> 	<ul style="list-style-type: none"> <li>• Compliance with rules, regulations, laws, and policies of regulators</li> <li>• Continuous engagement in public agencies' activities and projects</li> <li>• Good corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>• Factual, accurate, and complete reporting of business outcomes</li> <li>• Cooperation and support of public projects</li> <li>• Strict compliance with applicable laws</li> </ul>	<ul style="list-style-type: none"> <li>• Courtesy calls and coordination</li> <li>• Meetings, seminars, and engagement in public agencies' activities</li> <li>• Company's website</li> </ul>
<p>Financial institutions/creditors</p> 	<ul style="list-style-type: none"> <li>• Debt repayment in accordance with terms and conditions</li> <li>• Business operation according to goals or investment plans</li> <li>• Present financial products to the Company and customers who are home buyers</li> </ul>	<ul style="list-style-type: none"> <li>• Debt repayment within schedule</li> <li>• Management of performance under suitable risk management</li> <li>• Operation in accordance with investment plans</li> <li>• Considering and presenting financial products beneficial to the Company and customers who are home buyers</li> <li>• Presenting financial products to the Company and customers who are home buyers</li> <li>• Conducting joint promotional activities with financial institutions to respond to the financial needs of customers who are home buyers</li> </ul>	<ul style="list-style-type: none"> <li>• Meeting with Relationship Manager</li> <li>• Contact financial department</li> </ul>
<p>Business competitors</p> 	<ul style="list-style-type: none"> <li>• Transparent and fair business conduct</li> </ul>	<ul style="list-style-type: none"> <li>• Disclosure of business data on the Company's and the Stock Exchange of Thailand's websites</li> <li>• Fair business competition terms</li> <li>• Promotion of free-trade competition without monopolies</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings with associations or related entities on appropriate occasions</li> <li>• Company's website</li> </ul>





### 3.3 Sustainability Management in Environmental Aspects

#### Environmental Policies and Management Approaches

##### 3.3.1 Environmental Policies

The Company devises policies and practices relevant to environmental management to cover all processes across the value chain. The Company focuses on management to reduce GHG emission such as energy management, waste management in all activities, use of renewable energy to move toward being a low-carbon organization. The Company also determines goals to reduce GHG emission in 2 phases, namely the short-term phase to cut 5% by 2025 from the base year (2022) and the long-term phase to reduce 8% by 2027 from the base year (2022) by 2027. Moreover, it is committed to supporting Eco-friendly construction and building management through all its projects. For example, Eco-friendly and energy-saving design, selection of Eco-friendly materials, and importance placed on preservation of biodiversity. The Company is committed to protecting and preserving biodiversity for sustainability.

\* The Company discloses full Environmental Policies on the Company's website.

##### 3.3.2 Environmental Management Approaches

The Company determines its environmental management under the concept of "Effective natural resources management" by dividing its environmental management into two parts :

1. **Reduce GHG emission** such as energy management, water and wastewater management, waste management, usage of renewable energy, and reporting of carbon footprint for the organization.
2. **Support Eco-friendly construction and building management** starting from design to finished construction by focusing on home design that blends with surroundings, develop innovation or technology to support the consumption of energy and resources for maximum efficiency in all construction processes, as well as that of circular supplies, construction materials that are certified according to the Eco Label, and other energy-saving devices to principally promote well-being. The Company also determines measures and plans to prevent pollution and waste during construction to reduce environmental impact and in compliance with applicable laws and regulations. Moreover, the Company avoids operating projects in biodiversity conservation areas.



### Effective natural resources management



GHG emission reduction



Waste management



Assessment report of  
carbon footprint for  
organization



Air pollution management  
from construction



Energy management



Eco-friendly  
residential development

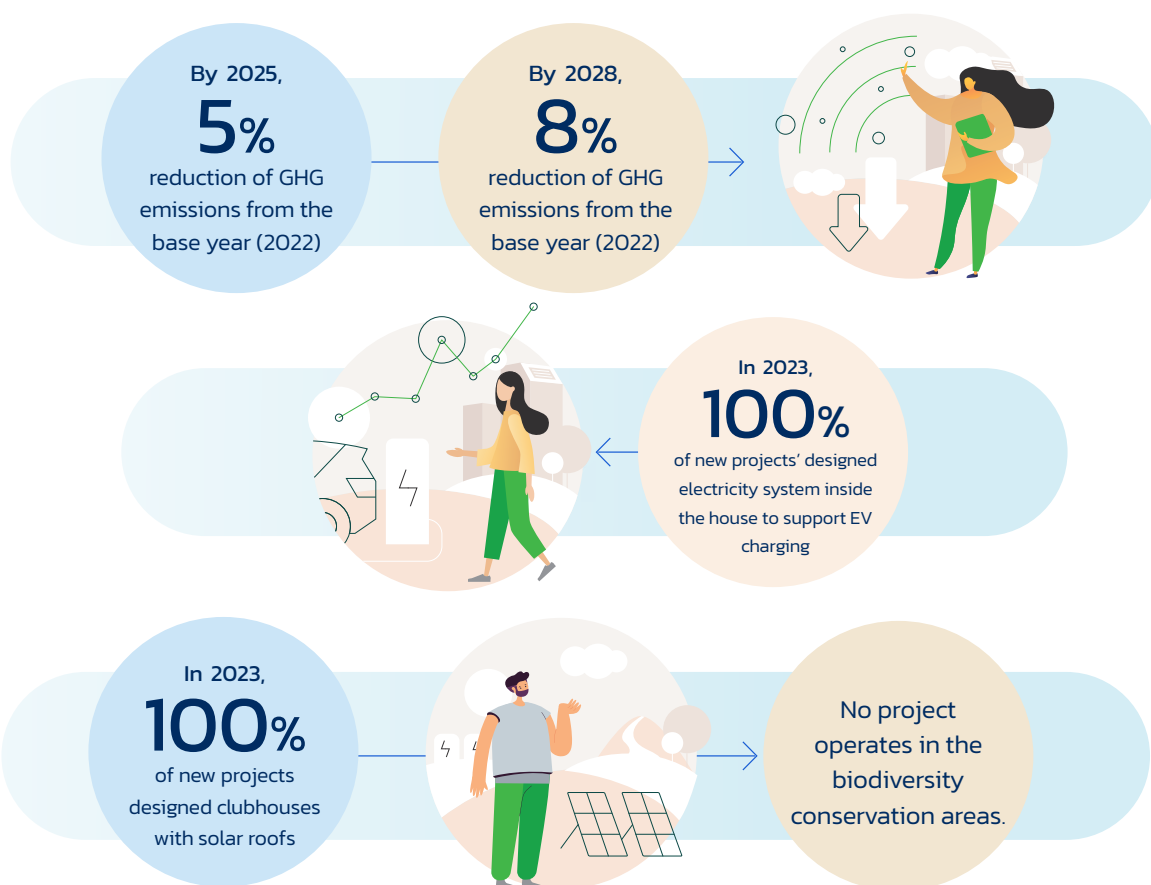


Water and wastewater  
management



Biodiversity protection/  
preservation

### 3.3.3 Sustainable Goals for Environment





### 3.3.4 Environmental Performance



#### (1) Energy Management

##### Significance and Management Approaches

The Company fully realizes that energy is a key factor for business operations. Efficient energy management is beneficial in many aspects, namely reduction of utility costs and GHG emissions. Therefore, the Company promotes energy management and usage through many projects such as the use of energy-saving devices, use of renewable energy, shifts to electric scooters in the projects, as well as designs that combine energy-saving innovation.

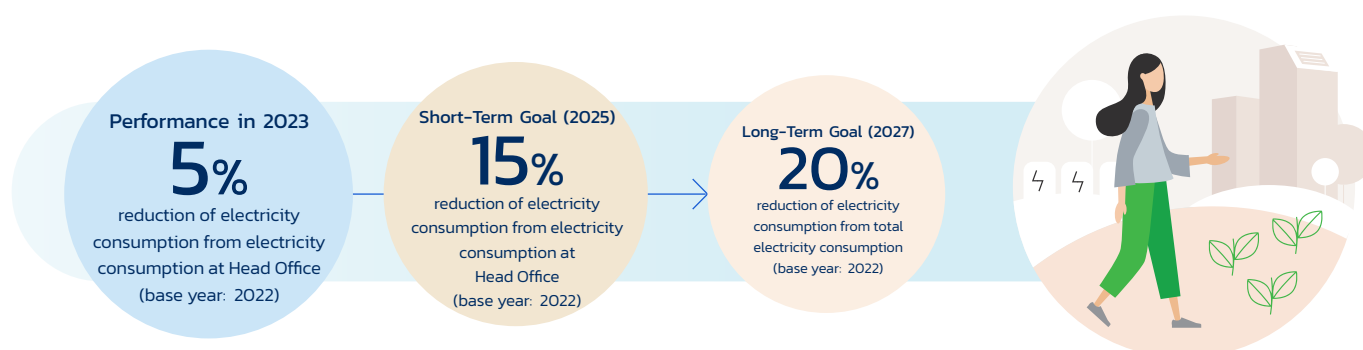
##### Performance

Based on collected information on the Company's energy consumption in 2022, most energy consumption came from electricity consumption in offices and that of energy in the form of diesel and gasoline, derived from the use of cars for business operations. In 2023, the Company started a project on energy usage reduction by shifting to energy-saving devices in offices and use of renewable energy. It is one of the projects that support the reduction of the Company's GHG emission.

In 2023, the data collection of energy consumption in the Company covered the areas of Head Office building, and sales offices, as done in 2022. The scope was extended to cover technician offices and service offices in the Company's total of 132 offices.

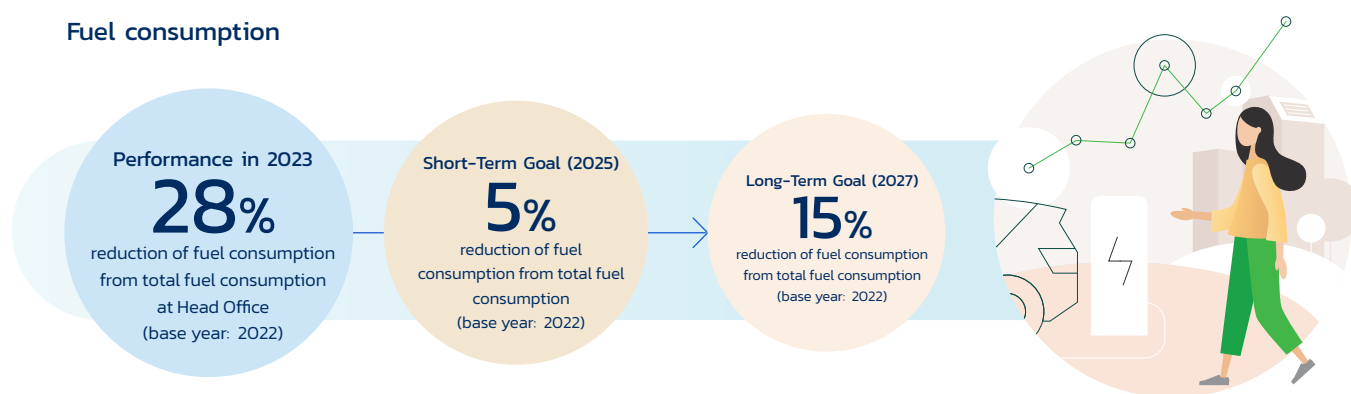
Amount of energy consumption in the Company	Unit	2022 (base year)	2023
Number of offices for data collection	Office	57	132
Electricity consumption	Kilowatt-hour	2,925,289	4,475,659
Electricity consumption per area unit	Kilowatt-hour / square meter	64	65
Electricity consumption only at Head Office	Kilowatt-hour	526,725	499,676
Fuel consumption			
- Diesel for corporate vehicles	Liter	53,108	65,750
- Gasoline for corporate vehicles	Liter	128,644	170,570
Number of vehicles	Vehicle	163	293
Fuel consumption per vehicle	Liter/vehicle	1,115.04	806.55

##### Energy consumption





### Fuel consumption



Most of the Company's energy-reduction projects were planned for implementation in the middle of 2023. As a result, the total energy consumption during the whole year decreased slightly. However, in 2024, the Company plans to review energy-saving projects. The Company will modify the plan for the activities still with relatively high rates of electricity and fuel consumption for appropriate management and in line with the defined goals.

### Renewable Energy Consumption

The Company advocates renewable energy for the activities of its operation such as shifts to electric vehicles and scooters, as well as the use of solar cells in projects' common areas such as clubhouses and wastewater treatment systems in order to promote energy-saving and reduction of GHG emission. Additional details are provided under Eco-friendly Residential Development.

Renewable energy consumption	Start of operation	Number	Amount of saved energy	
			Gasoline (liter)	Greenhouse gas (ton of carbon dioxide equivalent)
Shift to electric vehicles				
- Executive vehicle	May 2023	1 vehicles	1,503	0.3
- Corporate vehicles	September 2023	3 vehicles	2,777	1.6
Shift to electric scooters				
	July 2023	120 scooters	3,004	4.08



## Outstanding Project for Energy Management

Project to use electric scooters for driving within projects to replace the use of fossil fuels with clean energy

In project areas, motorcycles are used for operation in numerous activities. All motorcycles run on gasoline, which is one of the causes of GHG emission. Therefore, the Company initiated a project to use electric scooters for transporting in projects to support its target for lowering GHG emissions. The electric scooters used by the Company have passed the tests from the Electrical and Electronics Institute (EEI) and Thailand Automotive Institute with certified Thai Industrial Standard (TIS).



### Number of modified

**120** scooters



### Benefits

Reduce gasoline consumption by

**3,004** liters



Reduce GHG emissions of

**4.08**

tons carbon dioxide equivalent



### Examples of launched projects

- NANTAWAN Pinklao-Kanchana
- NANTAWAN Bangna km 15
- MANTANA Motorway-Rama 9
- MANTANA Bangna km 15
- indy WESTGATE
- Villaggio Suksawat-Pracha Uthit
- inizio Srinakarin
- CHAIYAPRUEK Chaengwattana
- CHAIYAPRUEK Bangna km 15

Project to use energy-saving bulbs at Head Office



### Installed spots

All spots at Head Office



### Benefits

Reduce **12%**  
of electricity consumption from  
that before the changes of bulbs



Reduce GHG emissions of

**13.36**

tons carbon dioxide equivalent





## (2) Water and Wastewater Management

### Significance and Management Approaches

The Company realizes that water is an essential part of business operations, whether as part of activities in construction projects or for consumption in offices. Therefore, it has devised methods of water management to ensure efficient consumption of water as well as wastewater management from construction projects to ensure that it does not cause pollution to surrounding communities:

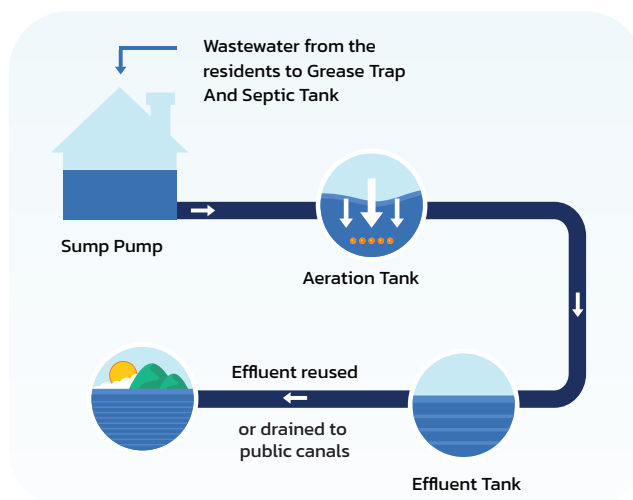
#### Water and wastewater management at Head Office

- Use water-saving faucets to reduce water consumption
- Campaign and raise awareness of employees for economical use of water
- Wastewater from Head Office will go into the central wastewater treatment system of the building that the Company rents. The building will then treat the wastewater and test the quality of the effluent to meet legal requirements before releasing it into public pipes.

#### Water and Wastewater Management in Projects

- Design and use prefabricated materials from factories to assemble at construction sites. This reduces the amount of water that would otherwise be consumed if it used conventional construction methods.
- Use water-saving sanitary ware such as faucets, or showerheads which also ease customers' household expenses.
- Design an effluent/wastewater treatment system that meets the standards required by law
- Conduct quality wastewater treatment required by the standard, monitor the quantity and quality, and report the performance of wastewater treatment system as stipulated by law
- Reuse treated wastewater
- Develop knowledge and ability of personnel responsible for wastewater treatment systems.

As for the wastewater treatment of a given project, wastewater will flow through the grease trap and the septic tank into the project's central manhole. It is then pumped into an aeration lagoon to treat the water quality to meet the standard. Some treated wastewater will be reused in the project's common



areas such as watering of trees. The rest will be released into drains or public canals.

When a given project's construction is completed, the Company's service department will take care of the wastewater treatment system. Environmental engineers will be responsible for the control of wastewater treatment system as required by law. To ensure that every step of its water treatment testing process complies with the law, the Company has outsourced and made an annual contract with a third party, a certified environmental specialist, to test and analyze water quality. In a quarterly inspection, the engineering team checks the overall condition of the wastewater treatment system within the specified period so that the water treatment system can work at full capacity. The team takes water samples from the treatment system for analysis of the chemical characteristics in an ISO/IEC 17025-accredited laboratory to measure the parameters of the wastewater<sup>1</sup> and compares it with government standards. However, if the quality of water fails to pass the criteria, the responsible team will continue investigating and finding solutions to the issue.

The Company determines that the operation and maintenance of wastewater treatment system in all projects will be the Company's responsibility until the project is handed over. It will also train residential juristic persons to take over the tasks.

Remarks : <sup>1</sup> Potential of Hydrogen (pH), Biochemical Oxygen Demand (BOD), Suspended Solids (SS), Total Dissolved Solids (TDS), Settleable Solids (SS), Oil & Grease (O&G), Total Kjeldahl Nitrogen (TKN), Sulfide (S<sup>2-</sup>)

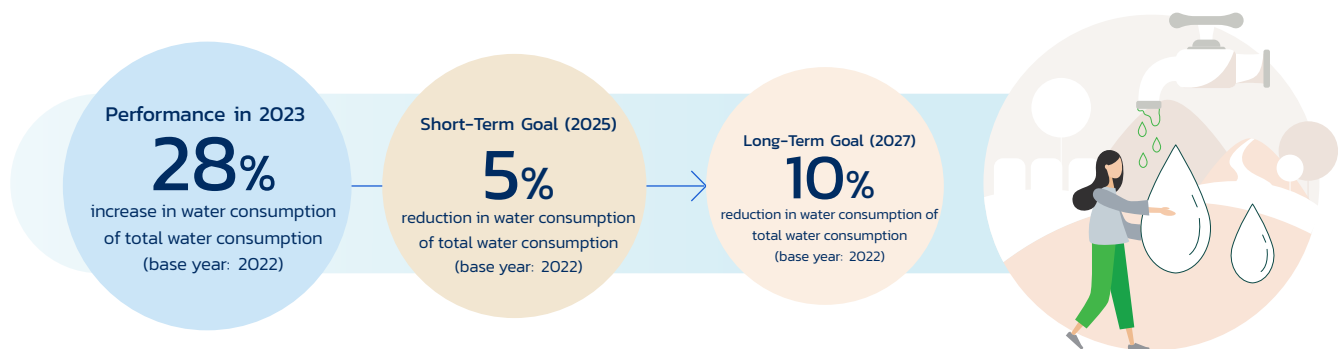


## Performance

In 2023, in the Head Office building, sales offices, technician offices, and service offices in the Company's project total of 132 offices, the water consumption was as follows:

Water Consumption in the Company	Unit	2022	2023
Number of offices with data collection	Office	57	132
Water consumption	Liter	106,615,597	206,061,000
Water consumption per area unit	Liter/square meter	2,341	3,000

As most of the Company's water-reducing projects were planned to start implementation in mid-2023, the total amount of water consumption through the year did not decrease according to plan. In 2024, the Company plans to review water-reducing projects to modify plans for activities with still sizeable water consumption to ensure appropriate management and meet the targets.



## Outstanding Water and Wastewater Management Project

### Use of water-saving faucets at Head Office

At Head Office, change into water-saving faucets according to the standard level 4 of Metropolitan Waterworks Authority

\* Level 4 : Rate of water flow not exceeding 4 liters/minute



### Performance

Change of water-saving faucets at all spots

### Start of operation

October 2023

### Benefits

Reduce



**4,000** liters

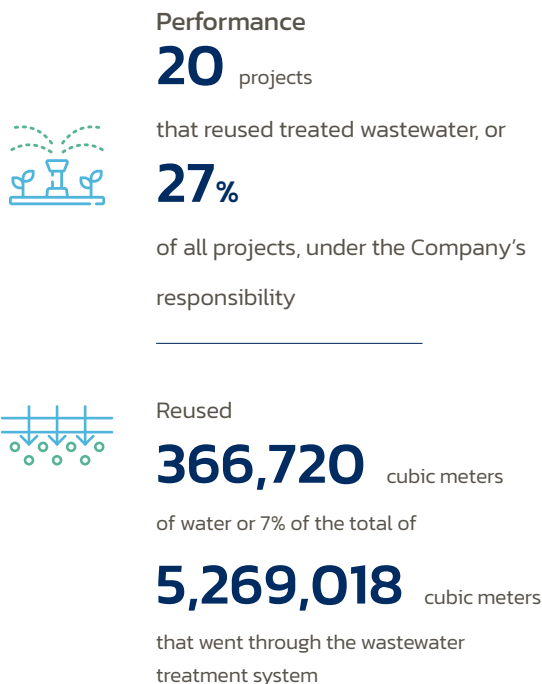
of water consumption or 2% from before the change





### Reuse Treated Wastewater in Project Common Areas

The Company stresses the importance of optimal resource consumption. Therefore, the project areas are equipped with the design to reuse treated wastewater. The service department is responsible for the reuse of treated wastewater in project common areas.



### (3) Waste Management

#### Significance and Management Approaches

The Company emphasizes management of garbage and waste derived from work processes in order to lower the impact on the environment and communities. It adheres to the waste management principle based on the concept of 3Rs to reduce waste in offices and project areas: Reduce waste by reducing the usage, use only as necessary and avoid excessive usage; Reuse used items without going through processing; and Recycle through waste sorting and into the production process again. The guidelines for waste management in work processes are:

- Encourage employees to contribute to reduced waste in offices through optimal resource utilization such as reuse of used paper (use of two-sided pages), reduced use of paper (paperless) by introducing IT and the digital system to replace paperwork, which not only reduces consumption of resources but also lowers costs.
- Create a culture for employees to reduce waste in their daily lives, especially to reduce and terminate the use of



#### Benefits

Reduced water consumption through the reuse of water of



**366,720** cubic meters



Reduced GHG emissions of

**291.47** tons of carbon dioxide equivalent

single-use plastics, such as refraining from accepting plastic bags with small purchases, use of cloth bags instead of plastic bags from shops. Employees are encouraged to bring their own glasses instead of single-use plastic or paper cups.

- Campaign for and raise awareness of waste sorting before disposal for employees and project contractors. The Company also provides garbage bins divided by type of waste at various spots in offices and projects.
- When designing and planning project construction, the Company prioritizes the selection of Eco-friendly construction materials. The Company also designs buildings with construction techniques with minimal scraps and controls operation across the construction process in line with the guidelines to reduce environmental impact.
- Conduct waste management from construction activities as stipulated by laws, with separation of the types of waste, storage, and disposal based on proper sanitary principles.



## Waste Management in Offices

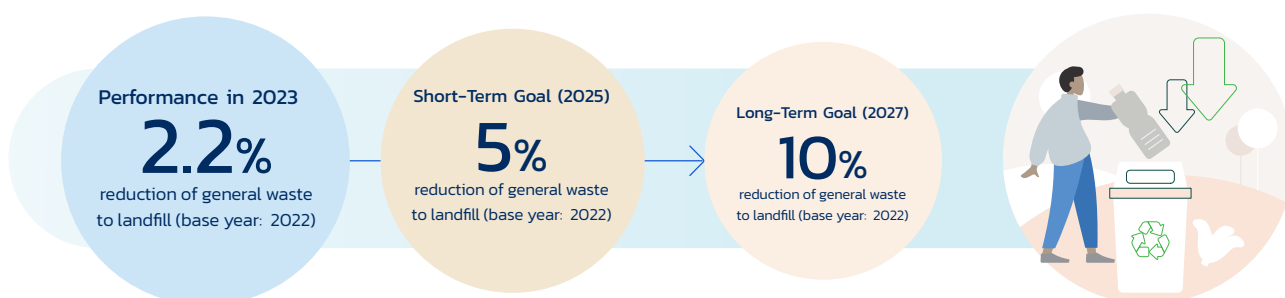
The Company provides garbage bins to separate types of garbage for disposal. They are divided into general garbage bin, recycled-garbage bin, and hazardous waste bin to facilitate employees to sort them before disposal. The Company also publicizes and campaigns for employees for disposal of correct types of garbage. In 2023, there were in total 21,518 kilograms of garbage, with 14,448 kilograms of general garbage for landfill, or down 2.21 percent from 2022 (the base year).



## Performance

Type of waste	2022		2023	
	Volume (kilogram)	Percentage	Volume (kilogram)	Percentage
General waste	14,775	65	14,448	67.14
Recycled waste	7,930	35	7,008	32.57
Hazardous waste	-	-	62	0.29
Total	22,705	100	21,518	100

Remarks: only at the Head Office





## Waste Management in Construction Projects

The Company emphasizes efficient garbage and waste management in construction projects from the pre-construction process to the completed construction. It starts from the process of project design, taking into account the ordered amount of construction materials for minimum material waste, as well as the selection of Eco-friendly materials to reduce environmental impact. Moreover, as for the operation, the Company organizes training to provide knowledge on waste

management to employees, contractors, and construction workers to promote correct methods of waste management.

The Company provides garbage bins for disposal of items not from construction. The bins are divided into general-garbage bin and recycled garbage bin to facilitate contractors or workers to sort garbage before disposal. As for the garbage from construction activities, the Company has the policy for contractors to dispose of it with proper methods.

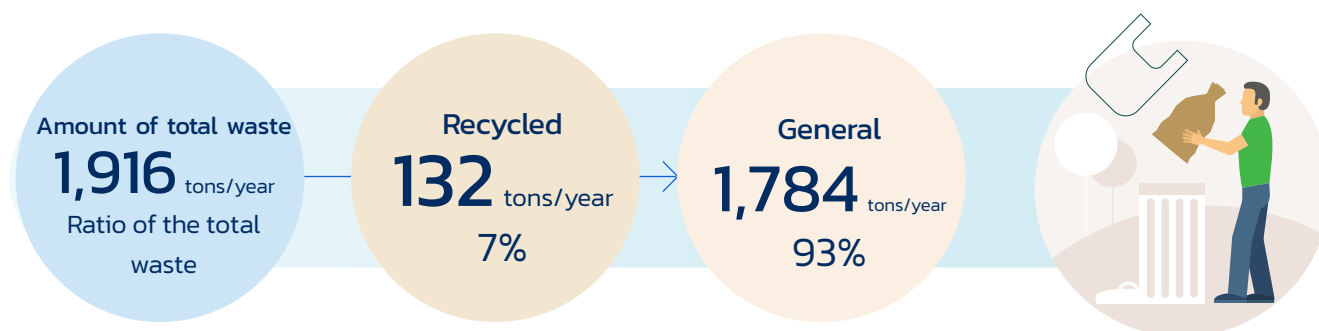


## Project to Promote Municipal Solid Waste

### Providing an Area for Sorting Household Waste

In 2023, the Company provided an area for household waste-sorting in some projects. It aimed to promote waste-sorting from the source for appropriate garbage and waste management. It created awareness among residents and encouraged them to participate in saving the environment. Moreover, it educated the residents on proper household waste management by providing garbage bins in 4 colors, based on the types of waste, namely general waste, recycled waste, organic waste, and hazardous waste, to make it easier to sort and store waste at the project's common waste disposal area.

In 2023, the Company hired private companies to collect waste from 53 projects with the following details:



Remarks: For organic waste and hazardous waste, the Company compiles and takes them to local authorities with proper methods of disposal without recording the total amount.





#### “reBox #4” Project

The Company encourages employees to donate all boxes and envelopes no longer in use at home and at work to the “reBox #4” Project, held in collaboration with Thailand Post Co., Ltd. under the concept of “lovable and tangible boxes”. These items will be recycled as “Merit boxes”, turned from packaging waste into valuable products and delivered to agencies for the blind to be used again, such as Thai Red Cross Society, Universal Foundation for Persons with Disabilities, Thailand Association of the Blind, Low Vision Association (Thailand), and Thai Association of the Blind Community. The project follows the concept of the Circular Economy with a focus on recycling resources or materials, reducing the felling of trees and fuel consumption associated with the production process of new packaging. Moreover, the Company raises awareness of sorting waste such as parcel boxes and paper envelopes so that they can be appropriately handled. The total donation accounted for 35 kilograms of boxes and envelopes.

#### Project to Donate Used Calendars and A4 Paper to the Foundation for the Blind in Thailand

The Company, together with employees, collected and donated old desk calendars and used A4 paper at home and at work, in total 111 kilograms, to the Educational Technology Center for the Blind, an agency producing media for the blind, and part of the Foundation for the Blind in Thailand under the Royal Patronage of H.M. the Queen. The items were turned into “Braille learning materials” for the visually impaired to gain access to quality materials and use the acquired knowledge to develop concepts and skills, and enhance potential.



#### “#Think Green” Project Campaign for Reduction of Plastic Usage

Since 2019, the Company has campaigned for less plastic consumption because plastic waste takes a long time to decompose. Through the “#Think Green” Project under the concept of “#THINK GREEN FOR A BETTER LIVING”, the Company takes the following actions :

1. The packaging of complimentary drinking water offered to customers visiting the Company’s projects or contacting its offices is made of UHT paper boxes instead of plastic bottles. The Company assigns Fiber Pattana Co., Ltd. to collect used paper boxes from its project offices and recycle them into “green roof sheets”. These sheets are then donated to the Friends in Need (of “PA”) Volunteers Foundation to construct houses and shelters for victims of natural disasters and affected communities throughout Thailand. In 2023, a total of 300 kilograms of drinking water boxes were collected.
2. “LH Recycle Plastic Uniform” Project produces employee uniforms by turning plastic water bottles into fiber. For one shirt, it takes 25 600-ml bottles. As a result, the project adds value and reduces plastic waste under the Circular Economy concept. In 2023, the Company ordered the production of 1,692 shirts, reducing waste from plastic bottles in the system, in total 42,300 bottles, and reducing GHG emissions of 1.78 Tons carbon dioxide equivalent
3. Reducing the consumption of single-use plastics for floor, furniture, and equipment covering from residents’ interior repair work and switching to blue sheets, which can be cleaned and reused. The Company can thus reduce 10 percent use of single-use plastics.



#### (4) Air Pollution Management from Construction

##### Significance and Management Approaches

Air pollution is one of the leading causes of health issues for construction workers and people living in nearby communities. It is also a major cause of climate change. Therefore, real-estate development must have measures and approaches to effectively manage air pollution and foster good health for all concerned.

The Company focuses on the reduction of the impact of dust at project sites. It appointed a working group under the supervision of the Housing Projects Division for the management of dust-reducing measures at construction sites. The working group studied the main sources of dust and concluded that the dust comes from 2 sources, namely:

1. Outdoor dust such as project access roads and landfilling
2. Dust generated in the interior-construction process such as ceiling sanding, wall sanding, pipe cutting, and tile cutting.

The working group formulated the management guidelines for reducing the impact of dust from before the start to the end of the project.

##### Dust-reducing measures in construction projects with “Reduce dust & tidy areas” Project

- Separate the types of road for the entrance and exit of the project to prevent the formation of dust from each type of roads such as concrete roads and gravel roads. Set up methods to take care of each type of road and clearly appoint the people in charge.
- All vehicles are required to pass through a wheel-washing pond before leaving construction sites. The Company conducts a comparative study to come up with suitable measures for each project. It ranks newly constructed projects that are dusty and muddy.
- Install dust barriers between construction areas and outside communities, and between construction areas and occupied houses to ensure sanitary safety and prevent dust from spreading to other parts of the projects.
- Install sprinklers along access roads during construction and spray water to prevent the spread of dust from vehicles running to and from construction sites.



- Request contractors to use dust collecting tools or equipment to minimize airborne materials from sanding, cutting, and grinding processes in all construction projects.
- Materials such as soil and sand must be piled on plastic canvas in designated areas only. Construction scrap must be kept in a separate waste bin from general waste. A recycling bin is provided and divided into 3 compartments for different waste, namely glass bottles, plastic bottles, and aluminum cans. The construction manager is responsible for construction waste management.
- Monitor and inspect all projects to ensure compliance with guidelines. The construction manager of each project must fill a dust reduction assessment form each month. Then, the results are reported at the working group's meetings. In case of any issue found, the team members will jointly discuss solutions and seek preventive measures.

##### Performance

Indicator	Goal	Performance
Number of complaints on air pollution from communities surrounding construction areas	0	0
Percentage of construction projects participating in the “Reduce dust & tidy areas” Project*	100	100

\* Only projects in Bangkok Metropolitan Region



### Dust reduction from sanding using Drywall sander with dust collection

The Company determines the use of a drywall sander with dust collection as one of the measures to reduce dust in construction projects. The device will prevent the spread of dust, thus reducing health risk for operators. Dust collection from sanding also facilitates management, with minimum environmental impact. The working group tested the efficiency of the sanding device against its non-use. It was found that dust was reduced by 37 percent - 59 percent.

Sanding area	Total space of sanding area (sq. m.)	Amount of total dust incurred (mg/m <sup>3</sup> )*		Amount of reduced dust	
		Non-use of device	Use of device	mg/m <sup>3</sup>	Percentage
Walls	1,476,187	206,666.18	129,904.46	76,761.72	37
Ceilings	555,476	74,433.78	30,551.18	43,882.60	59

\* Calculation compared with the result of dust measurement at operating sites

\*\* Dust measurement through Gravimetric Method

### Performance monitoring and inspection of dust reduction measures

- The working group monitored and inspected the performance of dust reduction measures through the Application Looker Studio
- It submits a summary of the results to the monthly meetings, as well as discussing problems and jointly formulating solutions.



### Results of inspection of measures Reduce dust & tidy areas example



### (5) Greenhouse Gas Management

#### Significance and Management Approaches

Climate change and global warming, currently faced by all, constitute an issue of interest among numerous groups of stakeholders. The impact is widespread, including violent natural disasters which impact livelihoods, basic infrastructure, society, and the economy, as well as potential impact on the Company's business operations. For example, risk from construction that may not meet the deadline due to floods, risk from the health of employees and contractors due to heat waves, and higher construction costs due to design for more efficient earthquake resistance. The main cause of climate change is greenhouse gases (GHGs).

The Company is aware of the issues and is therefore committed to being a part of the drive to reduce GHG emissions in parallel with better living and raise awareness and understanding of climate change among employees and relevant stakeholders. In 2023, the Company charged the Risk Management and Sustainable Development Committee with the responsibility of management, strategic formulation on climate change, potential risk and opportunity management, as well as supervision and monitoring of the compliance with the strategies and reporting to the Board of Directors. This action reflects the commitment and importance placed on the reduction of GHG emission with the aim of moving toward a low-carbon organization.



## Carbon Footprint for Organization (CFO)

The Company extends the scope of the organization in the report of Carbon Footprint for Organization from the former coverage of the Head Office building, consisting of Land and Houses Public Company Limited, LH Asset Company Limited, and Land and Houses Northeast Company Limited, as well as sales offices to the additional coverage of technician offices and service offices in low-rise and high-rise projects in Bangkok and periphery and those open for service in 2023, in total 132 buildings. Information on the activities of direct and indirect GHG emissions of the offices are mainly used, excluding construction activities. This report was examined by Internal Audit and verified by the expertise prior certification, which Bureau Veritas Certification Thailand Limited conducted as an external audit.

## Scope of Report of Carbon Footprint for Organization

Scope 1: Direct GHG Emissions	Scope 2: Energy-Indirect GHG Emissions	Scope 3: Other Indirect GHG Emissions
<ol style="list-style-type: none"> <li>Fuel consumption by vehicles (owned by the organization)</li> <li>Leakage of refrigerants from operation</li> <li>Methane emission from septic tank</li> <li>Use of extinguishing agent</li> </ol>	<ol style="list-style-type: none"> <li>Electricity consumption</li> </ol>	<ol style="list-style-type: none"> <li>Tap water consumption</li> <li>Use of paper</li> <li>Landfill of waste from the organization</li> <li>Acquisition of electricity and fuel consumed in the organization</li> <li>Employee commuting</li> <li>Business travel</li> </ol>

## Assessment guideline

It is referenced from the regulations of the calculations and reports of Carbon Footprint for Organization by Thailand Greenhouse Gas Management Organization (Public Organization) (TGO), 8<sup>th</sup> edition.

## GHGs under consideration

Carbon dioxide (CO<sub>2</sub>), fossil methane (fossil CH<sub>4</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), nitrogen trifluoride (NF<sub>3</sub>).

## Additional GHG under consideration

Hydrofluorocarbons R-22 (HCFC-22), Hydrochlorofluorocarbons R-12 (CFC-12), Carbon dioxide (CO<sub>2</sub>): Biogenic.

## Global Warming Potential (GWP)

The 5<sup>th</sup> assessment report (AR5) of the Intergovernmental Panel on Climate Change (IPCC).

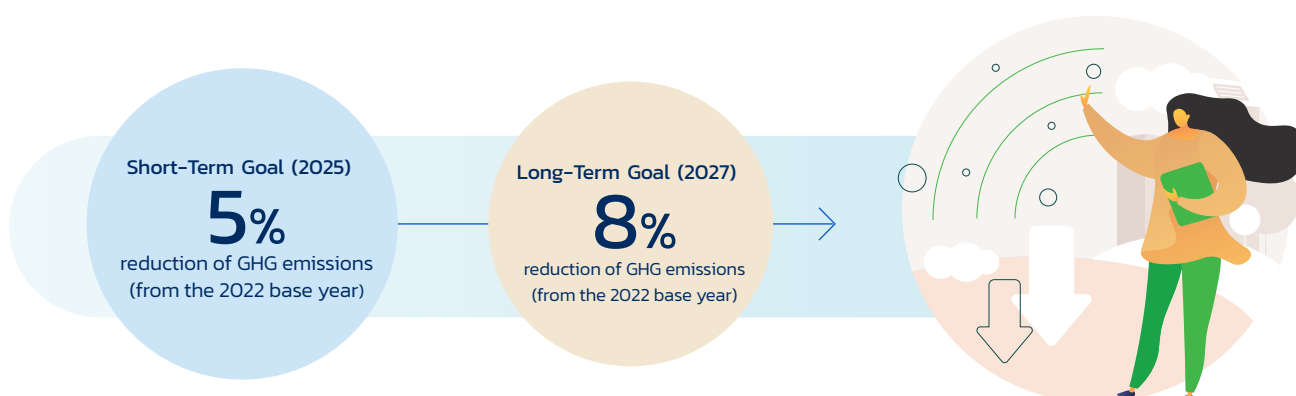




## Performance

The information on direct and indirect GHG emissions of the offices, excluding construction activities, covered the Head Office building, sales offices, technician offices, and service offices in low-rise and high-rise projects in Bangkok Metropolitan Region, open for service in 2023, in total 132 locations. The results of the measurement of GHG emissions from the Organization's activities are as follows:

GHG emissions of the organization (Tons of carbon dioxide equivalent)	2022 (base year)	2023	
Number of offices for data collection	57	132	
Scope 1	474	538	
Scope 2	1,463	2,238	
Scope 3	1,144	1,796	
Others	9	46	
Scopes 1 + 2	1,937	2,776	
Scopes 1 + 2 + 3	3,081	4,572	Reduction in percentage (compared to the base year)
Rate of GHG emissions per area unit Scopes 1 + 2 per sq. m.	0.043	0.040	5.0
Rate of GHG emissions per area unit Scopes 1 + 2 + 3 per sq. m.	0.068	0.067	1.5







## GHG emission reduction projects

Project	Activity	Performance in 2023	Amount of reduced GHGs (Tons of carbon dioxide)
Reduce fuel consumption	Shift of executive and corporate vehicles into EVs	<ul style="list-style-type: none"> <li>• 1 executive vehicle (May 2023)</li> <li>• 3 corporate vehicles (September 2023)</li> </ul>	1.9
Reduce electricity consumption at Head Office	Change to energy-saving bulbs at Head Office	100% at Head Office (August 2023)	13.36
Reduce water consumption at Head Office	In 2023, change of faucets with water-saving label at Head Office	100% at Head Office (September 2023)	0.003
Reduce the amount of waste for landfill in offices and project areas	Separate recycle waste from general waste for landfill	100% in offices and project areas (July 2023)	0.26
Total amount of reduced GHGs (Tons of carbon dioxide)			15.52

(6) Eco-friendly residential  
development

## Significance and management approaches

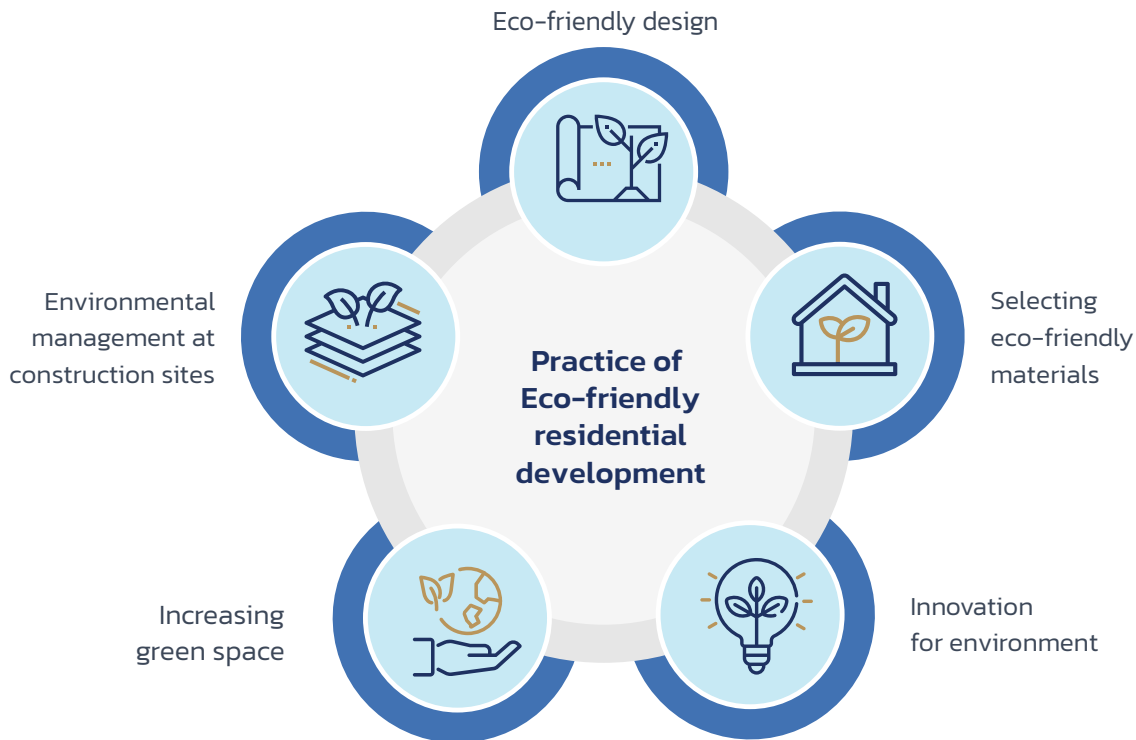
Climate change with its serious and evident impact results in the trend of consumers' residential needs with greater interest in habitation that responds to their environmental requirements. Therefore, the Company is committed to energy-saving residential development with a focus on maximum use of eco-friendly resources in parallel with innovation development to meet consumers' needs. The Company thus formulates policies to support eco-friendly construction or building management as guidelines for residential development based on responsibility toward consumers and the environment in a sustainable manner.

\* The Company discloses full policies to support environment-friendly construction or building management on the Company's website.





## Practice of eco-friendly residential development



In 2023, the Company adhered to the practice of residential development with priority placed on the environment in tandem with sustainable delivery to consumers through the following operations:

- Create better living through the use of eco-friendly materials which do not cause pollution to residents' health, attention to the design of green space and importance placed on maintenance of trees in the projects via signboards with the names of the trees to familiarize residents with the names of the trees and the maintenance methods to enhance a pleasant environment for their homes, design of home electricity systems to support EV charging to respond to the needs and interests of consumers on EVs, which are currently on the rise.
- Care for the environment by designing the use of precast concrete walls, made to order by factories for assembly at construction sites, in order to reduce generation of garbage and waste from construction and encourage the use of energy-saving tools.
- Support the use of renewable energy and clean energy through the design for solar energy, such as clubhouses, electricity systems of wastewater treatment system, and electricity systems within homes to support EV charging.
- Support the concept of LH Smart, which develops innovations and design for residents to live comfortably; also, in response to consumers' interest in energy-saving innovation in their homes. Additional details appear under R&D on innovation and technology.
- Environmental management at construction sites: Apart from design consideration of garbage and waste reduction and maximum use of resources, the Company focuses on pollution management that may arise during construction, such as measures to reduce dust. Additional details appear under Air Pollution Management from Construction.



## Performance

Indicator	Unit	Goal	Performance
Value of purchase of construction materials certified according to eco label	Percentage	-	19
Projects using precast concrete walls	Percentage	-	94
New projects, designed electricity systems that support EV charging	Percentage	100	73
New projects, designed clubhouses with solar rooftops	Percentage	100	100
Projects that design the electricity systems of wastewater treatment system with solar usage	Project	-	4

## Outstanding Projects

## 1. Use of Precast Concrete Walls



## Benefit to the Company

- Shorten the average construction time by 2 months from conventional methods
- Speedy revenue recognition



## Benefit to society/environment

- Reduce waste from construction compared with conventional methods
- Reduce air pollution from construction compared with conventional methods

## 2. Use of Renewable Energy and Clean Energy

New projects with design of clubhouses using solar rooftops



## Benefit to the Company

- Promote the Company's image with a focus on the environment, which responds to consumers' interest
- Reduce the Company's electricity costs (before handover of project to juristic persons)
- Reduce GHG emissions



## Benefit to society/environment

- Reduce the Company's electricity costs (during the period of management by juristic persons)
- Reduce GHG emissions





Projects that design electrical systems for wastewater treatment system with solar usage



#### Benefit to the Company

- Promote the Company's image with a focus on the environment and in response to consumers' interest
- Reduce electricity costs of projects (before handover of project to juristic persons)
- Reduce GHG emissions



#### Benefit to society/environment

- Reduce electricity costs of projects (during management by juristic persons)
- Reduce GHG emissions

Renewable energy usage	Implementation	Installation size (kilowatt)	Energy saving per year (megawatt)*	Amount of saved energy (Baht per year)**
Solar Rooftop installation on clubhouses	Installation in all projects operated in 2023, in total 12 projects <ul style="list-style-type: none"> <li>• inizio Srinakarin</li> <li>• MANTANA 100+ Kanchana-Bangbon 5</li> <li>• CHAIYAPRUEK Chaengwattana</li> <li>• VIVE Krungthep Kritha</li> <li>• VIVE Bangna km13</li> <li>• CHAIYAPRUEK Prannok-Sai 2</li> <li>• Villaggio 3 Srinakarin-Bangna</li> <li>• CHAIYAPRUEK Rangsit Klong 4</li> <li>• CHAIYAPRUEK Phetkhasem 69</li> <li>• CHAIYAPRUEK Bangna km 13</li> <li>• PRUEKLADA Pinklao-Salaya</li> <li>• MANTANA Motorway-Rama 9</li> </ul>	173	249	1,150,100
Solar installation for wastewater treatment system	Completed installation in 4 projects <ul style="list-style-type: none"> <li>• CHAIYAPRUEK Rangsit Klong 4</li> <li>• CHAIYAPRUEK Phetkhasem 69</li> <li>• Villaggio Lamlukka-Wongwaen</li> <li>• Villaggio 3 Srinakarin-Bangna</li> </ul>	20	29	133,152

\* Estimated from electricity generation in one year

\*\* Average rate of electricity in 2023

Based on the success of the advocacy of renewable energy and additional use of clean energy, in 2024, the Company sets additional goals as follows:

#### Goal

Design of high lamp posts for common garden areas using 100% solar energy of new projects





### 3. Use of Energy-Saving Bulbs

Since 2016, the Company's residential projects have switched to LED bulbs to promote energy-saving among residents. It has installed LED bulbs in more than 24,700 houses, with a total electricity saving of 10,573 megawatts.

	Unit	2016 – 2021	2022	2023	Total
Number of houses	House	19,100	3,300	2,300	24,700
Average number of bulbs per house	Bulb	15	15	15	-
Estimated total bulbs	Bulb	286,500	49,500	34,500	370,500
<b>Saved electricity</b>					
- Formerly, use of 18 W incandescent bulbs	Kilowatt	5,157	891	621	6,669
- Currently, use of 6.5 W LED bulbs	Kilowatt	1,862	322	224	2,408
- Electricity cost-saving per day (Estimated usage of 6 hours per day)	Kilowatt	19,771	3,416	2,381	25,568
Estimated electricity cost-saving per year	Megawatt	8,459	1,246	868	10,573

### 4. Procurement of construction materials certified according to Eco label criteria

The company has received an honorable plaque at the event “Inclusive Green Growth Day Empowered by SCG: Growing Together Sustainably” for choosing Eco-friendly construction materials and products from SCG. This demonstrates the collective commitment to becoming a low-carbon organization and creating a sustainable green community.



### (7) Biodiversity

#### Significance and Management Approaches

The evolution of living creatures for billions of years has resulted in diverse forms of living creatures. The diversity of living creatures, including plants, animals, and microbes is connected in the ecosystem called “biodiversity”, which spreads all over the world. As for Thailand, which is situated near the equator, it is considered an area of high-level biodiversity. Therefore, Thailand is one of the areas with dispersion of multiple living creatures. The benefits of biodiversity are numerous, including ecosystem, consumption, agricultural produce, environmental quality, balanced condition of water cycles, and prevention of the loss of minerals and soil erosion. At present, all activities of production, construction, development, and consumption by people greatly impact biodiversity.

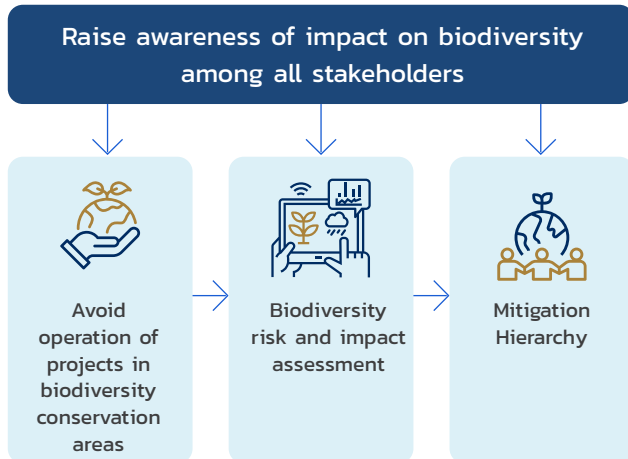
The Company understands that its business operations may partly impact biodiversity. It is therefore committed to business operations based on environmental responsibility, as well as sustainable biodiversity protection and preservation. The Company formulates the policies on biodiversity as guidelines from land procurement to after-sales services.

\* The Company discloses a full biodiversity policy on the Company's website.





#### Guidelines for biodiversity protection and conservation



#### Performance

Goal	Performance
No new projects are in biodiversity conservation areas	No new projects are in biodiversity conservation areas

#### Outstanding Biodiversity Protection and Preservation

- Selection of tree species appropriate to the conditions of project locations, such as Cork Wood Tree, Pong-Pong Tree, Cork Tree, and Orchid Tree, as well as importance placed on tree maintenance under the projects, with signboards giving the names of the trees together with maintenance methods on house compounds. It constitutes a sustainable method to mitigate the impact on biodiversity.
- Appropriate design of wastewater treatment systems and monitoring of the standard performance of wastewater treatment before discharge into public water sources. Additional details appear under Water and Effluent Management.

- Environmental Impact Assessment (EIA) at Wanvayla Na Chaophraya Condominium. The Company hired a consultant company authorized to prepare a report on Environmental Impact Assessment (EIA) for the Office of Natural Resources and Environmental Policy and Planning (ONEP) to investigate and forecast the impacts, positive and negative, from project establishments and determine preventive measures to reduce impacts on the environment, ecosystem, and biodiversity in all phases of the project. After the EIA report's approval, the Company started the project construction in the 4<sup>th</sup> quarter of 2023 and operated based on strict preventive measures and impact reduction. The EIA Monitoring Report will be submitted within the defined timeframe to ensure that the Company operates business based on responsibility for the environment and is committed to protecting and preserving sustainable biodiversity.





## 3.4 Sustainable Management in the Social Aspect

### Social Policies and Management Approaches

#### 3.4.1 Social Policies

The Company focuses on and adheres to responsibility for all stakeholders equally. Therefore, it is committed to growth in parallel with value forged with all stakeholders. It devises social policies and practices as the management approaches in order to foster common growth with stakeholders based on sustainability as follows:

Respect for human rights	Responsibility for employees and labor	Responsibility for customers and products	Responsibilities for community and society
<ul style="list-style-type: none"><li>• Policies and practices on human rights covering stakeholders across the organization and supply chain</li></ul>	<ul style="list-style-type: none"><li>• Practice of human resource management</li><li>• Practice of employee capacity development</li><li>• Policies on occupational health and safety</li></ul>	<ul style="list-style-type: none"><li>• Practices of design of products with a focus on the quality of life</li><li>• Practices of Research and Development on innovation and technology of products and services</li><li>• Policies on personal data security</li><li>• Policies on security of IT system</li></ul>	<ul style="list-style-type: none"><li>• Policies on development and engagement with community and society that may be affected by business</li></ul>

\* The Company discloses the full Social Policies on the Company's website.



### 3.4.2 Management Approaches

The Company determines guidelines for social management under the “Creating value for all stakeholders” concept by adhering to the practice that complies with laws, rules, and regulations concerning social management in business operations. The Company strives to create fair treatment under its respect for human rights with a focus on developing the quality of life and creating better livelihoods for all stakeholders.

#### Creating value for all stakeholders



### Sustainable Goals in the Social Aspect

Indicator		Goals
Respect for human rights	Number of human rights violations cases	0
Human resource management	Number of labor disputes	0
Human resource development	Average training and development hours per employee per year	Not fewer than 16 hours
	Budget for training and development of employees per year	16 million Baht
Development of employee engagement and employee retention	Assessment of employee engagement	75%
	Assessment of employee satisfaction	75%
Occupational health and safety	Number of work-related fatalities of employees	0
	Lost-Time Injury Frequency Rate (LTIFR) of employees	0
	Number of work-related fatalities of contractors	0
	Lost-Time Injury Frequency Rate (LTIFR) of contractors	0
Community and social development	Number of significant disputes with community/society	0
Responsibility for customers and products <sup>1</sup>	Customers' satisfaction with products and services	85%
	Number of complaints on violation of customers' rights	0
	Number of complaints on violation of personal data security	0
	Complaints handled	99%

Remarks : <sup>1</sup> Additional details appear under Development of Quality of Goods and Services



### 3.4.3 Social Performance



#### (1) Human Rights Management

##### Significance and Management Approaches

Human rights are basic necessary rights and freedoms that all people should receive equally and fairly. Regardless of differences in race, national origin, religion, culture, language, lifestyle, gender, appearance, age, and intelligence, or inequality in economic and social status to any extent. Human rights are protected and regulated according to law and the Company has a duty to respect the human rights of employees including all relevant stakeholder groups.

The Company has established human rights policies and guidelines that are in line with the United Nations Universal Declaration of Human Rights (UNDHR) and has human rights risk assessment comprehensively throughout the organization. To be aware of human rights risks that may arise from the Company's business operations, to be able to array preventative guidelines to reduce risks, and to determine remediation guidelines if a violation occurs, including a



complaint channel in cases where human rights have been violated, the Company has assigned the Risk and Sustainable Development Management Committee to be responsible for human rights issues throughout the entire process. To proceed human rights operations efficiently and achieve the targeted goals, as well as to ensure that the Company will conduct business with caution and not perform any actions that will violate human rights directly or indirectly.

\* The company discloses the full human rights policies and guidelines on the Company's website.

##### Human Rights Due Diligence

The Company operated the process of Human Rights Due Diligence (HRDD) under the United Nations Guideline Principles on Business and Human Rights (UNGPR) regarding the aspects of protection, respect and remedy when affected by human rights violations to utilize as a guideline of human rights operation and management, prioritize the human rights risk issues, including guidelines on protection, solving and remediation from the actual or potential impacts from the Company's business operation. By expecting all businesses relating to a business value chain will operate in accordance with the Company Human Rights Policy, which consists of five main procedures, as follows:

#### Human Rights Due Diligence Procedures





## Human Rights Risks and Impacts Assessment

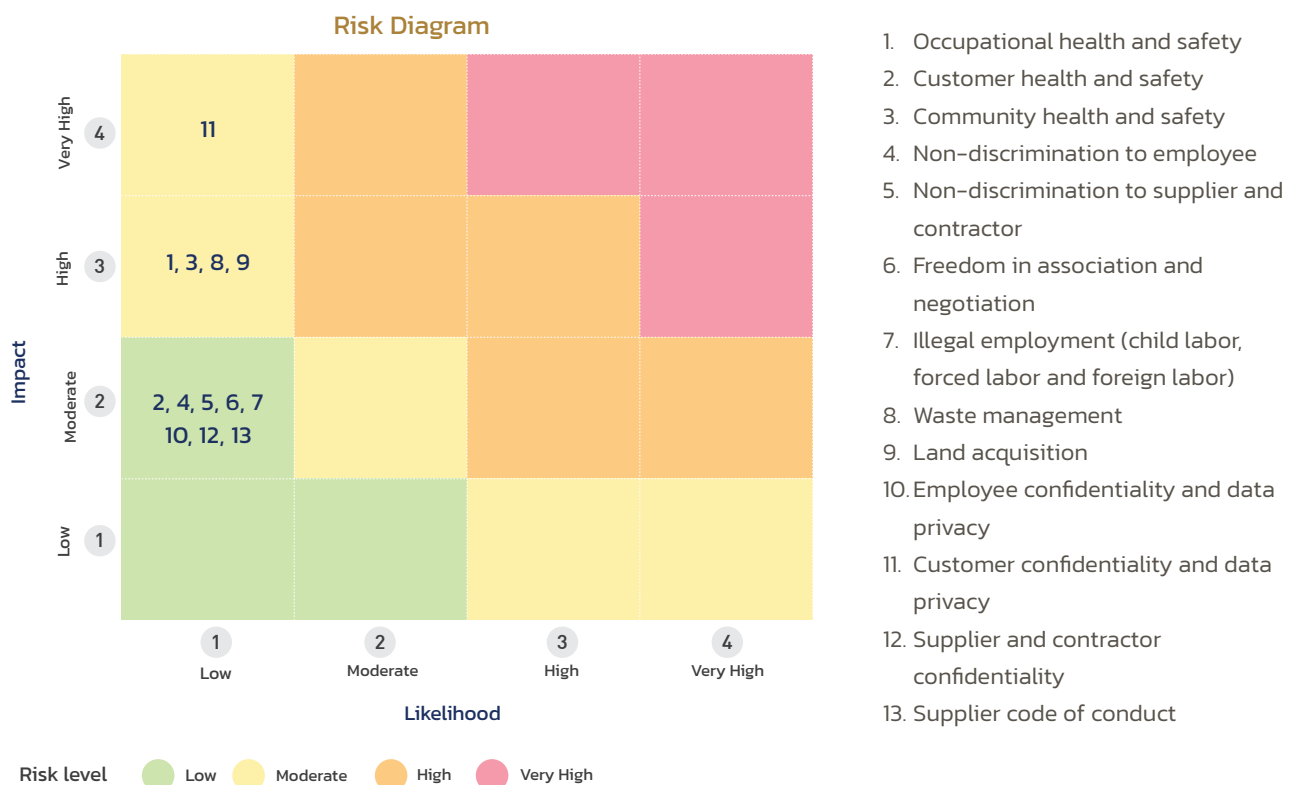
The Company conducts the Human Rights Risk Assessment to indicate, prevent and minimize the actual or potential impacts from activities in the business value chain, covering the Company operation in headquarter, projects and all business activities. By comparing likelihood criteria with impact levels which align with United Nations Principles on Business and Human Rights (UNGP), to consider all aspects of human rights risks with all internal and external stakeholders that may be affected, including employees, community, environmental, customers, suppliers and contractors. The issues assessed for human rights risks are as follows:

### Human Rights Risks Issues

Employee Rights	Community and Environmental Rights	Customer Rights	Supplier and Contractor Rights
<ul style="list-style-type: none"> <li>Occupational health and safety</li> <li>Freedom in association and negotiation</li> <li>Non-discrimination to employee</li> <li>Illegal employment (child labor, forced labor and foreign labor)</li> <li>Employee confidentiality and data privacy</li> </ul>	<ul style="list-style-type: none"> <li>Community health and safety</li> <li>Waste management</li> <li>Land acquisition</li> </ul>	<ul style="list-style-type: none"> <li>Customer health and safety</li> <li>Customer confidentiality and data privacy</li> </ul>	<ul style="list-style-type: none"> <li>Supplier code of conduct</li> <li>Supplier and contractor confidentiality</li> <li>Non-discrimination to supplier and contractor</li> </ul>

### Human Rights Risk Assessment Results

The results of human rights risk assessments in 2023 covered 100 percent of operations at headquarter, projects and all business activities, found that there are no 'high' and 'very high' level in human rights risk issues but the remaining 5 risk issues found to be in 'moderate' level and the other human rights risk issues in the value chain are in 'low' level. The Company can manage the risks based on the current business operating procedure, as shown in diagram below:







Although the Company's human rights risk issues are at a low level, the Company has set measures of residual risks reduction and control to mitigate the potential impacts in both likelihood and severity. Also, continuously monitor the efficiency of the mentioned measures to ensure the human rights management of the Company is effective in controlling impacts through the value chain, as follow:

#### Human Rights Risk Management Guidelines

Risk Issues	Risk Control and Impact Reduction Measures
<b>Employee Rights</b>	
<ol style="list-style-type: none"> <li>Occupational health and safety</li> <li>Freedom in association and negotiation</li> <li>Non-discrimination to employee</li> <li>Illegal employment (child labor, forced labor and foreign labor)</li> <li>Employee confidentiality and data privacy</li> </ol>	<ul style="list-style-type: none"> <li>Introduced an Occupational Safety, Health and Environment Committee to control safety measures to align with the standard, including occupational safety, health and environment training to employees along with promoting safety culture in organization.</li> <li>Organized the human rights to enhance employees' knowledge.</li> <li>Arranged an annual health checkup for employees.</li> <li>Set a preventive measure of COVID-19 to employees and families.</li> <li>Structured the compensation and welfare policy and established the Welfare Committee in the Company for employees to gather and propose the operation conditions and welfare provision, which will be beneficial to employees and the Company.</li> <li>Structured the human rights policy and practices to apply equally to all employees without any discrimination.</li> <li>Structured the policy and practices that commit not to support the forced employment in any cases, will not employ or support the employment of children under 18 and will proceed employment legally in foreign employees.</li> <li>Introduced a Personal Data Protection Committee to control in accordance with the Company's personal data protection policy.</li> </ul>
<b>Community and Environmental Rights</b>	
<ol style="list-style-type: none"> <li>Community health and safety</li> <li>Waste management</li> <li>Land acquisition</li> </ol>	<ul style="list-style-type: none"> <li>Managed environmental aspects to be in accordance with the law.</li> <li>Structured an Environment Committee to manage the environmental issues to reduce impacts to the community.</li> <li>Structured a water treatment system from the Company operation before releasing to the public.</li> <li>Evaluated legal issues before land acquisition, including surveying and understanding the community for the action plan.</li> </ul>



Risk Issues	Risk Control and Impact Reduction Measures
<b>Customer Rights</b>	
1. Customer health and safety 2. Customer confidentiality and data privacy	<ul style="list-style-type: none"> <li>Introduced a design, development, control process of quality products and service to meet the qualified standard, with consideration of customers' health, safety and living quality.</li> <li>Introduced a strict measure to maintain the security of personal data privacy, including implementing data protection as per the Personal Data Act B.E.2562 (2019).</li> <li>Organized training / testing for sales and marketing staffs on personal data protection act, to prevent in violating and leaking of the customers' confidential and privacy data in operation.</li> </ul>
<b>Supplier and Contractor Rights</b>	
1. Supplier code of conduct 2. Supplier and contractor confidentiality 3. Non-discrimination to supplier and contractor	<ul style="list-style-type: none"> <li>Required the supplier to comply with the Code of Conduct for Supplier.</li> <li>Complied with Intellectual Property Law.</li> <li>Complied with the Trade Competition Act.</li> </ul>

### Tracking and Reporting

The Committee related to human rights will review and monitor the operations in accordance with the guidelines and measures to prevent and resolve impacts of human rights to ensure the determined guidelines and measures can prevent or control human rights risk issues efficiently or should there be an adjustment, with a report to notify the results to management executives and related parties.

### Complaints and Impacts Remediation Management

The Company remarks the importance in the protection and remediation of persons with potential impacts from operation in human rights. In case the Company operation is a cause that violates the human rights, the Company will investigate the facts, analyze the causes, resolve and have the penalty measures, as follows:

- Verbal Warning
- Written Warning or Parole
- Salary Cut
- Furlough
- Termination the Employment without Compensation

The Company will take care and remedy the person who is affected by the impact of human rights violations according to the appropriation, case by case, the Company openly provides chances to those who have a potential impact by

reporting complaints on human rights issues through these following channels:

### Complaints Channels

- Post: LH Complaints and Whistle Blowing Function, Land and Houses Public Company Limited, No.1 Q. House Lumpini Building 37<sup>th</sup>-38<sup>th</sup> Floor, South Sathon Road, Thung Mahamek, Sathon, Bangkok 10120.
- E-mail: [whistleblower@lh.co.th](mailto:whistleblower@lh.co.th)
- Website: [www.lh.co.th](http://www.lh.co.th)

\*\* The Company remarks the importance to the complainants by not disclosing any information to indicate the identity of the complainants.

The details of the complaint management process can be found in section 8.1.4 Monitoring to ensure compliance with corporate governance policies and practices.

### Performance

In 2023, the Company has no complaints regarding human rights violations.

Items	Target	2021	2022	2023
Number of human rights violations cases	0	0	0	0



## (2) Human Resource Management

### Significance and Management Approaches

Employees constitute an important part in driving the success and growth of an organization. The Company therefore values human resource management, with a focus on fairness, respect, and confidence in the value of employees. This is to cultivate employees' relationships with the Company, provide morale and incentives to perform their duties efficiently, and create career advancement for employees and organizational growth. In this context, the Company prescribes the following management guidelines:



#### Recruitment and selection

- Set clear processes.
- Prescribe a screening method in the form of an attitude and knowledge test that is appropriate for the Company's culture.
- Determine the job interview structure.



#### Employment

- Adhere to human rights with emphasis on equal and equitable treatment.
- Set fair contract terms.
- Promote and support the hiring of people with disabilities or the elderly to work, including paying contributions to the fund for the promotion and development of the quality of life of persons with disabilities under the regulations of the Ministry of Labor.
- Create opportunities for local people to which the Company has extended the project.



#### Determination of compensation

- Set appropriate and fair remuneration that is higher than the minimum wage rate according to labor laws.
- Prepare a salary account that is consistent with educational qualifications, knowledge, abilities, and job positions
- Survey the employment rate in the labor market to ensure that the salary structure, benefits, and bonus are appropriate and competitive with industry peers.
- Consider assistance for living expenses compatible with economic conditions.



#### Treatment of employees

- Focus on creating well-being and promoting physical health.
- Stress the importance of safety, occupational health, and work environment.
- Provide health insurance coverage for employees and their families.



#### Performance evaluation

- Establish a systematic and clear method.
- Communicate with employees to know and understand work expectations.
- Prescribe clear evaluation criteria and communicate to employees for their acknowledgment and understanding.
- Conduct evaluation in a transparent and fair manner.
- Evaluation results will be taken into account in adjusting positions, annual salary increases and bonuses, in conjunction with the cost of living index and the Company's turnover.



#### Career advancement

- Devise career paths and succession plans, focusing on equality and non-discrimination.
- Prescribe job rotation to increase skills and experiences, and promote professional advancement.



#### Employee relations

- Establish a welfare committee in the workplace consisting of representatives of employees so that they can form groups and make suggestions regarding employment conditions, professional development, and welfare that will benefit both employees and the Company.



#### Development of employee engagement and personnel retention

- Conduct a survey on employee satisfaction and engagement designed by the working group to identify factors that promote and develop employee engagement, including problems and suggestions to upgrade and improve the quality of management.



#### Creation of security guarantee

- Establish a provident fund to provide security for employees and their families in retirement, and as a saving option. The Company will contribute at the same rate.



#### Resignation, retirement, and termination

- Resignation: Set clear procedures in the employee handbook, such as submitting a request and a resignation letter at least 30 days in advance.
- Retirement: In the case of starting work before 2012: When the employee reaches 60 years of age, employment will cease on December 31 of that year.  
In the case of starting work since 2012 onwards: When the employee reaches 55 years of age, employment will cease on December 31 of that year. Consideration of further employment requires consent from both the Company and the employee.
- Termination: Set clear and fair procedures and compensation in compliance with labor laws.





### Welfare and Benefits

The Company leverages basic factors in life and work conditions as criteria for providing welfare and benefits to employees and their families in various forms, such as:

- Salary
- Annual bonus
- Provident fund
- Insurance for medical expenses for in-patients and out-patients (In-patient cases cover legal spouses and children)
- Group life insurance with an insured sum of 500,000 – 1,500,000 Baht
- Accident insurance
- Annual dental coverage
- Financial assistance for various occasions such as marriages, funerals of employees and their families
- Gifts for employees giving birth
- Master's degree scholarships for executives
- Annual scholarships for children of employees at the operating level
- Funds to support activities within the department such as annual travel, New Year's festivities
- Special discounts on purchasing the Company's products
- Annual health checkup using the age of the employee as a criterion to determine the examination program
- Employee uniforms
- Rights to take leave and holidays as required by law
- The recreation room ("The Skape") at Head Office offers drinks, snacks, and games
- Exercise room, yoga, aerobics (with shower rooms)
- Announce honors and give appreciation awards to employees who have completed 10 years, 20 years, and 30 years of service.

### Welfare Committee

Welfare is an essential factor that helps improve the quality of life of employees and their families. By providing appropriate welfare to employees, the Company certainly increases the morale of employees at work, creates more efficient and higher quality work, creates love and commitment to the Company, contributes to reduction of problems and conflicts in the Company, and enable business operation to run smoothly.

In 2023, the Company held a total of four welfare committee meetings in the workplace to discuss welfare and benefits recommended by employees, consider improvement to be appropriate and consistent with the objective to provide employees with a better quality of life. A notable improvement was the adjustment of welfare allowance for project employees to suit prevailing economic conditions.

Items	2021	2022	2023
Ratio of employees covered by the welfare committee	100%	100%	100%

### Development of Employee Engagement and Personnel Retention

Commitment to the Company is related to the increased efficiency and effectiveness of employees' work performance that will lead to the success of teams and the Company. Employees who feel engaged are more likely to be committed and enthusiastic. They also have new ideas that help them work more efficiently and achieve their goals, have a positive attitude, work with focus and good intention, have a sense of belonging to the team, and participate in driving the Company. They are also contented with good work conditions and environment, and satisfied with the job, colleagues, and the Company. It helps retain high-potential employees to stay with the Company for longer, which reduces the turnover rate and thus creates a good image for the Company to attract new and interesting personnel.

The Company arranges for an evaluation of employees' satisfaction and commitment once a year to take the results and suggestions from employees into consideration for appropriate improvement to meet their needs and expectations and develop better engagement with and more commitment to the Company. In 2023, health promotion activities were reintroduced, namely yoga and Zumba dancing, previously cancelled due to the outbreak of Covid-19. These activities were among those recommended by employees. Other suggestions that are beneficial to most employees will be taken into consideration for further improvement in 2024.





## Performance

Indicator	Goal	2021	2022	2023
Human resource management				
Number of labor disputes	0	0	0	0
Development of employee engagement and personnel retention				
Results of the evaluation of employee engagement	75%	-	84.5%	84.8%
Results of the evaluation of employee satisfaction	75%	-	80.8%	80.1%

### Annual Declaration of Honor and Service Awards to Employees

In 2023, the Company held the annual declaration of honor and service award ceremony for employees to express gratitude and appreciation for their efforts and dedication through their services. There were 91 employees who received the awards, divided into periods of service, from 10 years, 20 years, to 30 years. The award ceremony was held at Sathorn Room, 4<sup>th</sup> floor, Q House Lumpini Building.



### Performance on human resources management

#### 1) Employment

Unit : Person

Type of employment	2021		2022		2023	
	Male	Female	Male	Female	Male	Female
Permanent employees	389	371	387	371	375	365
Contract employees	22	3	24	6	28	4
Total	785		788		772	



## 2) Local employment

Unit : Person

Year	Worksite	Total employees	Employees from head offices		Local Employees	
			Executive Level	Operating Level	Executive Level	Operating Level
2021	North	50	-	-	5	45
	Northeast	46	1	-	5	40
2022	North	49	-	-	5	44
	Northeast	45	1	-	4	40
2023	North	49	-	-	5	44
	Northeast	46	1	-	4	41

## 3) Parental leave and return-to-work rate

Worksite	2021			2022			2023		
	No. of employees that took parental leave	Return to work	Return to work rate (%)	No. of employees that took parental leave	Return to work	Return to work rate (%)	No. of employees that took parental leave	Return to work	Return to work rate (%)
Bangkok and periphery	12	12	100	11	11	100	5	5	100
North	2	2	100	2	2	100	1	1	100
Northeast	2	2	100	2	1	50	-	-	-
Total	16	16	100	15	14	93.33	6	6	100

## 4) The company's contribution to the provident fund

Description	Unit	2021	2022	2023
Total contribution	million Baht	36	36	35
Number of employees joining the provident fund scheme	person	744	737	727
Percentage of employees joining the provident fund scheme	%	95	94	94
Percentage of contribution by the company	%	5-7	5-7	5-7
Percentage of contribution preferred by employees	%	2-7	2-7	5-7



## 5) Employee Remuneration

Description	Unit	2021	2022	2023
Total employee remuneration	million Baht	1,162	1,198	1,138
Total male employee remuneration	million Baht	612	631	736
Total female employee remuneration	million Baht	550	567	402
Average remuneration of employees	million Baht	1.22	1.19	1.29
Average remuneration of male employees	million Baht	1.55	1.52	1.61
Average remuneration of female employees	million Baht	0.86	0.84	0.94
Ratio of remuneration of female employees to male employees (excluding top management)	Times	0.90:1	0.90:1	0.93:1

## 6) Employee Statistics

Description	Unit	2021		2022		2023	
		Male	Female	Male	Female	Male	Female
Labour							
Total number of workers	person	513	374	499	379	495	370
Total number of employees	person	411	374	411	377	403	369
Total number of workers who are not employees	person	102	0	88	2	92	1
Employee by contract and by worksite							
Total number of full-time and part-time employees	person	389	371	387	371	375	365
- Bangkok Metropolitan Region	person	332	333	334	333	319	329
- Other provinces	person	57	38	53	38	56	36
Total number of employees under contract	person	22	3	24	6	28	4
- Bangkok Metropolitan Region	person	21	2	23	5	27	2
- Other provinces	person	1	1	1	1	1	2
Total	person	785		788		772	



Description	Unit	2021		2022		2023	
		Male	Female	Male	Female	Male	Female
Employee by level							
Top management (VP up)	person	34	8	38	9	37	10
Middle management (AVP)	person	54	30	52	33	56	40
Junior management (Assistant Manager, Manager)	person	156	129	155	132	164	134
Non - management (Staff)	person	167	207	166	203	146	185
Employee by age group							
Under 30 years old	person	80	74	79	76	75	75
30 – 50 years old	person	205	241	202	231	200	216
Over 50 years old	person	126	59	130	70	128	78
Employee by nationality							
Thai	person	411	374	411	377	403	369
Others	person	0	0	0	0	0	0
Employee in vulnerable groups							
People with disability	person	0	0	0	0	0	0
Retirees (Over 60 years old)	person	21	3	30	4	32	5
New employees							
Total number of new employees	person	21	13	33	50	30	34
New employees by age group							
Under 30 years old	person	16	13	22	41	22	29
30 – 50 years old	person	5	0	9	9	8	5
Over 50 years old	person	0	0	2	0	0	0
New employees by worksite							
Bangkok Metropolitan Region	person	18	13	31	46	23	29
North	person	1	0	1	2	2	0
Northeast	person	2	0	1	2	5	5



Description	Unit	2021		2022		2023	
		Male	Female	Male	Female	Male	Female
Employee turnover							
Total number of employee turnover	person	28	30	37	48	30	40
	%	7	8	9	13	7	10
Employee turnover by age group							
Under 30 years old	person	9	11	16	18	12	21
30 – 50 years old	person	7	14	14	28	13	18
Over 50 years old	person	12	5	7	2	5	1
Employee turnover by worksite							
Bangkok Metropolitan Region	person	27	26	31	44	27	34
Other provinces	person	1	4	6	4	3	6
Parental leave							
Total number of employees exercising the rights of parental leave	person	-	16	-	15	-	6
Total number of employees returning to work after parental leave	person	-	16	-	14	-	6
Total number of employees returning to work and remaining at work 12 months after parental leave	person	-	16	-	14	-	6
Return to work rate of employees after parental leave	%	-	100	-	100	-	100
Retention rate of employees after parental leave (Employees retained 12 months after parental leave)	%	-	100	-	93	-	100

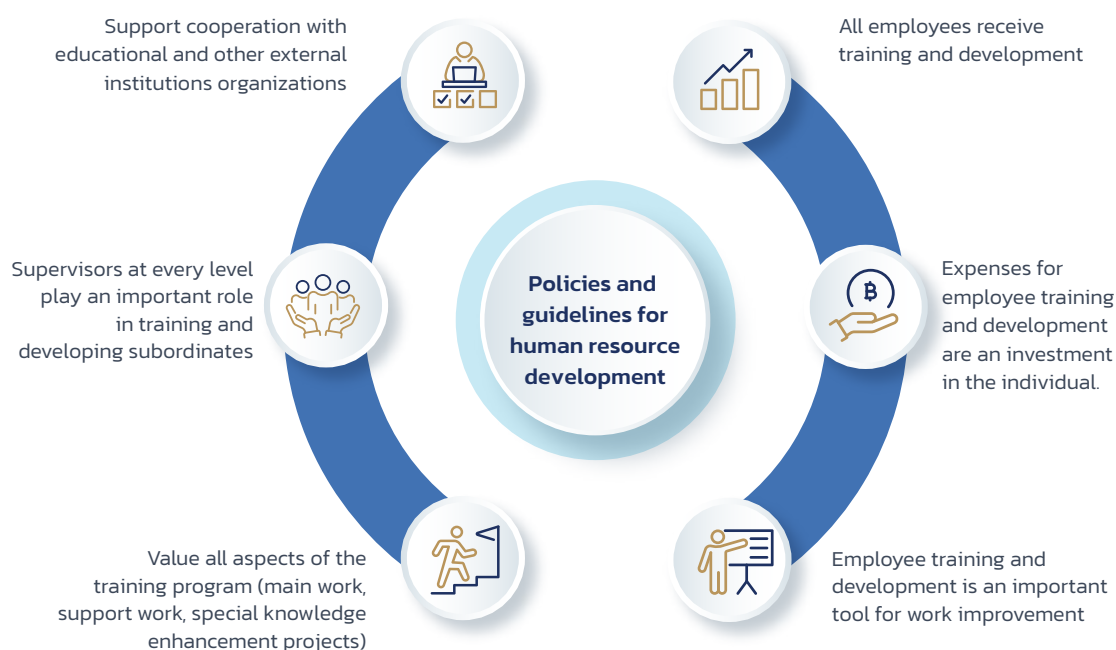




### (3) Human Resource Development

#### Significance and Management Approaches

Employees are a company's greatest resource in driving the organization toward success according to its goals. The Company therefore values developing the potential of employees to strengthen them under the business direction and create continuing growth for the organization, including increasing competitiveness and readiness to deal with every situation, especially various dynamic changes these days, such as technology, new knowledge, and skills. The Company provides equal opportunities for all employees to develop their potential and learn without discriminating against gender, age, race, religion, vulnerable groups, and political beliefs, to allow employees to upgrade their skills and knowledge appropriate to work needs and career advancement. The policies and guidelines were established as follows:



#### Employee Training and Development Projects

The Company determines training curricula for employee development as follows:

1. Course for Newcomers orients new employees about the organization, such as the organizational culture, goals, including the duties of employees, so that they may adapt to the organization more easily and quickly.
2. Functional Skills Development Course provides training to all employees according to specialized courses about their work, such as specialized knowledge and skill courses for project employees (sales, construction, and services).
3. Leadership Skills Development Course promotes leadership skills such as people management, transformational leadership, and attitude adjustment to increase the leadership competency of employees at the supervisory level and above in driving the organization toward goals.
4. Projects to Enhance Knowledge and Special Skills, such as group activities to develop teamwork values (Power of WE), and cross-functional learning activities, to promote learning and understanding among employees, and help lessen conflicts in working together.
5. Basic training in creating mindfulness and mental practice in daily life promotes employees' Emotional Quotient (EQ), which is an essential skill for working in this era, where workers work under conditions of hustle and pressure, as well as having to face various problems and challenges that keep rushing in. EQ is therefore a crucial skill that helps employees manage their own emotions, work effectively with others, and maintain good mental health.
6. Training outside the classroom such as on-the-job training and coaching so that employees can try real work while learning by using experience as an important tool for learning and developing work skills.



## Performance

Indicator	Goal	2021	2022	2023
Average training hours of employees (per person per year)	Not fewer than 16	14	16	15
Actual training and development budget per year (million baht)	16	6	6	6

### Training for Employees

In 2023, the Company set up functional development courses together with consultants, based on the analytical results of training needs by job description and employee potential development plans, starting with a group of salespersons and project engineers.

Employee group	Number of training batches (cohorts)	Number of employees receiving training (persons)
Salespersons	2	46
Project engineers	1	21



## (4) Occupational Health and Safety Management

### Significance and Management Approaches

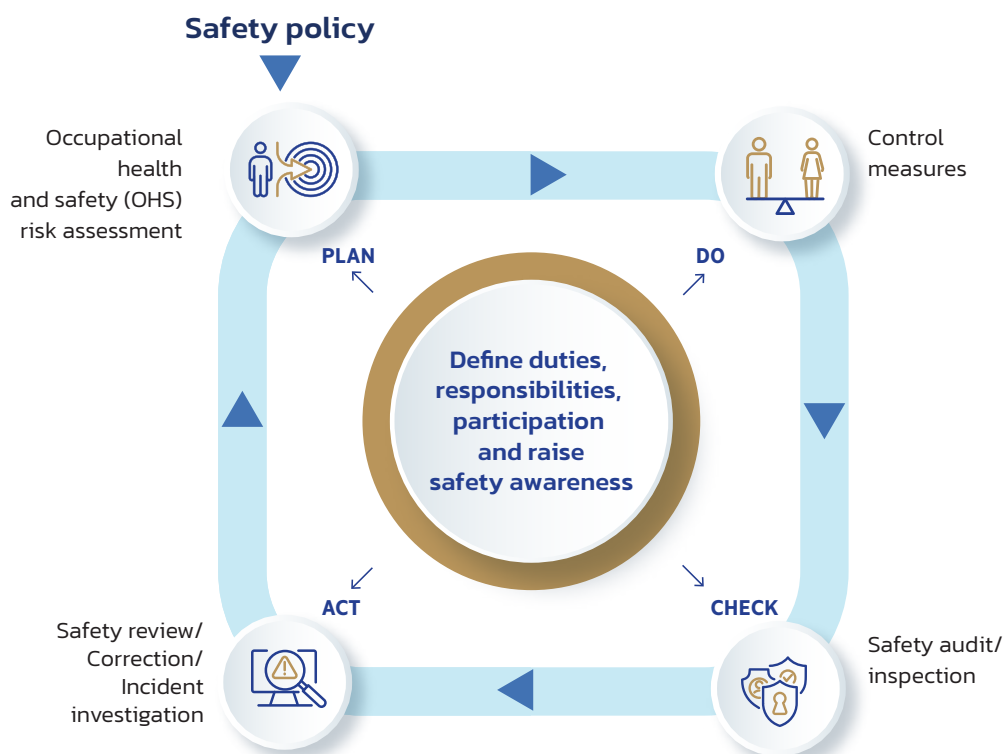
The Company values the health and safety of employees, realizing that its operation is at risk from work hazards, illness at work, including loss or impact on employees and contractors, as well as related stakeholders. The Company is committed to controlling and reducing the impact of these risks by taking very seriously operation in compliance with safety, occupational health, work environment law; cultivating a culture from senior management to employees at all levels

through the implementation of the safety, occupational health, and work environment policies; and developing and raising the standards of the management system to cover the application of legal requirements and other related standards to strengthen and promote a continuous and sustainable safety culture.

\* The Company discloses full Safety, Occupational Health, and Work Environment Policies on the Company's website.



## Occupational health and safety management system



### Safety

#### Safety, Occupational Health, and Work Environment Manual

The Company develops a safety, occupational health, and work environment manual to disseminate work rules and regulations for all employees to strictly follow and use as a standard for managing the safety of workers or contractors who are business partners to ensure that their operations comply with requirements, leading to the safety of all operators and other stakeholders.



#### Risk Assessment of Construction Work

The Company assesses work safety risks, including regular risk reviews, to understand the various conditions that can cause danger and violence, leading to accidents and unwanted events. The aim is to stipulate measures to lessen and control such risks to the lowest level possible in practice, as well as being one of the determinants of rules, regulations, and guidelines for safety operation as specified in the Company's safety, occupational health, and work environment manual.

#### Training on Safety for Supervisors and Executives

The Company organizes training to provide safety knowledge to supervisory employees and operational executives to understand safety management principles and to be able to supervise, control, and track operations, promote, support, and raise safety awareness among employees and contractors in line with its safety policy. A total of 83 employees participated in the training.



### Safety Training for Construction Employees and Contractors

The Company organizes training to provide knowledge and explain safety policy, and work safety management, promote and support safety matters to employees in the Construction Department and contractors to understand the principles of the Company's safety management, and to be able to implement in a uniform direction to reduce risks and accidents at work.

### Safety Training for New Employees

The Company organizes training to provide knowledge of safety, occupational health, and work environment for new employees to understand the Company's safety operation, including law, rules, regulations, and to educate them about the risks and hazards involved in working, as well as the importance of compliance with regulations and safety awareness among employees. In 2023, training was organized for a total of 52 new employees.

### First Aid & CPR Training Course

The Company organizes First Aid and CPR training to equip employees with the basic skills, to be able to provide immediate aid to injured persons or emergency patients when unexpected events occur while waiting for the emergency medical unit. This is one of the Company's medical emergency response plans that employees can apply in their daily life. In 2023, 61 employees participated in the training.



### Basic Firefighting and Fire Evacuation Training Course

For employees to have basic firefighting knowledge and skills to deal with fires, including correct and safe fire evacuation, the Company organizes annual fire evacuation training and drills for employees stationed at the Company's administration center. In 2023, a total of 41 employees participated in the training.



### Safety Inspection in the Work Areas

Inspection and monitoring of safety, occupational health, and work environment operation are carried out in the construction project areas according to the plan to ensure contractors' operating safety in accordance with the law and the safety manual, including dissemination of safety information to workers at all levels.





## Occupational Health

### Employee Health Care

The Company provides annual health checkups for all employees to monitor their health and continually check the possible effects of work on them and advocate good health through the promotion of exercises. The Company continually allocates a budget to support these activities such as yoga, Zumba dancing, football competition, and others for all interested employees.

### Employee Health Protection

Regarding the epidemics, the Company has established measures to continuously monitor the situation, spanning both Covid-19, which has subsequently been categorized as an endemic disease, and other potential epidemics in order to deal with situations that may affect the health of employees, including the Company's business operations by setting guidelines for surveillance as follows:

- Follow the outbreak situation from news issued by the government
- Communicate information and advices to employees, such as
  - Maintain health and exercise regularly to build immunity
  - Wear a mask when infected with a contagious disease or when in need of going to a crowded area
- Follow the situation response plan when receiving reports of illnesses from an epidemic according to established procedures.

In addition, the Company arranges for employees to receive seasonal epidemic vaccination, such as influenza vaccines, to boost their immunity every year.





## Performance on occupational health and safety management

Indicators	Target	Unit	2021		2022		2023	
			Male	Female	Male	Female	Male	Female
Number of lost time cases by work-related illness	0	person	0	0	0	0	0	0
Number of lost time cases by work-related injury	0	person	0	0	0	0	0	0
Number of fatalities as a result of work-related injury	0	person	0	0	0	0	0	0
Loss Time Injury Frequency Rate: LTIFR	0	person /200,000 hours worked	0	0	0	0	0	0
Total number of hours worked	-	hour	1,206,576	879,648	1,312,370	894,440	810,888	736,168
Number of lost time cases by work-related illness	0	person	0	0	0	0	0	0
Number of lost time cases by work-related injury	0	person	0	0	0	0	0	0
Number of fatalities as a result of work-related injury	0	person	0	0	0	0	0	0
Loss Time Injury Frequency Rate: LTIFR	0	person /200,000 hours worked	0	0	0	0	0	0
Total number of hours worked	-	hour	-	-	12,650,040	4,753,200	11,131,856	5,564,880

Note : Loss Time case refers to any work-related injury that results in an employee being unable to perform their regular duties and requires them to take time off from work.



## (5) Development and Engagement with Community and Society

### Significance and Management Approaches

Real estate development is not only a part of community building and urban expansion in response to population and economic growth, but also a cause of direct impact on the community near the project site. This impact is sometimes so severe that there is opposition from people in the vicinity.

Therefore, it is with commitment that the Company focuses on prevention and reduction of the potential impact on the community surrounding low-rise and high-rise projects. High-rise projects are subjected to legal measures and environmental impact assessment reports. For low-rise projects, the Company establishes measures to prevent and mitigate environmental impact before construction, during construction, and after construction by adhering to the concept of “Livable community and society” in order to nurture the quality of life and well-being for both project residents and surrounding community and society, as well as participation in community and social development for a better quality of life, nurture relationship, and live together sustainably. The Company establishes policies and guidelines as follows:



Survey concerns, listen, and understand the communities surrounding the project



Determine methods for carrying out construction work and establish guidelines to prevent problems and reduce impacts that may occur.



Provide communication channels to report issues or complaints



Nurture relationship with the community through activities/projects for social development



Cooperate with other agencies in community and social development



Cultivate conscience and social responsibility in employees and contractors



### Performance

In 2023, the Company surveyed the concerns and listened to the voices of community nearby in every operating project and took them into account to formulate control measures, to prevent problems and reduce impact as follows:

Concern/Impact	Control measures to prevent problem and mitigate impact
Noise and vibration from construction	<ul style="list-style-type: none"> <li>Determine working hours of 6 days/week (closed on Sunday) from 7:00 a.m. to 6:00 p.m.</li> <li>Regularly check equipment, tools, and machinery to ensure they are in ready-to-use condition.</li> <li>Choose bored piles in the pile-driving process to reduce noise and vibration that may cause damage to nearby buildings.</li> <li>Arrange appropriate time for construction activities by avoiding the use of machinery or equipment that is a source of loud noise at the same time.</li> </ul>

\* The Company discloses full policies on development and engagement with community/society that may be affected by the business on the Company's website.



Concern/ Impact	Control measures to prevent problem and mitigate impact
Dust	<ul style="list-style-type: none"> <li>• Spray water around the construction areas to prevent and reduce the spread of dust.</li> <li>• Erect temporary metal sheet fences around the construction areas to reduce the spread of dust.</li> <li>• Provide a place for washing car wheels before leaving the construction site.</li> <li>• Trucks used to transport soil and various construction materials must be completely covered with canvas.</li> <li>• Choose construction equipment/tools that reduce dust generation.</li> <li>• Arrange for project employees to clean each construction area, sidewalk, and public road at the entrance and exit of each project every day.</li> </ul>
Damage from construction	<ul style="list-style-type: none"> <li>• Install nets to prevent objects from falling over.</li> <li>• Install adequate lighting around each project area throughout the construction period.</li> <li>• Provide portable chemical fire extinguishers within each construction area to prevent fire impact.</li> <li>• Supervise and control workers to strictly follow the rules.</li> <li>• Assign engineers to closely supervise the construction and ensure proper construction according to engineering principles for minimal impact on nearby areas and monitor and check the impact of construction on neighboring building structures.</li> <li>• Arrange for security officers to inspect the orderliness of each construction area.</li> <li>• Arrange for damage insurance that covers the lives and properties of external parties, for neighboring houses with fences bordering with the project that may be affected by construction activities.</li> </ul>

Indicator	2021		2022		2023	
	Goal	Result	Goal	Result	Goal	Result
Number of significant disputes with community and society	0	0	0	0	0	0
Budget used in activities/projects for community and social development	-	48 million Baht	-	15 million Baht	-	3.3 million Baht



## Activities/projects to develop the quality of life and promote engagement with community and society

### #THINK Share Project (in the third consecutive year)

Invitation for customers, project residents, and employees to join in supporting the multipurpose cloth bag project entitled “#THINK TOTE BAG” to donate all proceeds, without deducting expenses, to the fund for patients in need under Siriraj Foundation

The project to support the purchase of medical equipment, by donating money to Huachiew Traditional Chinese Medicine Clinic for the purchase of medical equipment

### Benefits to the community and society

Total donation of



**1,410,663.24** Baht

(total amount since 2022) for the fund for patients in need.

Total donation of



**900,000** Baht

for Huachiew Traditional Chinese Medicine Clinic to purchase medical equipment :

- 21 electric beds.
- 5 electric massage beds for treating bones and muscles.

These electric beds can be adjusted in height to make patients comfortable while lying down for acupuncture. It is convenient to get in and out of these beds, especially for the elderly. It is also convenient for doctors to adjust the height while treating patients.

### Benefits to the Company

- Promoted the company's image of social responsibility. Providing medical assistance is an important matter to help people attain good health, which is the basis of a good life.



Computer project for children's education (in the second straight year)

Delivered used computers in perfect condition and ready to be used for students in need within the community areas as a media device of education and search for information and knowledge to make the schools a true source of learning in a constantly changing world of digital technology and educational innovations.



### Benefits to the community and society

- 102 sets of computers and notebooks were given to various schools in Mukdahan, Suphan Buri and Samut Prakan provinces.



### Benefits to the Company

- Promoted the Company's image of social responsibility in education by helping needy children.
- Reduced the generation of electronic waste.







### 3.5 Sustainability Management of Governance and Economic Aspects

#### Policies and Management Approaches for Governance and Economic

##### 3.5.1 Governance and Economic Policies

The Company is committed to conducting business efficiently and successfully, which includes maximizing value for shareholders and protecting the interests of all stakeholders. The Company believes that good corporate governance is the key to such success. The Board of Directors is responsible for overseeing the organization in accordance with the corporate governance code, compliance with code of conduct, awareness of potential social and environmental impact, and appropriate and efficient risk management to ensure that the Company's business operations grow in tandem with social and environmental development. The Company therefore establishes policies and guidelines on governance and economic as seen below:

- Corporate governance policy
- Code of conduct
- Tax policy
- Risk management policy

- Information technology (IT) security system policy
- Innovation practices and operational process development
- Responsibilities for customers and products
- Personal data protection policy
- Code of conduct for suppliers
- Hiring and procurement policy.

\*The Company discloses the full Policies and Guidelines on Corporate Governance and Economic Management on the Company's website.

##### 3.5.2 Management Approaches for Governance and Economic

The Company sets management approaches for corporate governance and economic under the concept "Excellent products and services for sustainable growth" by adhering to practices that are in line with the law, rules, and regulations pertaining to social management in the business process, to create fair treatment along with respect for human rights, improve the quality of life, and create better living conditions for all stakeholders.





## Excellent products and services for sustainable growth



Corporate governance

R&D on innovation  
and technologyRisk and crisis  
managementSupply chain  
managementDevelopment of the quality  
of products and services

## Sustainability Goals in Governance and Economic Aspects

Indicator		Goal
Corporate governance	Number of founded complaints regarding code of conduct	0
	Number of cases of code of conduct violation	0
	Number of cases of non-compliance with laws and regulations regarding the environment, society, and corporate governance	0
Risk management	Business continuity management plan drill	Once a year
R&D on innovation and technology	Number of innovation projects	According to plan
Development of the quality of products and services: responsibilities for customers and products	Percentage of customer satisfaction with products and services	85
	Number of complaints regarding consumer rights violations	0
	Number of complaints regarding personal data violations	0
	Percentage of other complaints handled	99
Supply chain management	Percentage of suppliers who have signed to abide by the supplier code of conduct	50
	Compliance with the payment policy to suppliers	In accordance with the policy
	Number of projects or activities for supplier development	According to plan

Remarks :

- Details of corporate governance are disclosed in Section 2: Corporate Governance
- Details of risk management are disclosed in Section 1: Business Operations and Performance, No. 2: Risk Management



### 3.5.3 Governance and Economic Performances

#### (1) Research and Development (R&D) on Innovation and Technology

##### Significance and Management Approaches

The Company values the quality of products and services delivered to customers, because it not only improves the quality of life for customers, but also fosters their long-term confidence. Improving the efficiency of products and services is another approach valued by the Company. For this reason, innovation and new technology are continuously developed to promote efficient work processes. These innovations and technologies are considered one of the essential factors that immensely increase competitive potential and respond to the needs of customers and consumers for a better life, according to the intention and commitment of the Company. In terms of management, the research and development (R&D) department for innovation and technology invents and designs “LH Smart” products and services that meet all aspects of living needs. In addition, the Company provides opportunities and encourages employees to apply their knowledge and abilities to invent and develop innovations and new technologies that can increase the values of products and services, drive the organization’s growth, and jointly create benefits for society and the environment.

##### Innovation and Technological Development Process

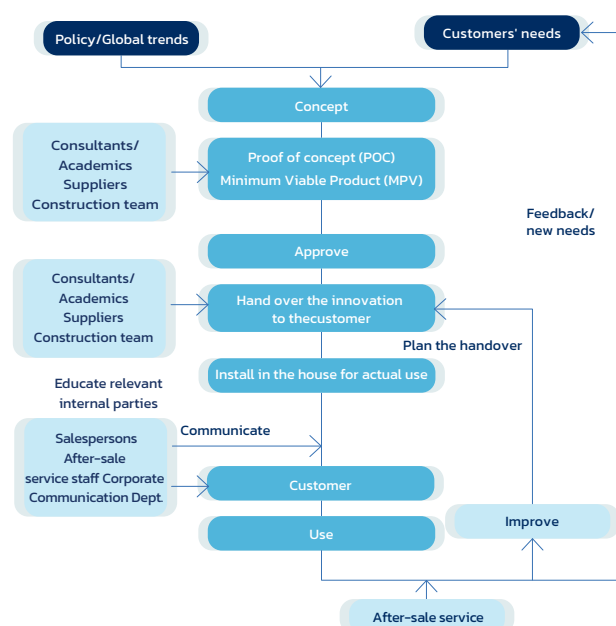
The Company’s innovation and technological development process starts from :

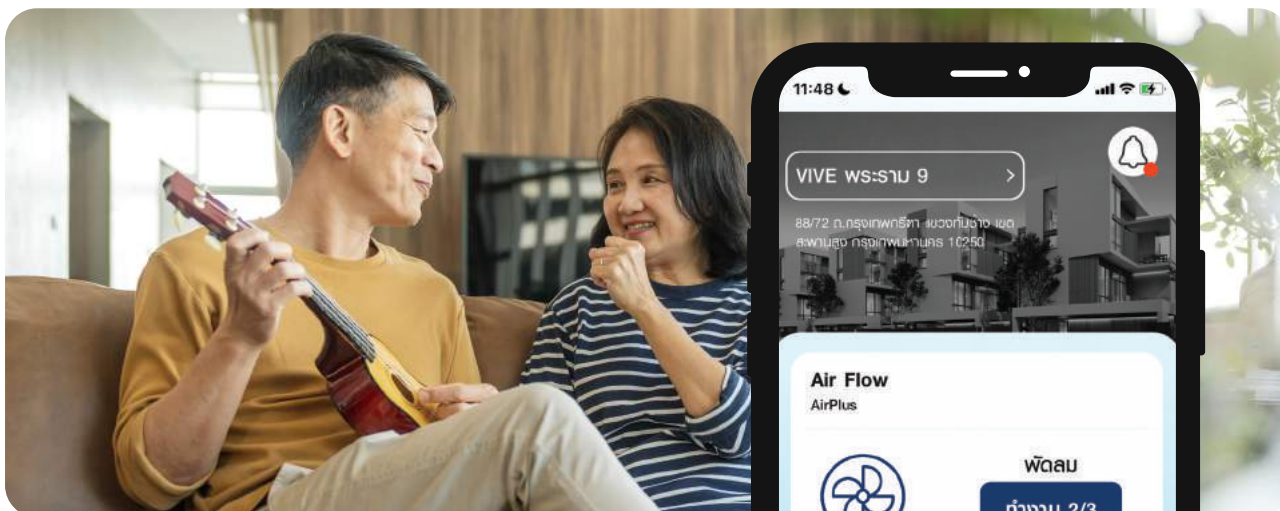
1. Having customer insight to learn their needs. Then the Company studies quantitative and qualitative information acquired to find solutions and design houses that better match customers’ lifestyles. In this process, its employees participate in the study and listen to their opinions after they have used the products. Next, their comments will be used for product development.
2. Monitoring changing global trends, at the same time, having support from the management in promoting innovative initiatives for the benefit of customers, society, and the environment.

Then, it goes through a proof of concept (POC), prototyping, and testing processes by deploying all of its knowledge and ability. This part requires brainstorming and experiences of the construction team, academics, and suppliers to develop innovations or new technologies into MVP (Minimal Viable



Product). The product can be the equipment installed inside houses or in common areas or even programs/ applications. Next, the team will present the work to the management team for further approval. If approved, the team will plan for the actual use. It will also train employees in relevant departments on how to use such innovations to ensure that they know, understand, and communicate with customers and third parties while conducting responsible marketing. Doing this will protect users from harm or danger of misuse. Moreover, the team will constantly monitor and check such innovations for further development.





### Performance

The Company advocates the development of innovation and design for residents' comfort, which can add value to products and services, drive the organization's growth, and create benefits for society and the environment. In 2023, the Company spent a total of 4,433,386 Baht on innovation R&D, with outstanding innovations as follows:

### Environmental and Social Innovations for a Better Living "AirPlus<sup>2</sup> (AirPlus Square)" Technology

With commitment to making residents happy and creating better living, the Company therefore highly values air quality within the house, which is considered another essential factor of a good quality of life. "AirPlus<sup>2</sup>(AirPlus Square)", an extension of the original AirPlus technology, was developed. The system can inject new air into the house. The air inside



the house therefore circulates and ventilates, including dust filtering with a HEPA Filter (High Efficiency Particulate Air Filter) that screens dust along with particles as small as 0.3 micron and PM2.5 dust. The system will work automatically when it is found that the amount of airborne dust has increased to a certain level.



AirPlus<sup>2</sup> Land & Houses



Furthermore, AirPlus<sup>2</sup> has a fan that helps ventilate old air. With the controlling sensor measuring the amount of dust from inside and outside the house, the air movement is consistent with the weather condition in real-time, making the air inside the house always fresh. In addition, it reduces the accumulation of carbon dioxide and humidity, which are the main causes of musty odor and mold within the house. It reduces Total Volatile Organic Compounds (TVOC), resulting in a maximum temperature drop of 2 degrees inside the house. Residents can have confidence in good air quality for everyone in the family. It also saves energy from turning on the air conditioner and reduces energy consumption as well. At the same time, the Company can continue to create opportunities and grow its business by boosting confidence the quality of its products and services to generate awareness among customers and consumers.

Energy-saving statistics from AirPlus<sup>2</sup>

Energy-saving results from using AirPlus <sup>2</sup>	Unit	2021	2022	2023	Total
Estimated number of houses that installed AirPlus <sup>2</sup>	House	1,500	1,700	1,200	4,400
Energy saved (calculated at 1 bedroom per year)	kilowatt	172,463	143,336	101,178	416,977

**Benefits to the Company**

- Promoted a good brand image
- Promoted sales

**Benefits to society and the environment**

Reduced electricity consumption by

**101,178** kilowatts

Increased the opportunity to access good air quality within the home

**Multi-purpose “YON” cabinet**

With the concept of product design under environmental responsibility, Land and Houses Public Company Limited and DOS LIFE, a water management expert of the Thammasorn Group of Companies, jointly developed “YON”, a multi-purpose cabinet embedded in the wall of a home fence with a compartment at the top for large parcels and letters to accommodate many pieces of mail and parcel boxes. The lower compartment is a garbage disposal compartment with built-in compartments to separate different types of waste, including general waste, hazardous waste, recyclable waste, plastic water bottles, and magazine papers., of which the garbage can be disposed from inside the fence without having to come outside the fence. The multi-purpose cabinet “YON” won a “Good Design Award 2023” in the category of “Equipment and Facilities for Professional Use” from Japan and a 2023 Best Design Award “Design Excellence Award 2023 (DEmark)” from the Department of International Trade Promotion, Ministry of Commerce. The starting point for developing the multi-purpose cabinet design came from the study of the behavior of residents. Since the outbreak of Covid-19, the purchasing behavior of residents has changed to more online purchases. It was found that the original mailbox could not adequately accommodate parcels or other items. Moreover, the Company had an idea to advocate residents to turn to waste-sorting to create

a good environment for the home and community. So far, the Company has installed “YON” and has used in the homes of Land and Houses in a total of six projects, namely CHAIYAPRUEK Chaengwattana, CHAIYAPRUEK Prannok - Sai 2, VIVE Krungthep Kritha, VIVE Bangna km 13, VIlIaggio 3 Srinakarin-Bangna, and CHAIYAPRUEK 2 Rangsit Klong 4. For the future, there are plans to expand the installation to every new project.

**Benefits to the Company**

- Promoted a good brand image
- Promoted sales
- Facilitated waste management in the project
- Reduced time to install garbage bins and mail/parcel drop boxes
- Reduced space to set up garbage bins and mail/parcel drop boxes

**Benefits to society and the environment**

- Promoted waste-sorting
- Reduced general waste and increased the amount of recycled waste into the management system in a more proper way
- Addressed the needs of residents



### Air Post technology

One of the most common problems of condominiums is that there is very little air circulation in most rooms, causing undesirable odor, musty odor, and heat. As a result, residents feel that living in a condominium is not as comfortable as in a house. With the concept of “LH Smart” that develops innovation and design to give residents comfort, the Company developed the “Air Post” technology, an innovation for condominiums. The Company registered a product design patent and a petty patent as intellectual property. It ventilated and brought new air into the room for freshness and allowed air to circulate without the need to open the front door. It reduced the use of air conditioners, odor, and dampness within the room. The emphasis was on simple design but full of functionality by converting a normal door edge into an air vent, and the area above the ventilation hole was designed for other uses as well. The front part was designed to have a house number sign, complete with lighting, a signal bell, and a letter slot. The back part was designed to house a mail slot opening and a key shelf. “Air Post” was already tested by experts to have 37% better ventilation efficiency than normal rooms, and from sound level-testing results, it was found that in the apartments in which “Air Post” was installed, the noise level was similar or equivalent to that of general rooms, i.e. within the normal living noise level (50-75 dB). So, this system would not increase noise from outside. There were also mosquito screens to keep out insects. Importantly, there was still privacy, unlike opening a window or door to ventilate the room.



### Benefits to the Company

- Increased construction efficiency by reducing installation time for doors, mailboxes, and air circulation system because the device was designed to be a single piece but can function in all applications
- Promoted a good brand image
- Promoted sales



### Benefits to society and the environment

- Reduced electricity consumption
- Increased the opportunity to access good air quality within the home
- Reduced space for installing doors, mailboxes, and air circulation system

### iDesign Application (Version 2)

The Company developed the iDesign application, building on the original version to make it easier to use and more attractive, increasing the ability to search for the location of the Company’s various projects, along with travel directions to the project sites for those interested. This serves as a pre-sale action that attracts the attention of new customers and expands the user group, i.e. not limited to only the residents of the Company’s projects.

In addition, it adds functionality regarding interior decoration for various rooms in the house. It provides experience in selecting and arranging furniture from various leading brands on the project’s actual room plan. Customers can choose to view the room from many perspectives as if being in a real room. With various options prepared, such as the 360-degree image mode and virtual reality (VR) mode, the system helps calculate the initial budget for the room design and selected furniture and allows customers to decorate their homes and rooms exactly as they want according to the images they see, and can design to meet their needs within a specified budget. As a result, customers can live the way they want and share experiences and details from decorating their rooms with friends or family members. At the same time, the Company can foster engagement with customers, based on information about the interior decoration characteristics that customers like, and popular furniture styles to further

AirPost ≈ ไม่ต้องใช้ไฟฟ้า







develop the business through design and cooperation with business partners. This iDesign application is also used as a sales tool that allows customers to see model homes and interior decorations in virtual reality during the visit to the project, ultimately leading to the decision to buy houses from the Company.



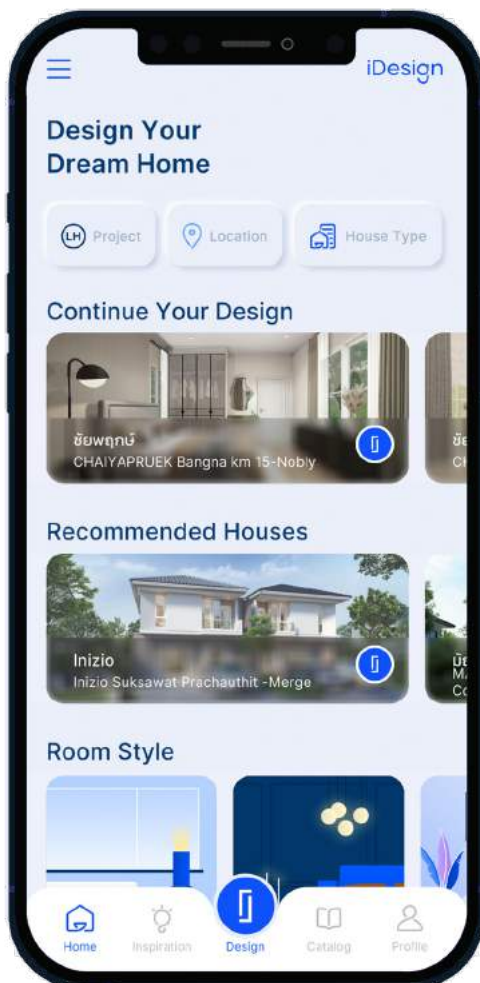
#### Benefits to the Company

- Promoted participation and sharing of good experiences with customers
- Impressed customers
- Promoted sales



#### Benefits to society and the environment

- Facilitated and responded to customers' functional needs



## (2) Development of the Quality of Products and Services

### Significance and Management Approaches

In implementing the main strategy, the Company still adheres to the principle of quality products, services, and personnel. The Company is aware of operation under various risks and works toward sustainable development, together with product and service development to access a variety of needs and respond to customers to attain their highest satisfaction. In addition, the Company values customers' personal data protection. Hence, the policy and guidelines are established as follows:

- Product design practices that focus on the quality of life
- Guidelines for R&D of innovation and technology for goods and services
- Personal data protection policy
  - o Personal data protection guidelines
  - o Guidelines/measures for maintaining personal data security
  - o Guidelines for the Use of Customers' Personal Data in Marketing and Advertisement.

### Product Design Practices with a Focus on the Quality of Life

The Company is committed to ensuring that the design, development, and control of the quality of products and services are of high standards, along with providing after-sales services that can deliver a tangible quality of life value. To forge customers' confidence and achieve maximum satisfaction, the Company establishes guidelines for developing products and services with a focus on the quality of life as follows:

1. Conduct research on consumer behavior, recognize and understand the needs and expectations of consumers, as well as how they and their family members spend their daily life, to determine guidelines for product design consistent with their lifestyles.



2. Procure quality raw materials from suppliers who conduct business responsibly toward society and the environment by prescribing a code of conduct for suppliers covering economic, social, and environmental aspects.
3. Design products and manage product inspection at material production sites before mass production according to the concept of convenience, security, and safety, with procedures for operation inspection to achieve maximum efficiency and deliver the best products to customers.
4. Arrange for product improvement to always be appropriate for the time, including all environmental conditions that support product quality and safety.
5. Build complete products before selling (comfortable house completed before sold), including the availability of common areas to support customers' decision-making on purchasing products, reducing the risk of receiving products that do not meet expectations, risks related to production time, and labor costs of the Company.
6. Carry out product quality control (QC) according to the Company's standard, implement product warranty, and set up an after-sales service system, including responsibility for product damage after product ownership is transferred to customers.
7. Establish a department to contact and receive suggestions or comments from customers and set up a Customer Relationship Management (CRM) system and Customer Emotional Management (CEM) system to effectively communicate, respond, and promote relationship with customers. The channels of communication are as follows:



**Service center – No. 1198 press 2,**  
from 9:00 a.m. – 5:30 p.m.



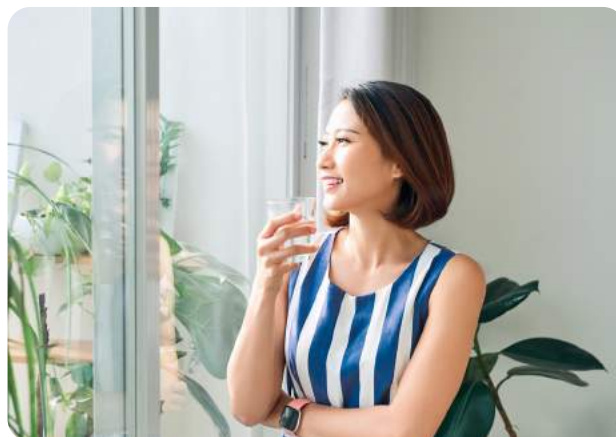
**Report repairs online – E-service**  
at [www.lh.co.th/service](http://www.lh.co.th/service), 24 hours a day



**Complaint channel regarding houses and condominiums**  
at [www.lh.co.th](http://www.lh.co.th), 24 hours a day



**Project service offices.**



### Product Design for Well-Being

With the intention of delivering quality products, the Company designs residences from the information obtained from surveys and research to develop products and services to meet the needs of customers, according to the “Create A Better Living” concept, covering the design of various functions within the home and common areas of every project as follows:

- **Living Space:** A good home is where everyone can live together, by designing the space to be connected with the Co-nection Concept, but still maintaining privacy, such as the living room, dining room, and kitchen where everyone can see each other but can still maintain privacy. Meanwhile, the common area must be easily accessible to all family members, proportional, and responsive to daily use.
- **Health & Well-Being:** A good home is where everyone has good physical and mental health, by designing the space to bring in nature as a part of living, allowing the residents to return to peace and experience the beauty of nature that is missing from city life, including designing houses to respond to living in a changing world and to have good physical and mental health.
- **Ideal Society:** A good home is the initiative to create a better model society, by designing houses and society that can reflect status and meet the needs at each stage of life. With the houses completed and ready to move in, surrounded by idyllic nature, residents can start living a good life from the first day onward. It is a model society for every family.
- **Safe & Sound:** A good home is one where there is peace of mind by valuing safety as the top priority, quality, and durability, design with attention to detail, careful selection of materials, and intensive security system 24 hours a day, both inside and outside, to make residents feel at ease and safe.



### Guidelines for R&D on Innovation and Technology in Goods and Services

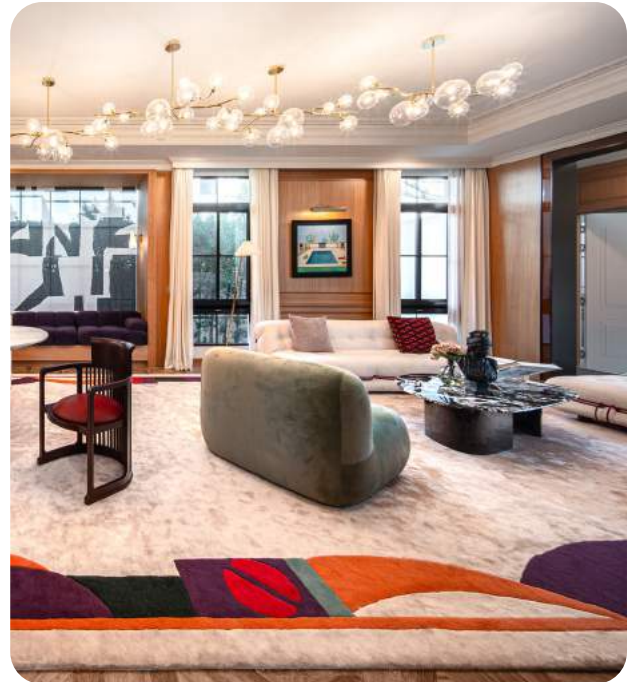
The Company stresses the importance of creating innovation and technology for its products and services to provide customers and those interested in using products and services with comfort and convenience and enjoy a better life, according to the intention and commitment of the Company. Hence, the Company establishes guidelines for providing innovation and technology in products and services as follows:

1. Understand the context of the real estate industry in terms of the behavior and needs of consumers, social change, and technological advancement, including information on needs, expectations, and concerns obtained from the customer relationship management process.
2. Analyze operational processes in the value chain to summarize gaps in development when compared with the context of this industry.
3. Create a prototype for the development of products and services using technology to increase efficiency in terms of time and costs.
4. Carry out testing of the products and services to summarize the result of usage and make improvements (if any).
5. Develop real products and services along with training and knowledge-sharing to create an understanding of usage for employees in applicable departments to ensure that they can communicate responsibly with customers and outsiders according to the marketing objective.
6. Follow up and inspect products and services regularly through the customer relationship management process and collect data for continuous development.

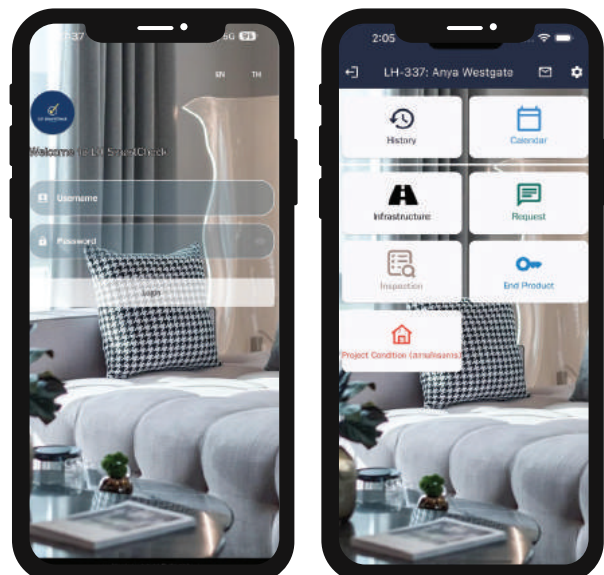
(More details can be found under Research and Development on Innovation and Technology.)

### Construction Quality Inspection and Home Inspection through an Application

Regarding construction quality inspection, there are many items on the checklist and employees who check the document, so it takes a long time to record data and prepare summary reports, and it is not possible to control the time for inspecting construction quality. For this reason, the Company introduces the “LH Smart Check” system, a FASTInspect platform to aid the construction quality inspection process. Inspectors can use the system through an application on their mobile phones. When the inspection is completed, the inspection report can be viewed in real-time.



In addition, the Company uses the system in the home inspection process for customers who do not use the service of the home inspection company, they will receive a QR code to view a report summarizing the statistics of problems found from all home inspections or to create a summary report by specifying the types of problems and the locations of the problems in the layout plan. The system will display the name of the responsible contractor and the estimated date in advance that the defective work will be fixed and ready for inspection. Customers can inspect the work on defects at a single point repeatedly, with a “history” recorded for each inspection, which adds clarity to the report, reduces home inspection time, and allows for more detailed inspection.







## Record of Visitors' Entry and Exit through the "Savety" System

A common problem encountered with the visitor card exchange system is the difficulty in managing information. It takes time to check and search for information. When there are a lot of people coming in and going out, cards may be forgotten, swapped, or lost. It also requires staff to take action. This causes delays and unnecessarily wastes resources. The Company therefore introduces the "Savety" system, a technology to help with recording incoming and outgoing information of visitors using both hardware and application that work holistically in one single system. With

### Efficiency from using the "Savety" system

#### Time Saving



**Visitor management:  
Online visitor entry and  
exit recording system**  
Support the work of staff.

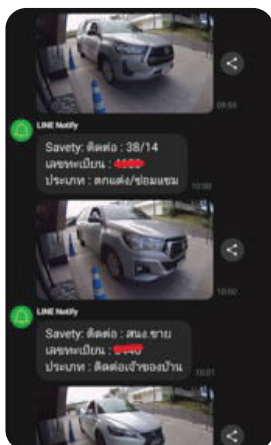
Convenient, fast, and reduces working time.

#### Data Saving



**Save data online on  
Cloud Platform:**  
Eliminate the problem of lost  
or missing data.  
Can be viewed from the  
Back-Office system.

#### Real time information



**Notify the security guards  
LINE group and the sales  
office LINE group:**

The information is correct and complete.

#### Reliable Visitors Satisfaction



**Increase convenience  
and reliability. Enhance  
the image of the project.**



สมัครสมาชิกเสร็จสมบูรณ์

this, information can be stored via an online channel and is not lost and can be checked through the Back-Office system to reduce errors in recording information. It can also check transparency in the work of security officers. In addition, it is convenient for residents and reduces the entry-exit time of visitors during rush hours. In 2023, the Company made a trial of the use of the system in a total of eight prototype projects and will expand it to every new project in the following year.

### Personal Data Protection Guidelines

The Company takes seriously the protection of personal data. Hence, the Company sets a policy to comply with the law and regulations to protect personal data under the Personal Data Protection Act 2019 as follows :

1. Establish a personal data protection policy to promote and support the protection of such personal data.
2. Appoint a senior IT manager to be the Company's Data Protection Officer (DPO), along with a personal data protection working group of 12 people from various departments throughout the organization.
3. Define the roles, duties, and responsibilities of the DPO, with the main duty to manage and supervise employees regarding the Company's personal data protection in compliance with the personal data protection policy and regulations. The DPO provides decision-making guidelines for personal data protection.



4. The regulations are to be reviewed and improved once a year or when there are significant changes to comply with relevant and up-to-date laws.
5. Set penalties for violation and failure to follow the regulations set by the Company. Disciplinary punishment ranges from warning, punishment, suspension, termination, to legal action.

**Guidelines/Measures for Maintaining Personal Data Security**

The Company commands strict guidelines and measures to maintain the personal data security of customers and respects the privacy of customers. As required by law, the Company undertakes the following actions:

1. Categorize personal data as confidential information.
2. Establish organizational measures and technical measures for data management to prevent eavesdropping, tampering, unauthorized access, use, or alteration, such as security information systems and the policy on maintaining customer confidentiality.
3. Stipulate that employees, staff members, external service providers, suppliers, and outside agencies, or service providers are obliged to maintain the confidentiality of customers' personal data under the confidentiality agreement signed with the Company.
4. Establish a process to deal with personal data breaches and notify customers if their personal data are breached in accordance with the law.

**Guidelines for the Use of Customers' Personal Data in Marketing and Advertisement**

To control personal data, the Company implements the following mechanisms:

1. The Company organizes training to create understanding and awareness of personal data, along with methods for managing personal data to prevent leakage and unauthorized use.
2. The Company determines the level of information and data access right of employees. Employees have access only to information relevant to their roles and responsibilities.
3. The Company may use personal data of customers, technical and usage data, and profile data of customers

to analyze and present appropriate products or services to customers and send news and information offering various incentives and promotions. Customers can choose not to receive marketing information through various channels.

4. Customers can choose not to receive news from the Company by sending an email to [DPO@lh.co.th](mailto:DPO@lh.co.th). Nevertheless, such act will not affect products or services provided to customers or any other transaction that customers have with the Company.
5. Determine the methods for handling complaints. If customers have complaints about personal data violation, they can contact the Company at Q House Lumpini Building, 37<sup>th</sup>-38<sup>th</sup> Floors, 1 South Sathorn Road, Thungmahamek Subdistrict, Sathorn District, Bangkok, phone 02-230-8900 or email: [DPO@lh.co.th](mailto:DPO@lh.co.th)

All complaints will be forwarded to the DPO to investigate and recommend an appropriate resolution or response. Complaints received by the DPO through any channel will be investigated and forwarded to applicable agencies. All complaints will be resolved within a reasonable period unless the DPO needs to extend it.

More details can be found on the Company's website under section on "Privacy Policy".

**Performance of Responsibility for Customers and Products****Customer satisfaction with products and services**

In 2023, the Company conducted a survey on customer satisfaction with products and after-sales services to know their comments and opinions for further improvement with 966 responses in six areas: satisfaction with security officers, project conditions, sales staff, supervisory engineers, orderly wrap-up team, and teamwork. The satisfaction evaluation result was 92 percent, which exceeded the goal of 85 percent.

From the analysis of data in each area, it was found that the wrap-up team received the lowest scores. Relevant departments examined the details on a project-by-project basis and made prompt corrections and improvements, and incorporated them into a product and service development plan.





In 2024, the Company plans to use the LH SmartCheck system, a FASTInspect platform that the Company uses in the construction quality inspection and home inspection process, in the process of orderly wrapping up to control its quality. In addition, the Company organizes continuous training on operating the LH Smart Check system for new construction control engineers every year to develop their operational skills to be able to make customers satisfied and more confident in the quality of their work.

Indicator	Unit	Goal	2021	2022	2023
			Result	Result	Result
Customer satisfaction with products and services	Percentage	85	91	92	92
Complaints regarding personal data violation	Time	0	0	0	0
Complaints regarding consumer rights violation	Time	0	0	0	0
Complaints handled	Percentage	99	99.65	99.44	99.37

#### Types of Complaints and Requests for Advice

Types of Complaints and Requests for Advice	2021		2022		2023	
	Complaints	Tracked and managed	Complaints	Tracked and managed	Complaints	Tracked and managed
General house repair work	309	309	373	372	278	278
Living conditions in the project and neighbors	441	441	386	383	335	333
Service work	18	18	24	24	8	8
Safety work	76	76	78	77	66	65
Other work	23	20	37	37	107	105
<b>Total</b>	<b>867</b>	<b>864</b>	<b>898</b>	<b>893</b>	<b>794</b>	<b>789</b>

#### Service and Creation of Good Experience for Customers

The Company takes very seriously the safety, scenery, and orderliness of every project. Every year, after the rainy season, the Company carries out an inspection, repairs buildings, equipment, outdoor play equipment affected by the sun and rain, and improves project landscapes to ensure that they are in good order and ready for safe application for the good quality of life of all residents. In addition, the electrical equipment systems are checked whether there is damage from the rain. If problems are found, they will be fixed immediately to maintain the ready-to-use condition.

#### Activities to Nurture Relationship and Support Well-Being with Customers

The problem of snakes entering the house occurs frequently. This is because there is less forest or wasteland that used to be

a habitat for snakes. This causes more snakes to come to find food or live in houses. The Company is aware of the problem and concerns of residents. Consequently, a herpetology team was invited. They are experts who provided basic knowledge training on “Snakes and Safety” to residents of the Villaggio Phetkasem-Sai 4 project, which received a great deal of interest from residents.



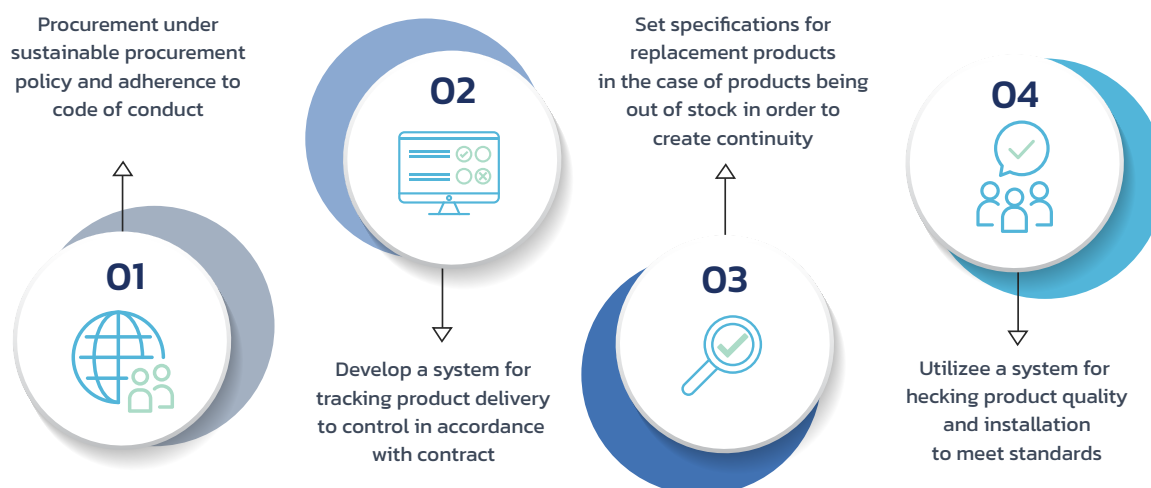


### (3) Sustainable Supply Chain Management

#### Significance and Management Approaches

The Company commands supply chain management to help reduce risks from the actions of suppliers. This may impact business operations and increase efficiency in delivering good products and services of suppliers. It demonstrates the transparency and fairness of the procurement process in parallel with the encouragement for suppliers to follow the Company's code of conduct for suppliers in order to achieve common sustainable growth.

#### Supplier Management



#### Payment Policy to Suppliers

The Company can pay suppliers fairly within the period specified according to the payment policy to suppliers, that is, within 30 days for general suppliers and 15 days for contractors for construction projects. In 2023, the Company made payment to general partners within an average of 30 days and to contractors in construction projects within an average of 15 days.

#### Selection of New Suppliers in the Procurement Process

To ensure that new and efficient suppliers are selected, the Company establishes the criteria for selecting suppliers to cover all three aspects of sustainable development, namely the environmental, social, and corporate governance and economic (ESG) aspects, so that all parties involved are informed and act in a uniform direction.

##### 1. General qualification criteria for new suppliers

- 1.1 Able to verify the identity of customers.
- 1.2 There is important evidence showing that the supplier has correctly registered for VAT as required by law.
- 1.3 In possession of documents showing business ownership and having passed the examination of related-party transactions to prevent conflicts of interest and business decisions.

##### 1.4 Set clear payment channels.

1.5 Possess appropriate qualifications or experience in carrying out the work under procurement.

1.6 Possess production quality and delivery standards as well as responsibility for the quality of products and services.

##### 2. Criteria for ESG :

##### 2.1 Environmental aspect

- Environmental policy
- Environmental management
- Monitoring environmental impact

##### 2.2 Social aspect

- Occupational health and safety
- Human resource development
- Labor management and human rights

##### 2.3 Governance and economic aspect

- Compliance with laws and regulations
- Responsible procurement
- Code of conduct.



### Selection of Suppliers in the Procurement Process

The Company establishes criteria for selecting suppliers in the procurement process by considering and evaluating suppliers in two aspects: general evaluation and evaluation of ESG.

1. General criteria for selecting and evaluating suppliers in the procurement process
  - 1.1 Be a manufacturer, entrepreneur, seller, distributor, service provider, or contractor whose establishments can be verified.
  - 1.2 Command personnel, machinery, equipment, products, financial status, and reliable business history.
  - 1.3 Accept and follow the Company's Supplier Code of Conduct.
  - 1.4 Be a supplier with a satisfactory performance record.  
The Company will evaluate the work based on the quality of products and services.
  - 1.5 Be a supplier with no conflict of interest with the Company's business.
  - 1.6 Be a supplier with no history of trade ban due to dishonest operation.
2. Criteria for ESG
  - 2.1 Environmental aspect
    - Environmental policy
    - Environmental management
    - Monitoring of environmental impact
  - 2.2 Social aspect
    - Occupational health and safety
    - Human resource development
    - Labor management and human rights
  - 2.3 Governance and economic aspect
    - Compliance with laws and regulations
    - Responsible procurement
    - Code of conduct.

### Signing the Supplier Code of Conduct

The Company encourages suppliers to follow the Company's Supplier Code of Conduct manual, which covers important suppliers throughout the business supply chain. In 2023, the Company sent the Supplier Code of Conduct manual to procurement suppliers to be informed of the Company's guidelines, with the objective of acquiring signatures of at least 50 percent. or more of the total number of suppliers. As a result, the number of signatures accepting the business code of conduct was 84.25 percent.

\*The Company discloses the Supplier Business Code of Conduct by posting the full version on its website.

### Determination of Critical Tier 1 Suppliers and Critical Non-Tier 1 Suppliers

The Company considers Critical Tier 1 Suppliers and Critical Non-Tier 1 Suppliers by using the criteria for the consideration

Criteria	Indicator
Importance of products and services	Products and services are important to the Company's business operations.
Level of dependence of supplier	Irreplaceable supplier or one of small number of suppliers
Procurement value	Supplier with the highest procurement volume of 60% of the total procurement volume.

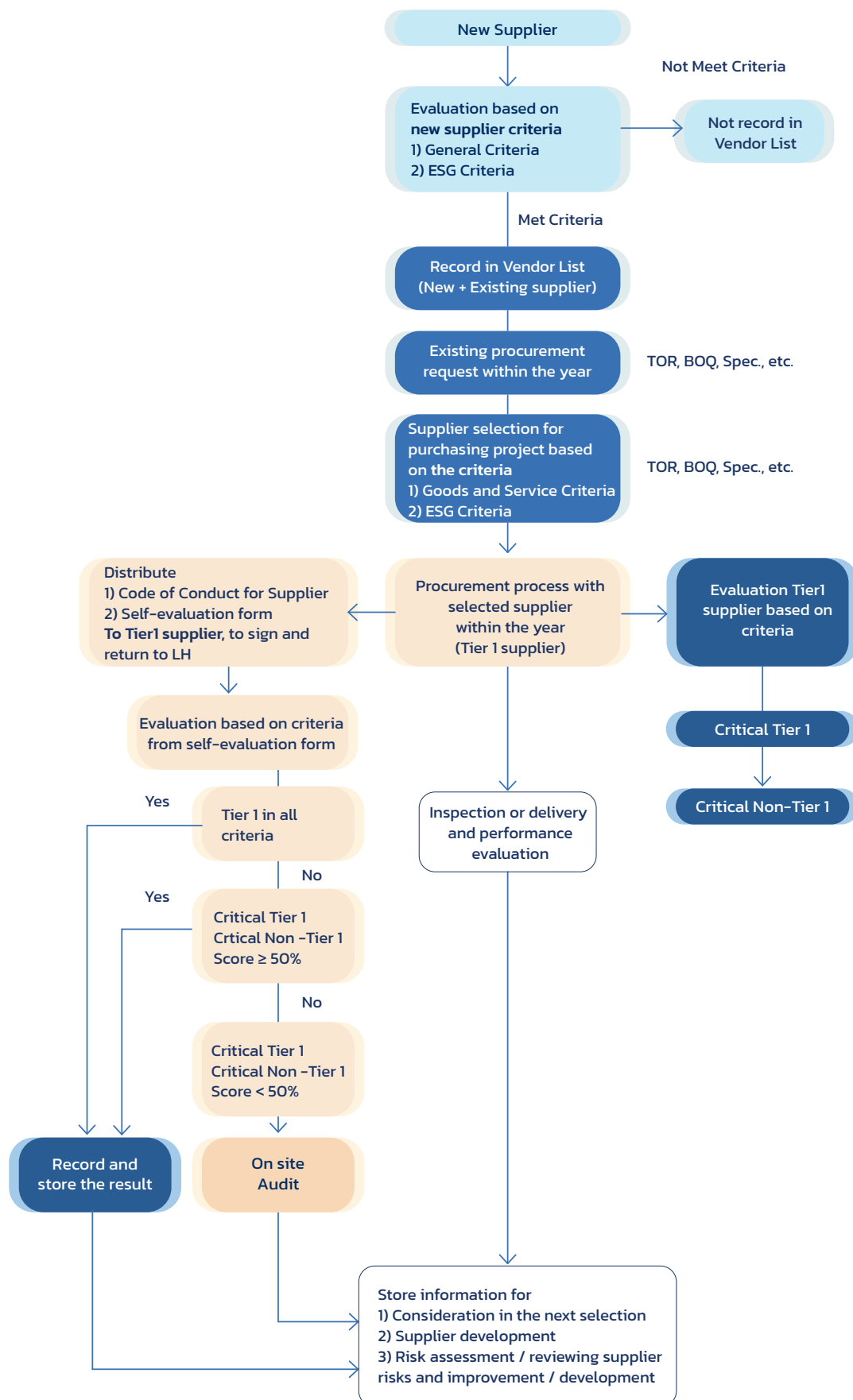
### Determination of Key Supplier Groups

In 2023, the Company has a total of 1,760 Tier 1 Suppliers, of which 58 were Critical Tier 1 Suppliers, and 319 Critical Non-Tier 1 Suppliers, representing 3.3%, and 18.1% of the total number of suppliers respectively.

Group	Number
Tier 1 Suppliers	1,760
Critical Tier 1 Suppliers	58
Critical non-Tier 1 Suppliers	319



## Supply Chain Management





### Environmental, Social, and Governance (ESG) Risk Assessment

The Company requires the assessment of ESG Risk of all Tier 1 Suppliers once a year. Critical Tier 1 Suppliers who have been assessed to have high risk (with scores lower than 50 percent.) must also be assessed at their establishment.

Types of suppliers	Document review and online assessment (1 time/year)	On Site Audit (1 time/3 years)
Tier 1 Suppliers	✓	
Critical Tier 1 Suppliers	✓	
Critical Tier 1 Suppliers who have been assessed to have high sustainability risk (score below 50%)	✓	✓

The Company assesses ESG Risk on all key suppliers, covering old and new suppliers, by collaborating with relevant departments and parties in developing risk assessment criteria and self-assessment forms for suppliers. They cover major risk issues as follows:







### Results of ESG Risk Assessment

In 2023, there were 92.91 percent. of suppliers who responded to the ESG Risk assessment. It was found that there were no high-risk suppliers (score lower than 50 percent.), with an average score of 90 percent. for the environmental aspect, 97 percent. for the social aspect, and 97 percent. for the governance and economic aspect.

Description	Number	Ratio (Percentage)
Risk assessment of Tier 1 Suppliers		
Suppliers	1,760	100
Suppliers with a high level of risk (ESG Risk)	0	0
Risk assessment of Critical Tier 1 Suppliers		
Critical Tier 1 Suppliers	58	3.3
Critical Tier 1 Suppliers with a high level of risk (ESG Risk)	0	0
High-level risk management		
All Critical Tier 1 Suppliers have prepared risk plans.	58	100
All Critical Tier 1 Suppliers have completed risk plans.	58	100



## Supplier Potential Development

### Wastewater Management Development in the Project

The Company values the development of the potential of contractors to be able to work efficiently, according to agreements and standards. Consequently, training was organized to develop personnel in wastewater management, in a wastewater treatment administrator course, for 83 contractors and employees who are the administrators from 24 companies to gain an understanding of wastewater treatment system control in the project and to be able to record data and prepare reports accurately as required by government agencies. As a result of the training, reports can be submitted correctly, completely, and on time. No errors are found in preparing reports for submission to government agencies.



### Construction Quality Development

The Company develops a system for working with contractors to obtain quality work and deliver of products on time. One crucial factor for developing work processes is project engineers. To work efficiently under the required standards, the Company organizes training for contractors and engineers pertaining to work procedures and building construction standards for the team to work in a uniform direction in a systematic manner and to increase the potential



of project engineers to carry out work professionally. In 2023, a total of 67 contractors and engineers participated in the “B to S (Basic Knowledge)” training course. There were 47 people who passed the course. For those who did not pass the course, they must participate in the training again and retake the examination to ensure that they have the appropriate skills and knowledge to perform their jobs. With the outcome of the training, the Company can deliver the housing products on time, and every project can be carried out under the defined standards.

### Service Development

Service work is the key to creating a good impression and experience for customers and ensuring that the service is of the standard set by the Company. Hence, two training courses were organized to develop knowledge and skills for security personnel:

1. The “LQ Art of Leadership Development” course had 21 participants.
2. The “Effective Communication” course had 60 participants.





## Feedback Form: 2023 Sustainable Development Report

Land and Houses Public Company Limited

1. Please specify your stakeholder type

- |                                   |                                     |  |
|-----------------------------------|-------------------------------------|--|
| <input type="radio"/> Employee    | <input type="radio"/> Supplier      | <input type="radio"/> Financial institution/Creditor |
| <input type="radio"/> Shareholder | <input type="radio"/> Community     | <input type="radio"/> Student                        |
| <input type="radio"/> Customer    | <input type="radio"/> Public sector | <input type="radio"/> Other                          |

2. Through which channel do you know about this sustainable development report?

- ☐ Annual general meeting  
☐ LH Website  
☐ The Stock Exchange of Thailand (SET)  
☐ Others

3. The reason to read this sustainable development report.

- ☐ To support investment decision  
☐ To understanding about LH business  
☐ Research and education purposes  
☐ Others

4. Satisfactory level towards the 2023 sustainable development report

- |                      |                            |                              |                           |
|----------------------|----------------------------|------------------------------|---------------------------|
| Readability          | <input type="radio"/> High | <input type="radio"/> Medium | <input type="radio"/> Low |
| Information adequacy | <input type="radio"/> High | <input type="radio"/> Medium | <input type="radio"/> Low |
| Overall satisfaction | <input type="radio"/> High | <input type="radio"/> Medium | <input type="radio"/> Low |

5. In your opinion, which is the most significant aspect of LH's sustainable growth?

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6. In your opinion, what should the report be improved?

.....

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Participate in online survey  
by scanning this QR Code





To Investor Relations and Sustainable Development Department  
Land and Houses Public Company Limited  
1 Q. House Lumpini Building, 37<sup>th</sup>-38<sup>th</sup> Floor,  
South Sathon Road, Thung Mahamek, Sathon,  
Bangkok 10120

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#### Channels for returning Feedback Form



1. **E-mail** – Scan or take a photo of the feedback form to  
[investor@lh.co.th](mailto:investor@lh.co.th)



2. **Mail** – Tear the feedback form, stamp it and send it to the  
address mentioned above



## 4. Management Discussion and Analysis



### Financial statements

#### Summary of Auditor's report 2021-2023

The Auditor's report for the financial statements of the year 2021 ended 31 December 2021 which audited by Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 of EY Office Limited has expressed her opinion on the abovementioned financial statements have presented the financial performance and cash flows of Land and Houses Public Company Limited for the year ended the same day and were presented fairly in all material respects and in accordance with the Thai Financial Reporting Standards.

The Auditor's report for the financial statements of the year 2022 ended 31 December 2022 which audited by Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 of EY Office Limited has expressed her opinion on the abovementioned financial statements

have presented the financial performance and cash flows of Land and Houses Public Company Limited for the year ended the same day and were presented fairly in all material respects and in accordance with the Thai Financial Reporting Standards.

The Auditor's report for the financial statements of the year 2023 ended 31 December 2023 which audited by Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 of EY Office Limited has expressed her opinion on the abovementioned financial statements have presented the financial performance and cash flows of Land and Houses Public Company Limited for the year ended the same day and were presented fairly in all material respects and in accordance with the Thai Financial Reporting Standards.





## Land and Houses Public Company Limited and its subsidiaries

## Statement of financial position

As at 31 December 2021, 2022 and 2023

Unit : million Baht

	31 December 2021		31 December 2022		31 December 2023	
	Amount	%	Amount	%	Amount	%
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	10,330.97	8.25	4,799.36	3.87	4,336.79	3.29
Short-term investments	-	-	-	-	-	-
Trade and other receivable – Net	169.90	0.14	248.61	0.2	476.88	0.36
Short-term loans to related party	594.64	0.47	-	-	-	-
Current portion of long-term loan to other company	-	-	26.40	0.02	-	-
Inventories	47,255.98	37.74	48,558.11	39.18	56,193.55	42.60
<b>Other current assets</b>						
Advance payment for constructions	772.58	0.62	619.87	0.50	714.67	0.54
Other current financial assets	74.61	0.06	298.33	0.24	-	-
Other	1,265.49	1.01	911.46	0.74	1,429.96	1.08
<b>Total current assets</b>	<b>60,464.18</b>	<b>48.29</b>	<b>55,462.14</b>	<b>44.75</b>	<b>63,151.85</b>	<b>47.87</b>
<b>Non-current assets</b>						
Investments (Other non-current assets)	3,873.88	3.09	3,831.56	3.09	2,696.35	2.04
Investments in associates	24,226.61	19.35	24,619.31	19.86	27,082.67	20.53
Long-term loans to related parties	-	-	508.95	0.41	504.03	0.38
Long-term loan to other company	20.00	0.02	83.60	0.07	-	-
Land held for development	5,450.28	4.35	4,887.98	3.94	4,925.43	3.73
Investment properties	11,884.38	9.49	11,984.60	9.67	11,565.13	8.77
Property, plant and equipment – Net	1,565.74	1.25	1,954.96	1.58	1,879.05	1.42
Leasehold rights	16,732.39	13.36	19,572.13	15.79	18,793.00	14.25
Deferred tax assets	804.62	0.64	967.11	0.78	1,257.11	0.95
Other non-current assets	175.78	0.14	76.42	0.06	65.07	0.05
<b>Total non-current assets</b>	<b>64,733.68</b>	<b>51.71</b>	<b>68,486.62</b>	<b>55.25</b>	<b>68,767.84</b>	<b>52.13</b>
<b>Total assets</b>	<b>125,198.06</b>	<b>100.00</b>	<b>123,948.76</b>	<b>100.00</b>	<b>131,919.69</b>	<b>100.00</b>



**Land and Houses Public Company Limited and its subsidiaries**  
**Statement of financial position (cont.)**  
**As at 31 December 2021, 2022 and 2023**

Unit : million Baht

	31 December 2021		31 December 2022		31 December 2023	
	Amount	%	Amount	%	Amount	%
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Overdraft and short-term Loan	2,469.20	1.97	5,639.39	4.55	6,091.66	4.62
Trade and note payable	3,183.77	2.54	3,640.84	2.94	3,423.21	2.59
Current portion of long-term loans	2,571.56	2.05	2,439.74	1.97	284.25	0.22
Current portion of debentures	16,000.00	12.78	8,400.00	6.78	16,116.75	12.22
Current portion of lease liabilities	789.83	0.63	1,893.00	1.53	1,428.73	1.08
<b>Other current liabilities</b>						
Income received in advance	1,007.08	0.80	634.79	0.51	452.39	0.34
Income tax payable	576.16	0.46	575.30	0.46	153.81	0.12
Other	1,524.75	1.22	1,676.87	1.35	1,679.02	1.27
<b>Total current liabilities</b>	<b>28,122.35</b>	<b>22.46</b>	<b>24,899.94</b>	<b>20.09</b>	<b>29,629.82</b>	<b>22.46</b>
<b>Non-current liabilities</b>						
Long-term loans	15,450.16	12.34	10,354.67	8.35	10,889.40	8.25
Local debentures	22,600.00	18.05	27,803.05	22.43	27,568.75	20.90
Lease liabilities	5,924.96	4.73	6,057.58	4.89	8,576.96	6.50
Deferred Tax liabilities	1,306.56	1.04	1,343.89	1.08	1,706.86	1.29
Provision for long-term employee benefits	586.51	0.47	543.73	0.44	531.28	0.40
Other non-current liabilities	561.22	0.45	661.15	0.53	783.63	0.59
<b>Total non-current liabilities</b>	<b>46,429.41</b>	<b>37.08</b>	<b>46,764.07</b>	<b>37.73</b>	<b>50,056.88</b>	<b>37.94</b>
<b>Total liabilities</b>	<b>74,551.76</b>	<b>59.55</b>	<b>71,664.00</b>	<b>57.82</b>	<b>79,686.70</b>	<b>60.40</b>
<b>Shareholders' equity</b>						
Issued and paid-up	11,949.71	9.54	11,949.71	9.64	11,949.71	9.06
<b>Capital surplus</b>						
Share premium	15,452.86	12.34	15,452.86	12.47	15,452.86	11.71
Other surplus	1,227.79	0.98	1,227.79	0.99	1,227.79	0.93
Other components of shareholders' equity	(1,691.69)	(1.35)	(2,406.38)	(1.94)	(2,986.82)	(2.26)
<b>Retained earnings</b>						
Appropriated - Statutory reserve	1,203.11	0.96	1,203.11	0.97	1,203.11	0.91
Unappropriated	21,805.04	17.42	24,151.89	19.49	24,665.90	18.70
<b>Total shareholders' equity</b>	<b>49,946.81</b>	<b>39.89</b>	<b>51,578.97</b>	<b>41.61</b>	<b>51,512.54</b>	<b>39.05</b>
Non-controlling interests	699.48	0.56	705.79	0.57	720.45	0.55
<b>Total shareholders' equity and Non-controlling interests</b>	<b>50,646.30</b>	<b>40.45</b>	<b>52,284.76</b>	<b>42.18</b>	<b>52,232.99</b>	<b>39.60</b>
<b>Total liabilities and shareholders' equity</b>	<b>125,198.06</b>	<b>100.00</b>	<b>123,948.76</b>	<b>100.00</b>	<b>131,919.69</b>	<b>100.00</b>



**Land and Houses Public Company Limited and its subsidiaries**  
**Income statement**  
**For the year ended 31 December 2021, 2022, and 2023**

Unit : million Baht

	2021		2022		2023	
	Amount	%	Amount	%	Amount	%
Revenues						
Revenue from sales and contracts	30,461.25	90.90	30,751.78	83.72	18,965.54	62.86
Rental and service income	1,808.63	5.40	4,845.22	13.19	7,779.23	25.78
Other income						
Gain on sales of properties to REIT	0.00	0.00	0.00	0.00	2,500.55	8.29
Interest	43.97	0.13	33.93	0.09	49.82	0.17
Infrastructure service income	439.74	1.31	486.09	1.32	515.30	1.71
Others	755.93	2.26	614.63	1.67	359.68	1.19
Total revenues	33,509.52	100.00	36,731.65	100.00	30,170.12	100.00
Expenses						
Cost of real estate sales	20,641.99	61.60	20,616.20	56.13	13,672.35	45.32
Cost of rental and service	1,471.28	4.39	3,360.29	9.15	4,827.52	16.00
Selling expenses	539.35	1.61	1,039.54	2.83	1,237.31	4.10
Administrative expenses	2,289.89	6.83	2,588.75	7.05	2,866.21	9.50
Specific business tax and transfer fee	1,144.81	3.42	1,158.25	3.15	723.68	2.40
Reversal of provision for legal cases	(104.73)	(0.31)	(14.16)	(0.04)	-	-
Loss on Foreign Exchange (Derivatives)	480.32	1.43	-	0.00	307.06	1.02
Others	49.70	0.15	9.00	0.02	-	-
Total expenses	26,512.61	79.12	28,757.87	78.29	23,634.12	78.34
Profit (Loss) before financial expenses and Corporate Income Tax	6,996.91	20.88	7,973.78	21.71	6,535.99	21.66
Financial expenses	(1,112.40)	(3.32)	(1,054.78)	(2.87)	(1,549.57)	(5.14)
Share of other comprehensive income from investments in associate	2,333.33	6.96	2,911.03	7.93	3,299.80	10.94
Profit (Loss) before Corporate Income Tax	8,217.83	24.52	9,830.03	26.76	8,286.22	27.46
Corporate Income Tax	(1,279.27)	(3.82)	(1,511.21)	(4.11)	(791.04)	(2.62)
Earnings After Tax	6,938.56	20.71	8,318.82	22.65	7,495.18	24.84
Non-controlling interests of the subsidiaries	2.43	0.01	6.31	0.02	13.29	0.04
Net profit (loss)	6,936.13	20.70	8,312.51	22.63	7,481.89	24.80



**Land and Houses Public Company Limited and its subsidiaries**  
**Cash flow statement**  
**For the year ended 31 December 2021, 2022, and 2023**

Unit : million Baht

	2021	2022	2023
Net cash flows from (used in) operating activities	10,320.17	8,150.37	(3,645.21)
Net cash flows from (used in) investing activities	(1,861.21)	(1,081.28)	7,223.28
Net cash flows used in financing activities	(4,838.95)	(12,425.28)	(3,904.63)
Net Cash and cash equivalents Increase (Decrease)	3,218.04	(5,531.61)	(462.57)

**Land and Houses Public Company Limited and its subsidiaries**  
**Financial Ratio**  
**As at 31 December 2021, 2022, and 2023**

	Unit	31 December 2021	31 December 2022	31 December 2023
<b>Liquidity Ratio</b>				
Current Ratio	Times	2.15	2.23	2.13
Quick Ratio	Times	0.39	0.20	0.16
Quick Ratio (Cash Basis)	Times	0.44	0.37	(0.08)
Account Receivable Turnover	Times	171	147	52
Average Collection Period	Days	2	2	7
Inventory Turnover	Times	0.41	0.40	0.25
Average Sales Period	Days	873	890	1,436
Account Payable Turnover	Times	6.53	5.54	4.17
Payment Period	Days	55	65	86
Cash Cycle	Days	820	827	1,356
<b>Profitability Ratio</b>				
Gross Profit Margin	%	31.47	32.64	30.83
Operating Profit Margin	%	22.55	25.67	24.57
Other Profit Margin	%	10.66	11.01	22.29
Operating Profit Margin (Cash Basis)	%	201.85	143.06	(66.85)
Net Profit Margin	%	20.70	22.63	24.80
Return on Equity	%	13.89	16.38	14.52
Basic Earning Per Share	Baht/Share	0.58	0.70	0.63
Diluted Earnings Per Share	Baht/Share	-	-	-
<b>Efficiency Ratio</b>				
Return on Assets	%	2.80	3.34	2.92
Return on Fixed Assets	%	66.18	72.87	68.36
Total Assets Turnover	Times	0.27	0.29	0.24



**Land and Houses Public Company Limited and its subsidiaries**  
**Financial Ratio (cont.)**  
**As at 31 December 2021, 2022, and 2023**

	Unit	31 December 2021	31 December 2022	31 December 2023
<b>Financial Policy Ratio</b>				
Dept to Equity Ratio	Times	1.47	1.37	1.53
Interest Coverage Ratio	Times	9.59	11.90	7.56
Obligation Coverage Ratio	Times	0.49	0.68	0.49
Dividend Payout	%	86.13	86.26	79.86

Unit : million Baht

**Management Discussion and Analysis****(a) Overview of Past Performances**Operating results

In 2023, revenue from real estate sales was reported at 18,965.54 million Baht, decreased by 11,786.25 million Baht from 2022. The revenue was contributed from sales of single detached houses, townhouses and condominium in proportion as follows:

Unit : %

Housing Type	2022	2023
Single-detached house	77.0	88.1
Townhouse	9.7	6.4
Condominium	13.3	5.5
Total	100.0	100.0

Rental and services income in 2023 was 7,779.23 million Baht, increased from 2022 by 2,934.01 million Baht or 60.55 percent, mainly from new hotel and shopping mall; Grande Centre Point Space Hotel Pattaya and Terminal 21 Rama 3, started to operate around the end of 2022, in August and October 2022 respectively, and contributing to full-year revenue in 2023, and from the subsiding Covid-19 situation.

	2022	2023
Rental and service income	4,845.22	7,779.23
Cost	3,360.29	4,827.52
Gross margin	1,484.93	2,951.71
% Gross margin	30.65	37.94

Gross Profit of the Company and its subsidiaries in the past three years.

	2021	2022	2023
Gross Profit (million Baht)	10,156.61	11,620.51	8,244.90
% Gross Profit	31.47	32.64	30.83

Gross profit margin in 2023 was 30.83 percent, while the gross margin in 2022 was 32.64 percent, due to lower revenue and gross profit from real estate sales by stronger competition and rising interest rates which caused customers to delay purchasing decisions. Gross profit margin from real estate business was decreased to 27.91 percent in 2023 from 32.96 percent in 2022, or decreased by 5.05 percent, while gross margin from rental and services business was improved from the subsiding COVID-19 situation.



Past performances by each business group

In 2023, 63 percent of revenue came from real estate business, followed by 26 percent from the rental and services business, 8 percent from sales of property to REIT, which were the sales of assets and leasehold rights of Grande Centre Point Hotel Pattaya and Grade Centre PointSpace Hotel Pattaya, and the remaining percentage came from infrastructure services and other incomes.

**Revenue from sales of real estate :** Revenue from sales of real estate consists of revenue from sales of single detached houses, townhouses, and condominiums. The Company and its subsidiaries will consider the type of housing products that suits the situation to be launched for sales at the time. The sales of real estate in 2023 was 18,965.54 million Baht, lower than prior year by 11,786.54 million Baht due to higher interest rates causing customers to delay purchasing decisions.

**Revenue from rental and service income :**

Revenue from rental and services income decreased in 2021 but improved in 2022-2023, details as follows:

	2021	2022	2023
Rental and service income (million Baht)	1,808.63	4,845.22	7,779.23
% of total revenue	5.40	13.19	25.78
Increase / (Decrease) from prior year (million Baht)	(608.59)	3,036.59	2,934.00
% Increase /(Decrease)	(25.18)	167.89	60.55
% Gross Profit margin	18.65	30.65	37.94

Revenue from rental and services income continually increased during 2021-2023 due to the subsiding COVID-19 situation as well as the consecutive launch of new hotels and shopping malls.

**Share of profit from the investment in the associated companies :** In 2023, the Company recorded the share of profit from its associated companies of 3,299.80 million Baht, increased by 388.76 million Baht from prior year or equal to 13.35 percent increase.

Share of profit from investments in associated companies of the year 2021, 2022 and 2023

Unit : million Baht

Company	2021	2022	2023
LH Financial Group PCL	272.19	345.42	458.65
Quality Construction Products PCL	30.39	65.13	161.87
Home Product Center PCL	1,644.89	1,879.56	1,947.47
Land and Houses Property and Loan Fund II	(31.15)	21.34	77.05
Quality Houses PCL	417.01	599.59	623.77
LH Hotel Leasehold Real Estate Investment Trust	-	-	30.99
<b>Total</b>	<b>2,333.33</b>	<b>2,911.04</b>	<b>3,299.80</b>
Increase (Decrease) from prior year	(255.04)	577.71	388.76
% Increase (Decrease)	(9.85)	24.76	13.35



**Other Income** : comprises gain on sales of investment, gain from reversals of impairments of investment, gain from reversals of loss from the project impairment, interest income, utility services income, dividend income and other income. Details of other income were as follows:

In 2021, other income was 1,239.64 million Baht in total, increased by 114.66 million Baht from the same period last year or equal to 10.19 percent, consisting of other income of 673.39 million Baht (gain on exchange rate of 477.74 million Baht) infrastructure service income of 439.74 million Baht, dividend income of 82.54 million Baht and interest income of 43.97 million Baht.

In 2022, other income was 1,134.65 million Baht in total, decreased by 104.99 million Baht from the same period last year or equal to 8.47 percent, consisting of gain on foreign exchange and derivatives of 249.36 million Baht, infrastructure service income of 486.09 million Baht, dividend income of 128.90 million Baht, interest income of 33.93 million Baht and the rest of 236.37 million Baht from others.

In 2023, other income was 3,425.35 million Baht in total, increased by 2,290.70 million Baht from same period last year or equal to 201.89 percent, consisting of gain on sales of property to REIT of 2,500.55 million Baht, infrastructure service income of 515.30 million Baht and dividend income of 239.41 million Baht, interest income of 49.82 million Baht, and the rest of 120.27 million Baht from others.

**Gross Margin** : In 2023, the gross margin was at 30.83 percent with the margin of revenue from sales at 27.91 percent and of rental and services income at 37.94 percent.

**Administrative Expenses** : In 2023, the administrative expenses were 2,866.21 million Baht, accounted for 9.50 percent of total revenue, increased from prior year by 277.46 million Baht or 10.72 percent in parallel to the increase of revenue from rental and services income.

**Selling expenses** : In 2023, selling expenses were 1,237.31 million Baht, accounted for 4.10 percent of total revenue, increased by 197.77 million Baht from prior year or 19.02 percent caused by higher brokerage fees and marketing expenses following the growing rental and services income.

**Special Business Taxes and Transfer Fees** : In 2023, special business taxes and transfer fees were 723.67 million Baht, accounted for 2.40 percent of the total revenue, decreased by 434.58 million Baht or 37.52 percent comparing to the same period last year.

**Earnings before Finance Costs and Corporate Income Tax Expenses** : In 2023, the Company reported earnings before finance costs and corporate income tax expenses of 6,535.99 million Baht, decreased by 1,437.79 million Baht or 18.03 percent from the same period last year.

**Earnings before Corporate Income Tax Expenses** : In 2023, the Company recorded earnings before corporate income tax expenses of 8,286.22 million Baht, decreased by 1,543.81 million Baht or 15.71 percent from the same period last year due to gross profit margin of real estate sales which decreased by 4,842.40 million Baht despite the gain from sales of assets and leasehold rights to REIT of 2,500.55 million Baht in 2023.



**Net Profit** : In 2023, the Company reported net profit of 7,481.89 million Baht, decreased by 830.62 million Baht or 9.99 percent from prior year due to overall gross profit margin was 30.83 percent in 2023 comparing to 32.64 percent in 2022 or decreased by 1.81 percent from owing to the decrease in gross margin from real estate sales prior year despite the growing income from rental and services business.

**Earnings per share** : The earnings per share in 2023 was 0.63 Baht per share, comparing to 0.70 Baht per share in 2022.

**Dividend payment** : Taking the performance into the consideration, the Company considered paying dividends for the operating results for the year 2022 and 2023 as follows:

	Dividend payout ratio (%)	Dividend Payout (million Baht)	Payment Date
Dividends payment for 2022 operating results	86.26	2,987	9 September 2022
		4,182	22 May 2023
Dividends payment for 2023 operating results	79.86	2,390	8 September 2023
		3,585	21 May 2024

The dividend payment for the year 2022 operating results : The Board of Directors had approved on 11 August 2022, for the interim dividend payment of the first six months of operating results for the year 2022 at 0.25 Baht per share (at the one-Baht par) in the total amount of 2,987 million Baht, which was paid on 9 September 2022. Later, on 27 February 2023, the Board of Directors had the resolution to present in the shareholders' meeting for the approval of the total dividend payment of 2022 full-year operating results at 0.60 Baht per share (at one-Baht par). The outstanding dividend of 0.35 Baht per share or amounted to 4,182 million Baht was paid on 22 May 2023. Hence, dividend payout ratio for the year 2022 is 86.26 percent of net profit.

The dividend payment for the year 2023 operating results : The Board of Directors had approved on 10 August 2023, for the interim dividend payment of the first six months of operating results for the year 2023 at 0.20 Baht per share (at the one-Baht par) in the total amount of 2,390 million Baht which was paid on 8 September 2023. Later, on 28 February 2024, the Board of Directors had the resolution to present in the shareholders' meeting for the approval of the total dividend payment of 2023 full-year operating results at 0.50 Baht per share (at one-Baht par) The outstanding dividend of 0.30 Baht per share or amounted to 3,585 million Baht, is to be paid on 21 May 2024. Hence, dividend payout ratio for the year 2022 is 79.86 percent of net profit.

## (b) Financial Position

### Assets

Total assets of the Company and its subsidiaries as of 2023 were recorded at 131,919.69 million Baht. As the Company operates its real estate business by selling the pre-built houses and keeps launching new project continuously, therefore, its core assets are in the form of inventories comprising land and projects under development, followed by the investments in subsidiaries and associated companies, right-of-use assets, and investment properties. The details of these assets are as follows:

**Inventories** as at the year-end of 2023 the inventories were 56,193.55 million Baht, representing 42.60 percent of total assets. Land held for development of the Company and its subsidiaries was separately showed with the amount of 4,925.43 million Baht, representing 3.73 percent of total assets, under non-current assets and then be classified as inventories later when the land is used for project development.



Unit : million Baht

	2021	2022	2023
Net Inventories	47,255.98	48,558.11	56,193.55
Increase (Decrease)	(5,637.12)	1,302.13	7,635.44
% of total Assets	37.74	39.18	42.60

**Trade and Other Receivables – Net** as at the year-end of 2023, the Company had trade and other receivables of 476.88 million Baht, accounted for 0.36 percent of total assets, from the rental and service business.

**Investment in Associated Companies:** as detailed below:

Investment under the equity method of associated companies as at 31 December 2021, 2022 and 2023

Unit : million Baht

Company	2021	2022	2023
LH Financial Group PCL	8,366.91	8,076.37	7,877.33
Quality Construction Products PCL	422.38	461.51	559.85
Home Product Center PCL	7,538.99	7,948.77	8,345.69
Land & Houses Property and Loan Fund II	294.24	315.58	310.92
Quality Houses PCL	7,604.09	7,817.08	7,950.59
LH Hotel Leasehold Real Estate Investment Trust	-	-	2,038.28
<b>Total</b>	<b>24,226.61</b>	<b>24,619.31</b>	<b>27,082.67</b>
% of Total Assets	19.35	19.86	20.53

**Long term Investment / Non-current financial assets :**  
as at the year-end of 2023 were at 2,696.35 million Baht, accounted for 2.04 percent of total assets, decreased by 1,135.21 million Baht or 29.63 percent from last year due to the investment in LH Hotel Leasehold Real Estate Investment Trust (LHHOTEL) was changed from long-term investment in equity instrument to investment in associates.

**Land held for development :**

In 2023, the Company recorded land held for development at 4,925.43 million Baht (net allowance for loss on diminution in value of 701.10 million Baht), accounted for 3.73 percent of total assets, increased by 37.45 million Baht from 2022. Such land has been mortgaged as collateral with banks in the amount of 1,633 million Baht.

**Investment properties**

In 2023, the Company had investment properties amounted to 11,565.13 million Baht, accounted for 8.77 percent of total assets, decreased by 419.47 million Baht or 3.50 percent from last year. The properties consist of 3 apartments in the USA, operated by a subsidiary, namely Land and Houses USA Inc. (LH USA). The fair value of the investment properties as at the end of the years were stated below:

Unit : million Baht

	2021	2022	2023
Fair value	13,384	13,970	13,833

In 2021, 2022 and 2023, the rental income and direct operating expenses arising from the apartment for rent of LH USA were recorded in the Profit & Loss as follows:



Unit : million Baht

	2021	2022	2023
Rental Income	844	1,439	2,222
Direct operating ex- penses	817	1,085	1,461

**Property, Plant and Equipment – Net**

recorded at 1,879.05 million Baht in 2023, accounted for 1.42 percent of total assets. Property, Plant and Equipment during the past three years were stated as follows:

Unit : million Baht

	2021	2022	2023
Net Book Value	1,565.74	1,954.96	1,879.05
Increase (Decrease)	964.26	389.22	(75.91)

In 2021, LH USA purchased one hotel in the USA at the cost of USD 31 million or equivalent to 1,056 million Baht.

**Leasehold Rights / Right-of-Use Assets**

In 2023, the right-of-use assets were recorded at 18,793.00 million Baht, accounted for 14.25 percent of total assets, consisting of leasehold rights and properties i.e., hotels and shopping malls in Bangkok and Pattaya. (see details of assets in 1.2.2 (4) Assets used in Business Operation).

**Liquidity**

Cash generated from business operations will be prudently used to maintain the Company's liquidity by the appropriate financing for the investment in residential projects, such as land acquisitions and construction, and by the repayment of its liabilities. The Company has a policy to manage its cash and cash equivalents in alignment with the business landscape.

Unit : million Baht

	2021	2022	2023
Cash flow from (used in) operating activities	10,320.17	8,150.37	(3,645.21)
Cash flow from (used in) investing activities	(1,861.21)	(1,081.28)	7,223.28
Cash flow from (used in) financing activities	(4,838.95)	(12,425.28)	(3,904.63)
Net increase (decrease) in cash and cash equivalents	3,218.04	(5,531.61)	(462.57)

In 2023, cash and cash equivalents decreased by 462.57 million Baht following the decrease in cash flow from operating activities of 3,645.21 million Baht, the increase in investing activities of 7,223.28 million Baht, and the decrease in financing activities of 3,904.63 million Baht.

**Cash flow from operating activities**

In 2023, cash flow from operating activities was an outflow of 3,645.21 million Baht with the main factors including the profit before income tax expenses of 8,286.22 million Baht, less the share of profit from the investment in the associated companies of 3,299.80 million Baht and less gain from sales of property to REIT 2,500.55 million Baht, decreased from higher inventory of 7,162.52 million Baht, increased from the depreciation and amortization of 1,877.50 million Baht, increased from interest expenses of 1,529.21 million Baht, and decreased in the corporate tax payment of 1,565.67 million Baht.

**Cash flow from investing activities**

In 2023, cash flow from investing activities was an inflow of 7,223.28 million Baht with the main factors of cash receipt from sales of property to REIT of 9,386.34 million Baht, decreased from the additional investment in right-of-use assets, property, plant and equipment, and intangible assets, and the investment properties in the amount of 2,739.96 million Baht, decreased from additional investment in associates of 1,952.45 million Baht, and increased from dividend received from associated companies of 2,143.51 million Baht and dividend received from other companies of 239.41 million Baht.



**Cash flow from financing activities**

In 2023, cash flow from financing activities was an outflow of 3,904.63 million Baht with the main factors of the dividend payment of 6,572.05 million Baht, the repayment of debentures of 8,400 million Baht, the repayment of long-term loans of 10,415.31 million Baht, the interest payment of 1,477.18 million and the payment of lease liabilities of 1,937.37 million Baht. The Company received funds from the issuance of local debentures of 15,764.59 million Baht and from long-term loans from financial institutions of 8,814.89 million Baht.

**Key Liquidity Ratios**

In 2023, the liquidity ratio was at 2.13 times. The quick ratio was at 0.16 times, down from 0.20 times last year, due to an increase in current liabilities of 4,729.88 million Baht from prior year.

In 2023, the creditor turnover was 4.17 times with the repayment period at 86 days.

**Capital Expenditure**

During the past years, the Company has further its investment in land plots with high potential and reasonable prices for the development of the residential projects which is the Company's core business, along with the investment in other businesses which related to the core business.

In 2023, the Company had net cash receipt from investing activities of 7,223.28 million Baht mainly resulted from the sales of property to REIT of 9,386.34 million Baht, while investing in the additional investment of leasehold rights, property, plant and equipment and intangible assets, and the investment properties amounting to 2,739.96 million Baht.

**Source of Funds**

Debt to equity ratio at the year-end 2023 was at 1.53 times, increased from 1.37 times in 2022.

In 2023, shareholders' equity including the minority interest was at 52,232.99 million Baht, decreased by 51.77 million Baht, resulted from the net profit of 7,481.89 million Baht for the year, decreased by the payment of dividend of 6,572.05 million Baht and the decrease in other components of the shareholders' equity of 580.44 million Baht due to lessen value of equity investment of the Company and its subsidiaries.

**Liabilities**

In 2023, major liabilities comprised short-term and long-term loans of 17,265.31 million Baht, debentures of 43,685.50 million Baht, lease liabilities of 10,005.69 million Baht, trade and note payable of 3,423.21 million Baht, and other liabilities of 5,306.99 million Baht. The Company and its subsidiaries were able to repay all debts duly on schedule during the past year.

Details of Long-term Liabilities of the Company and its subsidiaries as at 31 December 2023

Company	Type of Liabilities	Currency	Amount (million Baht)	Interest rate p.a.	Guaranteed by	Principal repayment
LH	Long-term Loan	Baht	1,600.0	Fixed 2.20%	Land and premises of the project	Within April 2027
	Long-term Loan	Baht	1,867.0	Fixed 2.40%	Land and premises of the project	Within May 2025
	Long-term Loan	Baht	468.0	Fixed 2.95%	Land and premises of the project	Within May 2027
	Long-term Loan	Baht	1,130.0	Fixed 3.10%	Land and premises of the project	Within May 2025
	Long-term Loan	Baht	2,000.0	Fixed 3.45%	Land and premises of the project	Within October 2027



Company	Type of Liabilities	Currency	Amount (million Baht)	Interest rate p.a.	Guaranteed by	Principal repayment
LH	Local Debenture No.1/2018	Baht	1,200.0	Fixed 2.96%	None	To be redeemed : 7 March 2025
	Local Debenture No.1/2021 Tranche 2	Baht	5,000.0	Fixed 1.50%	None	26 April 2024
	Local Debenture No.2/2021	Baht	8,000.0	Fixed 1.46%	None	19 October 2024
	Local Debenture No.1/2022 Tranche 1	Baht	2,000.0	Discount rate 1.73%	None	25 April 2024
	Local Debenture No.1/2022 Tranche 2	Baht	4,700.0	Fixed 2.26%	None	24 April 2025
	Local Debenture No.2/2022 Tranche 1	Baht	1,600.0	Fixed 3.00%	None	24 April 2025
	Local Debenture No.2/2022 Tranche 2	Baht	4,250.0	Fixed 3.25%	None	9 October 2025
	Local Debenture No.3/2022	Baht	1,150.0	Discount rate 2.66%	None	3 October 2024
	Local Debenture No.1/2023 Tranche 1	Baht	2,800.0	Discount rate 2.72%	None	9 October 2025
	Local Debenture No.1/2023 Tranche 2	Baht	5,200.0	Fixed 2.92%	None	14 May 2026
	Local Debenture No.2/2023 Tranche 1	Baht	1,300.0	Fixed 3.51%	None	9 April 2026
	Local Debenture No.2/2023 Tranche 2	Baht	5,800.0	Fixed 3.63%	None	9 October 2026
	Local Debenture No.3/2023	Baht	900.0	Discount rate 3.34%	None	16 October 2025
	Debenture Discount	Baht	(214.5)			
LHNE	Long-term Loan	Baht	484.0	3.10%	Land and premises of the project	Within May 2028
LHM	Long-term Loan	Baht	182.6	MLR-2.25	Land and premises of the project	Repayment of principal upon transfer of house of the project to customer or within 5 years from the first drawdown date



Company	Type of Liabilities	Currency	Amount (million Baht)	Interest rate p.a.	Guaranteed by	Principal repayment
LHM	Long-term Loan	Baht	179.0	MLR-2.25	Land and premises of the project	Repayment of principal upon transfer of house of the project to customer or within 5 years from the first drawdown date
LHMH	Long-term Loan	Baht	2,023.0	MLR-2.00	Leasehold rights and premises of the project	First repayment in March 2023 to December 2032
	Long-term Loan	Baht	450.0	MLR-2.50	Leasehold rights and premises of the project	First repayment in March 2025 to March 2034
	Long-term Loan	Baht	790.0	MLR-2.50	Leasehold rights and premises of the project	First repayment in June 2024 to March 2034
Total Liabilities		Baht	54,859.1			

Remark : LH = Land and Houses PCL  
LHMH = LH Mall and Hotel Co., Ltd.

LHNE = Land and Houses Northeast Co., Ltd.  
LHM = LH Muang Mai Co., Ltd.

As at 31 December 2023, the Company and its subsidiaries had undrawdown loan facilities for loans from the financial institutions of 3,413 million Baht.

(c) Major factors and influences that may affect  
future operations or financial position  
Commitments and contingent liabilities

1. As at 31 December 2023, the Company and its subsidiaries has commitment for the purchase of land, construction, and installation of public utilities of the complete projects on hand as follows:

Unit : million Baht

	2022	2023
Commitment to purchase of land	1,265	1,604
Commitment under construction contracts	4,144	8,614
Commitment in respect of the installation of public utilities of projects on hand	1,612	1,225

2. As at 31 December 2023, the Company and its subsidiaries have made provisions for incurring liabilities in the total amount of 845.7 million Baht as detailed below:

Unit : million Baht

	2022	2023
After-sales maintenance expenses	146.4	115.6
Legal cases	1.6	1.8
Contributions to housing estate juristic persons	405.2	333.8
Public utilities maintenance	190.6	197.6
Damages from the projects	-	-
Others	26.4	196.9
<b>Total</b>	<b>770.2</b>	<b>845.7</b>



3. As at 31 December 2022, the Company and its subsidiaries had the obligation to pay the lease payment of 11,625 million Baht (throughout the Contract), less the deferred interest expenses of 3,675 million Baht, making the remaining net lease payments equal to 7,950 million Baht.

As at 31 December 2023, the Company and its subsidiaries had the obligation to pay the lease payment of 14,774 million Baht (throughout the Contract), less the deferred interest expenses of 4,769 million Baht, made the total remaining net lease payments equal to 10,005 million Baht.

4. As at 31 December 2023, the Company and its subsidiaries set the provision for long-term employee benefits, which represents the compensation payable to employees after termination of employment or retirement, in the amount of 531.28 million Baht.
5. Bank Guarantee : As at 31 December 2023, the Company and its subsidiaries had the bank guarantee, issued by banks on behalf of the Company and its subsidiaries, in respect of certain performance obligations in the normal course of business of the Company and its subsidiaries as follows:

Unit : million Baht

	2022	2023
Letter of guarantees for arrangement and maintenance of public utilities	4,489	3,959
Other guarantees	232	232
<b>Total</b>	<b>4,721</b>	<b>4,191</b>

6. The Company has contingent liabilities to a bank in relation to the financial support in form of issuance of a letter of comfort to provide to the subsidiaries for loans and guarantee facilities obtained for development of the subsidiaries' projects. As at 31 December 2023, the outstanding loans related to guarantee portion of the Company as specified in the letter of comfort amounting to 4,857 million Baht.

#### Maintenance of Debt-to-Equity Ratio

For the debentures of the Company which were issued before No. 2/2018, the ratio will be calculated by using the interest-bearing liabilities only. The results were as follows:

Unit : million Baht

Item	31/12/2022	31/12/2023
Interest-bearing liabilities	54,636.85	60,950.81
Shareholders' equity	52,284.76	52,232.99
<b>Debt-to-Equity Ratio</b>	<b>1.05</b>	<b>1.17</b>
<b>Debt-to-Equity Ratio Covenants</b>	<b>1.50</b>	<b>1.50</b>

As for the debentures which were issued from No. 2/2018 onwards, the ratio will be calculated by using the net interest-bearing liabilities (after the cash and cash equivalents). The results were as follows:

Unit : million Baht

Item	31/12/2022	31/12/2023
Net interest-bearing Liabilities (after the cash and cash equivalents)	49,837.49	56,614.02
Shareholders' equity	52,284.76	52,232.99
<b>Debt-to-Equity Ratio</b>	<b>0.95</b>	<b>1.08</b>
<b>Debt-to-Equity Ratio Covenants</b>	<b>2.00</b>	<b>2.00</b>

According to the Consolidated Financial statement as at 31 December 2022 and 2023, the Company's Debt-to-Equity Ratio was in compliance with the covenants stated in the debenture terms and conditions.

**Summary of key factors and main influences that may affect operations or financial position in the future**

It's a matter of fact, returns on investments in associated companies the Company has invested in associated companies as at 31 December 2023 amounting to 27,082.67 million Baht, or equivalent to 20.53 percent of total assets, and received profit sharing accounted for 44.10 percent of the Company's net profit, in case the associated companies have any disruption in their operations, thus it may have impact on the Company's financial performance as well. However, the Company has aware of this matter and thus invested in the associated companies of which businesses are different from the Company's core business to diversify the investment risks of its portfolio.

**Tax Information**

	Consolidated financial statements			Separate financial statements		
	2022	2023	Calculated Average	2022	2023	Calculated Average
Earnings before income tax	9,830.04	8,286.22	9,058.13	9,454.40	7,625.96	8,540.18
Reported income tax	1,511.21	791.04	1,151.25	1,141.88	144.07	642.98
Effective tax rate (%)	15.37	9.55	12.71	12.08	1.89	7.53
Cash taxes paid	1,633.98	1,565.67	1,599.83	1,235.77	587.20	911.49
Cash tax rate (%)	16.62	18.89	17.66	13.07	7.70	10.67

The gap between the Company's corporate income tax (20 percent) and the effective income tax is mainly came from the revenue reported under equity method which are tax exemption. (Tax policy is elaborated in Section 2 Corporate Governance under topic 6 Corporate Governance Policy).





## 5. General Information and Other Important Information

### 5.1 General Information

#### Auditor

##### Miss Rosaporn Decharkom

Certified Public Accountant (Thailand) No. 5659

#### EY Office Limited

193/136-137 Lake Rajada Office Complex 33<sup>rd</sup> Floor,  
New Ratchadaphisek Road, Khlong Toei, Bangkok 10110  
Tel: +66 2264 9090 Fax: +66 2264 0789

#### Securities Registrar

##### Thailand Securities Depository Company Limited

93 The Stock Exchange of Thailand Building,  
Ratchadaphisek Road, Din Daeng, Bangkok 10400  
Tel: +66 2009 9999 Fax: +66 2009 9991

#### Debenture Registrar

##### Siam Commercial Bank Public Company Limited

Registrar 1, Corporate Trust  
9 G Tower 15<sup>th</sup> Floor, Grand Rama 9 Building,  
Rama IX Road, Huai kwang, Bangkok 10310  
Tel: +66 2128 2324-9 Fax: +66 2128 4625

#### Appraisal Company

##### Grand Asset Advisory Company Limited

1350/279-283 Thai Rong Tower Building 16<sup>th</sup> Floor,  
Patthakarn Road, Suan Luang, Bangkok 10250  
Tel: +66 2719 4500 Fax: +66 2719 5070-71

#### TAP Valuation Company Limited

121/101 RS Tower  
37<sup>th</sup> Floor, Ratchadaphisek Road, Din Daeng,  
Bangkok 10320  
Tel: +66 2642 2712-14 Fax: +66 2642 2711

### 5.2 Other Important Information

- None-

### 5.3 Legal Dispute

- None-

### 5.4 Secondary Market

- None-

### 5.5 Frequent Contact (Financial Institutions)

#### Siam Commercial Bank Public Company Limited

Head Office  
9 Ratchadapisek Road, Chatuchak,  
Chatuchak, Bangkok 10900  
Tel: +66 2777 7777

#### Land and Houses Bank Public Company Limited

Head Office  
1 Q.House Lumpini Building, South Sathon Road,  
Thung Maha Mek, Sathon, Bangkok 10120  
Tel: +66 2359 0000 Fax: +66 2677 7223

#### Kasikornbank Public Company Limited

Head Office  
400/22 Phahon Yothin Road, Sam Sen Nai,  
Phaya Thai, Bangkok 10400  
Tel: +66 2222 0000 press 1

#### United Overseas Bank (Thai) Public Company Limited

Head Office  
690 Sukhumvit Road, Khlong Tan, Khlong Toei,  
Bangkok 10110  
Tel: +66 2343 3000 Fax: +66 2287 2973-4







The background of the page features a photograph of a modern, light-colored house with a pond in the foreground. The house has a prominent window with a warm light inside. The pond is surrounded by lush greenery, including tall cacti and various trees. The sky is visible through the branches of the trees.

## Section 2

# Corporate Governance

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## 6. Corporate Governance Policy

### 6.1 Overview of Corporate Governance Policies and Practices

The Board of Directors is determined to manage the organization to achieve efficiency and achieve the objectives under a strong belief that a good corporate governance process will raise the Company's performance to grow sustainably and is the key success factor adding maximum value to shareholders and all stakeholders. Therefore, the Board is committed to adhering to the core characteristics of a good corporate governance process as well as reviewing the guidelines to suit business operations to be consistent with the Good Corporate Governance Principles for Listed Companies 2012 and the Good Corporate Governance for Listed Companies 2017 or Corporate Governance Code (CG Code) and including the improvement or finding any additional measures to replace the issues that the Company does not yet comply with best practices.

### 6.2 Corporate Governance Policy and Guidelines

#### 6.2.1 Nomination and Appointment of Directors and Executives

The Nomination and Compensation Committee shall consider and screen qualified persons to be appointed as directors and executives by considering the suitability of skills, knowledge, acceptable experience, transparent working history, maturity and stability including qualifications which fall under the Articles of Association and in possess of qualifications under the Company's business strategy as well as special knowledge or skills required. The goals are to enhance the Board's strength and effectiveness due to professional and diverse directors by considering the structure, size and composition of the Board and provide the opportunity for directors and shareholders to participate in the nomination of qualified directors under the criteria and methods of selection.



#### (1) Nomination of Independent Directors

The Company has defined the definition of the "Independent Director" under the corporate governance code and guidelines of the Office of the Securities and Exchange Commission to build trust among investors and maintain good management balance.

The Company therefore defines the term "Independent Director" to mean a director who does not perform any management duties of the Company, subsidiaries and associated companies; who is free from management and controlling shareholders; who does not have a business relationship with the Company in such a way as to limit the independent opinions; and who has the following qualifications:

1. Being a person who holds no more than 1 percent of the total number of shares with voting rights in the Company, subsidiaries, and associated company.
2. Not participating in any management, not being a worker, an employee or an advisor who receives a regular salary or a professional auditor, lawyer or professional service provider that limits the expression of independent opinions to the Company, subsidiaries





or associated companies or not having control over the Company, subsidiaries or associated companies or is not a person who may have a conflict of interest and must vacate the status or position that may cause any conflict for at least 2 years.

3. No business relationship in a manner that limits the independence in performing duties as a director which has a significant amount of value in proportion to the Company's revenue under the specified criteria and no benefit or interests, whether directly or indirectly, both in terms of finance and management of the Company, subsidiaries or associated companies, or persons who may have conflicts of interest in a manner that deprives them of their independence.
4. Not being a close relative of the executives, major shareholders of the Company, subsidiaries or associated companies or any person who may have conflicts of interest and was not appointed as a representative to protect any interests of the directors, major shareholders, or shareholders who associated with the major shareholders of the Company.
5. Able to perform his duties and express opinions or report the performance results under the duties assigned by the Board independently without being under the control of any executives or major shareholders of the Company, including related persons or their close relatives.

## (2) Nomination of the Company's Directors

The Company commands the following criteria and procedures for selecting persons to be appointed as directors:

1. The Company provides an opportunity to shareholders who hold a single or multiple shares holding for a total of not less than 0.1 percent of total shares and has held the said amount of shares continuously for not less than 12 months before the exercise date. The persons can nominate the names of persons who may be appointed as directors through the Company's website or by sending a letter to the Board of Directors secretary, who will refer the names to the Nomination and Compensation Committee. The Company will inform the nomination period through the Stock Exchange of Thailand.

2. The major shareholders may nominate a suitable person to be appointed as a director to the Nomination and Compensation Committee.
3. The Nomination and Compensation Committee will consider and nominate suitable persons to be appointed as directors to the Board of Directors for further presentation to the shareholders' meeting.
4. The shareholders' meeting will elect directors by a majority vote under the following rules and procedures :
  - 4.1 1 share has 1 vote
  - 4.2 Each shareholder can vote to select the person nominated as a director one by one
  - 4.3 Those who receive the highest number of votes in descending order shall be elected as directors equal to the numbers of directors required. If the persons who are elected in descending order have equal votes, the number of directors is more than the number of directors required to have, then the Chairman of the meeting shall have an additional vote as a decisive vote.
5. At every annual general meeting of shareholders, one-third of the directors shall vacate the office. If the number of directors is not a multiple of 3, the number of directors to be vacated shall be issued by the number closest to the part one of three. The recruitment process will be under number 1. - 4.
6. As for directors who must retire from the office in the first and second years after the registration of the Company, a lot shall be drawn to determine who will retire. In the following years, the member who has been in the office for the longest time shall retire. Directors retiring by rotation may be re-elected.

## Board Diversity

For secure business growth, the Board structure is designed for board diversity by identifying specific necessary skills for effective organizational governance, including gender, age, professional competency, and years of work experience in various disciplines such as property development, engineering, business administration, economics, legal, and risk management. The selection is determined by the Nomination and Compensation Committee, whose duty is to ensure appropriate diversity, sufficient group qualifications and maximum work effectiveness. The resulting board diversity is illustrated by the Board Skills Matrix shown below:



**Board Skills Matrix showing Knowledge, Skills, and Experience of Board Members**

Board Members	Knowledge, Skills and Expertise of the Board Members												
	Real Estate Development and Management	Accounting and Finance	Economics	Business Administration and Management	Marketing and Competition Strategies	International Business	Risk Management	Engineering	Legal	Human Resource Management	Natural Resource and Sustainable Development	Corporate Governance	Information Technology
1. Mr. Naporn Sunthornchitcharoen	X	X	X	X	X		X	X	X	X	X	X	X
2. Mr. Nantawat Pipatwongkasem							X		X		X	X	
3. Mr. Achawin Asavabhokhin	X	X	X	X	X	X	X	X			X	X	
4. Mr. Watcharin Kasinrerk	X			X	X		X	X		X	X	X	
5. Mr. Wit Tantiworawong	X	X	X	X		X	X			X	X	X	X
6. Mr. Chokchai Walitwarangkoon	X			X	X					X		X	X
7. Mr. Piphob Veraphong							X		X			X	
8. Mr. Bundit Pitaksit				X	X		X	X			X	X	
9. Ms. Chadanuch Meepien		X		X			X					X	

**Directorship in Listed Companies**

To ensure optimal work efficiency and dedication to duties assigned to members of the board committees, all directors including the Chairman of the Executive Committee, executive directors, non-executive directors, and independent directors shall not hold directorship in more than 5 listed companies.

**(3) Selection of the Chairman of the Executive Committee**

The Company's criteria and process for the selection of the Chairman of the Executive Committee are shown below:

1. The Executive Committee shall screen candidates from the executives to recruit and screen those with suitable qualifications for competency and experience, mastery of the Company's business, management capability, and leadership.
2. Once it has decided on a qualified person whose attributes agree with such criteria, the Executive Committee shall submit the name to the Nomination and Compensation Committee for consideration.
3. The Nomination and Compensation Committee shall submit their view to the Board of the Company for approval.

The Company also prepared a succession plan for the Chairman of the Executive Committee, which is annually reviewed. The Company currently has 3 managing directors, who undergo development of qualifications and competency under such plan, since they can become future Chairmen of the Executive Committee. Nevertheless, if internal recruitment fails to find those persons that are suitable enough for the post, the Executive Committee shall conduct an external search for submission to the Nomination and Compensation Committee.

**6.2.2 Independence of the Board of Directors from Management**

The Company has separated the roles and responsibilities between the Board of Directors and the management. The Board is responsible for determining policies and supervising the operations of management while management is responsible for managing various tasks under the specified policies and preparing reports that are not normal operations of the Company, will be considered by the Board, where at least one-third are independent



directors. Independent directors are independent of management and major shareholders of the Company. An independent director does not have a business relationship with the Company in such a way as to limit the freedom of expression of opinions and meets the definition as mentioned under “6.2.1 (1) Nomination of Independent Directors.”

## 6.2.3 Development of Directors and Executives

### (1) Orientation of New Directors

The Company realizes the importance of performing duties of new directors; therefore, there is an introduction to the overall guidelines of the Company, structure of subsidiaries, associated companies and other related companies to help them understand how they work and the shareholding between them. In addition, it provides significant and necessary information needed by directors, such as the Board of Directors' charter, structure of working within the Company, Articles of Association, Company's objectives, business ethics of the Board of Directors, Good Corporate Governance policy, related laws, Financial Statements including Notes to financial

statements; also, a meeting with the Chairman of the Board, the Board of Directors, and Sub-committees of the Company to receive information about its business operations.

### (2) Development and Training of Directors and Management

The Board emphasizes the development of directors by continually sending them to training courses related to the development of knowledge and ability to perform the duties of directors such as the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand, the Thai Listed Companies Association and other institutions, including sending the executives to study various long-term projects to develop them and increase useful ideas to apply to the Company's business and enhance knowledge and skills to keep up with the competitive business, including regular training, both inhouse and at training institutes.

### (3) Training Courses or Seminars Attended by Directors

As of 31 December 2023, the Company had a total of 9 directors. All, 100 percent, directors were trained under courses organized for the Board at the Thai Institute of Directors Association (IOD):

No	Name-Surname	Training Courses
1	Mr. Naporn Sunthornchitcharoen	Director Accreditation Program (DAP) batch 25/2004 Director Certification Program (DCP) batch 53/2005 Financial Institutions Governance Program (FGP) batch 2/2011
2	Mr. Nantawat Pipatwongkasem	Director Accreditation Program (DAP) batch 18/2004 Director Certification Program (DCP) batch 62/2005 Finance for Non-Finance Director (FN) batch 13/2004
3	Mr. Achawin Asavabhokhin	Director Certification Program (DCP) batch 193/2014
4	Mr. Watcharin Kasinrerak	Director Certification Program (DCP) batch 275/2019 Successful Formulation & Execution of Strategy (SFE) batch 35/2021
5	Mr. Wit Tantiworawong	Director Certification Program (DCP) batch 320/2022
6	Mr. Chokchai Walitwarangkoon	Director Certification Program (DCP) batch 321/2022 Financial Statements for Directors (FSD) batch 46/2022
7	Mr. Piphob Veraphong	Director Certification Program (DCP) batch 238/2017
8	Mr. Bundit Pitaksit	Director Certification Program (DCP) batch 237/2017
9	Ms. Chadanuch Meepien	Director Certification Program (CDP) batch 349/2023



## 6.2.4 Rights of Shareholders and Equitable Treatment of Shareholders

### 1. Rights of Shareholders

The Company recognizes and values the rights of shareholders, hence it tries to promote and protect shareholders' exercise of their fundamental rights. This includes facilitating them to exercise their rights on various matters which shareholders should receive equally, such as the dissemination of information related to the Company, details of the exercise of rights on various matters through the news system of the Stock Exchange of Thailand and the Company's website. It includes the provision of opportunities for shareholders to propose meeting agenda and nominate the Company's directors, ask questions on various agenda items via the website, exercise voting rights on significant issues, including the approval of dividend payment. The Company will not violate or deprive the rights of shareholders. In addition, the Company encourages shareholders, especially the institutional investors, to attend shareholders' meetings through the coordination of Investor Relations.

The Company's 2023 AGM was held on 27 April 2023, a hybrid meeting (physical and E-AGM) with live broadcast from the Sathorn 1-2 Conference Rooms, 4<sup>th</sup> Floor, Q House Lumpini Building. The Company informed the shareholders in advance of the AGM's format and prepared a manual with details about E-AGM meeting procedures, the links for meeting registration, and the meeting notice. Besides, the Company facilitated shareholders who could not physically attend the meeting by preparing details of proxy assignment and 3 proxy forms, form A, B, and C, together with the profiles of 3 independent directors that served as proxy; these could be downloaded from the Company's website. Details of the Company's actions on the Annual General Meeting appear below:

#### Prior to the Annual General Meeting

The Company opens an opportunity for shareholders to nominate Annual General Meeting's agenda and candidate to be nominated as the directors from 1 November 2022 to 31 January, provided all details and criteria to shareholders through the Company's website, [www.lh.co.th](http://www.lh.co.th), under "Investor Information I Shareholder Information I The Proposed Agenda" and was also posted on the official website of the Stock Exchange of Thailand on

26 October 2022. Nevertheless, there was no additional meeting agenda, no nomination for Board of Directors, and no pre-meeting questions proposed by shareholders.

The Company published the Annual General Meeting invitation letter with supporting documents for each meeting agenda item on the Company's website, [www.lh.co.th](http://www.lh.co.th), under "Investor Information I Shareholder Information I Invitation" to attend the Annual General Meeting, 30 days before the meeting date. It was disclosed on the website on 24 March 2023, to ensure sufficient time for shareholders to review all material before receiving hard-copy documents and fully understand the procedure to attend the Inventech Connect online meeting, including submitting requests to attend the AGM online and how to appoint proxy, install the meeting application, register, vote, and ask questions via the system. All these procedures were detailed and delivered to all shareholders at least 21 days prior the physical Annual General Meeting.

#### On the Annual General Meeting Date

At the Annual General Meeting, the Chairman of the Board of Directors was the Chairman of the meeting, while the Chairmen of sub-committees and directors also attended the meeting. Before the meeting started, the secretary of the meeting explained the voting procedures, the vote counting, the casting of ballots and the disclosure of the vote results on each agenda item for ensuring transparency. In addition, shareholders were provided equitable opportunities to express their opinions, suggestions, and inquiries. The Chairman then responded and gave complete information to the shareholders as well as allocating sufficient time to discuss each agenda.

The Annual General Meeting No. 1/ 2023 had a total of 1,250 shareholders and proxies, accounting for 6,188,836,742 shares (representing 51.79 percent), more than one-third of total number of the shares (11,949,713,176 shares). Mr. Naporn Sunthornchitcharoen was the Chairman of meeting and Ms. Punsopit Worakuttanon, the Vice President of Legal Department, acted as the secretary of the Meeting. There were 6 directors who attended the meeting at the meeting room and 3 others who attended via E-AGM, thus a total of all 9 directors of the Board (100 percent completion), as follows:



1. Mr. Naporn Sunthornchitcharoen	Chairman of the Board of Directors and Chairman of the meeting
2. Mr. Pakhawat Kovithvathanaphong	Independent Director and Chairman of the Audit Committee (attended via E-AGM)
3. Mr. Piphob Veraphong	Independent Director, Chairman of the Nomination and Compensation Committee, and Member of the Audit Committee
4. Mr. Bundit Pitaksit	Independent Director, Chairman of the Risk Management and Sustainable Development Committee, Member of the Nomination and Compensation Committee and Member of the Audit Committee (attended via E-AGM)
5. Mr. Wit Tantiworawong	Director, Managing Director (Support), and Member of the Risk Management and Sustainable Development Committee
6. Mr. Watcharin Kasinrer	Director, Managing Director (Low-Rise Project Development), and Member of the Risk Management and Sustainable Development Committee
7. Mr. Chokchai Walitwarangkoon	Director, and Managing Director (High-Rise Project Development)
8. Mr. Achawin Asavabhokhin	Director
9. Mr. Nantawat Pipatwongkasem	Director, Executive Vice President, the Board of Directors Secretary, and Member of the Risk Management and Sustainable Development Committee (attended via E-AGM)

On the day, the Company also invited Ms. Rosaporn Decharkom, an auditor from EY Office Limited, the Company's external auditor, to attend the meeting and answer questions on relevant issues. In addition, the Company invited an independent legal consultant, Mr. Charaslah Bhumiwat from T & F Law Office Co., Ltd., to observe the meeting and oversee the meeting's transparency and compliance with laws and regulations, including the Company's Articles of Association and to act as a mediator monitoring the counting votes on each agenda item. Regarding the meeting registration, the Company implemented the registration and vote-counting system from Inventech System (Thailand) Co. Ltd., in this meeting.

### After the Annual General Meeting

The minutes of the Annual General Meeting were taken with all details, including the names of all attended directors, essential questions and answers, and resolutions of each agenda item with detailed explanation. The resolutions with details of the votes were promptly disclosed to all shareholders for an acknowledgement on the same day via the official website of the Stock Exchange of Thailand.

The Annual General Meeting minutes in Thai and in English were posted on the Company's website, [www.lh.co.th](http://www.lh.co.th), under "Investor Information | Shareholder Information | Minutes of Shareholders' Meetings", within 14 days of the Annual General Meeting, on 10 May 2023.

### 2. Equitable Treatment of Shareholders

The Company has set a policy to support and emphasizes fair treatment of all shareholders equally and fairly to protect the basic rights of all shareholders, especially minor shareholders, that may have been violated and should receive the opportunity to get due compensation. Thus, the Company has resolved to adopt the following treatment:

1. At the Annual Shareholders Meeting, each agenda item will be proceeded as per the order mentioned in the invitation letter. The Company shall not add any agenda item to the meeting without prior notice to the shareholders. This is to ensure that the shareholders have sufficient time to study the information which supports each agenda item before making their decision.

Remarks : The positions of each mentioned directors were as of the date of the On the Annual General Meeting.



2. The Board decided to allow the Company to provide the opportunity to shareholders to propose additional agenda items in advance, for which the Company notified all shareholders to acknowledge through the Company's website, [www.lh.co.th](http://www.lh.co.th) and website of the Stock Exchange of Thailand, including the clear procedures to propose agenda and criteria for adding prospect agenda in advance. The Company's independent directors shall consider and screen the agenda items proposed by the shareholders before submission to the Board. The matters approved by the Board will be included on the agenda for the next meeting. For the proposed agenda items not approved by the Board, the Company will inform the shareholders along with the rationale on the Company's website.
3. The Board allowed its shareholders to nominate directors. The nominated candidates must have all the qualifications specified by the Company and must give their consent for nominating as well so that the Nomination and Compensation Committee may proceed under the recruitment, scrutiny and selection process of the names of persons proposed by shareholders, before submitting them to the Board for further consideration. Any person who is approved by the Board will have his or her name included on the agenda for director election at the next meeting. For any name that is not approved by the Board, the Company will notify the shareholders of this matter along with the rationale on the Company's website or other appropriate information channels.
4. Propose a list of all independent directors as an alternative for proxy assignment and allow to assign the proxy to one of the independent directors. The proxy form is prescribed by the Ministry of Commerce. The form is in a pattern that the shareholders can determine the direction of their votes by themselves. This measure is to encourage the shareholders to exercise their rights to attend the meeting and to vote on each agenda item.
5. Encourage shareholders to use ballots on every agenda item by providing ballots separately for every important issue so that shareholders can vote as they deem appropriate. The ballots will be collected in the meeting room so that they may be counted and combined with the votes that have been voted in advance on the proxy form before making the

announcement of each resolution of the combined votes in the meeting room.

6. As for the election of the director(s) to replace those who retired by rotation, the Company also allows the shareholders to exercise the rights to elect directors individually.
7. The Company has defined measures to prevent the use of inside information for the benefit of directors and executives. Directors and executives are responsible for submitting the reports of their interests and those of their related parties, as well as their shareholdings including those of their spouses and minors, and responsible for reporting every time such shareholding is changed, whether after a purchase, sale, transfer or acceptance of transfer of securities.

## 6.2.5 Disclosure and Transparency

1. The Company has realized the importance of disclosure of information sufficiently, accurately, completely, promptly and transparently. Therefore, the Company disseminates the significant information, both financial and non-financial information, through the Stock Exchange of Thailand's website, [www.set.or.th](http://www.set.or.th), and the Securities and Exchange Commission's website, [www.sec.or.th](http://www.sec.or.th), under the criteria stipulated by the Stock Exchange of Thailand and the Securities and Exchange Commission. In addition, the information that the Company has already released to the public and any stakeholders must be published on the Company's website, [www.lh.co.th](http://www.lh.co.th), with regular updates so that users can receive information in a timely manner via easy access and get the most benefit from this information.
2. The financial statements that are disclosed to stakeholders must be approved by the Audit Committee and the Board of Directors first.
3. The Board has provided a report on the Board's responsibility for the financial reports along with the auditor's report in the annual report.
4. The Company has complied with the corporate governance code and reported on the corporate governance policy that has been agreed in summary. The results of policy implementation are included in the annual report and on the Company's website.
5. The Company has disclosed the roles and duties of the Board and the sub-committees under "7.2 Information





about the Board of Directors” and “7.3 Information about the Sub-committees” and directors’ attendance records under “8.1.2 (1) Meetings of the Board of Directors and Sub-committees”

### 6.2.6 Responsibility for Stakeholders

The Company values the rights of all stakeholders, namely shareholders, employees and executives of the Company and its subsidiaries, customers, suppliers, competitors, creditors, the government sector, joint ventures, society, communities and the environment. It ensures that the fundamental rights of these stakeholders are well protected and maintained under the requirements of applicable laws and regulations. The Company has set a framework for ethical behavior and business ethics, published on the Company’s website, and will not violate the right of stakeholders. All these are considered an important part in building the long-term success of the Company. The details are as follows:

**Shareholders** : The Company values the shareholders by complying with the corporate governance code, performing duties with integrity, undertaking actions and decisions with due diligence and under relevant legal requirements, valuing the rights of shareholders such as the right to receive complete, accurate and timely information of the Company, right to receive dividends, right to vote, right to appoint a proxy, rights in the shareholders’ meeting, and the right to vote on important Company matters.

**Employees** : The Company strictly respects human rights principles by taking into account equality and personal freedom, not discriminating on race, nationality, language, religion, gender, age, education and political opinions, and not supporting any action that violates international human rights. The Company has taken care of and provided fair treatment in various aspects for employees such as determining compensation under the levels of responsibility and under the labor market price mechanism. Instances include provision of welfare in various fields, establishment of the employee safety, occupational health and work environment policy, continuous encouraging development of employees’ potential, including the establishment of a welfare committee to represent employees in discussion with the Company on matters related to employees’ welfare.



**Customers** : The Company delivers quality products and services at fair prices. Its advertisements and information are accurate, complete, straightforward and in strict compliance with the terms and conditions of contracts with customers. Moreover, the Company has set up a unit to contact to listen to suggestions or comments from customers and know their problems as well as requirements to develop and improve, to foster confidence and maximize satisfaction, through the determination to relentlessly develop new technologies and innovations for the convenience and safety for customers.

**Suppliers** : For fair treatment of all suppliers, the selection and screening process for all suppliers is fair and equal among interested parties. Transparency, fairness, public disclosure, and equal treatment were granted to all suppliers, sellers, contractors to bid for contract service and goods. Specific criteria for selection and screening, including qualifications, quality, track records, experience, disciplinary expertise, financial credential, zero history of work abandonment, ability to deliver on time and others are given to all before the selection process to ensure optimal value to the Company. Its contracts with suppliers spell out terms of agreement and work as well as periods of work submission and payment. The Company has always paid suppliers and contract counterparts promptly, abiding by all agreed terms of payment, without setting unfair conditions for suppliers.

**Creditors** : The Company does not violate the terms of the agreement, without concealment of facts that would cause damage to creditors. The Company manages its loans under its objectives of loans, does not use the fund to cause damage to the Company, and controls the repayment of loans and interests to be on time and fully comply with the borrowing conditions under the agreements.



**Competitors :** The Company stresses ethical conduct under the rules of competition with professionalism and transparency under the legal framework, including not infringing on the confidentiality or knowing trade secrets of competitors by fraudulent means. It adheres to the policies and treatment of competitors as stated in the Code of Conduct.

During 2023, there were no complaint from business competitors about unfair trade practice.

**Society, Community and Environment :** The Company has always been aware of its social, community and environmental responsibilities, which are embedded in the main business process from product design, proper selection of materials and resources, quality control of products and services, delivery time, to the development of products for residents to have a better quality of life, including strictly complying with guidelines to reduce impacts in the environmental impact report. In addition, the Company operates and complies with applicable laws, including promotion of efficient resource consumption, and has continually organized various projects and activities for the social community.

### 6.2.7 Supervision of Subsidiaries and Associated Companies

With a full commitment to protecting the investment and supervising the operations of its subsidiaries and associates to comply with applicable laws, regulations, and procedures fully, efficiently and effectively under Company policies, the following mandatory measures are implemented.

- 1 There shall be representatives from the Company to serve as directors of the boards of all subsidiaries and associates. The qualifications of representatives shall be thoroughly reviewed and approved for appropriateness of each subsidiary and associate by the Company's Board of Directors.
- 2 These representatives in subsidiaries and/or associates shall take full responsibility for the following:
  - 2.1 Ensure that their responsible subsidiary and/or associate operates in line with the direction, strategic objectives and operating plan approved by the Company.
  - 2.2 Attend the meetings and exercise voting rights accordingly in all key meetings of subsidiaries and/or associates.

2.3 Ensure that each subsidiary and/or associate has adequate efficiency and stringency of the internal control system and risk management system.

2.4 Ensure that each subsidiary and/or associate executes all activities in full compliance with regulatory controls and principles of the Stock Exchange of Thailand and the Securities and Exchange Commission on transactions, acquisition or disposition of assets, and related-party transactions, including oversee each subsidiary and/or associate discloses significant information with accuracy and in a timely manner; the financial positions, statements and performance, related-party transactions, acquisition or disposition of assets and other significant transaction such as an increase of capital, a decrease of capital, and company dissolution.

3. Notify the Company promptly in case where each subsidiary and/or associate shall disclose any financial transactions to the Stock Exchange of Thailand in compliance with the regulatory control.

### 6.2.8 Prevention of Conflicts of Interest

The Board realizes the importance of preventing conflicts of related parties, namely the Board of Directors, Management and Company's employees by defining management measures to ensure that the Company has transparent business management in the best interests of all shareholders. The Company has disclosed details on this matter under "8.1.4 (1) Prevention of Conflicts of Interest".

### 6.2.9 Prevention of Use of Inside Information

The Company has a clear policy regarding the proper use of authority through several channels including corporate governance, Company's Code of Conduct, various announcements from the Securities and Exchange Commission or other related agencies, internal communications, and the organizational culture so that all employees are aware of equal treatment of shareholders without seeking benefits from inside information. The Company has disclosed details in this matter under "8.1.4 (2) Prevention of the Use of Inside Information".



### 6.2.10 Intellectual Property or Copyright

The Company has a policy to comply with the laws regarding non-infringement of intellectual property or copyrights, including discouraging employees from infringing the intellectual property or copyright of others without permission, which is stipulated in the non-disclosure agreement which the Company requires all employees and executives to sign.

### 6.2.11 Privacy Policy

The Company recognizes the importance of personal data protection and complies with the laws and personal data protection rules under the Personal Data Protection Act. B.E. 2562 ("Personal Data Protection Act"). The Company has taken the following actions :

1. Prepared a personal data protection policy and regulations on the protection of personal data. This sets out the procedures for personal data concerning matters such as collecting, using or disclosing personal data, rights of the data owner, the deletion or destruction of the data, and handling of personal data breach incidents.
2. Appointed the Executive Vice President to serve as the Company's Data Protection Officer (DPO) with working groups from various departments throughout the organization.
3. Determined the roles, duties and responsibility of the Data Protection Officer, who is primarily responsible for managing and supervising employees regarding the protection of personal information of the Company to comply with the personal data protection policies and procedures. The Data Protection Officer gives a guideline for decision-making on personal data protection such as compliance with the rights of data subjects, dealing with the personal data breach incidents, strengthening the corporate culture of personal data protection, and representing the Company in liaising with the office of the Data Protection Commission.
4. The regulations are reviewed and revised once a year or when there is a significant change to comply with relevant laws and to be up-to-date.
5. Determine penalties if there is a violation. Failure to comply with the rules and regulations set by the Company will be disciplinary sanctions, including warning, punishment, suspension, termination and possible legal action.

The Company discloses a full privacy policy on the Company's website. In addition, the Company provides knowledge and understanding of information security to the head of staff in each department. Also, it has prepared a Non-Disclosure Agreement for all employees to know and sign to encourage employees to be aware of and strictly comply with the agreement to prevent leaks of various company information to unrelated third parties. In addition, the Company organized training to provide knowledge and understanding of data security for employees. In 2023, the Company invited a knowledgeable guest speaker to educate employees on the topic of organization PDPA practices, which employees from all departments attended.

### 6.2.12 Information Technology Security System Policy

With more concerns about threats from cyberattacks, protection of our Information Technology system is a priority to ensure that our system is safe, sound and credible and that all data and digital information assets are properly taken care of. The Company announced a policy and operating procedures on Information Technology system security and the use and interface with computer networks, enforcing compliance by all employees, contractors, and others under service level agreements with the Company. Monitoring and inspection are put in place to track all the interfaces with reports reviewed by internal and external auditors annually and submitted to the Audit Committee and the Board at least once a year or whenever there is a key concern. In addition to database system protection, the Company put in place a disaster recovery plan (DRP) under any emergency where the system is totally down. DRP demands an annual drill to ensure data and operating system recovery without interruption and the least possible damage to the Information Technology system and the business. The Company discloses a full Information Technology security system policy on the Company's website.

### 6.2.13 Tax Policy

The Company is fully committed to complying with all laws and regulations pertaining to taxation and tax-related rules set forth by various authorities within Thailand and the countries where the Company operates. Tax-related issues, including tax audit and transparency, are managed carefully under the risk management system. As a good corporate citizen with responsibility for society, stakeholders,



and sustainable development goals, our tax policy is defined with 3 main components:

**Tax Governance:** The Company has designed its tax recording and tax filing with accuracy, thoroughness, and timeliness strictly under tax laws, with no intention to seek profiteering from tax loopholes or tax havens for tax avoidance, including operate under a fair pricing agreement with suppliers in good faith, under the arm's length principle, for transfer prices in transactions between partnering companies or related parties. Moreover, the Company encourages employees to regularly update their knowledge and understanding of tax laws through series of training.

**Tax-Related Risk Management:** A tax-related risk management process is effectively designed to range from risk assessment to risk control. Identification of tax-related risks is thoroughly determined from all activities which may generate risks. Wherever possible, respective measures are triggered to eliminate or control the risk level to the risk appetite. Process efficiency is routinely evaluated for further improvement.

**Tax Transparency:** The Company is fully committed to disclosing its tax policy to the public, conducting tax filing accurately and transparently to the authority, and revealing all tax reports completely under applicable laws and regulations, including full disclosure in association with the financial statements under generally acceptable accounting principles.

The Company discloses a full tax policy on the Company's website.

## 6.3 Code of Conduct

Committed to transparent, straightforward, and fair business conduct, the Company has defined a code of conduct

as work guidance for directors, management, and employees, with the following scope of policy and guidelines:

1. Compliance with applicable laws, rules, and regulations as well as Company directives
2. Anti-fraud and corruption
3. Prevention of conflicts of interest
4. Whistleblowing
5. Non-discrimination and responsibility to stakeholders
6. Confidentiality and insider trading
7. Anti-unfair trade competition
8. Regard for safety, occupational health, and work environment
9. Data and information transformation system security and intellectual property
10. Code of conduct and guidelines for
  - 10.1 Directors
  - 10.2 Management
  - 10.3 Employees

The Company discloses the full version of the code of conduct on the Company's website as an additional reference source for directors, management, and employees to efficiently implement. It has also staged promotional activities for compliance, including

- An orientation session for new hires contains a topic on the corporate governance code and the Company's code of conduct for understanding and practice
- An electronic mail communication channel for employees to acknowledge guidelines under the Company's code of conduct
- An activity via the Company's intranet system, notably the PR on the Company's code of conduct and corporate governance code on the welcome page
- Monitoring of compliance via the performance control by the head of each department and the mechanism of Internal Audit to track and assess.



Tracking compliance with the code of conduct annually, the Company has assigned Internal Audit and System Development to also monitor such compliance under its audit duty. The Audit Committee acknowledges such findings along with remedial advice. Finally, in 2023 the Company's external auditor, which is a third-party agency, also assessed such compliance. This year there was no additional issue needing clarification.

## 6.4 Key Changes and Development of Policy, Guidelines, Corporate Governance Code in the Previous Year

### 6.4.1 Key Changes and Development of Policy, Guidelines, Corporate Governance Code, or Sub-Committee Charters in the Previous Year

Recognizing the significance of improved corporate governance of the Company, the Board observed international-standard practices in addition to the Corporate Governance Code for Listed Companies of 2012 of the Stock Exchange of Thailand and the Corporate Governance Code for Listed Companies 2017 (CG Code). In 2023 the Board revised its policy, guidelines for corporate governance, Board and sub-committee charters, and elevated assorted work processes for the Company's continual corporate governance code, as detailed below:

1. Improved processes to conform to the Corporate Governance Report (CGR) criteria and the Corporate Governance Code for Listed Companies of 2012, notably organization of the Annual General Meeting in the hybrid format (physical and E-AGM), appointment of 1 female director, and adjustment in the number of Board meeting days to 6 or more times a year.
2. Improved the charters of the Risk Management and Sustainable Development Committee so that the committee's authority, duties, and responsibility may be more specific, comprehensive, and current; the Board charter was also improved on the part of the age of directors for greater clarity and suitability.
3. Improved and defined 14 policies on the environment, social, and corporate governance and economic, including a policy on organizational development



toward sustainability, a policy and guidelines for environmental stewardship, a policy on safety, occupational health, and work environment, and a supplier code of conduct. These were rolled out on 11 May 2023, and publicized on the intranet as well as the Company's website.

4. Declared the Company's intention to join Thai Collective Action Against Corruption (CAC) as part of the resolution of corrupt practices in Thailand's business sector. To elaborate, the Company prepared the anti-corruption policy and guidelines, making it the duties and responsibility of all directors, management, and employees to acknowledge, master, and strictly conform. The policy and guidelines were publicized on the Company's intranet and website to efficiently educate directors, management, and employees. Besides, the Company improved the whistleblowing policy and process for handling complaints, which forms part of the anti-corruption policy and measures for greater efficiency of the complaint process.
5. Advocated and urged the improvement and development of sustainability actions for greater competitiveness and establish investment attractiveness and recognition by all investors and stakeholders. As a result, the Company earned selection for assorted national and international awards, namely 1) Quantified to be in FTSE4GOOD Emerging Markets Index and FTSE4GOOD ASEAN 5 Index 2) ESG Rating Index "BBB" level attested by MSCI 3) ESG Risk Score "Low Risk" attested by Morningstar Sustainalytics 4) SET ESG Rating "A" level attested by the Stock Exchange of Thailand 5) the selection to the ESG100 group of securities, attested by Thaipat Institute 6) Evaluated corporate governance report as "Excellent" attested by Thai Institute of Directors.





### 6.4.2 Other Actions Regarding Corporate Governance Code

The Company required the Board to annually review the implementation of 8 principles under the corporate governance code. In 2023, the Board reviewed this at Board Meeting No. 7/2023 on 21 December 2023. It was found that the Company had largely observed the corporate governance code, except for certain matters that were found impracticable, as detailed below:

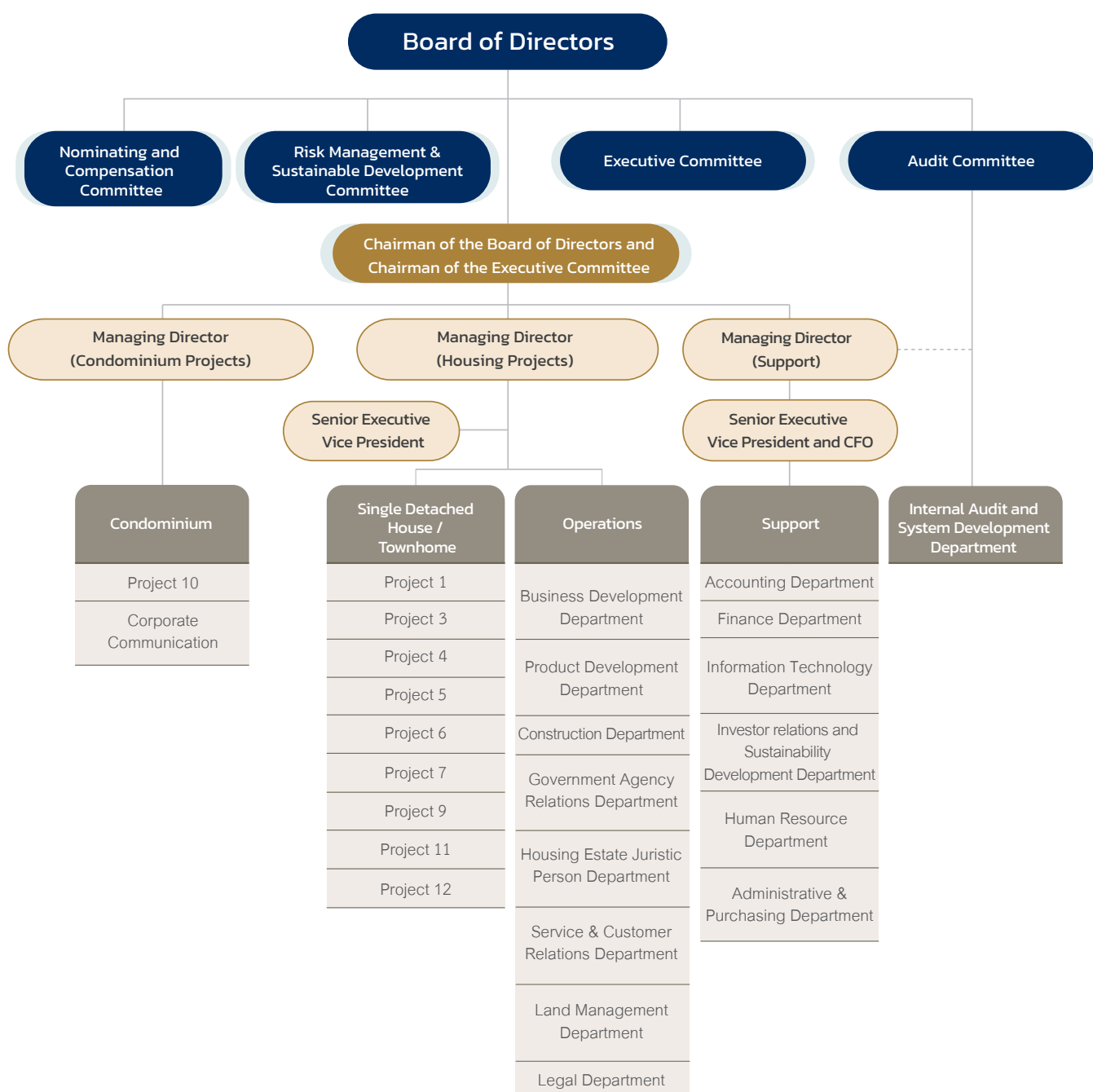
Item not yet be Implemented	Board's View and Rationale
1. The Chairman of the Company is not an independent director	In the Board's view, Mr. Naporn Sunthornchitcharoen, Chairman, is qualified and suitable in competence, experience, and proficiency. Nevertheless, for consistency with the guidelines and greater confidence that the Board's activities favor free decision-making discretion, the Board has appointed an independent director (Mr. Bundit Pitaksit) to jointly deliberate the fixing of all Board meeting agenda.
2. The Company has no policy limiting the terms of independent directors	The Company has no policy limiting the terms of independent directors because of its clear and stringent qualifications of independent directors. Besides, each director is completely qualified under the Company's requirements: capability, competency, diverse work experience, and mastery of company business, all of which enable them to ably apply their expertise to develop and scale up the Company's operations.



## 7. Corporate Governance Structure and Important Information about Committees and Others

### 7.1 Corporate Governance Structure

Organizational chart as of 31 December 2023





## 7.2 Information about the Board of Directors

The structure of the Company's Directors consists of 5 committees, namely the Board of Directors, the Executive Committee, the Audit Committee, the Nomination and Compensation Committee and the Risk Management and Sustainable Development Committee. As of 31 December 2023, the Board of Directors consisted of 9 directors, whose detailed profiles are shown in Attachment 1.

Under the Company's Articles of Association, the Board shall consist of at least 5 directors, of which not less than half must reside in Thailand. Directors must perform their duties under the law, objectives and Articles of Association as well as the resolutions of the shareholders' meeting with honesty and care to protect the interests of the Company. The composition of the Board, committees and management was designed with adequate checks and balances as follows:

1. The Board consists of 3 non-executive directors and 6 executive directors, accounting respectively for 33.33 percent and 66.67 percent of the Company's directors.
2. The Audit Committee consists of 3 independent audit directors, accounting for 33.33 percent of the Company's directors, who perform their duties under the regulations of the Stock Exchange of Thailand and the Charter of the Audit Committee.
3. Delegation and authorization among the Board and management has been clearly established as disclosed under "6.2.2 Independence of the Board of Directors of Management".

### (1) Names and Positions of the Board of Directors as of 31 December 2023

Name	Position
1. Mr. Naporn Sunthornchitcharoen	Chairman of the Board of Directors and Chairman of the Executive Committee
2. Mr. Nantawat Pipatwongkasem	Director, Company Secretary, Member of the Risk Management and Sustainable Development Committee
3. Mr. Achawin Asavabhokhin	Director, Member of the Risk Management and Sustainable Development Committee
4. Mr. Watcharin Kasinrerak	Director, Member of the Executive Committee, Member of the Risk Management and Sustainable Development Committee
5. Mr. Wit Tantiworawong	Director, Member of the Executive Committee, Member of the Risk Management and Sustainable Development Committee, Member of the Nomination and Compensation Committee
6. Mr. Chokchai Walitwarangkoon	Director, Member of the Executive Committee
7. Mr. Piphob Veraphong	Independent Director, Director, Member of the Audit Committee, and Chairman of the Nomination and Compensation Committee
8. Mr. Bundit Pitaksit	Independent Director, Director, Member of the Audit Committee, Chairman of the Risk Management and Sustainable Development Committee, Member of the Nomination and Compensation Committee
9. Ms. Chadanuch Meepien	Independent Director, Director, and Chairman of the Audit Committee

Remarks: On 30 June 2023, Mr. Pakhawat Kovithathanaphong resigned from the Company's directorship: Director, Independent Director, and Chairman of the Audit Committee. On 6 July 2023, the Board of Directors' meeting passed the resolution to appoint Ms. Chadanuch Meepien as the Company's Director, Independent Director and Chairman of the Audit Committee, replacing the resigned director.



## (2) Authorized Directors as the Company Signatory

One of the following directors may sign to bind the Company: Mr. Naporn Sunthornchitcharoen or Mr. Nantawat Pipatwongkasem or Mr. Achawin Asavabhokhin or Mr. Watcharin Kasinrerker or Mr. Wit Tantiworawong or Mr. Chokchai Walitwarangkoon.

## (3) Number of Directors from the Major Shareholders

None of the directors are from the major shareholders.

## (4) Scope of Duties and Responsibilities of the Board

To enable the Board to perform its duties efficiently, the guidelines for its duties were defined as follows:

1. Manage and conduct the business of the Company in line with its objectives and regulations as well as resolutions of the shareholders' meeting which conform to the laws on integrity and prudence for the utmost benefits of the Company.
2. Consider and approve the Company's key policies, goals, guidelines and business plans, including monitoring and following up implementation under the plans.
3. Monitor and supervise the performance and management of the Executive Committee to ensure implement under the assigned policies. The Board is authorized to approve the following matters :
  - 3.1 To consider borrowings or loan application from financial institutions.
  - 3.2 To consider the annual budget and the Company's business plans.
  - 3.3 To consider interim dividend payments for shareholders if the Company commands enough profit.
  - 3.4 To consider significant transactions such as investment, asset acquisition or disposal and other operations required by law.
  - 3.5 To consider connected transactions and asset acquisitions or disposals, except when those transactions shall require shareholders' approval. Such approvals shall be in line with the announcements, requirements and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. Except for cases for which the law requires resolutions from the shareholders' meeting, the Board shall secure approval from the shareholders' meeting before the operation.

4. The Board's meeting shall be convened at least once every quarter.
5. Meetings are scheduled in advance for the entire year. The meeting schedules are provided to the Board at the end of the preceding year, prior the year of meetings.
6. The details of the meeting agenda shall be submitted to each director at least 7 days prior to the meeting date so that the directors may have sufficient time to study and consider the details before the meeting.
7. In considering each meeting agenda item, the interests of all shareholders and stakeholders must be fairly taken into account.
8. The Company has set a policy regarding the quorum at the time when the directors shall vote at the meeting that at least two-thirds of the total directors must attend the meeting.
9. Allow free expression of opinions at the meetings.
10. Allocate adequate time for each agenda item to allow for debate and careful expression of opinions.
11. Supervise to ensure that the Company's management accompanies a good governance policy to prevent conflicts of interest.

## (5) Roles and Duties of the Chairman of the Board

1. Take responsibility as leader of the Board to oversee, monitor and supervise the performance of the Board and other sub-committees to achieve the objectives defined in business plans and conform to the corporate governance code.
2. Supervise to ensure that all directors have participated in the promotion to create corporate ethics and corporate governance.
3. Represent as Chairman of the Board at Board meetings and shareholders' meetings to handle and manage such meetings in line with the Articles of Association and meeting agenda. Also, allocate proper time for the meetings.
4. Promote independent and transparent expression of opinions at the meetings.
5. Supervise to ensure efficient communication between directors and shareholders.
6. Cast the decisive vote if the votes are tied at Board meetings.



## 7.3 Information on Sub-Committees

The Board has appointed 4 sub-committees to help monitor and supervise the operations more closely and report to the Board regularly. The sub-committees consist of the Executive Committee, the Audit Committee, the Nomination and Compensation Committee and the Risk Management and Sustainable Development Committee. The Board has clearly determined the powers, duties and responsibilities of each sub-committee as follows:

### 7.3.1 The Executive Committee

As of 31 December 2023, the Executive Committee comprised 4 executives, namely

Name	Position
1. Mr. Naporn Sunthornchitcharoen	Chairman of the Executive Committee
2. Mr. Watcharin Kasinrerker	Member of the Executive Committee
3. Mr. Wit Tantiworawong	Member of the Executive Committee
4. Mr. Chokchai Walitwarangkoon	Member of the Executive Committee

#### (1) Scope of Duties of the Executive Committee

The Executive Committee, including the managing directors, has the power and duty to manage matters related to the normal business operations of the Company. The approval of transactions featuring conflicts of interest in any manner with the Company or its subsidiaries must be presented every time to the Audit Committee and the Board meeting to consider and approve.

#### (2) Delegation of Authority from the Board

The Board determines the Company's goals, guidelines, policies, plans and budgets as well as monitoring and supervising the administration and management of the Executive Committee under assigned policies. The Executive Committee shall comply with the policies, plans and budgets assigned by the Board.

In making decisions on important matters, including the acquisition of land, project development and investment, the Executive Committee will present these issues for approval to the Board on a case-by-case basis.

For the delegation of financial authority for normal operations of the Company's business, directors who are authorized to sign on behalf of the Company are Mr. Naporn Sunthornchitcharoen or Mr. Nantawat Pipatwongkasem or Mr. Achawin Asavapokhin or Mr. Watcharin Kasinrerker or Mr. Wit Tantiworawong or Mr. Chokchai Walitwarangkoon; any one of them is a signatory who can bind the Company. The approval of such transactions must not include approval of transactions in which the director himself or a person who may engage in a conflict of interest has a stake or may have any other conflicts of interest with the Company or its subsidiaries.

### 7.3.2 The Audit Committee

The Audit Committee consists of 3 independent directors, all of whom command the qualifications stipulated by The Securities and Exchange Commission and the Stock Exchange of Thailand. All independent directors possess extensive knowledge and understanding and well-recognized work experience. Ms. Chadanuch Meepien, the Chair of the Audit Committee, is knowledgeable in accounting and finance and has sufficient experience to audit the credibility of the Company's financial statements. The names of the directors of the Audit Committee as of 31 December 2023 were as follows:

Name	Position
1. Ms. Chadanuch Meepien	Independent Director, Chairman of the Audit Committee
2. Mr. Piphob Veraphong	Independent Director, Member of the Audit Committee
3. Mr. Bundit Pitaksit	Independent Director, Member of the Audit Committee

Remarks: On 30 June 2023, Mr. Pakhawat Kovithathanaphong resigned from the Company's directorship: Director, Independent Director and Chairman of the Audit Committee. On 6 July 2023, the Board meeting resolved to appoint Ms. Chadanuch Meepien as the Company's Director, Independent Director and Chairman of the Audit Committee in place of the resigned director.

#### (1) The Audit Committee Secretary

Mr. Pornchai Kiatkajornvirat, Senior Vice President of Internal Audit and System Development, acts as the Audit Committee secretary.





## (2) Scope of Authorities and Duties of the Audit Committee

The Audit Committee has the following scopes, duties and responsibilities:

1. Review the Company's financial reports to ensure accuracy and adequate disclosure.
2. Review the Company's internal control and internal audit systems to ensure suitability and effectiveness.
3. Review the operations of the Company to ensure its compliance with laws and regulations regarding the securities and the stock exchange or other regulations related to the Company's business.
4. Approve the appointment, transfer, and termination of the head of Internal Audit.
5. Screen, nominate, reinstate, and terminate the employment of external auditors, including consideration of the appropriateness of the audit fee.
6. Examine and review proper and adequate disclosure of the Company's information on connected transactions or transactions which may lead to potential conflicts of interests to ensure its comprehensiveness and accuracy as required by related regulations.
7. Consider and review operational reports of Internal Audit and approve its annual internal audit plan.
8. Supervise the auditors and Internal Audit for freedom in performing their duties.
9. Organize meetings with auditors in the absence of management at least once a year.
10. Determine key risks of the Company and propose or provide preventive mitigation measures to the Board.
11. Prepare reports on the activities of the Audit Committee to be included in the Company's annual report, signed by the Chairman of the Audit Committee.
12. Perform other tasks as assigned by the Board, with the approval of the Audit Committee.

### 7.3.3 The Nomination and Compensation Committee

The Nomination and Compensation Committee comprises 3 directors, including 2 independent directors. The list of the Nomination and Compensation Committee as of 31 December 2023, was as follows:

Name	Position
1. Mr. Piphob Veraphong	Independent Director, Chairman of the Nomination and Compensation Committee
2. Mr. Bundit Pitaksit	Independent Director, Member of the Nomination and Compensation Committee
3. Mr. Wit Tantiworawong	Member of the Nomination and Compensation Committee

Remarks: Mr. Wit Tantiworawong was appointed member of the Nomination and Compensation Committee on 6 July 2023.

## (1) The Nomination and Compensation Committee Secretary

Mr. Teera Benjasilarak, Executive Vice President, acts as the Nomination and Compensation Committee secretary.

## (2) Scope of Authorities and Duties of the Nomination and Compensation Committee

1. Establish a policy on the selection and nomination of directors, sub-committees and senior executives as well as proposing appropriate compensation to the Board for approval.
2. Recruit persons with appropriate qualifications that can benefit the business to replace directors who retire by rotation or fill vacant positions and propose these to the Board for approval, including seeking approvals from shareholders.
3. Determine necessary and appropriate remuneration, both cash and non-cash, for directors and senior executives, based on their duties, responsibilities, and performance.
4. Report the minutes of meetings which are significant and beneficial to the Company to the Board.
5. Provide explanation or answers to questions in case of suspicion regarding the Company's policy on the nomination and compensation of the Company's directors, sub-committees, and senior executives at the shareholders' meeting.
6. Perform other Board-assigned tasks related to significant nomination and compensation.



### 7.3.4 The Risk Management and Sustainable Development Committee

The Risk Management and Sustainable Development Committee consists of 5 members. An independent director is its Chairman. Members of the Risk Management and Sustainable Development Committee as of 31 December 2023, were as follows:

Name	Position
1. Mr. Bundit Pitaksit	Independent Director, Chairman of the Risk Management and Sustainable Development Committee
2. Mr. Nantawat Pipatwongkasem	Member of the Risk Management and Sustainable Development Committee
3. Mr. Watcharin Kasinrerak	Member of the Risk Management and Sustainable Development Committee
4. Mr. Wit Tantiworawong	Member of the Risk Management and Sustainable Development Committee
5. Mr. Achawin Asavabhokhin	Member of the Risk Management and Sustainable Development Committee

Remarks: Mr. Achawin Asavabhokhin was appointed member of the Risk Management and Sustainable Development Committee on 6 July 2023.

#### (1) The Risk Management and Sustainable Development Committee Secretary

Ms. Sireelawan Odomsub, Assistant Vice President of Human Resources Department, acts as the Risk Management and Sustainable Development Committee secretary.

#### (2) Scope of Authorities and Duties of the Risk Management and Sustainable Development Committee

1. Define and review a policy, goals, guidelines, and framework for corporate risk management embracing overall risk management and key risk management, including strategic, financial, compliance, operational, fraud, ESG, and emerging risks. These are to be submitted to the Board for approval.
2. Oversee, recommend, monitor, review, assess, and improve action plans for business suitability to ensure that risk management is adequately, suitably, and efficiently dealt with to manage assorted risks to the Company's risk appetite, consistent with strategies, business plans, and prevailing circumstances, apart from advocating an enterprise risk management culture.
3. Define a policy, strategy, and goals and map out a sustainability development plan consistent with the Company's business, embracing its environmental, social, and corporate governance (ESG) aspects, compatible with international practices to create sustainable value for all stakeholders.
4. Define, oversee, review, and improve the policy and guidelines for sustainability development continually and urge implementation of these, while nurturing engagement in assorted projects under the sustainability development framework with internal and external agencies.
5. Define, review, and improve the strategy on climate change, including international-standard risk management and the likelihood of risks from climate change for submission to the Board for approval. Oversee and monitor conformance to such climate change strategy.



6. Report risk issues and outcomes of significant and useful risk and sustainability development activities to the Board.
7. Perform other Board-assigned tasks.
8. Conduct self-assessment at least annually.

## 7.4 The Executives of the Company

### 7.4.1 Name and Position of the Executives

The Executives of the Company as defined by the securities and the stock exchange, comprised 6 executives as of 31 December 2023:

Name	Position
1. Mr. Naporn Sunthornchitcharoen	Chairman of the Executive Committee
2. Mr. Watcharin Kasinrerak	Managing Director (Operations-Low Rise Project)
3. Mr. Chokchai Walitwarangkoon	Managing Director (Operations-High Rise Project)
4. Mr. Wit Tantiworawong	Managing Director (Support)

Name	Position
5. Mr. Nantawat Pipatwongkasem	Senior Executive Vice President
6. Mr. Achawin Asavabhokhin	Senior Executive Vice President and Chief Finance Officer

Remarks : Mr. Achawin Asavabhokhin assumed the position of Senior Executive Vice President and Chief Finance Officer on 1 September 2023.

### 7.4.2 Remuneration Policy for the Chairman of the Executive Committee and Executives

The Company commands criteria for the remuneration for the Chairman of the Executive Committee and executives with due regard for their assigned responsibilities, linked to the performance of Company's financial and environmental, social corporate governance, including revenue, sales, net profit, customer satisfaction, number of complaints from communities and society, employee engagement, employee caliber development, number of work accidents, and greenhouse gas reduction.

### 7.4.3 Remuneration of the Chairman of the Executive Committee and Executives

#### (1) Monetary Remuneration

The remuneration of the Executive Committee for the year 2021-2023, is detailed below:

Remuneration	2021		2022		2023	
	Number of persons	Total Amount (million Baht)	Number of persons	Total Amount (million Baht)	Number of persons	Total Amount (million Baht)
Salary	7	84.85	5	60.40	6	63.73
Bonus*	7	55.23	5	45.65	6	33.03
<b>Total</b>	<b>7</b>	<b>140.08</b>	<b>5</b>	<b>106.05</b>	<b>6</b>	<b>96.76</b>

Remarks: \* The bonus is paid every January of the year.

#### (2) Non-Monetary Remuneration

- The Company has set up a provident fund to which employees voluntarily contribute at the ratio of 2-7 percent of their salaries, and the Company jointly contributes to the fund at 5-7 percent of their monthly salaries. The registered fund is managed by a licensed fund manager in compliance with the Provident Fund Act B.E 2530. In 2023, the Company contributed to the fund for 1 executive, a total of 0.12 million Baht.



- The executives shall have other welfare similar to employees in several forms such as medical care, health insurance, an annual physical checkup plan categorized by age, life insurance, allowances for wedding, allowances for the funerals of employee's family, uniforms, annual trips and parties, including privileges for employees to purchase products at a discount, subject to Company's terms and conditions.

## 7.5 Information about Employees

The number of employees and the expenses regarding employees during 2021-2023 are detailed as follows:

Employee Detail	2021	2022	2023
1. Number of employees at Land and Houses PCL			
- Management	7	5	6
- Operations	670	671	657
- Support	108	112	109
Total number of employees at Land and Houses PCL	785	788	772
2. Number of employees at subsidiaries	734	975	1,057
Total number of employees at the Company and subsidiaries (person)	1,519	1,763	1,829
*Employees' expenses (million Baht)	1,713	2,000	2,186
Number of employees joining the provident fund (person)	1,385	1,571	1,670

Remarks : \* Employees' expenses (including those of management) of the Company and subsidiaries (including costs)

## 7.6 Other Significant Information

### 7.6.1 Company Secretary

The Company has appointed Mr. Nantawat Pipatwongkasem, Senior Executive Vice President, who commands appropriate knowledge, qualifications and experiences, as the company secretary. He is a barrister-at-law, holding a law bachelor's degree and an Master of Business Administration from Thammasat University. His roles and duties are to give advice on laws and regulations that the Board must be aware of and comply with, and to organize meetings of shareholders and Board meetings in compliance with laws, the Company's Articles of Association and the code of conduct. He shall also record the minutes of meetings, follow up on the implementation of meeting resolutions, contact and communicate with shareholders so that they are all aware of their rights and company news, coordinate with the Board on activities, and arrange archive

documents as required by law. The biography of the company secretary is stated in Attachment 1.

### 7.6.2 Compliance Unit

The Company has no designated compliance unit to look after compliance issues, but has assigned each business unit and division to self-regulate activities, including legal and regulatory compliance with applicable laws and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission as well as good governance practices. The Company appointed Mr. Nantawat Pipatwongkasem, Senior Executive Vice President and Senior Vice President of Legal Department, to be a person in charge. To comply all activities with various standard are responsible by their own teams and department leaders, and Internal Audit and System Development conducts audits of all activities to ensure full compliance with all rules and regulations for good measure.



### 7.6.3 Head of Company Internal Auditor

The Company has appointed Mr. Pornchai Kiatkajornvirat, Senior Vice President, Internal Audit and System Development Department, who possesses required qualifications, knowledge, competency, including experience and understanding of the business and the Company's various systems, thus enabling him to perform his duties effectively. The Head of Internal Auditor's profile is detailed in Attachment 3.

### 7.6.4 Head of Investor Relations

The Company has emphasized the importance of engagement with the shareholders, investors and analysts by appointing Mr. Achawin Asavabhokhin, Senior Executive Vice President and Chief Finance Officer, and Ms. Siribhorn Laophaetkit, Vice President of Investor Relations and Sustainability Development Department, to be in charge of the dissemination of Company's information to current and prospective investors. Investor Relations has been set up as the Company's center for communication with shareholders, investors, and security analysts. The Investor Relations and Sustainability Development Department can be reached via phone number 0-2230-8306 or email address : investor@lh.co.th

During 2021-2023, Investor Relations section provided the following information to shareholders, investors and analysts:

Meeting format	Number of Meeting		
	2021	2022	2023
1. Road show (domestic and international)	-	1	5
2. Analyst Meeting	5	5	5
3. Company Visit	-	7	12
4. Conference Call	30	19	12

### 7.6.5 Audit Fee

The 2023 Annual General Meeting approved the appointment of EY Office Limited as the external auditor for the Company and its subsidiaries. The auditor is independent and has no relationship or interest with the Company and its subsidiaries, executives, or major shareholders. In addition, the Company has rotated auditors to perform duties for no more than 7 cumulative years. Under the Securities and Exchange Commission's regulations, the auditors of a listed company must be rotated after 7 cumulative years of service and must serve a cooling-off period for 5 consecutive years.

- The audit fees in 2021 - 2023 are as follows:

Unit : Baht

Transaction	2021	2022	2023
Company's audit fee	1,850,000	1,870,000	1,900,000
Subsidiaries' audit fee	2,901,000	3,086,000	3,560,000
<b>Total</b>	<b>4,751,000</b>	<b>4,956,000</b>	<b>5,460,000</b>

- Non-audit Fee

- None -





## 8. Report on Key Performance in Corporate Governance

### 8.1 Summary of Board performance in the Past Year

The Board has considered and reviewed the Company's strategy, vision, goals, and direction to suit and be consistent with the business operations. It has also monitored the implementation of the Company's strategy in compliance with applicable policies, rules, laws and regulations, and managed risks to an appropriate level under the legal framework, objectives and resolutions of the shareholders' meeting with integrity, caution, taking into account the best interests of the Company. The Board is responsible to shareholders and to all stakeholders, including promoting corporate governance to foster competitiveness and create value for the enterprise to grow sustainably. Its key performance was as follows:

#### 8.1.1 Nomination, Development and Evaluation of the Board's Performance of Duties

##### (1) Nomination of Directors

The Company has appointed the Nomination and Compensation Committee comprising more than half of all independent directors to be responsible for considering, selecting and screening nominated candidates for the Company's directors by taking into account an appropriate number and composition of the Board with required qualifications and without prohibited characteristics stipulated by Company's regulations. The selected names are presented to the Board for endorsement and then proposed at the Annual General Meeting for consideration and approval.

In 2023, the Company had 3 directors retiring by rotation, accounting for one-third of the total directors, namely Mr. Piphob Veraphong, Mr. Bandit Pitaksit and Mr. Wit Tantiworawong. Thus, the Board resolved to propose to the shareholders' meeting re-appointment of these 3 directors proposed by the Nomination and Compensation Committee. The nominated persons had undergone the process of screening, including careful



consideration by the Nomination and Compensation Committee. The Committee considered all 3 fully qualified under the Public Limited Company Act. To elaborate, they are qualified with knowledge, competency and experience in businesses related to the Company's operations. and have transparent, unblemished work records together with full capability to help develop the Company.

To promote corporate governance under the corporate governance code and to show fair and equitable treatment of all shareholders, the Company has given the right to shareholders to nominate a person with the qualifications and knowledge and skills appropriate to be elected as a Company director in advance of the Annual General Meeting. However, no shareholder nominated any candidate for consideration at the 2023 Annual General Meeting.

##### (2) Nomination of Senior Executives

At the Board meeting No. 7/2023 on 21 December 2023, the Board assigned the Human Resources Department to report succession plan performances to the meeting and redefined the procedures and criteria for nominating the Chairman of the Executive Committee and senior executives as follows:

Succession Plan Procedure and Criteria for the Chairman of the Executive Committee

Whenever there is a vacancy of the Chairman of the Executive Committee or when the current Chairman of the Executive Committee cannot function to his or her capacity, the Company shall appoint a deputy or equivalent executive to act on his or her behalf until the search and selection of a qualified person is completed. The selection criteria or qualifications pre-defined by the Company include leadership vision, level of knowledge and competency, work experience, and a cultural fit with the Company. The selection and recruitment process are handled by the Nomination and Compensation Committee and approved by the Board.

The pre-defined qualifications are as follows:

1. Education of at least the bachelor's degree level
2. Work and managerial experience of the division line director level or higher
3. Strong leadership with wide vision, good moral and ethics and a good track record
4. Competency in strategic planning and organizational management
5. Making decisions and solving problems discreetly and prudently in the best interests of the organization.

Succession Plan Procedure and Criteria for Managing Directors

Whenever there is a vacancy for Managing Directors or when a current Managing Director cannot function to his or her capacity, the Chairman of the Executive Committee will take control of the selection of each successor and proceed with the nomination to the Board for formal appointment.

Succession Plan Procedure and Criteria for Senior Executive Vice President and Chief Financial Officer

Whenever there is a vacancy for Senior Executive Vice President or Chief Financial Officer, or when a current Senior Executive Vice President or Chief Financial Officer cannot function to his or her capacity, the Managing Director will take control of the selection of each successor and proceed with the nomination to the Chairman of the Executive Committee for formal appointment.

**(3) Development of Directors and Executives**

The Company has a policy to develop its personnel competency relentlessly to enhance their knowledge and capability to keep up with the ongoing competitive business. In 2023, the Company sent 3 executives to study long-term curricula such as the Executive Master of Business Administration and Master of Public Administration programs. Directors attended various courses as follows:

The Company encourages directors to attend seminars that are useful to their performances. All 9 directors underwent courses designed for directors, including the Director Certification Program (DCP) or Director Accreditation Program (DAP). In 2023, all directors attended training courses or seminars to enhance their knowledge with the Thai Institute of Directors (IOD) or other institutes.

Name	Course Title	Institute	Institute
1	Mr. Naporn Sunthornchitcharoen	Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)
2	Mr. Nantawat Pipatwongkasem	Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)
3	Mr. Achawin Asavabhokhin	CFO's Orientation	the Stock Exchange of Thailand
		Corporate Governance Training	Center of Global Best Practices
		CFO Professional Development Program	Thai Listed Companies Association
		CFO & Tax Forum : Leading Through Change	EY Office Limited
		Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)



Name	Course Title	Institute	Institute
4	Mr. Watcharin Kasinrerak	Ethical Leadership Program (ELP)	Thai Institute of Directors (IOD)
		Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)
5	Mr. Wit Tantiworawong	CFO's Refresher	the Stock Exchange of Thailand
		Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)
6	Mr. Chokchai Walitwarangkoon	Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)
7	Mr. Piphob Veraphong	Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)
8	Mr. Bundit Pitaksit	Roles of Executives and Employees in Anti-corruption	A lecture by Executive Director of Thai Private Sector Collective Action Against Corruption (CAC)
9	Ms. Chadanuch Meepien	Director Certification Program (DCP) batch 349/2023	Thai Institute of Directors (IOD)

#### (4) Assessment of Board Performance

The Company has a policy to arrange assessment of the Board at least once a year to help the Nomination and Compensation Committee review their performance, work issues, and obstacles during the past year, thus increasing the work effectiveness of the Committee under the corporate governance code. The Company applies the Stock Exchange of Thailand's self-assessment approach and adds further criteria for performance assessment to comply with the Corporate Governance Code guidelines set by the Securities and Exchange Commission. The criteria that have been added in assessing the Committee's performance appear below:

1. The Board has emphasized the importance of and provided sufficient time for considering material matters concerning the Company's sustainable development strategy.
2. The Board has emphasized the importance of and provided sufficient time to consider or review the policy on key risks arising in the Company's operation, including Environmental, Social and Governance Risk (ESG Risk).
3. All directors have knowledge in the past year attended training courses or seminars, such as business courses, business sustainability courses, insider information prevention courses, and conflict of interest prevention courses.

The company secretary will submit an annual self-assessment form to all directors, individually and in groups. Once each director has completed the assessment, the form will be sent back to the company secretary to calculate the scores of each director, analyze, and summarize the results of the Board performance for the year, and report them to the Board for consideration, thus achieving the objective stated above. The performance assessment outcomes in 2023, reported at the Board Meeting No. 7/2023 on 21 December 2023 are summarized in percentage as follows:

Score (%)	Rating
Over 85	Excellent
75 - 85	Very good
65 - 74	Good
50 - 64	Fair
Below 50	Need improvement



There are 2 types of performance self-assessment forms for the Board: individual and collective committee. The results are summarized below:

Item	Board's Performance Self-Assessment	
	Collective	Individual
Number of Questions	6 sections	7 sections
Details of Questions	1. Structure and qualifications 2. Roles, responsibilities, and duties of the committee 3. Committee meetings 4. Performance of duties 5. Relationship with management 6. Committee self-development and executives' development	1. Committee readiness 2. Strategy formulation and business planning 3. Risk management and internal control 4. Conflict of interest oversight 5. Monitoring financial reports and business operations 6. Committee meetings 7. Others
Rating Summary	Excellent	Excellent
Average Score	99%	100%

The assessment criteria of sub-committees are similar to those of the Board. The evaluation results of the collective committee are summarized below:

Item	Sub-Committees' Performance Self-Assessment		
	Audit Committee	Nomination and Compensation Committee	Risk Management and Sustainable Development Committee
Number of Questions	6 sections	4 sections	3 sections
Details of Questions	1. Audit committee composition 2. Training and resources provided 3. Committee meetings 4. Committee activities 5. Relationship with the head of Internal Audit, the external auditor, and executives 6. Future roles of the committee	1. Structure and qualifications 2. Committee meetings 3. Roles, responsibilities, and duties of the committee 4. Others	1. Structure and qualifications 2. Committee meetings 3. Roles, responsibilities, and duties of the committee
Rating Summary	Excellent	Excellent	Excellent
Average Score	100%	100%	99%

##### (5) Performance Assessment of the Chairman of the Executive Committee

The Board assesses the performance of the Chairman of the Executive Committee, based on suitability under the assignment together with the Company's financial performance and environmental, social, corporate governance performance, including revenue, sales, net profit, customer satisfaction, number of complaints from communities and society, employee engagement, employee development, statistics of work accidents, and greenhouse gas reduction.



## 8.1.2 Meeting Attendance and Remuneration of Individual Committees

(1) The Board and Sub-Committee Meetings in 2023 can be summarized as follows:

Name of Directors	Meetings of the Committee in 2023				
	Board of Directors	Executive Committee	Audit Committee	Nomination and Compensation Committee	Risk Management and Sustainable Development Committee
1. Mr. Naporn Sunthornchitcharoen	7 / 7	12 / 12	-	-	-
2. Mr. Nantawat Pipatwongkasem	7 / 7	-	-	-	2 / 2
3. Mr. Achawin Asavabhokhin	7 / 7	-	-	-	2 / 2
4. Mr. Watcharin Kasinrerk	7 / 7	12 / 12	-	-	2 / 2
5. Mr. Wit Tantiworawong <sup>1</sup>	7 / 7	12 / 12	-	1 / 1	2 / 2
6. Mr. Chokchai Walitwarangkoon	7 / 7	12 / 12	-	-	-
7. Mr. Pakhawat Kovithvathanaphong <sup>2</sup>	2 / 2	-	2 / 2	-	-
8. Mr. Piphob Veraphong	7 / 7	-	6 / 6	3 / 3	-
9. Mr. Bundit Pitaksit	7 / 7	-	6 / 6	3 / 3	2 / 2
10. Ms. Chadanuch Meepien <sup>3</sup>	4 / 4	-	4 / 4	-	-
Total meeting in a year	7	12	6	3	2
% of attendance	100	100	100	100	100

Remarks : <sup>1</sup> Appointed as a member of the Nomination and Compensation Committee on 6 July 2023, after the Nomination and Compensation Meeting No.1/2023 and No.2/2023, held on 27 February and 3 July 2023. Therefore, in 2023, he was able to attend the Nomination and Compensation Committee only once.

<sup>2</sup> Resigned from the Company's directorship; Director, Independent Director and Chairman of the Audit Committee on 6 July 2023.

<sup>3</sup> Appointed as Director, Independent Director and Chairman of the Audit Committee on 6 July 2023.

### (2) Remuneration of Individual Directors

#### Monetary Compensation

The Company has set a clear policy on directors' remuneration, which is set appropriately with their duties in the Company. The Nomination and Compensation Committee scrutinizes and proposes to the Board for consideration appropriateness in various factors, including size, business expansion, and profit growth. The Company's compensation will be set at the same level as that of industry peers. Directors' remuneration has been approved by the shareholders' meeting every year, paid in the form of monthly remuneration, bonus and meeting allowance.

For 2023, the details are as follows:

#### 1. Monthly Remuneration

- Chairman 120,000 Baht / person / month
- Director 70,000 Baht / person / month

#### 2. Meeting Allowances Paid as per the Number of Meetings

- Chairman 40,000 Baht / person / time
- Director 30,000 Baht / person / time

However, executive directors shall not receive meeting allowances.





Details of Remuneration Paid to Each Director are as Follows:

Name	Directors' Remuneration in 2023 (Baht)						
	Yearly Remuneration	Bonus	Meeting allowance for the Board of Directors	Meeting allowance for the Audit Committee	Meeting allowance for the Nomination Committee	Meeting allowance for the Risk Management and Sustainable Development Committee	Total
1. Mr. Naporn Sunthornchitcharoen	1,440,000	1,680,000	-	-	-	-	3,120,000
2. Mr. Nantawat Pipatwongkasem	840,000	980,000	-	-	-	-	1,820,000
3. Mr. Achawin Asavabhokhin <sup>1</sup>	840,000	980,000	120,000	-	-	-	1,940,000
4. Mr. Watcharin Kasinrer	840,000	980,000	-	-	-	-	1,820,000
5. Mr. Wit Tantiworawong <sup>2</sup>	840,000	816,667	-	-	-	-	1,656,667
6. Mr. Chokchai Walitwarangkoon <sup>3</sup>	840,000	816,667	-	-	-	-	1,656,667
7. Mr. Pakhawat Kovithvathanaphong <sup>2</sup>	420,000	980,000	60,000	80,000	-	-	1,540,000
8. Mr. Piphob Veraphong	840,000	980,000	210,000	150,000	120,000	-	2,300,000
9. Mr. Bundit Pitaksit	840,000	980,000	210,000	150,000	90,000	80,000	2,350,000
10. Ms. Chadanuch Meepien <sup>3</sup>	408,333	-	120,000	120,000	-	-	648,333
<b>Total</b>	<b>8,148,333</b>	<b>9,193,334</b>	<b>720,000</b>	<b>500,000</b>	<b>210,000</b>	<b>80,000</b>	<b>18,851,667</b>

Remark: - Bonus, for the performance in 2022, was paid in January 2023.

<sup>1</sup> Assumed the position of Senior Executive Vice President and authorized signatory Chief Finance Officer on 1 September 2023.

<sup>2</sup> Resigned from the Company's Director, Independent Director, and Chairman of the Audit Committee on 30 June 2023.

<sup>3</sup> Appointed as the Company's Director, Independent Director, and Chairman of the Audit Committee on 6 July 2023.

#### Non-Monetary Remuneration

Other benefits provided to the Company's directors include insurance covering the liability of directors and executive officers of the Company together with the expenses for attending seminars and training courses of Thai Institute of Directors Association and related institutions.

associates in question comply with regulations on connected transactions and acquisition or disposal of assets, and that their preparation of financial statements is accurate and transparent.

The Board reviewed this governance policy to supervise subsidiaries and associates at Board Meeting No. 7/2023, held on 21 December 2023.

### 8.13 Governance of Subsidiaries and Associated Companies

The Company supervises the operation of its subsidiaries and associates by appointing executives with the knowledge, ability, and appropriate experience as directors of such subsidiaries. If the subsidiaries or associates have critical matters such as the approval of capital increase or capital reduction, or company dissolution, these matters must receive prior approval from the Board every time. There is also supervision to ensure that a given operation is transparent and that the subsidiaries and

### 8.14 Monitoring to Ensure Compliance with Corporate Governance Policy and Practices

The Company emphasizes the importance of and promotes the corporate governance code. The operations are in line with the corporate governance code for listed companies of 2012 and the corporate governance code for listed companies of 2017 (CG Code). The Board has



established a Corporate Governance Policy in writing and approved the policy. It also set a criterion to review this policy at least once a year. In addition, the Board has reviewed the application of the Corporate Governance Code (CG Code) to be adapted to suit the business context. In 2023, the Board jointly considered and reviewed the code at Board Meeting No. 7/2023, held on 21 December 2023 and recorded it as part of the Board's resolution for improvement guidelines or additional substitute measures for what the Company had not yet complied. Also, the Company has established various key regulatory policies as follows:

### **(1) Prevention of Conflicts of Interest**

The Board determines management tools to ensure that the Company has efficient and transparent business management for the utmost interests of shareholders. The Company has established the following measures to eliminate conflicts of interest:

The Board has considered items with potential conflicts of interest, connected transactions, or appropriate related-party transactions under the framework of good ethics. These items are screened by the Audit Committee to ensure their compliance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission as well as public disclosure of information about the transactions that may have conflicts of interest. the Company has set a policy, regulations, and the process of approving transactions with potential conflicts of interest for executives, employees and related parties to adhere to. The key principles are :

1. In their decision-making and work performance, all directors, management, and employees must be primarily committed to the Company's and stakeholders' interests, with due regard for legality and ethics. They must not pursue personal interests or favor parties close to them.
2. All directors, management, and employees must not engage in any business undertaking that could breed conflicts of interest with the Company.
3. For any transactions where directors, management, employees, or related parties are involved in related interests with the Company, they are forbidden to take part in their approval.

4. Under the corporate governance code, related-party transactions must be submitted to the Audit Committee for comments before submission to the Board. Besides, the Securities and Exchange Commission and the Stock Exchange of Thailand require that data regarding transactions with potential conflicts of interest, related-party transactions, or connected transactions must be disclosed in the Company's annual report. Finally, disclosure of the connected transactions must be included in the financial statements as specified by accounting standards.

However, in 2023, the Company did not find any significant conflicts of interest and has disclosed all transactions that may have conflicts of interest or connected transactions under "9.2 Related Party Transactions"

### **(2) Prevention Insider Trading**

The Company has a clear policy regarding the proper use of authority through several channels, including the corporate governance code, code of conduct, various announcements of the office of the Securities and Exchange Commission or related agencies, internal communication, and organizational culture, so that all employees are aware of the equal treatment of shareholders without seeking benefits from the inside information.

The Company has established measures to prevent the use of inside information for the benefit of directors and management by informing everyone of their roles and obligations to report their securities holdings, including those of their spouses and minors who hold the Company's securities. They must acknowledge the preparation of a report on the change of their securities holding with each purchase, sale, transfer or acceptance of transfer of securities within 3 business days after the date of purchase, sale, transfer or acceptance of transfer of securities as prescribed by the Office of the Securities and Exchange Commission. They must copy the above report to the company secretary to collect and propose to the Board meeting every time, which is routinely set as the meeting agenda, to acknowledge the report of securities holding.

In 2023, the Board and executives have strictly followed such rules, so there were no cases of violation or non-compliance with insider trading rules.



### (3) Anti-Fraud and Anti-Corruption

The Company commands an anti-corruption policy and is against all forms of bribery. Its directors, management, and employees must strictly abide by the applicable laws, rules, regulations, code of conduct, policy, and guidelines for anti-corruption. The code of conduct forbids employees' demand for benefits. They must avoid acceptance of any assets inducing them to improperly act or refrain from acting or potentially depriving the Company of its lawful benefits. They must not cause potential conflicts of interest with the Company or use the Company's assets to pursue commercial benefits for themselves or their friends. This policy bolsters the confidence among stakeholders that the Company conducts its business with integrity and transparency.

Guidelines for the supervision and control of the risk from corruption and performance monitoring and evaluation are as follows:

1. Preventive measures through the organization structure are appropriate for management and control. The Company's structure strengthens its transparency and effectiveness, in line with the goals and nature of business, by using the principle of segregation of duties. There is an appropriate balance of power and separation of duties. The Company established a clear work process and chain of command in each department. The structure of the organization features an organizational culture emphasizing morality and ethics. In place is a mechanism for regular monitoring and evaluation of performance, including adequate communication and training for employees. The guidelines are communicated through various channels, such as the Company's intranet and website.
2. Prepare a code of conduct for executives and employees as a written policy, enhance compliance with the code of conduct, provide communication through various channels, including the Company's intranet and website, including planning for proper follow-up and assessment of the code of conduct properly.
3. The process for assessing risks associated with corruption within the Company. Assess the implementation of the policy through internal control under the standard of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) at the Board level, the internal control assessment at the department level and the working mechanism of the Risk Management and Sustainable Development Committee and the Company's Internal Control Division.
4. As for supervision at the departmental level, the department head shall evaluate the internal control and risk from corruption at the department level and set up an effective, efficient internal control system to cover loopholes that may cause corruption. Review the suitability of the system and continually improve it. Control and monitor the operation of units and assign supervisors at each level to control and investigate fraudulent actions and errors arising from operations.
5. The Internal Audit Department performs audit for compliance with business systems' rules and regulations. Comply with the Code of Conduct, assess the risks of corruption, including early warning signs, assess the adequacy of the internal control system in preventing, monitoring and detecting the risks of corruption by reporting the results of the audit at least once a quarter.
6. Through the work mechanism of the Risk Management and Sustainable Development Committee to continuously test and assess the risks of fraud and corruption and then present the results of the assessment to the Board.
7. Provide channels for reporting violations or witnessed fraud and corruption. Provide measures to protect and mitigate damage to reporters, complainants or those who cooperate in such reporting. Details are shown under "8.1.4 (4) Whistleblowing".
8. If there is an incident of wrongdoing, information from audit, or a complaint and if there is believable evidence of a real transaction of wrongdoing, needing investigation of fraud and corruption, the Managing Director or the Audit Committee appoints a fact-finding team to collect evidence, summon relevant people to testify, investigate, summarize results, and make recommendations on measures to prevent a repeat incident, impose penalties, or recommend guidelines for punishing offenders. The fact-finding team should consist of at least 3 appointed persons or at the discretion of the authorized person.
9. Use the case of the offense found as a case study to identify a preventive approach and the causes. Educate employees at the supervisor level to prevent future corruption in the organization.



New employees are informed of guidelines for good behavior standards and the code of conduct on their first day of work and through the orientation of new employees. The Company also provides in-house training for assistant managing directors, executive (operations), executive (supports), senior managers and department managers about the tools and how to use them to track risks so that all executives and management can use them effectively to monitor and assess risks.

On 13 March 2023, the Company declared its intention to join Thai Collective Action Against Corruption (CAC) to become part of the solution to corrupt practices in Thailand's business sector. It mapped out an anti-corruption policy and guidelines, making it the duty and responsibility of all directors, management, and employees to strictly acknowledge, master, and comply with the policy and guidelines. The Company assigned relevant units to post this policy and guidelines on the intranet and its website to add channels for directors, management, and employees to become aware of the guidelines for efficiently implementing such policy. Finally, on 26 January 2023, the Company promoted the knowledge of anti-corruption by organizing training on "Roles of Executives and Employees in Anti-corruption", given by the executive director of Thai Collective Action Against Corruption (CAC) to directors, management, and employees as well as subsidiaries' directors and management.

In 2023, the Company was involved in no legal disputes about corruption cases, whether those under investigation, with ongoing litigation, or ruled by a court.

#### **(4) Whistleblowing and Whistleblower Protection Measures**

The Company commands a policy to protect all stakeholders by setting out measures for whistleblowing and a mechanism to protect complainants, designed to hear complaints about rights violation due to unlawful actions or violations of the code of conduct, as well as behavior suspected of fraud or unbecoming actions of Company personnel. To this end, the Company has disclosed whistleblowing channels, whistleblower protection, and a process designed to manage complaints on its website as detailed below:

#### **(1) Complaint Channels**

1. Regular mail:  
LH Complaints and Whistleblowing Function  
Land and Houses Public Company Limited  
No. 1 Q. House Lumpini, 37<sup>th</sup>-38<sup>th</sup> Floors,  
South Sathorn Road Thung Mahamek, Sathorn,  
Bangkok 10120
2. E-mail: [whistleblower@lh.co.th](mailto:whistleblower@lh.co.th)
3. Website: [www.lh.co.th](http://www.lh.co.th) under "Corporate Governance/ Whistleblowing"

Alternatively, the Company's employees that witness unlawful or anti-corruption policy violation or violation of the anti-corruption measures from their supervisors and/or directly complain to the Head of Internal Audit and System Development.

#### **(2) Whistleblower Protection**

In defining whistleblower protection guidelines, the Company values data collection and confidentiality of the identity of the whistleblower, complainant, and the complained party. It will reveal only essential information to assigned parties out of its concern for the safety and harm to whistleblowers or related parties. This measure is designed to bolster the confidence of complainants.

#### **(3) Complaint-Handling Process**

The Company's complaint-handling process features whistleblower protection measures and factfinding for fairness to all. To elaborate, it needs to decide if the complaint in question is well-grounded, what degree of guilt it belongs, and what punitive measures should be taken. A fact-finding group is assigned to summarize its findings for submission to the Audit Committee. This complaint-handling process discloses on the Company's website.

In 2023, the Company received a total of 3 complaints about corrupt practices through the channels designed for employees and third parties. A preliminary investigation indicated that 2 of these complaints were groundless and one, according to the fact-finding group's investigation of witnesses and evidence, proved valid due to the violation of the Company's Articles of Association, which has been duly punished under the Company's disciplinary measures. In the light of this case, the Company has assigned all related units to jointly identify remedial actions to improve its



internal control and define preventive measures to minimize recurrence while making work more efficient.

Complaints Received through Whistleblowing Channels (case)	Complaint-Handling	
	Invalid (case)	Valid (case)
3	2	1

## 8.2 Report on the Performance of the Audit Committee in the Past Year

The Audit Committee consists of all 3 independent directors. In 2023, a total of 6 meetings were held with perfect attendance. The Committee has performed their duties well and completely as stipulated in the Audit Committee Charter. A summary of the work done by the Audit Committee in the past year appears below:

1. Reviewed the quarterly and annual financial statements for 2023 of the Company and the subsidiaries to ensure that the financial statements had been disclosed with accuracy, completeness, and sufficient information under legal requirements and Generally Accepted Accounting Principles (GAAP).
2. Considered the Company's major risks and assessed the adequacy of the control system, Information and Communication Systems and a monitoring and evaluation system whether they complied with the international standards of COSO (The Committee of Sponsoring Organizations of the Treadway Commission).
3. Reviewed the Company's compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand and applicable laws.
4. Considered connected transactions or transactions with potential conflicts of interest under the law and the regulations of the Stock Exchange of Thailand to ensure that these transactions are sensible and in the best interests of the Company.
5. Encouraged the Company to become members of the Thai Private Sector Collective Action against Corruption (CAC).
6. Considered and reviewed the quarterly report of the performance of Internal Audit, including considering and approving the annual internal audit plan for 2024.
7. Arranged 1 meeting with the Company's auditor without management attending. The Audit Committee listened to the work conditions of the auditor, exchanged ideas,

and took note of key observations and suggestions so as to present these to the Board for acknowledgment and review of the issues suggested by the auditor.

8. Considered the selection and nomination of the Company's auditor, including consideration of the appropriateness of audit fees.
9. Following a resolution of the Board to have Mr. Bundit Pitaksit participate in the scheduling of all Board meetings, the Board meetings were duly scheduled.
10. Organized an annual review and revision of business conduct against corporate governance code guidelines and submitted results to the Board for amendment in line with best practices.
11. Conducted annual self-assessment; for 2023, the result was at the "Excellent" level.

## 8.3 Summary of the Performance of Other Sub-Committees

### 8.3.1 Performance of the Nomination and Compensation Committee

The Nomination and Compensation Committee has 3 directors, 2 of whom are independent directors. In 2023, a total of 3 meetings were held with perfect attendance. The performance highlights of Nomination and Compensation Committee in the previous year appear under "Report of the Nomination and Compensation Committee".

### 8.3.2 Performance of the Risk Management and Sustainable Development Committee

The Risk Management and Sustainable Development Committee consists of 5 directors, of whom 1 independent director serves as Chairman. In 2023, a total of 2 meetings were held with perfect attendance. The performance highlights of the Risk Management and Sustainable Development Committee in the past year appear under "Report of the Risk Management and Sustainable Development Committee".





## 9. Internal Control and Related Party Transactions

### 9.1 Internal Control and Risk Management

The Board of Directors and executives are responsible for the efficiency of the internal control system, with regular reviews and monitoring to enhance business efficiency and reduce business losses in ever-changing conditions arising from internal and external factors, rules and regulations from the government or even persons involved in the organization. All of them are business risk factors. Therefore, the management of internal control and risk management is of the utmost importance that the Board always emphasizes and recognizes. To this end, it is required that all departments of the Company must take into account internal control and risk management to cover all aspects—such as administration and resource management, accounting and finance, human resource management, procurement, information systems and data communication, and legal—to avoid serious damage and/or disputes arising from infringement as well as actions against the Company or third parties which may lead to civil and criminal prosecution. The Company operates through various channels as follows:

1. **Through the Organization Structure** : The organization structure is designed in line with the nature of the work and clearly defines scopes of power and duties to provide flexibility and speed to work under international constraints, such as the establishment of a board of directors who supervises and oversees the policies and is responsible for those involved with the Company. The management team is responsible for the business results under the defined goals. The sub-committees, namely the Audit Committee, Risk Management and Sustainable Development Committee, and Nomination and Compensation Committee, are responsible for the tasks assigned by the Board. Departments whose work is divided into operational and support lines have been established appropriately and sufficiently for operations. This is designed to achieve good management on supervision and a balance of power among the practitioners of each department and/or each party, including oversight of the overall risk management process to an acceptable level.



2. **Through the Audit Committee** : The Board has assigned 3 members to serve as the Audit Committee to supervise, monitor and consider if the internal control system is appropriate and sufficient under ever-changing situations. This makes it necessary for annual assessment, and the outcomes are reported direct to the Board.

Each year the Audit Committee regularly meets with the external auditor of the Company, EY Office Limited, and internal auditors at least once a quarter to follow up and inquire about the Company's internal control system. It was clarified this year that no significant deficiencies had been found in the Company's internal control system.

At the Board Meeting No. 7/2023, dated 21 December 2023, the Board received a preliminary report from the Audit Committee regarding the assessment of internal control system sufficiency for 2023. The Audit Committee was of the view that the Company commanded an internal control system that is sufficient and appropriate to the current situation, with adoption of the framework of internal control assessment under the assessment



form of the Securities and Exchange Commission. Such scope covers all 5 elements, namely, the organizational environment, risk assessment, control activities, information and communication system, and the monitoring and evaluation system as defined by the international standards of COSO (The Committee of Sponsoring Organizations of the Treadway Commission). The Board considered and agreed with the proposal of the Audit Committee.

At the departmental or divisional level, the Company has applied the self-assessment system to the operations of various departments, which is conducted annually to review the operations and develop various work systems to make internal control more efficient and effective while encouraging continuous development.

- 3. Through the Risk Management and Sustainable Development Committee :** The Committee consists of independent director, Managing Director and top management from relevant departments. the Company prioritizes the importance of sustainable development covering 3 aspects: environmental, social and good corporate governance (ESG).

A working group conducts risk assessment at all levels of the organization, covering strategic, operational, financial, liquidity, investment, regulatory and legal risks. The assessment involves evaluation, analysis and risk prioritization, setting guidelines and strategies for management of every risk. the Company has categorized and managed high, medium, and low risks continuously to manage its corporate risks to an acceptable level (the risk appetite) at reasonable costs.

The Company has established a system to monitor and report risk management results regularly, promptly and in a timely manner. Management has a risk monitoring process through the risk monitor tools in the form of computer-based on the Company's EIS system. The system will be updated every month and will report to the risk owner for monitoring, analyzing, evaluating and managing risks. The Company holds meetings to monitor risk management results at least twice a year.

In addition, since the Board has recognized and emphasized the importance of sustainable development,

the Risk Management and Sustainable Development Committee has been assigned to set a framework for sustainable operations as guidelines for following the Company's sustainable development process, considered a critical mechanism to achieve success in business operations.

- 4. Through the Creation of a Corporate Culture :** The Company nurtures immunity for the organization and lays a good long-term foundation through a mechanism known as the corporate culture by using personnel as a template to connect, including training, cultivation of company ethics and a code of conduct, transmission of good conscience from top to bottom, and provision of continuous Dharma practice for employees and their families and generosity toward one another, from generation to generation. The Company believes that there is no system that is the best all the time, but it prefers personnel who think good, do good, and have a high awareness of duties and responsibilities. All of these can be sustained when the corporate culture is strong.

The Audit Committee supervises Internal Audit and System Development to operate independently, fairly and ethically. The Chief Audit Executive (CAE) is Mr. Pornchai Kietkhajornvirach, Senior Vice President of Internal Audit and System Development. The Audit Committee views him as qualified with knowledge, experience and understanding of the business; he is also knowledgeable of various systems of the Company and is able to perform efficiently. Note that the consideration for the appointment, transfer, and dismissal of the Company's Chief Internal Auditor must be approved by the Audit Committee.



## 9.2. Related Party Transactions

### 9.2.1 Related Party Transactions

The Company and its subsidiaries had business transactions with connected persons or entities that may create potential conflict of interests as follows: (For more details, please see "Notes to the Financial Statement").

Individual/ juristic person	Relationship (as of 31 December 2023)	Nature of transaction	Value (million Baht)			Opinions of the Audit Committee
			2021	2022	2023	
Quality Construction Product PCL (Q-CON)	- Land and Houses PCL (LH) is the major shareholder of Q-CON holding shares of 21.16% of total shares sold of Q-CON	- LH purchased construction materials from Q-CON				- Terms and purchase prices were prescribed with the nature of normal business practices and comparable to other unconnected party.
	- LH and Q-CON have 1 common Director serves on the Board, namely Mr. Naporn Sunthornchitcharoen	- Goods purchased	28	42	34	
		- Account Payable	5	7	5	
		- Dividend received	39	26	63	- Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders.
Home Product Center PCL (HMPRO)	- LH is the major shareholder of HMPRO, holding 30.23% of total outstanding shares.	- The Company and its subsidiaries purchased decorated items from HMPRO				- Terms and purchase prices were prescribed with the nature of normal business practices and comparable to other unconnected party.
	- LH and HMPRO have 2 common directors serve on the Board, namely Mr. Naporn Sunthornchitcharoen and Mr. Achawin Asavabhokhin	- Goods purchased	38	37	45	
		- Account Payable	2	1	-	
		- Other Payable	7	9	5	
		- Dividend received	1,272	1,471	1,551	- Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders.



Individual/ juristic person	Relationship (as of 31 December 2023)	Nature of transaction	Value (million Baht)			Opinions of the Audit Committee
			2021	2022	2023	
Land and Houses Bank PCL (LH Bank) % shareholding calculated from the total paid up capital less buy back shares	<ul style="list-style-type: none"> <li>- LH is the major shareholder of LH Financial Group Plc. (LHFG), holding 21.88% of shares. LHFG holds 99.99% in LH Bank and LH Fund.</li> <li>- Quality Houses PCL, an associated company of LH, holds 13.74% of shares in LHFG.</li> <li>- LH and LH Bank have 1 common Director serves on the Board, namely Mr. Naporn Sunthornchitcharoen</li> </ul>	<ul style="list-style-type: none"> <li>- LH and its subsidiaries had savings, current, fixed deposit accounts and also fixed deposit note at LH Bank</li> <li>- Interest income</li> <li>- Accrued interest</li> <li>- Dividend received</li> </ul>	8,197	2,201	2,357	- All the deposits were treated as normal business practices and the interest earned was of the same rates as other unconnected companies. There was no obligation for the deposits.
Quality Houses PCL (QH)	<ul style="list-style-type: none"> <li>- LH is the major shareholder of QH with 24.98% of shares.</li> <li>- LH and QH have 2 common directors, namely Mr. Naporn Sunthornchitcharoen, and Mr. Achawin Asavabhokhin</li> </ul>	Dividend Received	294	294	401	Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders



Individual/ juristic person	Relationship (as of 31 December 2023)	Nature of transaction	Value (million Baht)			Opinions of the Audit Committee
			2021	2022	2023	
Siam Retail Development Co., Ltd. (SRD) and LH Mall and Hotel Co., Ltd. (LHMH)	<ul style="list-style-type: none"> <li>- Mr. Anant Asavabhokhin holds 23.93% of shares in LH and is also a major shareholder in SRD by directly holding 27% and indirectly 13% of shares.</li> <li>- LHMH, a subsidiary, is 99.99% owned by LH.</li> </ul>	<p>-LHMH was hired as an advisor and administrator in marketing and selling for SRD for 3 years from 1 March 2020 to 28 February 2023 in total value of 450 million Baht (excluding VAT) to manage 4 shopping malls, i.e. Fashion Islands, The Promenade, Terminal 21 Korat and Cherry Mall. And in year 2023, the contract was renewed for another 3 years from 1 March 2023 to 28 February 2026 in total value of 450 million Baht. (excluding VAT) The contract was terminated later on 31 December 2023 to change the principle of the contract to LH Mall Co., Ltd. (LH Mall)</p> <ul style="list-style-type: none"> <li>- Property Management Fee</li> <li>- Human Resources Management Fee</li> <li>- Other Receivables</li> </ul>	76	115	125	<ul style="list-style-type: none"> <li>- The Board of Directors' meeting on 27 February 2020 was of the opinion that the transactions and their terms were in accordance with normal business practices and the Audit Committee also shared the same opinion.</li> <li>- The Board of Directors' meeting on 27 February 2023 was of the opinion that the transactions and their terms were in accordance with normal business practices and the Audit Committee also shared the same opinion.</li> </ul>
			1	1	2	
			18	29	26	





### 9.2.2 Justification and Rationale for Related Party Transactions

The related-party transactions were necessary and reasonable to conduct such transactions to maximize the Company's utmost benefits. The Audit Committee was of the opinion that such transactions were in accordance with the nature of normal business practices which was done with other customers, and that the Company received and paid the compensation at an appropriate market prices.

### 9.2.3 Approval Procedure/Measure of Related Party Transactions

All related party transactions must be considered and received the approval from the Board of Directors with the attendance of the Audit Committee presented in the meetings and also approved by the shareholders' meeting, as the case may be. The directors or the person who was authorized by the directors shall not take part in the approval of the transactions which they or other persons who may have conflicts of interests or may constitute potential conflicts of interests in any manners with the Company or its subsidiaries. The Company must also perform in compliance with the laws on securities and the stock exchange, regulations, notifications, orders and any requirements of the Stock Exchange of Thailand including the compliance with the requirements regarding the disclosure of related-party transaction information including the acquisitions and disposals of assets.

### 9.2.4 Policy or Trend for Future Related Party Transactions

The Company has set a policy to conduct any existing related-party transactions in the future by setting up various conditions to keep all transactions to be in accordance with the ordinary course of business operations at the market prices which can be compared with

those incurred with any outsiders. In any case, the Company will have the Audit Committee, its auditor or independent experts to consider, examine and provide any comments on the appropriateness of the price and the reasonableness of the transaction.

In case that there is a related-party transaction between the Company or its subsidiaries and the parties with potential conflicts of interest or may cause potential conflicts of interest in the future, it will seek the opinions from the Audit Committee on the necessity and appropriateness of the transactions. In a case where the Audit Committee may not have expertise to consider on the mentioned issues, the Company will seek the opinions from independent experts or its auditors. The opinions will subsequently be used in the process of decision making by the Board of Directors or shareholders, whichever the case may be. The Company also discloses such transactions in the notes to the financial statements, except for the following transactions which the Management has the mandate to approve:

1. Normal business transactions or those transactions which support normal business transactions with general commercial conditions in the same manner that a reasonable person would do with general contracting parties under the same circumstance, with trade bargaining power in absent of the influence of his status as a director, executive or related party.
2. Transactions conducted under an employee' rights project of which the rights are made available to all employees who work with the Company in general, without any discrimination or provide to any specific person.









## Section 3

# Financial Statements

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## Accountability Report of the Board of Directors for Financial Reporting

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The Board of Directors is responsible for the consolidated financial statement of Land and Houses Plc. and its subsidiaries and the company's separate financial statement including other financial information stated in the Company's annual report. The financial statements have been prepared in accordance with generally accepted accounting principles and standard under appropriate accounting policies and regular adherence to them including the use of careful judgment and reasonable estimates in the preparation of these financial statements. Also, the material information has been sufficiently disclosed in the notes to financial statement. Therefore, it reflects the real and transparent financial position and performance for the benefits of all shareholders and investors who use the financial statements. Such statements had been reviewed and audited by independent auditors who had expressed an unqualified opinion to the report.

The Board of Directors has the duties to supervise and develop the corporate governance, and ethics including to establish efficient and effective risk management and internal control to ensure that all the Company's accounting information is accurate, comprehensive, and adequate to maintain the assets and to perceive the weakness and be able to protect any operational risks duly on time. The Board of Directors also set up the Audit Committee which comprises three independent directors to supervise and review the quality of financial reporting,

to review and to assess the internal control including to oversee the transactions which may deem as connected transactions or may have the potential to be conflicts of interests so as to ensure that the Company has complied with all the legal, regulations and has disclosed all the essential and accurate information. The Audit Committee's opinion on these matters is expressed in the Audit Committee Report in the Annual Report.

The Board of Directors is of the opinion that the overall internal control system of the Company is adequate and appropriate which can bring the reasonable confidence in the reliability of the Company's consolidated financial statements and its subsidiaries and the separate financial statement of the Company for the year ending December 31, 2023 and gives fair view in significant issues in accordance with the Thai Financial Reporting Standards.

Mr. Naporn Sunthornchitcharoen  
Chairman of the Board of Directors  
and Chairman of the Executive Board



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# Independent Auditor's Report

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**To the Shareholders of Land and Houses Public Company Limited**

## Opinion

I have audited the accompanying consolidated financial statements of Land and Houses Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Land and Houses Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Land and Houses Public Company Limited and its subsidiaries and of Land and Houses Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

## Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.





## Revenue recognition from sales of real estate

Revenue from sale of real estate is a significant amount in the statements of income and it is a key performance indication in the real estate industry on which the financial statements' users focus. In addition, the Group has a significant number of property units for sale and sale agreements. I have therefore focused on the audit of the actually occurring and timing of revenue recognition.

I have examined the revenue recognition from sales of real estate of the Group by:

- Assessing and testing the effectiveness of the Group's IT general controls and internal controls with respect to the cycle of revenue from sales of real estate by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select land sale agreements and condominium sale agreements to assess whether the revenue recognition was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions of revenue from sale throughout the period.

## Allowance for diminution in value of real estate development costs

Estimating the net realisable value of real estate development costs, as disclosed in Note 4.4, Note 5 and Note 10 to the financial statements, is an area of significant management judgement, particularly with regard to the estimation of allowance for diminution in the value of real estate development costs. This requires detailed analysis of the nature, circumstances and life cycle of real estate development projects, and the competitive environment and economic circumstances. Therefore, there is a risk that the allowance for reduce cost to net realisable value of real estate development costs will be inadequate.

I evaluated and gained an understanding of the management's determination of the allowance for diminution in value of real estate development costs by:

- Gaining an understanding of the basis applied in determining the allowance for diminution in value of real estate development costs, and reviewing the consistency of the application of that basis, and the rationale for the recording of specific allowance for diminution in the value of real estate development costs.
- Comparing the holding periods of the real estate development projects and their movements with indicators of lower than normal turnover.
- Reviewing gross profit margin of real estate development projects which had actual sales during the year and the transaction after the date of the financial statements.
- Comparing real estate development costs with no actual sales occurring during the year and the latest sale transaction, or the transaction after the date of the financial statements in order to consider the adjustment of real estate development costs by the management to the net realisable value.



## Sale of assets to Real Estate Investment Trust

As described in Note 20.1 to the consolidated financial statements, in November 2023, LH Mall & Hotel Co., Ltd. (“the Subsidiary”) sold assets used in the operation of Grande Centre Point Hotel Pattaya and Grande Centre Point Hotel Space Pattaya to LH Hotel Leasehold Real Estate Investment Trust (“the Trust”) for a total of Baht 9,400 million. The Group had gain on sales of such assets of Baht 2,501 million. This transaction is a significant sales transaction that occurred in the current year. Therefore, I have focused on the recognition of this transaction and disclosure of relevant information in the financial statements

I have examined the recognition of sales of assets to Real Estate Investment Trust, which included

- Inquiring of the management as to the nature and objectives of the sales transaction and reviewing the minute of meeting of the Subsidiary's Board of Directors as evidence of approval for the transaction.
- Comparing the selling price with the fair value of the assets, appraised by an independent appraiser, to consider the selling price.
- Checking the provisions and conditions of the related agreements, the payment receipts and supporting documents related to the sales transaction.
- Considering the exercise of management judgement in the recording of the sale of assets and reviewing relevant disclosures presented in notes to the financial statements.

## Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when,



in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Rosaporn Decharkom

Certified Public Accountant (Thailand) No. 5659

EY Office Limited

Bangkok: 28 February 2024



# Statement of Financial Position

Land and Houses Public Company Limited and its subsidiaries

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6, 7	4,336,793,451	4,799,359,716	2,036,574,160	2,858,035,439
Trade and other receivables	6, 8	476,878,868	248,614,363	157,102,450	277,858,533
Current portion of long-term loans to related parties	6	-	-	1,294,242,000	9,209,990,140
Current portion of long-term loan to other company	9	-	26,400,000	-	-
Inventories	10	56,193,546,447	48,558,111,702	46,338,215,757	39,755,078,605
Advance payment for constructions		714,667,973	619,868,410	230,580,710	230,543,175
Deposits for purchase of land and others		363,828,385	167,056,848	267,713,728	127,975,541
Cost to obtain contracts with customers	11	31,076,199	44,199,089	31,076,199	44,199,089
Other current financial assets	12	-	298,325,100	-	78,325,100
Other current assets		1,035,054,489	700,202,621	279,783,139	219,143,042
<b>Total current assets</b>		<b>63,151,845,812</b>	<b>55,462,137,849</b>	<b>50,635,288,143</b>	<b>52,801,148,664</b>
<b>Non-current assets</b>					
Restricted bank deposits	13	16,722,691	16,069,068	-	-
Other non-current financial assets	14	2,696,351,392	3,831,563,829	2,028,192,428	2,239,054,729
Investments in subsidiaries	15	-	-	8,797,473,497	7,885,867,933
Investments in associates	16	27,082,666,407	24,619,313,208	25,044,384,914	24,619,313,208
Long-term loans to related parties	6	504,033,297	508,950,948	19,061,599,237	7,874,584,748
Long-term loan to other company	9	-	83,600,000	-	-
Land held for development	17	4,925,433,693	4,887,981,855	4,795,890,964	4,758,439,126
Investment properties	18	11,565,127,703	11,984,603,288	212,074,242	212,074,242
Property, plant and equipment	19	1,879,054,258	1,954,957,986	377,816,022	319,614,983
Right-of-use assets	20.1	18,792,997,560	19,572,129,669	161,435,073	214,979,266
Other intangible assets	21	23,220,675	38,435,728	10,621,910	21,321,721
Deferred tax assets	33	1,257,106,849	967,106,746	840,806,464	795,298,911
Other non-current assets	6	25,129,539	21,911,433	12,898,995	12,899,297
<b>Total non-current assets</b>		<b>68,767,844,064</b>	<b>68,486,623,758</b>	<b>61,343,193,746</b>	<b>48,953,448,164</b>
<b>Total assets</b>		<b>131,919,689,876</b>	<b>123,948,761,607</b>	<b>111,978,481,889</b>	<b>101,754,596,828</b>

The accompanying notes are an integral part of the financial statements.





# Statement of Financial Position (continued)

Land and Houses Public Company Limited and its subsidiaries

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Overdraft and short-term loans from financial institutions	22	6,091,659,200	5,639,394,990	4,981,611,825	4,669,394,990
Trade and other payables	6, 23	3,423,209,850	3,640,836,102	2,094,204,586	2,212,754,617
Retention guarantees		560,551,903	555,263,290	284,938,048	335,858,848
Current portion of long-term loans	24	284,252,500	2,439,744,000	-	-
Current portion of debentures	25	16,116,754,198	8,400,000,000	16,116,754,198	8,400,000,000
Current portion of lease liabilities	20.1	1,428,726,027	1,892,999,895	54,210,809	53,209,007
Income tax payable		153,809,954	575,298,968	-	368,482,797
Short-term provisions	26	845,711,028	770,165,345	555,094,035	661,502,568
Advances received from customers		452,392,686	634,794,156	265,796,636	441,286,933
Other current financial liabilities	27	18,195,390	-	18,195,390	-
Other current liabilities		254,557,970	351,443,375	120,429,475	172,737,573
<b>Total current liabilities</b>		<b>29,629,820,706</b>	<b>24,899,940,121</b>	<b>24,491,235,002</b>	<b>17,315,227,333</b>
<b>Non-current liabilities</b>					
Long-term loan from related party	6	-	-	720,000,000	720,000,000
Long-term loans - net of current portion	24	10,889,396,500	10,354,667,000	7,065,000,000	3,778,300,000
Debentures - net of current portion	25	27,568,746,380	27,803,047,268	27,568,746,380	27,803,047,268
Lease liabilities - net of current portion	20.1	8,576,959,363	6,057,578,429	115,663,989	169,774,272
Provision for long-term employee benefits	28	531,278,233	543,734,334	390,733,763	389,276,128
Deferred tax liabilities	33	1,706,861,613	1,343,890,894	-	-
Other non-current financial liabilities	27	136,386,486	18,834,131	114,569,301	-
Other non-current liabilities		647,252,405	642,313,251	-	-
<b>Total non-current liabilities</b>		<b>50,056,880,980</b>	<b>46,764,065,307</b>	<b>35,974,713,433</b>	<b>32,860,397,668</b>
<b>Total liabilities</b>		<b>79,686,701,686</b>	<b>71,664,005,428</b>	<b>60,465,948,435</b>	<b>50,175,625,001</b>

The accompanying notes are an integral part of the financial statements.



# Statement of Financial Position (continued)

Land and Houses Public Company Limited and its subsidiaries

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Shareholders' equity</b>					
Share capital					
Registered					
12,031,105,828 ordinary shares of Baht 1 each		12,031,105,828	12,031,105,828	12,031,105,828	12,031,105,828
Issued and paid-up					
11,949,713,176 ordinary shares of Baht 1 each		11,949,713,176	11,949,713,176	11,949,713,176	11,949,713,176
Share premium		15,452,854,216	15,452,854,216	15,452,854,216	15,452,854,216
Other surplus		1,227,782,536	1,227,782,536	1,227,782,536	1,227,782,536
Retained earnings					
Appropriated - Statutory reserve	29	1,203,110,583	1,203,110,583	1,203,110,583	1,203,110,583
Unappropriated		24,665,898,712	24,151,892,650	24,665,898,712	24,151,892,650
Other components of shareholders' equity		(2,986,825,769)	(2,406,381,334)	(2,986,825,769)	(2,406,381,334)
Equity attributable to owners of the Company		51,512,533,454	51,578,971,827	51,512,533,454	51,578,971,827
Non-controlling interests of the subsidiaries	15.3	720,454,736	705,784,352	-	-
<b>Total shareholders' equity</b>		<b>52,232,988,190</b>	<b>52,284,756,179</b>	<b>51,512,533,454</b>	<b>51,578,971,827</b>
<b>Total liabilities and shareholders' equity</b>		<b>131,919,689,876</b>	<b>123,948,761,607</b>	<b>111,978,481,889</b>	<b>101,754,596,828</b>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors



# Income Statement

Land and Houses Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Revenues</b>					
Revenue from sales of real estate		18,965,542,434	30,751,787,458	13,476,959,114	24,959,198,626
Revenue from hotel operations		5,223,057,527	3,135,809,994	-	-
Rental income		2,222,487,015	1,438,521,152	-	-
Interest income		49,815,082	33,927,839	501,876,705	490,209,996
Dividend income		239,406,953	128,897,260	74,087,454	56,625,214
Other income					
Infrastructure service income		515,296,859	486,085,216	425,265,491	410,108,496
Project management income		333,680,132	270,891,531	-	-
Gain on exchange		-	157,587,604	-	116,270,920
Gain on derivatives		-	91,770,069	-	119,948,536
Gain on sales of properties to REIT	6, 20.1	2,500,554,515	-	-	-
Others		120,271,995	236,373,144	79,050,303	210,221,138
<b>Total revenues</b>		<b>30,170,112,512</b>	<b>36,731,651,267</b>	<b>14,557,239,067</b>	<b>26,362,582,926</b>
<b>Expenses</b>					
Cost of real estate sales		13,672,349,868	20,616,195,500	9,948,843,822	16,750,603,561
Cost of hotel operations		3,218,608,126	2,113,901,160	-	-
Cost of rental		1,460,928,079	1,085,347,431	-	-
Cost of project management		147,977,374	161,039,558	-	-
Selling expenses		1,237,313,563	1,039,543,831	438,093,577	579,702,321
Specific business tax and transfer fee		723,666,090	1,158,247,377	516,231,859	939,165,444
Administrative expenses		2,866,211,257	2,588,750,209	1,937,758,744	1,858,049,192
Loss on diminution in value of projects	10	-	9,000,000	-	9,000,000
Reversal of provision for legal cases	26	-	(14,158,357)	-	(14,158,357)
Loss on exchange		252,003,323	-	241,268,325	-
Loss on derivatives		55,058,358	-	52,075,303	-
<b>Total expenses</b>		<b>23,634,116,038</b>	<b>28,757,866,709</b>	<b>13,134,271,630</b>	<b>20,122,362,161</b>
<b>Operating profit</b>		<b>6,535,996,474</b>	<b>7,973,784,558</b>	<b>1,422,967,437</b>	<b>6,240,220,765</b>
Share of profit from investments in subsidiaries	15.2	-	-	3,712,161,475	866,849,934
Share of profit from investments in associates	16.2	3,299,798,313	2,911,033,231	3,268,809,639	2,911,033,231
Finance cost	31	(1,549,569,921)	(1,054,780,173)	(777,975,691)	(563,705,203)
<b>Profit before income tax expenses</b>		<b>8,286,224,866</b>	<b>9,830,037,616</b>	<b>7,625,962,860</b>	<b>9,454,398,727</b>
Income tax expenses	33	(791,041,774)	(1,511,207,251)	(144,070,237)	(1,141,882,673)
<b>Profit for the year</b>		<b>7,495,183,092</b>	<b>8,318,830,365</b>	<b>7,481,892,623</b>	<b>8,312,516,054</b>
<b>Net income attributable to:</b>					
Equity holders of the Company		7,481,892,623	8,312,516,054	7,481,892,623	8,312,516,054
Non-controlling interests of the subsidiaries	15.3	13,290,469	6,314,311		
		<b>7,495,183,092</b>	<b>8,318,830,365</b>		
<b>Earnings per share</b>	34				
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company		0.63	0.70	0.63	0.70

The accompanying notes are an integral part of the financial statements.



# Statement of Comprehensive Income

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Profit for the year</b>	<u>7,495,183,092</u>	<u>8,318,830,365</u>	<u>7,481,892,623</u>	<u>8,312,516,054</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currency	2,171,081	37,094,127	-	-
Share of other comprehensive income from investments in subsidiaries 15.2	-	-	2,171,081	37,094,127
Share of other comprehensive income from investments in associates 16.2	<u>62,415,775</u>	<u>(109,527,960)</u>	<u>62,415,775</u>	<u>(109,527,960)</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	<u>64,586,856</u>	<u>(72,433,833)</u>	<u>64,586,856</u>	<u>(72,433,833)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Actuarial gain (loss) - net of income tax 28, 33	11,463,466	12,645,274	(9,254,439)	-
Loss on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax 14, 33	(288,239,499)	(75,028,462)	(278,861,432)	(353,926,900)
Share of other comprehensive income from investments in subsidiaries 15.2	-	-	9,954,494	291,543,739
Share of other comprehensive income from investments in associates 16.2	<u>(762,644,495)</u>	<u>(570,793,584)</u>	<u>(762,644,495)</u>	<u>(570,793,584)</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>(1,039,420,528)</u>	<u>(633,176,772)</u>	<u>(1,040,805,872)</u>	<u>(633,176,745)</u>
<b>Other comprehensive income for the year</b>	<u>(974,833,672)</u>	<u>(705,610,605)</u>	<u>(976,219,016)</u>	<u>(705,610,578)</u>
<b>Total comprehensive income for the year</b>	<u>6,520,349,420</u>	<u>7,613,219,760</u>	<u>6,505,673,607</u>	<u>7,606,905,476</u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	6,505,673,608	7,606,905,476	<u>6,505,673,607</u>	<u>7,606,905,476</u>
Non-controlling interests of the subsidiaries	<u>14,675,812</u>	<u>6,314,284</u>		
	<u>6,520,349,420</u>	<u>7,613,219,760</u>		
	-	-	-	-

The accompanying notes are an integral part of the financial statements.



# Statement of Changes in Shareholders' Equity

## For the year ended 31 December 2023

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The accompanying notes are an integral part of the financial statements.





# Statement of Changes in Shareholders' Equity (continued)

Land and Houses Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

	Separate financial statements										(Unit: Baht)
	Other components of shareholders' equity										
	Other comprehensive income										
	Retained earnings	Loss on change in value of investments	Share of other comprehensive income from subsidiaries	Share of other comprehensive income from associates	Share premium of associate	Total other components of shareholders' equity	Total shareholders' equity				
Issued and fully paid-up share capital	Share premium	Other surplus	Appropriated - Statutory reserve	Unappropriated							
11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	21,805,041,153	(647,639,734)	(23,881,069)	(1,111,209,768)	91,042,443	(1,691,688,128)	49,946,813,536	
Profit for the year	-	-	-	8,312,516,054	-	-	-	-	-	8,312,516,054	
Other comprehensive income for the year	-	-	-	12,645,271	(353,926,900)	315,992,596	(680,321,544)	-	(718,255,848)	(705,610,577)	
Total comprehensive income for the year	-	-	-	8,325,161,325	(353,926,900)	315,992,596	(680,321,544)	-	(718,255,848)	7,606,905,477	
Investment in equity instruments derecognised during the year of associates	-	-	-	(3,562,642)	-	-	3,562,642	-	3,562,642	-	
Dividend paid (Note 37)	-	-	-	(5,974,719,836)	-	-	-	-	-	(5,974,719,836)	
Income tax from unpaid dividend	-	-	-	(27,350)	-	-	-	-	-	(27,350)	
Balance as at 31 December 2022	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	24,151,892,650	(1,001,566,634)	292,111,527	(1,787,968,670)	91,042,443	51,578,971,827	
Balance as at 1 January 2023	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	24,151,892,650	(1,001,566,634)	292,111,527	(1,787,968,670)	91,042,443	51,578,971,827	
Profit for the year	-	-	-	7,481,892,623	-	-	-	-	-	7,481,892,623	
Other comprehensive income for the year	-	-	-	10,078,122	(278,861,432)	(7,206,986)	(700,228,720)	-	(986,297,138)	(976,219,016)	
Total comprehensive income for the year	-	-	-	7,491,970,745	(278,861,432)	(7,206,986)	(700,228,720)	-	(986,297,138)	6,503,673,607	
Investment in equity instruments derecognised during the year of associates	-	-	-	(401,309,347)	-	-	401,309,347	-	401,309,347	-	
Change on investment in equity instruments to associate of subsidiary (Note 16.6)	-	-	-	(4,543,356)	-	4,543,356	-	-	4,543,356	-	
Dividend paid (Note 37)	-	-	-	(6,572,054,414)	-	-	-	-	-	(6,572,054,414)	
Income tax from unpaid dividend	-	-	-	(57,566)	-	-	-	-	-	(57,566)	
Balance as at 31 December 2023	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	24,665,898,712	(1,280,428,066)	289,447,897	(2,086,886,043)	91,042,443	51,512,533,454	

The accompanying notes are an integral part of the financial statements.



# Cash Flow Statement

Land and Houses Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before income tax expenses	8,286,224,866	9,830,037,616	7,625,962,860	9,454,398,727
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Inventories and land held for development decrease from transfer to cost of sales	11,937,092,577	18,939,248,623	8,478,979,040	15,309,111,988
Loss on diminution in value of project	-	9,000,000	-	9,000,000
Depreciation and amortisation	1,877,502,837	1,666,712,734	126,766,502	123,126,873
Rental reduction	-	(201,198,049)	-	-
Gain on lease termination	(588,030)	-	(193,940)	-
Share of profit from investments in subsidiaries	-	-	(3,712,161,475)	(866,849,934)
Share of profit from investments in associates	(3,299,798,313)	(2,911,033,231)	(3,268,809,639)	(2,911,033,231)
Loss (gain) on sales of property, plant and equipment	3,886,594	(18,143,202)	(1,391,681)	(15,632,636)
Gain on sales of properties to REIT	(2,500,554,515)	-	-	-
Loss on write-off of intangible assets	10,004,363	-	9,856,309	-
Unrealised loss (gain) on exchange	246,185,976	(157,587,604)	241,268,325	(116,270,920)
Loss (gain) on fair value of derivatives	76,358,358	(105,349,322)	73,375,303	(79,692,536)
Provision for legal cases	143,806	2,492,714	143,806	2,492,714
Reversal of provision for legal cases	-	(14,158,357)	-	(14,158,357)
Provision for after sale maintenance expenses	58,649,779	116,922,876	28,645,000	112,741,484
Provision for contributions to housing estate juristic persons	28,811,603	44,776,082	20,592,456	32,535,230
Provision for maintenance of public utilities	57,315,489	86,486,173	44,815,627	74,618,273
Long-term employee benefits expenses	43,626,068	44,311,538	24,286,090	26,107,620
Write-off of withholding tax deducted at source	36,464	132,842	-	-
Interest income	(49,815,082)	(33,927,839)	(501,876,705)	(490,209,996)
Dividend income	(239,406,953)	(128,897,260)	(74,087,454)	(56,625,214)
Interest expenses	1,529,213,235	1,039,781,198	757,619,004	548,706,229
Profit from operating activities before change in operating assets and liabilities	18,064,889,122	28,209,607,532	9,873,789,428	21,142,366,314
Decrease (increase) in operating assets				
Trade and other receivables	(225,686,958)	(88,746,859)	(20,473,909)	64,738,581
Inventories	(19,099,605,202)	(19,140,200,114)	(14,673,146,140)	(14,753,025,830)
Other current financial assets	220,000,000	(190,000,000)	-	-
Other current assets	(118,844,412)	521,667,455	(86,185,832)	377,836,165
Land held for development	(5,363,116)	(113,664,210)	(5,363,116)	(113,664,210)
Other non-current assets	(3,218,106)	114,278,309	302	(1,800)
Increase (decrease) in operating liabilities				
Trade and other payables	(361,525,198)	839,866,850	(190,214,940)	154,785,524
Retention guarantees	5,288,613	16,863,311	(50,920,800)	(2,008,537)
Short-term provisions	(239,857,530)	(150,907,145)	(200,605,424)	(137,758,883)
Other current liabilities	(278,804,338)	(248,122,328)	(227,798,395)	(361,552,482)
Provision for long-term employee benefits	(41,752,837)	(71,283,291)	(34,396,504)	(62,686,536)
Other non-current liabilities	4,939,155	84,992,991	-	-
Cash flows from (used in) operating activities	(2,079,540,807)	9,784,352,501	(5,615,315,330)	6,309,028,306
Cash paid for income tax	(1,565,668,035)	(1,633,980,860)	(587,196,284)	(1,235,768,064)
<b>Net cash flows from (used in) operating activities</b>	<b>(3,645,208,842)</b>	<b>8,150,371,641</b>	<b>(6,202,511,614)</b>	<b>5,073,260,242</b>

The accompanying notes are an integral part of the financial statements.



# Cash Flow Statement (continued)

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(653,623)	(4,885,003)	-	-
Decrease (increase) in loans to related parties	-	127,008,470	(3,505,000,000)	(1,314,830,000)
Decrease (increase) in long-term loan to other company	110,000,000	(90,000,000)	-	-
Cash received from dissolution of subsidiary	-	-	-	708,536
Dividend received from subsidiaries	-	-	2,805,999,299	-
Dividend received from associates	2,143,509,213	1,838,011,236	2,143,509,213	1,838,011,236
Dividend received from other companies	239,406,953	128,897,260	74,087,454	56,625,214
Proceeds from sales of property, plant and equipment and intangible assets	7,598,576	22,662,249	2,853,400	20,146,000
Proceeds from sales of properties to REIT	9,386,335,082	-	-	-
Purchase of investments in associate	(1,952,453,260)	-	-	-
Purchase of other long-term investments	(16,891,336)	(39,413,118)	-	-
Acquisition of investment properties	(29,712,102)	(37,494,973)	-	-
Acquisition of property, plant and equipment and intangible assets	(426,047,587)	(594,422,501)	(117,862,371)	(113,271,397)
Acquisition of right-of-use assets	(2,284,198,588)	(2,475,092,733)	-	-
Cash received from interest income	46,385,048	43,446,608	642,254,212	378,110,111
<b>Net cash flows from (used in) investing activities</b>	<b>7,223,278,376</b>	<b>(1,081,282,505)</b>	<b>2,045,841,207</b>	<b>865,499,700</b>
<b>Cash flows from financing activities</b>				
Increase in overdraft and short-term loans from financial institutions	317,813,154	3,180,000,000	177,765,780	3,180,000,000
Decrease in loan from related party	-	-	-	(120,000,000)
Cash received from issuance of debentures	15,764,587,865	13,573,066,198	15,764,587,865	13,573,066,198
Repayment of debentures	(8,400,000,000)	(16,000,000,000)	(8,400,000,000)	(16,000,000,000)
Cash received from long-term loans from financial institutions	8,814,890,000	1,741,000,000	5,465,000,000	-
Repayment of long-term loans from financial institutions	(10,415,306,000)	(7,084,346,724)	(2,178,300,000)	(5,569,100,000)
Payment of principal portion of lease liabilities	(1,937,373,154)	(572,701,554)	(58,523,052)	(55,671,668)
Interest paid	(1,477,180,385)	(1,287,567,614)	(863,267,051)	(912,597,754)
Subsidiary paid dividend to non-controlling interests of subsidiaries	(5,429)	(3,700)	-	-
Subsidiary paid capital refund to non-controlling interests of subsidiary	-	(8,700)	-	-
Dividend paid	(6,572,054,414)	(5,974,719,836)	(6,572,054,414)	(5,974,719,836)
<b>Net cash flows from (used in) financing activities</b>	<b>(3,904,628,363)</b>	<b>(12,425,281,930)</b>	<b>3,335,209,128</b>	<b>(11,879,023,060)</b>
Exchange differences on translation of financial statements in foreign currency	(136,007,436)	(175,414,892)	-	-
<b>Net decrease in cash and cash equivalents</b>	<b>(462,566,265)</b>	<b>(5,531,607,686)</b>	<b>(821,461,279)</b>	<b>(5,940,263,118)</b>
Cash and cash equivalents at beginning of year	4,799,359,716	10,330,967,402	2,858,035,439	8,798,298,557
<b>Cash and cash equivalents at end of year (Note 7)</b>	<b>4,336,793,451</b>	<b>4,799,359,716</b>	<b>2,036,574,160</b>	<b>2,858,035,439</b>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.



## Cash Flow Statement (continued)

Land and Houses Public Company Limited and its subsidiaries  
For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Supplemental cash flow information</b>				
Non-cash items				
Increase (decrease) in building and equipment and right-of-use assets recorded as liabilities	91,475,350	(346,032,651)	13,688,370	(4,141,723)
Transfer inventories to land held for development (net book value)	48,433,314	-	48,433,314	-
Transfer inventories to property, plant and equipment (net book value)	-	6,000,000	-	-
Transfer land held for development to inventories (net book value)	14,861,386	675,957,591	14,861,386	557,893,282
Interest expenses recorded as cost of projects	505,464,650	440,219,361	421,058,775	348,587,403
Interest expenses recorded as right-of-use assets	5,224,778	25,591,425	-	-
Increase in right-of-use assets due to new lease agreements	3,352,599,894	1,833,613,451	3,446,071	33,913,740
Increase (decrease) in right-of-use assets due to lease modification	385,240,900	(58,539,723)	1,075,427	-
Decrease in right-of-use assets due to lease termination	(9,144,382)	-	(4,030,676)	-

The accompanying notes are an integral part of the financial statements.



# Notes to Consolidated Financial Statements

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2023

## 1. General information

Land and Houses Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in property development. The registered office of the Company is at No. 1, Q. House Lumpini Building, 37th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

## 2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Land and Houses Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 (Percent)	2022 (Percent)
<u>Held by the Company</u>				
Atlantic Real Estate Co., Ltd.	Real estate business	Thailand	99.99	99.99
Land and Houses North Co., Ltd.	Real estate business	Thailand	99.99	99.99
Land and Houses Northeast Co., Ltd.	Real estate business	Thailand	99.99	99.99
Siam Tanee Property Co., Ltd. and its subsidiary	Real estate business	Thailand	99.99	99.99
L H Mall Co., Ltd. (Formerly known as L H Real Estate Co., Ltd.)	Real estate business	Thailand	99.99	99.99
L H Asset Co., Ltd.	Real estate business	Thailand	99.99	99.99
L.H. Muang Mai Co., Ltd.	Real estate business	Thailand	55.00	55.00
LH Mall & Hotel Co., Ltd. and its subsidiaries	Real estate for lease business	Thailand	99.99	99.99
L&H Property Co., Ltd.	Hotel business	Thailand	60.00	60.00
Land and Houses U.S.A., Inc.	Real estate for lease business	USA	100.00	100.00





Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023 (Percent)	2022 (Percent)
<u>Held by subsidiary companies</u>				
Siam Tanee Real Estate Co., Ltd. (99.99 percent held by Siam Tanee Property Co., Ltd.)	Real estate business	Thailand	99.99	99.99
L&H Retail Management Co., Ltd. (99.97 percent held by LH Mall & Hotel Co., Ltd.)	Project administration	Thailand	99.99	99.99
L&H Management Co., Ltd. (99.98 percent held by LH Mall & Hotel Co., Ltd.)	Project administration	Thailand	99.99	99.99
L&H Hotel Management Co., Ltd. (99.99 percent held by LH Mall & Hotel Co., Ltd.)	Hotel business	Thailand	99.99	99.99

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the equity method.



### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements except for the following standard, which involves changes to key principles, as summarised below.

##### **TAS 12, Income Taxes - International Tax Reform - Pillar Two Model Rules**

The amendment requires that entities shall neither recognise nor disclose information about deferred taxes related to Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). This mandatory temporary exemption applies immediately.

The amendment also includes disclosure requirements for affected entities to help users of financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date. These disclosure requirements apply for annual reporting periods beginning on or after 1 January 2024, but not for any interim periods ending on or before 31 December 2024.

The management of the Group is currently in the process of assessing the potential exposure to Pillar Two income taxes on the financial statements.



## **4. Significant accounting policies**

### **4.1 Revenue and expenses recognition**

#### **Revenue from sales of real estate**

Revenue from sales of land and houses and residential condominium units are recognised at the point in time when control of the real estate is transferred to the customer, generally upon transfer of the legal ownership. Revenue from sales of real estate is measured at the amount of the consideration received after deducting discounts and considerations payable to the customer. The terms of payment are in accordance with the payment schedule specified in the customer contract. Considerations received before transferring control of the real estate to the customer are presented under the caption of “Advances received from customers” in the statement of financial position.

#### **Revenue from hotel operations**

Revenue from hotel operations mainly comprises room sales, food and beverage sales and revenue from auxiliary activities. Room revenue is recognised over time as the services are provided when the room are occupied. Food and beverage sales and revenue from auxiliary activities are recognised at a point in time when food and beverages are sold and the services are rendered. Sales are the invoice value, excluding value added tax of goods supplied and services rendered after deducting discounts.

#### **Rental income**

Rental of area in buildings are recognised as revenue on a straight line basis over the lease term on an accrual basis.

#### **Project management income**

Project management income is recognised when services have been rendered. Revenue are the invoice value, excluding value added tax, of service rendered.

#### **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.



## **Dividends**

Dividends are recognised when the right to receive the dividends is established.

### **4.2 Cost of real estate sales**

In determining the costs of land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses and residential condominium units on the basis of the saleable area.

Selling expenses directly associated with projects, such as specific business tax and transfer fees, are recognised as expenses when the sale occurs.

### **4.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, due cheques which are not yet deposited and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### **4.4 Inventories**

Real estate development costs which are presented as inventories are stated at the lower of cost and net realisable value. Cost consists of the cost of land, land improvement costs, designed fees, utilities, construction costs, capitalised borrowing costs and other related expenses, as well as estimated project development assets.

The Group recognises losses on diminution in value of projects (if any) in profit or loss.

### **4.5 Cost to obtain a contract with customer**

The Group recognises a commission paid to obtain a customer contract as an asset and amortises it to expenses on a basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of the consideration that the entity expects to receive less direct costs.

### **4.6 Investments in subsidiaries and associates**

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the equity method.



#### 4.7 Land held for development

Land held for development is stated at cost less allowance for loss on diminution in value. It consists of cost of land, land improvement, public utilities cost, project development cost and borrowing cost which occurred during the developed period in the past.

#### 4.8 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 40 years. Depreciation of the investment properties is included in determining income. No depreciation is provided on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

#### 4.9 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building and building improvement	20 and 40	years
Office equipment	3 - 10	years
Furniture, fixtures and equipment	5	years
Motor vehicles	5	years
Others	2 - 20	years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.





#### 4.10 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any) of that assets.

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Amortisation of intangible assets is calculated by reference to their cost on a straight-line basis over the following estimated useful lives:

Computer software	5 and 10	years
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#### 4.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset or development of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year.

#### 4.12 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.



For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### 4.13 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

##### **The Group as a lessee**

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### ***Right-of-use assets***

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and structures	29 - 34	years
Hotel buildings	5 - 9	years
Office building space	4 - 7	years
Motor vehicles	5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

**The Group as a lessor**

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

**4.14 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.



They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

#### **4.15 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

#### **4.16 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset deducting the costs of disposal in an arm's length transaction between knowledgeable, willing parties.

The Group impairment loss is recognised in profit or loss.



In the assessment of asset impairment (except for goodwill) if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

#### **4.17 Employee benefits**

##### **Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits**

###### *Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

###### *Defined benefit plans*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefits plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring - related costs.

#### **4.18 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.





#### **4.19 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

The Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.20 Financial instruments**

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.



### ***Financial assets at amortised cost***

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.



### **Regular way purchases and sales of financial assets**

Regular way purchases and sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace and recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.



ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **4.21 Derivatives**

The Group uses derivatives, such as cross currency and interest rate swaps to hedge its foreign currency risks and interest rate risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

## **4.22 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **Allowance for diminution in value of real estate development costs and land held for development**

The Group treats real estate development costs and land held for development as devaluation when a significant decline in the fair value is noted. The management determines the devaluation based on net realisable value. The determination of what is significant and the amount of devaluation requires the management to exercise judgement.

### **Provision for maintenance of houses and condominium units, and public utilities**

In recording provision for maintenance of houses and condominium units and public utilities, the management estimates the expenses expected to be incurred based on past experience of providing maintenance and currently available information relating to maintenance expenses.

**Project development costs estimation**

In calculating costs of land and houses and residential condominium units sold, the Group has to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utilities costs, borrowing costs and other related costs. The management estimates these costs based on their experience in the business and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

**Contributions to housing estate juristic persons**

The Group estimates its contributions to housing estate juristic persons using the rate specified by the law and regulations and the budgeted cost of public utilities as a basis for the calculation.

**Property, plant and equipment / Investment properties / Right-of-use assets and Depreciation**

In determining depreciation of building and equipment, investment properties and right-of-use assets, the management is required to make estimates of the useful lives and residual values of the building and equipment, investment properties and right-of-use assets and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment, investment properties and right-of-use assets for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

**Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

**Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.





## **Leases**

### *Determining the lease term with extension and termination options - The Group as a lessee*

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

### *Estimating the incremental borrowing rate - The Group as a lessee*

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

### *Lease classification - The Group as lessor*

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

## **Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

## **Allowance for impairment of non-financial assets**

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the



performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to investment properties and right-of-use assets recognised by the Group.

### Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

### Litigations

The Group has contingent liabilities as a result of litigations. The Group's management has used judgement to assess of the results of the litigation and provision for the related liabilities which the management deem to be an appropriate amount has been recorded as at the end of reporting period. However, actual results could differ from the estimates.

## 6. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
Atlantic Real Estate Co., Ltd.	Subsidiary
LH Mall & Hotel Co., Ltd.	Subsidiary
L&H Retail Management Co., Ltd.	Subsidiary (99.97 percent held by LH Mall & Hotel Co., Ltd.)
L&H Management Co., Ltd.	Subsidiary (99.98 percent held by LH Mall & Hotel Co., Ltd.)
L&H Hotel Management Co., Ltd.	Subsidiary (99.99 percent held by LH Mall & Hotel Co., Ltd.)
Land and Houses North Co., Ltd.	Subsidiary
Land and Houses Northeast Co., Ltd.	Subsidiary
Siam Tanee Property Co., Ltd.	Subsidiary
Siam Tanee Real Estate Co., Ltd.	Subsidiary (99.99 percent held by Siam Tanee Property Co., Ltd.)



Name of related parties	Relationship
L H Mall Co., Ltd. (Formerly known as L H Real Estate Co., Ltd.)	Subsidiary
L H Asset Co., Ltd.	Subsidiary
L.H. Muang Mai Co., Ltd.	Subsidiary
L&H Property Co., Ltd.	Subsidiary
Land and Houses U.S.A., Inc.	Subsidiary
Asia Asset Advisory Co., Ltd.	Subsidiary
LH Financial Group Plc.	Associate
Land and Houses Bank Plc.	Associate (99.99 percent held by LH Financial Group Plc.)
Land and Houses Fund Management Co., Ltd.	Associate (99.99 percent held by LH Financial Group Plc.)
Quality Construction Products Plc.	Associate
Home Product Center Plc.	Associate
Land and Houses Property and Loan Fund-II	Associate
Quality Houses Plc.	Associate
Q.H. International Co., Ltd.	Associate (99.99 percent held by Quality Houses Plc.)
Quality Houses Leasehold Property Fund	Associate of Quality Houses Plc.
LH Hotel Leasehold Real Estate Investment Trust	Associate (26.17 percent held by LH Mall & Hotel Co., Ltd.) (2022: Related company)
Trinity Securities Company Limited	Common director
Muang Mai Property Co., Ltd.	Shareholder of subsidiary
Reco Resorts Pte Ltd.	Shareholder of subsidiary
Siam Retail Development Co., Ltd.	Common shareholder
Land and Houses Freehold and Leasehold Property Fund	Related company
LH Shopping Centers Leasehold Real Estate Investment Trust	Related company

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.



(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	487	476	2.50% - 5.90% p.a. (2022: 2.50% - 6.09% p.a.)
Dividend income	-	-	2,806	-	Declared rate
Management income	-	-	35	35	Approximate cost
Sales of land	-	-	2	124	Approximate cost
Compensation for using of land	-	-	82	147	Approximate cost
Interest expenses	-	-	9	10	1.22% and 2.00% p.a. (2022: 1.22% and 2.13% p.a.)
<u>Transactions with associates</u>					
Interest income	23	11	9	7	The interest rate as declared by the bank
Dividend income	2,144	1,838	2,144	1,838	Declared rate
Purchases of goods	79	79	65	64	Market price
Property rental expenses	482	106	-	-	Contract price
Sales of properties to REIT	9,400	-	-	-	Contract price
<u>Transactions with related companies</u>					
Property management income	294	237	-	-	Contract price
Human-resources management income	36	30	-	-	Contract price
IT management income	4	4	-	-	Contract price
Interest income	11	13	-	-	2.23% p.a. (2022: 2.23% and 3.05% p.a.)
Dividend income	200	80	58	44	Declared rate
Rental and services expenses	82	80	61	59	Baht 250 - 960 per square meter per month
Property rental expenses	1,012	674	-	-	Contract price



As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies are as follows:

			(Unit: Million Baht)	
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Deposits at financial institution</b>				
<b>(shown under cash and cash equivalents)</b>				
<u>Associate</u>				
Land and Houses Bank Plc.	2,356.5	2,200.6	1,047.4	1,090.9
<b>Amounts due from and accounts receivables - related parties (Note 8)</b>				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	19.7	4.1
L H Asset Co., Ltd.	-	-	5.9	1.0
Siam Tanee Property Co., Ltd.	-	-	1.5	-
	-	-	27.1	5.1
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	0.7	0.6	-	-
Land and Houses Freehold and Leasehold Property Fund	3.0	3.1	-	-
Siam Retail Development Co., Ltd.	25.7	29.4	-	-
LH Shopping Centers Leasehold Real Estate Investment Trust	18.0	9.3	-	-
	47.4	42.4	-	-
<b>Total</b>	<b>47.4</b>	<b>42.4</b>	<b>27.1</b>	<b>5.1</b>
<b>Accrued interest receivables - related parties (Note 8)</b>				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	-	7.2
LH Mall & Hotel Co., Ltd.	-	-	-	111.6
Land and Houses Northeast Co., Ltd.	-	-	-	96.9
Siam Tanee Property Co., Ltd.	-	-	-	10.0
Land and Houses U.S.A., Inc.	-	-	119.2	34.9
	-	-	119.2	260.6
<u>Associate</u>				
Land and Houses Bank Plc.	2.2	0.2	-	-
	2.2	0.2	-	-
<u>Related company</u>				
Reco Resorts Pte Ltd.	9.6	9.7	-	-
	9.6	9.7	-	-
<b>Total</b>	<b>11.8</b>	<b>9.9</b>	<b>119.2</b>	<b>260.6</b>



(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Current portion of long-term loans to related parties</b>				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses U.S.A., Inc.	-	-	1,294.2	9,210.0
Total	-	-	1,294.2	9,210.0
<b>Long-term loans to related parties</b>				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	322.4	264.7
LH Mall & Hotel Co., Ltd.	-	-	4,520.0	3,710.0
L H Asset Co., Ltd.	-	-	1,410.0	-
Land and Houses Northeast Co., Ltd.	-	-	1,615.0	2,495.0
Siam Tanee Property Co., Ltd.	-	-	200.0	270.0
Land and Houses U.S.A., Inc.	-	-	10,994.2	1,134.9
	-	-	19,061.6	7,874.6
<u>Related company</u>				
Reco Resorts Pte Ltd.	504.0	509.0	-	-
	504.0	509.0	-	-
Total	504.0	509.0	19,061.6	7,874.6
<b>Deposits to related company</b>				
<b>(shown under other non-current assets)</b>				
<u>Related company</u>				
Quality Houses Leasehold Property Fund	16.4	16.4	12.9	12.9
<b>Trade accounts payable - related parties (Note 23)</b>				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	0.6	2.2
	-	-	0.6	2.2
<u>Associates</u>				
Quality Construction Products Plc.	4.8	6.6	4.8	6.6
Home Product Center Plc.	0.3	0.6	-	0.3
	5.1	7.2	4.8	6.9
<u>Related companies</u>				
LH Shopping Centers Leasehold Real Estate Investment Trust	0.5	-	-	-
Land and Houses Freehold and Leasehold Property Fund	-	1.0	-	-
	0.5	1.0	-	-
Total	5.6	8.2	5.4	9.1
<b>Amounts due to related parties (Note 23)</b>				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	0.7	2.1
L H Asset Co., Ltd.	-	-	1.2	-
Atlantic Real Estate Co., Ltd.	-	-	-	1.1
	-	-	1.9	3.2





(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Associates</b>				
Home Product Center Plc.	5.3	8.7	4.3	5.4
Land and Houses Property and Loan Fund-II	33.5	44.7	-	-
LH Hotel Leasehold Real Estate Investment Trust	100.1	-	-	-
	<u>138.9</u>	<u>53.4</u>	<u>4.3</u>	<u>5.4</u>
<b>Related companies</b>				
Quality Houses Leasehold Property Fund	0.4	0.3	0.4	0.3
LH Shopping Centers Leasehold Real Estate Investment Trust	0.4	0.5	-	-
LH Hotel Leasehold Real Estate Investment Trust	-	109.0	-	-
	<u>0.8</u>	<u>109.8</u>	<u>0.4</u>	<u>0.3</u>
Total	<u>139.7</u>	<u>163.2</u>	<u>6.6</u>	<u>8.9</u>
<b>Accrued interest payables - related party (Note 23)</b>				
<b>Subsidiary</b>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	7.4	7.4
<b>Long-term loan from related party</b>				
<b>Subsidiary</b>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	720.0	720.0
<b>Lease liabilities</b>				
<b>Associate</b>				
Land and Houses Property and Loan Fund-II	95.1	153.2	-	-
LH Hotel Leasehold Real Estate Investment Trust	6,139.8	-	-	-
	<u>6,234.9</u>	<u>153.2</u>	<u>-</u>	<u>-</u>
<b>Related companies</b>				
Quality Houses Leasehold Property Fund	370.0	211.8	143.4	193.1
LH Hotel Leasehold Real Estate Investment Trust	-	3,321.1	-	-
	<u>370.0</u>	<u>3,532.9</u>	<u>143.4</u>	<u>193.1</u>
Total	<u>6,604.9</u>	<u>3,686.1</u>	<u>143.4</u>	<u>193.1</u>

Current portion of long-term loans to related parties are unsecured loans to subsidiaries in the form of promissory notes without collateral. Interest charged at the rate 5.90% per annum. The loans are due in 2024.

Long-term loans to related parties are unsecured loans to subsidiaries in the form of promissory notes without collateral. Interest charged at the rate 2.50% and 5.54% per annum. The loans amounting to Baht 8,067 million (2022: Baht 6,740 million) are due at call and the loans amounting to Baht 10,994 million are due in September 2025, November 2025 and December 2026 (2022: Baht 1,135 million are due in December 2026). As at 31 December 2023, loans amounting to Baht 8,067 million (2022: Baht 6,740 million) are presented as long-term loans because the Company has no intention to call for such loans from subsidiaries within the next 12 months.



Long-term loan from related party is unsecured loan from L&H Property Co., Ltd. without collateral. Interest charged at the rate 1.22% per annum. The loan is repayable by February 2025.

In May 2023, the Company entered into the 3 addendums to the loan agreements with Land and Houses U.S.A., Inc. amounting to USD 61 million, USD 54 million and USD 54.8 million. The Company extended the payment terms from 16 May 2023 and 16 November 2023 to 15 November 2025 and changed interest rate from 6.09% p.a. to 4.77% p.a., from 3.00% p.a. to 4.86% p.a. and from 3.00% p.a. to 4.75% p.a., respectively.

In December 2023, the Company entered into an addendum to the loan agreement with Land and Houses U.S.A., Inc. amounting to USD 60 million. The Company extended the payment term from 14 December 2023 to 14 December 2026 and changed interest rate from 3.45% p.a. to 4.97% p.a.

During the year 2023, movements of loans to/loans from between the Group and those related companies were as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	1 January 2023	Increase	Decrease	31 December 2023
<b>Long-term loan to related party</b>				
<u>Related company</u>				
Reco Resorts Pte Ltd.	509.0	-	(5.0)	504.0

(Unit: Million Baht)

	Separate financial statements			
	1 January 2023	Increase	Decrease	31 December 2023
<b>Current portion of long-term loans to related party</b>				
<u>Subsidiary</u>				
Land and Houses U.S.A., Inc.	9,210.0	-	(7,915.8)	1,294.2
<b>Long-term loans to related parties</b>				
<u>Subsidiaries</u>				
Atlantic Real Estate Co., Ltd.	264.7	143.7	(86.0)	322.4
LH Mall & Hotel Co., Ltd.	3,710.0	1,000.0	(190.0)	4,520.0
L H Asset Co., Ltd.	-	1,910.0	(500.0)	1,410.0
Land and Houses Northeast Co., Ltd.	2,495.0	260.0	(1,140.0)	1,615.0
Siam Tanee Property Co., Ltd.	270.0	10.0	(80.0)	200.0
L.H. Muang Mai Co., Ltd.	-	210.0	(210.0)	-
Land and Houses U.S.A., Inc.	1,134.9	10,087.1	(227.8)	10,994.2
<b>Total</b>	<b>7,874.6</b>	<b>13,620.8</b>	<b>(2,433.8)</b>	<b>19,061.6</b>



(Unit: Million Baht)

	Separate financial statements			
	1 January 2023	Increase	Decrease	31 December 2023
<b>Long-term loan from related parties</b>				
<u>Subsidiaries</u>				
Land and Houses North Co., Ltd.	-	15.0	(15.0)	-
L&H Property Co., Ltd.	720.0	-	-	720.0
Total	720.0	15.0	(15.0)	720.0

**Directors and management's benefits**

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	185	180	117	123
Post-employment benefits	2	4	-	1
Total	187	184	117	124

**Commitments and contingent liabilities with related parties**

The Company had outstanding guarantee obligations with its related parties, as described in Note 38.3 to the financial statements.

**7. Cash and cash equivalents**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	8,080	7,713	2,390	2,610
Bank deposits	2,184,702	2,368,359	1,229,920	1,355,425
Cheques in transit	389,753	3,430	304,264	-
Fixed deposits receipt	1,754,258	2,419,858	500,000	1,500,000
Total	4,336,793	4,799,360	2,036,574	2,858,035

As at 31 December 2023, bank deposits and fixed deposits receipt carried interests between 0.15% and 2.15% per annum (2022: between 0.15% and 1.50% per annum).

**8. Trade and other receivables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Trade receivables - unrelated parties</u>				
Not yet due	277,318	78,810	-	-
Past due				
Less than 3 months	105,468	81,956	-	-
3 - 6 months	9,829	7,628	-	-
6 - 9 months	3,488	677	-	-
9 - 12 months	2,756	385	-	-
Over 12 months	2,616	589	-	-
Total trade receivables - unrelated parties	401,475	170,045	-	-
<u>Other receivables</u>				
Amounts due from and accounts receivable - related parties	47,409	42,439	27,053	5,064
Accrued interest receivables - related parties	11,759	9,889	119,231	260,617
Others	16,236	26,241	10,818	12,177
Total other receivables	75,404	78,569	157,102	277,858
Total trade and other receivables	476,879	248,614	157,102	277,858

**9. Long-term loan to other company**

In September 2021, a subsidiary entered into a loan agreement with a lessee which is an unrelated party for a credit facility of Baht 120 million to be used for the construction and decoration of such lessee's establishment. The loan drawdown shall be in accordance with the conditions specified in the agreement. The loan carries an interest rate of MLR - 1.50% per annum. The principal is repayable within 55 monthly installments with the first installment in January 2023. The lessee has mortgaged a plot of land with an appraisal value of Baht 110 million as collateral to secure the loan from the subsidiary. In August 2023, the lessee has completely repaid this loan to the subsidiary in full amount.

**10. Inventories**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Land	30,996,128	29,310,112	25,928,429	24,678,870
Land improvements	2,818,728	2,333,071	2,273,574	1,808,148
Construction in progress	15,558,859	11,389,921	12,778,744	9,119,963
Interest cost	1,927,613	1,806,362	1,698,512	1,531,663
Public utilities	4,873,916	3,749,515	3,745,296	2,710,403
Houses held for sales	285,770	244,272	100,354	100,354
Total	56,461,014	48,833,253	46,524,909	39,949,401
Less: Allowance for loss on diminution in project value	(267,468)	(275,141)	(186,693)	(194,322)
Inventories - net	56,193,546	48,558,112	46,338,216	39,755,079

During the year 2023, the Group transferred land held for development with net book value of Baht 15 million (2022: Baht 676 million) (the Company only: Baht 15 million, 2022: Baht 558 million) to inventories.

During the year 2023, the Company transferred inventories with net book value of Baht 48 million (2022: Nil) to land held for development.

During the year 2022, the Group transferred inventories with net book value of Baht 6 million (2023: Nil) (the Company only: Nil, 2023: Nil) to property, plant and equipment.

During the years, the Group included borrowing costs in cost of land and construction in progress. These were determined by applying a capitalisation rate which is the weighted average of the financial charges on total borrowings as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Borrowing costs included in cost of land and construction in progress (Million Baht)	505	440	421	349
Capitalisation rate (Percent)	2.2	1.9	2.3	1.9



Movements in the allowance for loss on diminution in value of projects during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	275,141	288,978	194,322	200,328
Add: Additional set up	-	9,000	-	9,000
Less: Reversal due to sales	(7,673)	(22,837)	(7,629)	(15,006)
Ending balance	267,468	275,141	186,693	194,322

As at 31 December 2023 and 2022, the Group has mortgaged land and structures thereon to secure the Group's loans and the subsidiary's overdraft facilities with net book values as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value of land and structures				
thereon mortgaged as collateral	10,633	6,490	8,634	5,683

## 11. Cost to obtain contracts with customers

	(Unit: Thousand Baht)	
	Consolidated and separate	
	financial statements	
	2023	2022
Net book value at beginning of year	44,199	83,666
Additions during the year	-	2,175
Amortisation as selling expenses during the year	(13,123)	(41,642)
Net book value at end of year	31,076	44,199



**12. Other current financial assets**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Financial assets measured at amortised cost</u>				
Fixed deposits over three months but not over one year	-	220,000	-	-
<u>Derivative assets</u>				
Cross currency and interest rate swap agreements (Note 40.1)	-	78,325	-	78,325
Total	-	298,325	-	78,325

**13. Restricted bank deposits**

The balance as at 31 December 2023 represent saving deposits which a subsidiary pledged with SCB Asset Management Company Limited, trustee of LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL"), to secure land and building rental of Grande Centre Point Hotel Ratchadamri Project. The subsidiary sold this project to LHHOTEL in June 2017 and saving deposit which another subsidiary pledged with the bank to secure the arrangement and maintenance of public utilities or land improvement of the subsidiary.

**14. Other non-current financial assets**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Equity instruments designated at FVOCI</u>				
Listed equity instruments				
Land and Houses Freehold and Leasehold Property Fund	538,197	542,646	538,197	542,646
Quality Houses Leasehold Property Fund	165,257	274,941	165,257	274,941
LH Shopping Centers Leasehold Real Estate Investment Trust	439,260	491,971	-	-
LH Hotel Leasehold Real Estate Investment Trust*	-	950,738	-	-
Vistamalls Inc.	1,156,057	1,390,502	1,156,057	1,390,502
Non-listed equity instruments	228,899	149,800	-	-
Total equity instruments designated at FVOCI	2,527,670	3,800,598	1,859,511	2,208,089



(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Financial assets at FVTPL</u>				
Derivative assets - Cross currency and interest rate swap agreements (Note 40.1)	168,681	30,966	168,681	30,966
Total financial assets at FVTPL	168,681	30,966	168,681	30,966
Total other non-current financial assets	2,696,351	3,831,564	2,028,192	2,239,055

\* Change status to associated company in November 2023 (Note 16.6)

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

During the years 2023 and 2022, the Group received dividends from the following companies.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate Financial statements	
	2023	2022	2023	2022
Land and Houses Freehold and Leasehold Property Fund	35,583	22,239	35,583	22,239
Quality Houses Leasehold Property Fund	22,580	21,352	22,580	21,352
LH Shopping Centers Leasehold Real Estate Investment Trust	36,898	16,692	-	-
LH Hotel Leasehold Real Estate Investment Trust <sup>(1)</sup>	105,374	19,807	-	-
Vistamalls Inc.	15,924	13,034	15,924	13,034
Non-listed company	23,048	35,773	-	-
Total	239,407	128,897	74,087	56,625

<sup>(1)</sup> Dividends received before changing status to associated company

As at 31 December 2023, a subsidiary has pledged unit trust of REITs, approximately Baht 439 million (2022: Baht 1,347 million) as collateral to secure short-term loan from a financial institution.



## 15. Investments in subsidiaries

### 15.1 Details of investments in subsidiaries as presented in the separate financial statements

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method	
	2023	2022	2023 (Percent)	2022 (Percent)	2023	2022	2023	2022
Atlantic Real Estate Co., Ltd.	15,000	15,000	99.99	99.99	14,998	14,998	-	-
LH Mall & Hotel Co., Ltd.								
and its subsidiaries	2,000,000	2,000,000	99.99	99.99	2,000,000	2,000,000	2,839,636	2,952,856
Land and Houses North Co., Ltd.	13,500	13,500	99.99	99.99	13,500	13,500	16,034	15,937
Land and Houses Northeast Co., Ltd.	150,000	150,000	99.99	99.99	149,999	149,999	1,402,709	917,456
Siam Tanee Property Co., Ltd.								
and its subsidiary	100,000	100,000	99.99	99.99	64,859	64,859	388,312	295,027
L H Mall Co., Ltd. (Formerly known as								
L H Real Estate Co., Ltd.)	58,000	58,000	99.99	99.99	25,000	25,000	17,894	18,107
L H Asset Co., Ltd.	100,000	100,000	99.99	99.99	52,734	52,734	2,752,361	2,255,659
L.H. Muang Mai Co., Ltd.	900,000	900,000	55.00	55.00	495,000	495,000	642,641	644,514
L&H Property Co., Ltd.	130,000	130,000	60.00	60.00	174,000	174,000	247,057	222,747
Land and Houses U.S.A., Inc.	(a)	(a)	100.00	100.00	1,343,127	1,343,127	490,829	563,565
					<u>4,333,217</u>	<u>4,333,217</u>	<u>8,797,473</u>	<u>7,885,868</u>

(a) As at 31 December 2023 and 2022, Land and Houses U.S.A., Inc. had paid-up capital amounted to USD 40 million.

### 15.2 Share of comprehensive income and dividend received

During the years, the Company recognised its share of comprehensive income and dividend received from investments in subsidiaries in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Share of profit or loss		Share of other comprehensive income		Dividend received	
	2023	2022	2023	2022	2023	2022
Atlantic Real Estate Co., Ltd. <sup>(1)</sup>	6,682	(74,765)	-	-	-	-
LH Mall & Hotel Co., Ltd.						
and its subsidiaries	2,734,284	11,192	(41,505)	295,322	2,805,999	-
Land and Houses North Co., Ltd.	97	8	-	-	-	-
Land and Houses Northeast Co., Ltd.	485,253	454,744	-	-	-	-
Siam Tanee Property Co., Ltd.						
and its subsidiary	43,519	63,814	49,766	(3,778)	-	-
L H Mall Co., Ltd.						
(Formerly known as L H Real Estate Co., Ltd.)	(213)	(260)	-	-	-	-
L H Asset Co., Ltd.	496,702	681,991	-	-	-	-
L.H. Muang Mai Co., Ltd.	(3,566)	2,846	1,693	-	-	-
L&H Property Co., Ltd.	24,310	6,007	-	-	-	-
Land and Houses U.S.A., Inc.	(74,907)	(278,754)	2,171	37,094	-	-
Asia Asset Advisory Co., Ltd. <sup>(2)</sup>	-	27	-	-	-	-
Total	<u>3,712,161</u>	<u>866,850</u>	<u>12,125</u>	<u>328,638</u>	<u>2,805,999</u>	<u>-</u>

<sup>(1)</sup> The Company recognised share loss from investment in Atlantic Real Estate Co., Ltd. in excess of the common stock of such subsidiary by applying to long-term loans to Atlantic Real Estate Co., Ltd.

<sup>(2)</sup> Asia Asset Advisory Co., Ltd. filed for deregistration with the Ministry of Commerce in August 2022 and complete the liquidation process in November 2022.

**15.3 Details of investments in subsidiaries that have material non-controlling interests**

(Unit: Million Baht)

Company's name	Proportion of equity		Accumulated		Profit or loss	
	interest held by		balance of		allocated to non-	
	non-controlling		non-controlling interests		controlling interests	
	interests				during the year	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
L.H. Muang Mai Co., Ltd.	45	45	524	527	(3)	2
L&H Property Co., Ltd.	40	40	194	178	16	4

**15.4 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests**

Summarised information about financial position

(Unit: Million Baht)

	L.H. Muang Mai		L&H Property	
	Co., Ltd.		Co., Ltd.	
	2023	2022	2023	2022
Current assets	1,483	1,404	465	487
Non-current assets	126	133	1,319	1,374
Current liabilities	(169)	(119)	(227)	(210)
Non-current liabilities	(275)	(247)	(1,071)	(1,204)

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December			
	L.H. Muang Mai		L&H Property	
	Co., Ltd.		Co., Ltd.	
	2023	2022	2023	2022
Revenue	447	387	504	373
Profit (loss)	(6)	5	41	10
Other comprehensive income	3	-	-	-
Total comprehensive income	(3)	5	41	10



## Summarised information about cash flow

(Unit: Million Baht)

	For the year ended 31 December			
	L.H. Muang Mai		L&H Property	
	Co., Ltd.		Co., Ltd.	
	2023	2022	2023	2022
Cash flow from (used in) operating activities	(30)	130	217	(183)
Cash flow from (used in) investing activities	-	(4)	25	206
Cash flow from (used in) financing activities	31	(93)	(60)	(5)
Net increase in cash and cash equivalents	1	33	182	18

**15.5 Significant changes in investments in subsidiaries****Asia Asset Advisory Co., Ltd.**

On 16 August 2022, the Extraordinary General Meeting of Shareholders of Asia Asset Advisory Co., Ltd. ("AAA"), the Company's 99.94% owned subsidiary, passed a resolution approving the dissolution of its legal entity. AAA filed for deregistration on 18 August 2022. AAA has been completely the liquidation process in November 2022 and the Company received capital refund from AAA amounting to Baht 0.7 million.

**L H Mall Co., Ltd. (formerly known as "L H Real Estate Co., Ltd.)**

On 14 December 2023, the Extraordinary General Meeting of Shareholders of L H Real Estate Co., Ltd. passed a resolution approving a name change from L H Real Estate Co., Ltd. to L H Mall Co., Ltd. The subsidiary registered its name change and altered its memorandum of association with the Ministry of Commerce on 14 December 2023.



## 16. Investments in associates

### 16.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2023	2022	2023	2022	2023	2022
			(Percent)	(Percent)				
LH Financial Group Plc.	Holding company	Thailand	21.88	21.88	4,538,712	4,538,712	7,877,333	8,076,371
Quality Construction Products Plc.	Manufacture of construction materials	Thailand	21.16	21.16	179,178	179,178	559,852	461,512
Home Product Center Plc.	Trading of construction materials	Thailand	30.23	30.23	1,489,020	1,489,020	8,345,689	7,948,771
Land and Houses Property and Loan Fund-II	Real estate business	Thailand	49.99	49.99	743,925	743,925	310,921	315,578
Quality Houses Plc.	Real estate business	Thailand	24.98	24.98	3,282,682	3,282,682	7,950,590	7,817,081
LH Hotel Leasehold Real Estate Investment Trust	Real estate business	Thailand	26.17	-	2,881,972	-	2,038,281	-
					<u>13,115,489</u>	<u>10,233,517</u>	<u>27,082,666</u>	<u>24,619,313</u>

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2023	2022	2023	2022	2023	2022
			(Percent)	(Percent)				
LH Financial Group Plc.	Holding company	Thailand	21.88	21.88	4,538,712	4,538,712	7,877,333	8,076,371
Quality Construction Products Plc.	Manufacture of construction materials	Thailand	21.16	21.16	179,178	179,178	559,852	461,512
Home Product Center Plc.	Trading of construction materials	Thailand	30.23	30.23	1,489,020	1,489,020	8,345,689	7,948,771
Land and Houses Property and Loan Fund-II	Real estate business	Thailand	49.99	49.99	743,925	743,925	310,921	315,578
Quality Houses Plc.	Real estate business	Thailand	24.98	24.98	3,282,682	3,282,682	7,950,590	7,817,081
					<u>10,233,517</u>	<u>10,233,517</u>	<u>25,044,385</u>	<u>24,619,313</u>

As at 31 December 2023, a subsidiary has pledged unit trust of REITs, approximately Baht 529 million as collateral to secure short-term loan from a financial institution.



**16.2 Share of comprehensive income and dividend received**

During the years, the Company has recognised its share of comprehensive income from investments in associates in the consolidated financial statements and the separate financial statements as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
Company's name			Share of other			
	Share of profit or loss		comprehensive income		Dividend received	
	2023	2022	2023	2022	2023	2022
LH Financial Group Plc.	458,648	345,417	(611,338)	(589,607)	46,348	46,348
Quality Construction Products Plc.	161,874	65,128	(63)	235	63,471	26,235
Home Product Center Plc.	1,947,466	1,879,556	44	1,299	1,550,592	1,471,074
Land and Houses Property and						
Loan Fund-II	77,049	21,341	-	-	81,706	-
Quality Houses Plc.	623,773	599,591	(88,872)	(92,249)	401,392	294,354
LH Hotel Leasehold						
Real Estate Investment Trust	30,988	-	-	-	-	-
Total	3,299,798	2,911,033	(700,229)	(680,322)	2,143,509	1,838,011

(Unit: Thousand Baht)

Company's name	Separate financial statements					
	Share of profit or loss		Share of other			
			comprehensive income		Dividend received	
	2023	2022	2023	2022	2023	2022
LH Financial Group Plc.	458,648	345,417	(611,338)	(589,607)	46,348	46,348
Quality Construction Products Plc.	161,874	65,128	(63)	235	63,471	26,235
Home Product Center Plc.	1,947,466	1,879,556	44	1,299	1,550,592	1,471,074
Land and Houses Property and						
Loan Fund-II	77,049	21,341	-	-	81,706	-
Quality Houses Plc.	623,773	599,591	(88,872)	(92,249)	401,392	294,354
Total	3,268,810	2,911,033	(700,229)	(680,322)	2,143,509	1,838,011

**16.3 Fair values of investments in listed associates**

In respect of investments in associates that are listed companies on the Stock Exchange of Thailand, their fair values are as follows:

(Unit: Million Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Fair values as at 31 December		Fair values as at 31 December	
	2023	2022	2023	2022
LH Financial Group Plc.	4,588	5,654	4,588	5,654
Quality Construction Products Plc.	1,269	872	1,269	872
Home Product Center Plc.	46,120	61,229	46,120	61,229
Quality Houses Plc.	5,941	6,101	5,941	6,101
LH Hotel Leasehold Real Estate Investment Trust	3,239	-	-	-
<b>Total</b>	<b>61,157</b>	<b>73,856</b>	<b>57,918</b>	<b>73,856</b>

**16.4 Summarised financial information about material associates**

Summarised information about financial position

(Unit: Million Baht)

	LH Financial Group Plc.		Home Product Center Plc.		Quality Houses Plc.		LH Hotel Leasehold Real Estate Investment Trust	
	2023	2022	2023	2022	2023	2022	2023	2022
Current assets	323,323	301,556	22,659	21,430	21,873	20,974	643	-
Non-current assets	-	-	46,389	43,755	21,569	22,651	17,113	-
Current liabilities	(287,362)	(264,686)	(23,579)	(24,485)	(8,801)	(5,538)	(154)	-
Non-current liabilities	-	-	(19,910)	(16,454)	(6,268)	(10,249)	(10,167)	-
<b>Net assets</b>	<b>35,961</b>	<b>36,870</b>	<b>25,559</b>	<b>24,246</b>	<b>28,373</b>	<b>27,838</b>	<b>7,435</b>	<b>-</b>
Shareholding								
percentage (%)	21.88	21.88	30.23	30.23	24.98	24.98	26.17	-
<b>Share of net assets</b>	<b>7,868</b>	<b>8,067</b>	<b>7,727</b>	<b>7,330</b>	<b>7,087</b>	<b>6,953</b>	<b>1,946</b>	<b>-</b>
Elimination	-	-	-	-	-	-	(875)	-
Goodwill	9	9	619	619	864	864	967	-
<b>Carrying amounts of associates based on equity method</b>	<b>7,877</b>	<b>8,076</b>	<b>8,346</b>	<b>7,949</b>	<b>7,951</b>	<b>7,817</b>	<b>2,038</b>	<b>-</b>



## Summarised information about comprehensive income

(Unit: Million Baht)

	LH Financial Group Plc		Home Product Center Plc.		Quality Houses Plc.		LH Hotel Leasehold Real Estate Investment Trust*	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	8,730	8,123	72,822	69,389	9,237	9,445	309	-
Profit for the year	2,096	1,579	6,442	6,217	2,503	2,400	118	-
Other comprehensive income	(2,794)	(2,695)	-	4	(356)	(369)	-	-
Total comprehensive income	(698)	(1,116)	6,442	6,221	2,147	2,031	118	-

\* Comprehensive income since the date that the Group has significant influences over LH Hotel Leasehold Real Estate investment Trust

### 16.5 Aggregate amount of share of comprehensive income from other associates (exclude associates named in Note 16.4)

(Unit: Million Baht)

	For the year ended 31 December	
	2023	2022
Share of comprehensive income:		
Profit from continuing operations	919	350
Other comprehensive income	-	-
Total comprehensive income	919	350
Carrying amount of its interests in all individually immaterial associates accounted for using the equity method	871	777

### 16.6 Significant changes in investments in associate

#### LH Hotel Leasehold Real Estate Investment Trust

In November 2023, LH Mall & Hotel Co., Ltd. ("LHMH"), the Company's 99.99% owned subsidiary, purchased additional 195.2 million additional trust units of LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL") at a price of Baht 10 per unit, totaling Baht 1,952 million. This resulted in an increase in shareholding percentage in LHHOTEL from 14.73% to 26.17%. The management of the Group considered that LHMH has significant influence over LHHOTEL. Therefore, investment in LHHOTEL was changed from investment in equity instruments designated at FVOCI to investment in associate and using the equity method since the date on which LHMH has significant influence over LHHOTEL.

**17. Land held for development**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Land held for development	5,632,530	5,596,840	5,432,957	5,395,505
Less: Allowance for loss on diminution in value	(707,096)	(708,858)	(637,066)	(637,066)
Land held for development - net	4,925,434	4,887,982	4,795,891	4,758,439

A reconciliation of net book value of land held for development for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of year	4,887,982	5,450,275	4,758,439	5,319,533
Transfer from inventories	48,433	-	48,433	-
Transfer to inventories	(14,861)	(675,957)	(14,861)	(557,893)
Increase during the year	5,363	113,664	5,363	113,664
Disposals - net book value	(1,483)	-	(1,483)	(116,865)
Net book value at end of year	4,925,434	4,887,982	4,795,891	4,758,439

As at 31 December 2023 and 2022, the Company has mortgaged certain plots of land held for development to secure long-term loans with net book value as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
	and separate	financial statements
	2023	2022
Net book value of land held for development mortgaged as collateral	1,633	2,985

**18. Investment properties**

The net book value of investment properties as at 31 December 2023 and 2022 is presented below.

	Consolidated financial statements			Separate financial statements		
	Vacant land	Apartments		Vacant land	Apartments	
		for rent	Total		for rent	Total
As at 31 December 2023:						
Cost	212,074	13,468,991	13,681,065	212,074	-	212,074
Less: Accumulated depreciation	-	(2,115,937)	(2,115,937)	-	-	-
Net book value	212,074	11,353,054	11,565,128	212,074	-	212,074
As at 31 December 2022:						
Cost	212,074	13,573,084	13,785,158	212,074	-	212,074
Less: Accumulated depreciation	-	(1,800,555)	(1,800,555)	-	-	-
Net book value	212,074	11,772,529	11,984,603	212,074	-	212,074

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of year	11,984,603	11,884,383	212,074	212,074
Acquisition of assets	29,712	37,495	-	-
Depreciation charged	(338,503)	(343,060)	-	-
Translation adjustment	(110,684)	405,785	-	-
Net book value at end of year	11,565,128	11,984,603	212,074	212,074

The additional information of the investment properties as at 31 December 2023 and 2022 stated below:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
The fair value of vacant land	293	293	293	293
The fair value of apartments for rent	13,833 <sup>(1)</sup>	13,970 <sup>(1)</sup>	-	-

<sup>(1)</sup> As at 31 December 2023, the fair value is USD 404 million (2022: USD 404 million).



The fair values of the above investment properties have been determined based on valuation performed by an accredited independent valuer. The fair value of vacant land has been determined based on market prices, while that of apartments for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

As at 31 December 2022, a subsidiary mortgaged its apartments with a total net book value of Baht 3,733 million (2023: Nil) as collateral for long-term loans from overseas financial institutions.

The amounts recognised in profit or loss for investment properties are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Rental income	2,222	1,439	-	-
Direct cost (include repair and maintenance expenses) which generate rental income	1,461	1,085	-	-

## 19. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)							
	Consolidated financial statements							
	Land	Building and improvement	Office equipment	Furniture, fixture and equipment	Motor vehicles	Others	Assets under construction	Total
<u>Cost</u>								
1 January 2022	458,987	686,764	194,709	669,641	124,075	231,342	110,344	2,475,862
Additions	-	92,833	56,021	173,233	14,377	104,365	129,859	570,688
Disposals/write-off	-	(1,175)	(7,214)	(22,167)	(48,613)	(3,547)	-	(82,716)
Transfer in (out)	6,000	1,918	-	77,045	-	-	(78,963)	6,000
Translation adjustment	14,705	19,455	17	2,074	107	921	(558)	36,721
31 December 2022	479,692	799,795	243,533	899,826	89,946	333,081	160,682	3,006,555
Additions	18,184	21,760	20,101	77,243	8,427	100,761	187,485	433,961
Disposals/write-off	-	(103,242)	(19,760)	(282,672)	(13,575)	(170,354)	-	(589,603)
Transfer in (out)	-	48,761	-	106,613	-	-	(155,374)	-
Translation adjustment	(4,365)	(6,695)	(9)	(1,310)	(32)	(273)	579	(12,105)
31 December 2023	493,511	760,379	243,865	799,700	84,766	263,215	193,372	2,838,808





(Unit: Thousand Baht)

## Consolidated financial statements

	Land	Building and improvement	Office equipment	Furniture, fixture and equipment	Motor vehicles	Others	Assets under construction	Total
<u>Accumulated depreciation</u>								
1 January 2022	-	41,578	162,576	435,335	106,878	163,418	-	909,785
Depreciation for the year	-	28,815	25,611	118,852	7,772	38,598	-	219,648
Depreciation on disposals/write-off	-	(640)	(7,212)	(21,473)	(45,330)	(3,547)	-	(78,202)
Translation adjustment	-	(232)	19	241	15	(11)	-	32
31 December 2022	-	69,521	180,994	532,955	69,335	198,458	-	1,051,263
Depreciation for the year	-	43,388	28,795	129,797	7,354	48,080	-	257,414
Depreciation on disposals/write-off	-	(33,434)	(10,842)	(176,551)	(12,186)	(115,295)	-	(348,308)
Translation adjustment	-	(490)	(9)	(406)	(25)	(19)	-	(949)
31 December 2023	-	78,985	198,938	485,795	64,478	131,224	-	959,420
<u>Allowance for impairment</u>								
1 January 2022	334	-	-	-	-	-	-	334
31 December 2022	334	-	-	-	-	-	-	334
31 December 2023	334	-	-	-	-	-	-	334
<u>Net book value</u>								
31 December 2022	479,358	730,274	62,539	366,871	20,611	134,623	160,682	1,954,958
31 December 2023	493,177	681,394	44,927	313,905	20,288	131,991	193,372	1,879,054
<u>Depreciation for the year</u>								
2022 (Baht 102 million included in cost of hotel operations and the balance in administrative expenses)								219,648
2023 (Baht 125 million included in cost of hotel operations and the balance in administrative expenses)								257,414

(Unit: Thousand Baht)

## Separate financial statements

	Land	Building and improvement	Office equipment	Furniture, fixture and equipment	Motor vehicles	Others	Assets under construction	Total
<u>Cost</u>								
1 January 2022	1,860	102,383	113,618	396,575	112,232	57,450	83,939	868,057
Additions	-	-	20,974	4,188	12,239	1,043	57,347	95,791
Disposals/write-off	-	(1,175)	(3,717)	(18,485)	(48,613)	(3,040)	-	(75,030)
Transfer in (out)	-	1,918	-	58,111	-	-	(60,029)	-
31 December 2022	1,860	103,126	130,875	440,389	75,858	55,453	81,257	888,818
Additions	-	-	7,535	1,603	1,956	4,572	114,218	129,884
Disposals/write-off	-	(590)	(71)	(25,459)	(12,956)	(1,299)	-	(40,375)
Transfer in (out)	-	-	-	49,124	-	-	(49,124)	-
31 December 2023	1,860	102,536	138,339	465,657	64,858	58,726	146,351	978,327



(Unit: Thousand Baht)

	Separate financial statements							
		Building and		Furniture,			Assets	
		building	Office	fixture and	Motor		under	
	Land	improvement	equipment	equipment	vehicles	Others	construction	Total
<u>Accumulated depreciation</u>								
1 January 2022	-	28,659	105,474	284,381	99,222	53,946	-	571,682
Depreciation for the year	-	4,689	7,920	47,021	6,250	1,823	-	67,703
Depreciation on disposals/write-off	-	(640)	(3,717)	(17,789)	(45,330)	(3,040)	-	(70,516)
31 December 2022	-	32,708	109,677	313,613	60,142	52,729	-	568,869
Depreciation for the year	-	4,603	10,905	47,368	5,584	1,527	-	69,987
Depreciation on disposals/write-off	-	(305)	(71)	(24,985)	(12,101)	(1,217)	-	(38,679)
31 December 2023	-	37,006	120,511	335,996	53,625	53,039	-	600,177
<u>Allowance for impairment</u>								
1 January 2022	334	-	-	-	-	-	-	334
31 December 2022	334	-	-	-	-	-	-	334
31 December 2023	334	-	-	-	-	-	-	334
<u>Net book value</u>								
31 December 2022	1,526	70,418	21,198	126,776	15,716	2,724	81,257	319,615
31 December 2023	1,526	65,530	17,828	129,661	11,233	5,687	146,351	377,816
<u>Depreciation for the year</u>								
2022 (The balance included in administrative expenses)								67,703
2023 (The balance included in administrative expenses)								69,987

As at 31 December 2023 and 2022, certain items of building and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Building and equipment items were fully depreciated but are still in use	758	610	459	442



## 20. Leases

### 20.1 The Group as a lessee

The Group has lease contracts for various items used in its operations. Leases generally have lease terms between 3 - 40 years.

#### a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Land and structures	Hotel buildings	Office building space	Motor vehicles	Total
1 January 2022	12,646,849	3,821,521	262,854	1,163	16,732,387
Additions	3,950,023	-	-	42,384	3,992,407
Decrease from lease modification	-	(58,540)	-	-	(58,540)
Depreciation for the year	(352,072)	(676,280)	(58,879)	(6,893)	(1,094,124)
31 December 2022	16,244,800	3,086,701	203,975	36,654	19,572,130
Additions	2,682,420	1,390,516	-	9,185	4,082,121
Increase due to lease modification	-	374,235	11,006	-	385,241
Decrease due to sale and lease termination	(3,963,636)	-	(9,144)	-	(3,972,780)
Depreciation for the year	(521,794)	(682,223)	(59,222)	(10,475)	(1,273,714)
31 December 2023	14,441,790	4,169,229	146,615	35,364	18,792,998



(Unit: Thousand Baht)

	Separate financial statements		
	Office building space	Motor vehicles	Total
1 January 2022	233,003	-	233,003
Additions	-	33,914	33,914
Depreciation for the year	(46,601)	(5,337)	(51,938)
31 December 2022	186,402	28,577	214,979
Additions	-	3,446	3,446
Increase due to lease modification	1,076	-	1,076
Decrease due to lease termination	(4,031)	-	(4,031)
Depreciation for the year	(46,776)	(7,259)	(54,035)
31 December 2023	136,671	24,764	161,435

During the year ended 31 December 2023, borrowing costs amounting to Baht 12.07 million (2022: Baht 25.59 million) were capitalised as cost projects under construction. The weighted average rate at 2.75% (2022: 2.75%) has been used to determine the amount of borrowing costs eligible for capitalisation.

In January 2022, L&H Property Co., Ltd. ("LHP"), the Company's subsidiary, entered into a new lease agreement to lease assets of Grande Centre Point Hotel Ploenchit as the previous lease agreement ended in December 2021, for a term of 3 years. The lease agreement can be extended in accordance with the conditions stipulated in the agreement. LHP agreed to pay a fixed rental fee plus variable rental fee in accordance with the conditions stipulated in the agreement. The difference of the fixed rental fee between the previous lease agreement and the new lease agreement is treated as a lease modification. LHP recorded the adjustment of right-of-use assets and lease liabilities decreasing from lease modification of Baht 59 million in the statement of financial position.

In February 2022, L&H Hotel Management Co., Ltd. ("LHH"), the Company's subsidiary, entered into a new lease agreement to lease assets of Grande Centre Point Hotel Terminal 21 for a term of 3 years which became effective in December 2021 to continue the lease under the previous lease agreement. The lease agreement can be extended in accordance with the conditions stipulated in the agreement. LHH agreed to pay a fixed rental fee plus a variable rental fee in accordance with the conditions stipulated in the agreement. The difference of the fixed rental fee between the previous lease agreement and the new lease agreement is treated as a lease modification. LHH recorded the adjustment of right-of-use assets and lease liabilities decreasing from lease modification of Baht 78 million in the statement of financial position.



In December 2022, LHH entered into a new lease agreement to lease assets of Grande Centre Point Hotel Sukhumvit 55 as the previous lease agreement ended in December 2022, for a term of 3 years. The lease agreement can be extended in accordance with the conditions stipulated in the agreement, with no change in fixed and variable rental fee from the previous lease agreement.

In June 2023, LHH entered into a new lease agreement to lease assets of Grande Centre Point Hotel Ratchadamri as a previous lease agreement ended in June 2023, for a term of 3 years. The lease agreement can be extended in accordance with the conditions stipulated in the agreement. LHH agreed to pay a fixed rental fee plus a variable rental fee in accordance with the conditions stipulated in the agreement. The difference of the fixed rental fee between the previous lease agreement and the new lease agreement is treated as a lease modification. LHH recorded the adjustment of right-of-use assets and lease liabilities decreasing from lease modification of Baht 76 million in the statement of financial position.

On 20 October 2023, the meeting of the Board of Directors of LH Mall & Hotel Co., Ltd. ("LHMH"), the Company's 99.99% owned subsidiary, passed a resolution to approve the lease of immovable assets and the sell of movable assets of Grande Centre Point Hotel Pattaya and Grande Centre Point Space Pattaya, to LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL") in an amount of Baht 9,400 million (excluding value-added tax).

In October 2023, LHMH entered into property lease agreements and sale agreements for movable assets involving furniture, tools and hotel operating equipment of Grande Centre Point Hotel Pattaya and Grande Centre Point Hotel Space Pattaya with LHHOTEL. The leasehold rights are for periods of 25 years and 29 years, respectively. These agreements came into effect in November 2023, with a total consideration of Baht 9,400 million (excluding value-added tax). LHMH recorded gains on sales of properties amounting to Baht 2,501 million (net of related expenses) and recognised these transactions in the income statement for the current year.

In November 2023, LHH entered into lease agreements to lease assets of the Grande Centre Point Hotel Pattaya and Grande Centre Point Hotel Space Pattaya, consisting of building, fixtures, furniture, utility system and equipment, from LHHOTEL. LHH agreed to pay a fixed rental fee plus variable rental fee in accordance with the conditions stipulated in the agreements. The lease agreements ended on 31 December 2023 and can be extended in accordance with the conditions stipulated in the agreements. In December 2023, LHH entered into addendums to extend the lease term into terms of 3 years and can be extended in accordance with the conditions stipulated in the agreements.



As at 31 December 2023, a subsidiary has mortgaged its land leasehold rights with structures thereon with a total net book value of Baht 11,296 million (2022: Baht 12,768 million) as collateral for bank overdrafts and long-term loans from financial institution.

## b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease payments	14,774,472	11,625,489	176,778	234,652
Less: Deferred interest expenses	(4,768,787)	(3,674,911)	(6,903)	(11,669)
Total	10,005,685	7,950,578	169,875	222,983
Less: Portion due within one year	(1,428,726)	(1,893,000)	(54,211)	(53,209)
Lease liabilities - net of current portion	8,576,959	6,057,578	115,664	169,774

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance at beginning of year	7,950,578	6,714,791	222,983	238,727
Additions	3,352,600	1,833,614	3,446	33,914
Accretion of interest	264,372	234,613	5,118	6,014
Repayments	(1,937,373)	(572,702)	(58,523)	(55,672)
Increase (decrease) due to lease modification	385,241	(58,540)	1,076	-
Lease termination	(9,733)	-	(4,225)	-
Reduction of lease payments	-	(201,198)	-	-
Balance at end of year	10,005,685	7,950,578	169,875	222,983

During the year ended 31 December 2022, the subsidiaries have been granted a reduction of hotel building lease payments for a period from January 2022 to April 2022 by the lessor totaling Baht 201 million in accordance with the conditions as stipulated in the lease agreements of hotel buildings. The subsidiaries recognised reduction of lease payments in the income statement for the year 2022.

A maturity analysis of lease payments is disclosed in Note 40.2 under the liquidity risk.



**c) Expenses relating to leases that are recognised in profit or loss**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	1,273,714	1,094,124	54,035	51,938
Interest expense on lease liabilities	264,372	234,613	5,118	6,014
Expense relating to short-term leases	5,203	6,746	2,033	2,076
Expense relating to leases of low-value assets	19,688	18,432	12,651	13,140
Expense relating to variable lease payments that do not depend on an index or a rate	688,872	257,694	-	-

The Group has lease contracts for hotel buildings that contains variable payments based on net hotel operating income, after deducting fixed rental fee. The lease term is 3 years and can be extended in accordance with the conditions stipulated in the agreements.

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 2,651 million (2022: Baht 856 million) (the Company only: Baht 73 million, 2022: Baht 71 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

**20.2 Group as a lessor**

The Group has entered into operating leases for its investment property portfolio consisting of apartments for rent (see Note 18) of the lease terms are between 1 - 8 years.



The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2023 and 2022 as follows:

(Unit: Thousand Baht)		
Consolidated		
financial statements		
	2023	2022
Within 1 year	517,456	766,775
Over 1 and up to 5 years	76,306	121,249
Over 5 years	-	2,914
Total	593,762	890,938

## 21. Intangible assets

The net book value of intangible assets (computer software) as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cost	82,946	110,139	56,631	65,215
Less: Accumulated amortisation	(59,725)	(71,703)	(46,009)	(43,893)
Net book value	23,221	38,436	10,622	21,322

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 is presented below.

(Unit: Thousand Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of year	38,436	28,409	21,322	11,469
Acquisition of computer software	5,774	19,593	1,899	13,339
Disposal and write-off during the year				
- net book value as at disposal date	(13,125)	(4)	(9,856)	-
Amortisation (included in administrative expense)	(7,872)	(9,880)	(2,743)	(3,486)
Translation adjustment	8	318	-	-
Net book value at end of year	23,221	38,436	10,622	21,322

**22. Overdrafts and short-term loans from financial institutions**

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	2023	2022	2023	2022	2023	2022
Overdrafts	MOR	-	47	-	-	-
Promissory notes	3.30 - 3.45	2.10 - 2.45	1,110,000	970,000	-	-
Bill of exchange	1.30 - 2.67	1.30 - 1.58	5,000,000	4,680,000	5,000,000	4,680,000
Less: Prepaid interest			(18,388)	(10,605)	(18,388)	(10,605)
Total			6,091,659	5,639,395	4,981,612	4,669,395

The subsidiary's short-term loans from financial institution facilities are secured by the pledge of unit trusts of LH Shopping Centers Leasehold Real Estate Investment Trust and LH Hotel Leasehold Real Estate Investment Trust and guaranteed by the Company.

**23. Trade and other payables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade payables - unrelated parties	1,977,308	2,257,206	1,223,484	1,295,571
Trade payables - related parties	5,581	8,170	5,392	9,053
Other payables - related parties	139,736	163,164	6,629	8,891
Accrued interest payable				
- related parties	-	-	7,388	7,388
Accrued expenses	1,277,017	1,176,822	638,009	863,339
Others	23,568	35,474	213,303	28,513
Total trade and other payables	3,423,210	3,640,836	2,094,205	2,212,755



## 24. Long-term loans

As at 31 December 2023 and 2022, long-term loans of the Group from financial institutions are shown below:

	Consolidated financial statements		Separate financial statements		Interest rate per annum (%)	Principal repayments	Guaranteed by
	2023	2022	2023	2022			
	2023	2022	2023	2022			
<u>The Company</u>	1,600,000	1,600,000	1,600,000	1,600,000	2.20	Within April 2027	Land and premises of project
	-	660,000	-	660,000	2.40	Within October 2025	Land and premises of project
	-	1,068,800	-	1,068,800	2.20	Within June 2025	Land and premises of project
	-	449,500	-	449,500	2.20	Within December 2025	Land and premises of project
	1,867,000	-	1,867,000	-	3.10	Within May 2025	Land and premises of project
	468,000	-	468,000	-	2.95	Within May 2027	Land and premises of project
	1,130,000	-	1,130,000	-	3.10	Within May 2028	Land and premises of project
	2,000,000	-	2,000,000	-	3.45	Within October 2027	Land and premises of project
<u>Subsidiaries</u>							
LH Mall & Hotel Co., Ltd.*	-	3,360,000	-	-	MLR - 2.00	First repayment in March 2023 to December 2032	Leasehold and premises of project
	2,023,000	2,143,000	-	-	MLR - 2.00	First repayment in March 2023 to December 2032	Leasehold and premises of project
	-	475,000	-	-	MLR - 2.00	First repayment in December 2023 to June 2032	Leasehold and premises of project
	450,000	-	-	-	MLR - 2.50	First repayment in March 2025 to March 2034	Leasehold and premises of project
	790,000	-	-	-	MLR - 2.50	First repayment in June 2024 to March 2034	Leasehold and premises of project
Land and Houses U.S.A., Inc.	-	2,073,744	-	-	3.83	Repayment within 5 years from the first drawdown date	Apartment of project
L.H. Muang Mai Co., Ltd.	182,649	284,367	-	-	MLR - 2.25	Repayment of principal upon transfer of house of the project to customer or within 5 years from the first drawdown date	Land and premises of project
	179,000	-	-	-	MLR - 2.25	Repayment of principal upon transfer of house of the project to customer or within 4 years from the first drawdown date	Land and premises of project
Land and House Northeast Co., Ltd.*	484,000	-	-	-	3.10	Within May 2028	Land and premises of project
L H Asset Co., Ltd.*	-	680,000	-	-	2.40	Within October 2025	Land and premises of project
<b>Total</b>	<b>11,173,649</b>	<b>12,794,411</b>	<b>7,065,000</b>	<b>3,778,300</b>			
<b>Less: Current portion</b>	<b>(284,252)</b>	<b>(2,439,744)</b>	<b>-</b>	<b>-</b>			
<b>Net</b>	<b>10,889,397</b>	<b>10,354,667</b>	<b>7,065,000</b>	<b>3,778,300</b>			

\* The Company, as shareholders of LH Mall & Hotel Co., Ltd. ("LHMH"), L H Asset Co., Ltd. ("LA") and Land and House Northeast Co., Ltd. ("NE") holding 99.99% of shares, agreed to provide assurance to the lender of LHMH, LA and NE whereby there are certain covenants pertaining to, among other things, the maintenance of the Company's level of shareholding, the provision of financial support. In addition, the Company needs to obtain the written consent from the lender should the Company sells, transfers or pledges the shares of LHMH, LA and NE.



Movements of the long-term loans account during the years ended 31 December 2023 and 2022 are summarised below.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	12,794,411	18,021,725	3,778,300	9,347,400
Additional borrowings	8,814,890	1,741,000	5,465,000	-
Repayments	(10,415,306)	(7,084,347)	(2,178,300)	(5,569,100)
Translation adjustment	(20,346)	116,033	-	-
Ending balance	11,173,649	12,794,411	7,065,000	3,778,300

As at 31 December 2023 and 2022, the Group has mortgaged part of land and structures thereon of projects, investment properties, land held for development and land leasehold rights as collateral for long-term loans.

Most loan agreements contain certain covenants and restrictions imposed by the lenders regarding, the proportion of shareholding of the major shareholders, changes in management, guarantees to loans or aval to promissory notes of any other persons or other companies, dividend payments, merger or consolidation with any other companies, the maintenance of certain financial ratios and formal reporting when the Company has a legal case which may affect its ability to repay loan.

As at 31 December 2023 and 2022, the Group has the long-term credit facilities which have not yet been drawn down as follows:

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Undrawdown loan facilities	3,413	8,424	-	3,465

## 25. Debentures

Details of approval to issue the debenture of the Company are as follows:

Approved by	The Annual General Meeting of the Company's shareholders held on 27 April 2017
Amount	Revolving amount of Baht 60,000 million or the equivalent in any other currencies
Term	Maximum terms of 10 years



Type Any types of debentures such as unsubordinated and/or subordinated, unsecured and/or secured, with and/or without debenture holder representation

Method of issuance To be issued in Thailand and/or offshore

As at 31 December 2023, the Company has unissued debentures under the above mentioned approval totaling Baht 16,100 million (2022: Baht 23,700 million).

The outstanding balance of debentures as at 31 December 2023 and 2022 are detailed below.

					Consolidated and separate financial statements			
					Number of debenture		Amount	
					(Shares)		(Thousand Baht)	
No.	Interest rate per annum	Age	Repayment	Maturity	2023	2022	2023	2022
<b>Unsubordinated and unsecured debentures</b>								
No. 1/2018	Fixed rate 2.96%	7 years	At maturity	7 March 2025	1,200,000	1,200,000	1,200,000	1,200,000
No. 1/2020 (2)	Fixed rate 2.60%	3 years	At maturity	12 May 2023	-	2,400,000	-	2,400,000
No. 2/2020	Fixed rate 2.03%	3 years	At maturity	20 October 2023	-	3,000,000	-	3,000,000
No. 1/2021 (1)	Fixed rate 1.09%	2 years 16 days	At maturity	12 May 2023	-	3,000,000	-	3,000,000
No. 1/2021 (2)	Fixed rate 1.50%	3 years	At maturity	26 April 2024	5,000,000	5,000,000	5,000,000	5,000,000
No. 2/2021	Fixed rate 1.46%	3 years 2 days	At maturity	19 October 2024	8,000,000	8,000,000	8,000,000	8,000,000
No. 1/2022 (1)	Discount rate 1.73%	2 years	At maturity	25 April 2024	2,000,000	2,000,000	2,000,000	2,000,000
No. 1/2022 (2)	Fixed rate 2.26%	3 years	At maturity	24 April 2025	4,700,000	4,700,000	4,700,000	4,700,000
No. 2/2022 (1)	Fixed rate 3.00%	2 years 6 months 13 days	At maturity	24 April 2025	1,600,000	1,600,000	1,600,000	1,600,000
No. 2/2022 (2)	Fixed rate 3.25%	3 years	At maturity	9 October 2025	4,250,000	4,250,000	4,250,000	4,250,000
No. 3/2022	Discount rate 2.66%	2 years	At maturity	3 October 2024	1,150,000	1,150,000	1,150,000	1,150,000
No. 1/2023 (1)	Discount rate 2.72%	2 years 4 months 29 days	At maturity	9 October 2025	2,800,000	-	2,800,000	-
No. 1/2023 (2)	Fixed rate 2.92%	3 years 4 days	At maturity	14 May 2026	5,200,000	-	5,200,000	-
No. 2/2023 (1)	Fixed rate 3.51%	2 years 6 months 3 days	At maturity	9 April 2026	1,300,000	-	1,300,000	-
No. 2/2023 (2)	Fixed rate 3.63%	3 years 3 days	At maturity	9 October 2026	5,800,000	-	5,800,000	-
No. 3/2023	Discount rate 3.34%	2 years 10 days	At maturity	16 October 2025	900,000	-	900,000	-
Total					43,900,000	36,300,000	43,900,000	36,300,000
Less: Discount on debentures							(214,500)	(96,953)
Net debentures							43,685,500	36,203,047
Less: Current portion of debentures							(16,116,754)	(8,400,000)
Debentures - net of current portion							27,568,746	27,803,047





Movements of the debentures account during the year ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2023	2022
Beginning balance	36,203,047	38,600,000
Add: Issue of new debentures	15,764,588	13,573,066
Add: Recognised discount on debentures as interest expenses	117,865	29,981
Less: Redemption	(8,400,000)	(16,000,000)
Ending balance	43,685,500	36,203,047

Prospectus contains certain covenants and restrictions regarding the maintenance of certain financial ratios, dividend payments and formal reporting when the significant events occurred such as a legal case.

## 26. Provisions

(Unit: Thousand Baht)

	Consolidated financial statements					
	After-sale maintenance expenses		Contributions to housing estate juristic persons Public utilities maintenance Others			Total
As at 1 January 2022	113,855	15,283	372,448	156,571	25,922	684,079
Increase during the year	116,923	2,493	44,776	86,486	474	251,152
Reversal of provisions	-	(14,158)	-	-	-	(14,158)
Utilised	(84,373)	(1,977)	(12,060)	(52,498)	-	(150,908)
As at 31 December 2022	146,405	1,641	405,164	190,559	26,396	770,165
Increase during the year	76,315	144	28,812	57,316	170,482	333,069
Reversal of provisions	(17,665)	-	-	-	-	(17,665)
Utilised	(89,427)	-	(100,193)	(50,238)	-	(239,858)
As at 31 December 2023	115,628	1,785	333,783	197,637	196,878	845,711



(Unit: Thousand Baht)

	Separate financial statements					
	Contributions					
	After-sale		to housing			
	maintenance		estate juristic	Public utilities		
	expenses	Legal cases	persons	maintenance	Others	Total
As at 1 January 2022	84,642	15,283	348,683	142,424	-	591,032
Increase during the year	112,741	2,493	32,536	74,618	-	222,388
Reversal of provisions	-	(14,158)	-	-	-	(14,158)
Utilised	(74,779)	(1,977)	(12,060)	(48,943)	-	(137,759)
As at 31 December 2022	122,604	1,641	369,159	168,099	-	661,503
Increase during the year	46,310	144	20,592	44,815	-	111,861
Reversal of provisions	(17,665)	-	-	-	-	(17,665)
Utilised	(61,107)	-	(96,563)	(42,935)	-	(200,605)
As at 31 December 2023	90,142	1,785	293,188	169,979	-	555,094

**27. Other current financial liabilities / Other non-current financial liability**

As at 31 December 2023 and 2022, the Group has other financial liabilities as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Derivative liabilities				
Cross currency and interest rate				
swap agreements (Note 40.1)	18,195	-	18,195	-
Total other current financial liabilities	18,195	-	18,195	-
Derivative liabilities				
Cross currency and interest rate				
swap agreement (Note 40.1)	136,386	18,834	114,569	-
Total other non-current financial liabilities	136,386	18,834	114,569	-

**28. Provision for long-term employee benefits**

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Provision for long-term employee</b>				
<b>benefits at beginning of year</b>	543,734	586,513	389,276	425,855
Included in profit or loss:				
Current service cost	35,153	36,192	20,004	21,424
Interest cost	8,473	8,119	4,282	4,684
Included in other comprehensive income:				
Actuarial gain arising from				
Demographic assumptions changes	(3,817)	(2,654)	-	-
Financial assumptions changes	(63,412)	(9,812)	(59,221)	-
Experience adjustments	52,900	(3,341)	70,789	-
Benefits paid during the year	(41,753)	(71,283)	(34,396)	(62,687)
<b>Provision for long-term employee</b>				
<b>benefits at end of year</b>	531,278	543,734	390,734	389,276

The Group expects to pay Baht 79 million (2022: Baht 33 million) of long-term employee benefits during the next year (the Company only: Baht 78 million, 2022: Baht 27 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 7 - 13 years (2022: 8 - 12 years) (the Company only: 7 years, 2022: 8 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Discount rate	2.8 - 3.1	1.1 - 3.0	3.1	1.1
Salary increase rate	5.0 - 6.0	5.0 - 6.0	5.5	5.5
Turnover rate	0 - 35	0 - 35	0 - 17.5	0 - 17.5



The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

		(Unit: Million Baht)					
		2023					
		Discount rate		Salary increase rate		Turnover rate	
		Increase	Decrease	Increase	Decrease	Increase	Decrease
		0.5%	0.5%	0.5%	0.5%	10%	10%
Consolidated financial							
statements		(21)	23	22	(21)	(8)	9
Separate financial							
statements		(13)	14	14	(13)	(4)	4
		(Unit: Million Baht)					
		2022					
		Discount rate		Salary increase rate		Turnover rate	
		Increase	Decrease	Increase	Decrease	Increase	Decrease
		0.5%	0.5%	0.5%	0.5%	10%	10%
Consolidated financial							
statements		(25)	27	29	(28)	(11)	12
Separate financial							
statements		(16)	18	21	(19)	(7)	8

## 29. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

**30. Revenue from contracts with customers****30.1 Disaggregated revenue information**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Type of goods or service:</b>				
Revenue from sales of real estate	18,965,542	30,751,787	13,476,959	24,959,199
Revenue from hotel operations	5,223,058	3,135,810	-	-
Infrastructure service income	515,297	486,085	425,266	410,108
Project management income	333,680	270,892	-	-
Total revenue from contracts with customers	25,037,577	34,644,574	13,902,225	25,369,307
Rental income	2,222,487	1,438,521	-	-
Interest income	49,815	33,928	501,877	490,210
Dividend income	239,407	128,897	74,087	56,625
Gain on exchange	-	157,588	-	116,271
Gain on derivatives	-	91,770	-	119,949
Gain on sales of properties to REIT	2,500,555	-	-	-
Others	120,272	236,373	79,050	210,221
Total revenue	30,170,113	36,731,651	14,557,239	26,362,583
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	18,965,542	30,751,787	13,476,959	24,959,199
Revenue recognised over time	6,072,035	3,892,787	425,266	410,108
Total revenue from contracts with customers	25,037,577	34,644,574	13,902,225	25,369,307



Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 35 relating to the segment information:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
External customers	26,411,087	35,326,118	13,476,959	24,959,199
Inter-segment	102,880	197,467	-	-
Infrastructure service income	515,297	486,085	425,266	410,108
Project management income	333,680	270,892	-	-
Total	27,362,944	36,280,562	13,902,225	25,369,307
Rental income	(2,222,487)	(1,438,521)	-	-
Adjustments and eliminations	(102,880)	(197,467)	-	-
Total revenue from contracts with customers	25,037,577	34,644,574	13,902,225	25,369,307

### 30.2 Revenue recognised in relation to contract balances

During the years, the Group has recognised revenue from contracts with customers that was included in contract liabilities at the beginning of the year as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenue from sales of real estate recognised during the year that was included in advances received from customers at the beginning of the year	160,211	589,220	138,229	554,443
Revenue from hotel operations recognised during the year that was included in advances received from customers at the beginning of the year	96,076	20,979	-	-

### 30.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, revenue from sales of real estate totaling Baht 1,046 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (2022: Baht 1,923 million) (the Company only: Baht 746 million, 2022: Baht 1,295 million). The Group expects to satisfy these performance obligations within 1 year (2022: 1 year).



**31. Finance cost**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Interest expenses on borrowings	1,274,492	810,801	772,858	557,691
Interest expenses on lease liabilities	264,372	234,613	5,118	6,014
Finance cost on provision for decommissioning and long-term liabilities	10,706	9,366	-	-
<b>Total</b>	<b>1,549,570</b>	<b>1,054,780</b>	<b>777,976</b>	<b>563,705</b>

**32. Expenses by nature**

Significant expenses classified by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Purchase of land and land held for development and payment of construction in progress during year	19,610	19,679	15,100	15,206
Changes in land, constructions in progress and land held for development	(7,673)	(740)	(6,621)	103
Salaries and wages and other employee benefits	1,423	1,434	1,138	1,198
Depreciation and amortisation expenses	1,878	1,667	127	123

**33. Income tax**

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Current income tax charge	648,877	1,618,042	117,548	1,159,795
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	142,165	(106,835)	26,522	(17,912)
<b>Income tax expenses reported in the statements of income</b>	<b>791,042</b>	<b>1,511,207</b>	<b>144,070</b>	<b>1,141,883</b>



The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on loss from the change in value of financial assets measured at FVOCI	(72,060)	(18,757)	(69,715)	(88,482)
Deferred tax on actuarial gain (loss)	2,866	3,161	(2,314)	-
	(69,194)	(15,596)	(72,029)	(88,482)

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	8,286,225	9,830,038	7,625,963	9,454,399
Applicable tax rate	20% and 28%	20% and 27%	20%	20%
Accounting profit before tax multiplied by income tax rate	1,627,876	1,946,198	1,525,193	1,890,880
Adjustment in respect of income tax of previous year	(18,273)	235	-	-
Previously unrecognised tax losses that is used to reduce current tax expenses	(172,034)	(2,620)	-	-
	1,437,569	1,943,813	1,525,193	1,890,880
Effects of:				
Change in value of investments accounted for the equity method	(659,960)	(582,207)	(1,396,194)	(755,577)
Non-deductible expenses	27,845	11,772	13,446	9,126
Additional expense deductions allowed	(2,213)	(4,137)	(371)	(296)
Unused tax losses	-	58,155	-	-
Items treated as revenue under the Revenue Code	18,792	74,870	-	-
Others	(30,991)	8,941	1,996	(2,250)
Total	(646,527)	(432,606)	(1,381,123)	(748,997)
Income tax expenses reported in the statement of income	791,042	1,511,207	144,070	1,141,883



The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Deferred tax assets</b>				
Allowance for diminution in value of inventories and land held for development	172,792	174,318	164,752	166,278
Allowance for impairment of other investments	200	5,200	200	5,200
Allowance for asset impairment	67	67	67	67
Accumulated depreciation - Clubhouse and pool	225,574	219,155	191,690	188,766
Accumulated amortisation - Right-of-use assets	1,777,442	1,085,668	-	-
Provisions	102,386	90,560	52,379	76,028
Provision for long-term employee benefits	104,138	107,031	78,147	77,855
Unused tax losses	542,468	329,215	-	-
Accrued land rental	121,454	69,742	-	-
Accrued interest payable	179,478	130,627	-	-
Interest expenses capitalised as costs of projects	37,952	37,952	37,952	37,952
Leases	400,757	58,431	1,727	1,601
Loss on change in value of equity instruments	495,252	250,392	320,107	250,392
Total	4,159,960	2,558,358	847,021	804,139
<b>Deferred tax liabilities</b>				
Gain on change in value of equity instruments	(15,738)	(11,675)	-	-
Accumulated depreciation - Investment property	(358,036)	(357,006)	-	-
Advance payment	(1,526)	(783)	-	-
Advance received from sale of assets to REIT	(4,228,200)	(2,556,838)	-	-
Cost to obtain contracts with customers	(6,215)	(8,840)	(6,215)	(8,840)
Total	(4,609,715)	(2,935,142)	(6,215)	(8,840)
<b>Deferred tax assets (liabilities) - net</b>	<b>(449,755)</b>	<b>(376,784)</b>	<b>840,806</b>	<b>795,299</b>
<b>Transaction in statements of financial position</b>				
Deferred tax assets	1,257,107	967,107	840,806	795,299
Deferred tax liabilities	(1,706,862)	(1,343,891)	-	-
Deferred tax assets (liabilities) - net	(449,755)	(376,784)	840,806	795,299



As at 31 December 2023, the Group has deductible temporary differences and unused tax losses totaling Baht 1,372 million (2022: Baht 1,504 million) (the Company only: Nil 2022: Nil), on which deferred tax assets have not been recognised as the Group believes that the temporary differences and unused tax losses will not be used.

As at 31 December 2023, the subsidiaries' unused tax losses amounting to Baht 74 million (2022: Baht 252 million) will expire by 2028.

### 34. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share.

Consolidated and separate financial statements					
Profit for the year		Weighted average number of ordinary shares		Earnings per share	
2023	2022	2023	2022	2023	2022
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>					
Profit attributable to equity					
holders of the parent	7,481,893	8,312,516	11,949,713	11,949,713	0.63 0.70

### 35. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

- Real estate business segment which consists of houses, townhouses and residence condominium projects for sale.
- Rental and service business segment which consists of shopping mall, apartment for rent, hotel and project management.

The chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.



The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022.

(Unit: Million Baht)

	For the year ended 31 December 2023					Consolidated financial statements
	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	
Revenue from external customers	18,966	7,445	-	26,411	-	26,411
Inter-segment revenue	2	101	-	103	(103)	-
Interest income	503	41	-	544	(494)	50
Infrastructure service income	515	-	-	515	-	515
Project management income	-	334	-	334	-	334
Finance cost	(809)	(1,224)	-	(2,033)	483	(1,550)
Depreciation and amortisation	(136)	(1,742)	-	(1,878)	-	(1,878)
Gain on sales of properties	-	2,501	-	2,501	-	2,501
Share of profit from investments in associates accounted for by the equity method	786	108	2,406	3,300	-	3,300
<b>Segment profit</b>	<b>2,750</b>	<b>2,924</b>	<b>2,406</b>	<b>8,080</b>	<b>153</b>	<b>8,233</b>
<b>Unallocated revenue and expenses:</b>						
Other income						360
Loss on exchange						(252)
Loss on derivatives						(55)
Income tax expenses						(791)
<b>Profit for the year</b>						<b>7,495</b>



The following table present assets information regarding the Group operating segments for the year ended 31 December 2023.

	(Unit: Million Baht)					
	Real estate business	Rental and service business	Others	Total reportable segments	Unallocated assets	Consolidated financial statements
<b>Segment assets</b>	61,994	31,411	-	93,405	38,515	131,920
Investments in associates accounted for by the equity method	8,511	2,349	16,223	27,083	-	27,083
Increase (decrease) in non-current assets other than financial and deferred tax assets	7,702	(1,316)	-	6,386	-	6,386
(Unit: Million Baht)						
	For the year ended 31 December 2022					
	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	30,752	4,574	-	35,326	-	35,326
Inter-segment revenue	121	76	-	197	(197)	-
Interest income	491	30	-	521	(487)	34
Infrastructure service income	486	-	-	486	-	486
Project management income	-	271	-	271	-	271
Finance cost	(595)	(898)	-	(1,493)	438	(1,055)
Depreciation and amortisation	(129)	(1,537)	-	(1,666)	-	(1,666)
Loss on diminution in value of projects	(9)	-	-	(9)	-	(9)
Reversal of provision for legal cases	14	-	-	14	-	14
Gain on sales of assets	15	3	-	18	-	18
Share of profit from investments in associates accounted for by the equity method	665	21	2,225	2,911	-	2,911
<b>Segment profit (loss)</b>	<b>7,049</b>	<b>(288)</b>	<b>2,225</b>	<b>8,986</b>	<b>247</b>	<b>9,233</b>
<b>Unallocated revenue and expenses:</b>						
Other income						347
Gain on exchange						158
Gain on derivatives						92
Income tax expenses						(1,511)
<b>Profit for the year</b>						<b>8,319</b>





The following table present assets information regarding the Group operating segments for the year ended 31 December 2022.

	(Unit: Million Baht)					
	Real estate business	Rental and service business	Others	Total reportable segments	Unallocated assets	Consolidated financial statements
<b>Segment assets</b>	54,292	32,726	-	87,018	36,931	123,949
Investments in associates accounted for by the equity method	8,278	316	16,025	24,619	-	24,619
Increase (decrease) in non-current assets other than financial and deferred tax assets	(128)	3,274	-	3,146	-	3,146

### Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	<u>2023</u>	<u>2022</u>
<b>Revenue from external customers</b>		
Thailand	25,390	34,299
United States of America	1,021	1,027
Total	<u>26,411</u>	<u>35,326</u>
<b>Non-current assets (other than financial instruments and deferred tax assets)</b>		
Thailand	50,983	50,164
United States of America	12,502	12,915
Total	<u>63,485</u>	<u>63,079</u>

### Major customers

For the years 2023 and 2022, the Group has no major customer with revenue of 10% or more of an entity's revenues.

**36. Provident fund**

The Company and its employees and the subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and employees of each company contribute to the fund monthly at the rate of 5 to 7 percent of basic salary. The fund, which is managed by Land and Houses Fund Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the years, the contributions were recognised as expenses are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Contribution to provident fund	59	56	35	36

**37. Dividends**

Dividends	Approved by	Approved dividend per share (Baht)	Interim dividend per share (Baht)	Additional dividend paid per share (Baht)	Total additional dividend paid (Million Baht)
Interim dividend for 2021	Annual General Meeting of the shareholders on 26 April 2022	0.50	(0.25)	0.25	2,987
Interim dividend for the operations as from 1 January 2022 to 30 June 2022 and retained earnings	Board of Directors' Meeting on 11 August 2022	0.25	-	0.25	2,987
					<u>5,974</u>
Final dividend for 2022	Annual General Meeting of the shareholders on 27 April 2023	0.60	(0.25)	0.35	4,182
Interim dividend for the operations as from 1 January 2023 to 30 June 2023 and retained earnings	Board of Directors' Meeting on 10 August 2023	0.20	-	0.20	2,390
					<u>6,572</u>

**38. Commitments and contingent liabilities****38.1 Commitments**

38.1.1 As at 31 December 2023 and 2022, the Group has commitments to purchase of land and complete projects on hand as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Commitment to purchase of land	1,604	1,265	1,604	967
Commitment under construction contracts	8,614	4,144	4,762	1,083
Commitment in respect of the installation of public utilities of projects on hand	1,225	1,612	977	984

38.1.2 As at 31 December 2023, the Group have servitude over land of approximately 198 rai (2022: 195 rai) of which the cost is included in the cost of projects.

38.1.3 In December 2023, Land and Houses U.S.A., Inc. ("LH USA"), the Company's 100% owned subsidiary entered into a purchase and sale agreement to acquire a hotel in California for a total amount of USD 68 million. From December 2023 to January 2024, LH USA paid a deposit totaling USD 2 million, with the remaining USD 66 million schedule to be paid by March 2024.

**38.2 Bank guarantees**

As at 31 December 2023 and 2022, there were the following outstanding bank guarantees issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business.

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Letter of guarantees for arrangement and maintenance of public utilities	3,959	4,489	3,188	3,397
Letter of guarantees for electricity usage	56	49	24	22
Letter of guarantees for building construction	150	183	-	-
Letter of guarantees for rental fee	26	-	-	-
	4,191	4,721	3,212	3,419



### **38.3 Guarantees**

38.3.1 As at 31 December 2023 and 2022, the Company has the obligations in respect of guarantees for customers amounting to Baht 7 million.

38.3.2 The Company has contingent liabilities to a bank in relation to the financial support in form of issuance of a letter of comfort to provide to the subsidiaries for loans and guarantee facilities obtained for development of the subsidiaries' projects. As at 31 December 2023, the subsidiaries have outstanding loans related to guarantee portion of the Company as specified in the letter of comfort amounting to Baht 4,857 million (2022: Baht 7,628 million).

In addition, the Company provided letter of comfort to the lenders of LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL"), relating to maintain the percentage of unit holding in LHHOTEL by LH Mall & Hotel Co., Ltd. and maintain the period of the sublease of the Grande Centre Point Hotel Terminal 21 and the Grande Centre Point Hotel Ratchadamri by L&H Hotel Management Co., Ltd.

### **38.4 Litigation**

38.4.1 As at 31 December 2023, the Company has been sued in lawsuits related to breaches of contracts, contract terminations, refunds and damages with total claims of approximately Baht 61 million (2022: Baht 64 million). The cases are currently being heard by the Court of First Instance and the Appeal Court and have not been finalised. As at 31 December 2023, the Company has set aside a provision of Baht 2 million for liabilities arising as a result of the legal cases (2022: Baht 2 million).

38.4.2 As at 31 December 2023, the Company has become involved in 2 lawsuits as an interpleader due to legal actions taken against state authorities and state agencies in the Central Administrative Court. The plaintiffs in these lawsuits are seeking the annulment of assessment reports or Environmental Impact Assessment (EIA) reports, as well as the withdrawal of construction permits of the Company's condominium projects and demanding to protect the rights of nearby residents of the projects. The court has determined that the Company, as the owner of the projects, could be impacted by the court's judgment or orders. Consequently, the court has ordered the Company to become an interpleader in these cases. The first case has been dismissed by the Administrative Court of First Instance. Currently, the first case is undergoing proceedings within the Supreme Administrative Court, while the second case is in the process of fact-finding. The legal advisor and the management of the Company are of the belief that the Company conducted a thorough feasibility study and prepared an accurate Environmental Impact Assessment (EIA) report to



assess the potential project construction impacts and establish appropriate measures to mitigate these impacts. The report and corresponding measures were reviewed and approved by relevant state agencies. In addition, construction on the projects has not yet commenced. Based on these factors, it is anticipated the Company will not incur any losses due to these legal proceedings. As a result, no provision for contingent liabilities was recorded in the financial statements.

### 39. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)				
Consolidated financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Equity investments measured at FVOCI	2,299	-	229	2,528
Derivatives - Cross currency and interest rate swaps	-	169	-	169
<b>Assets for which fair value are disclosed</b>				
Investments in associates that are listed companies on the Stock Exchange	61,157	-	-	61,157
Investment properties	-	-	14,126	14,126
<b>Liabilities measured at fair value</b>				
Derivatives - Cross currency and interest rate swaps	-	155	-	155
<b>Liabilities for which fair value are disclosed</b>				
Long-term loans from financial institutions	-	-	10,901	10,901
Debentures	-	40,209	-	40,209



(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Equity investments measured at FVOCI	3,651	-	150	3,801
Derivatives - Cross currency and interest rate swaps	-	109	-	109
<b>Assets for which fair value are disclosed</b>				
Investments in associates that are listed companies on the Stock Exchange	73,856	-	-	73,856
Investment properties	-	-	14,263	14,263
<b>Liabilities measured at fair value</b>				
Derivatives - Cross currency and interest rate swaps	-	19	-	19
<b>Liabilities for which fair value are disclosed</b>				
Long-term loans from financial institutions	-	-	12,525	12,525
Debentures	-	33,643	-	33,643

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Equity investments measured at FVOCI	1,859	-	-	1,859
Derivatives - Cross currency and interest rate swaps	-	169	-	169
<b>Assets for which fair value are disclosed</b>				
Investments in associates that are listed companies on the Stock Exchange	57,918	-	-	57,918
Investment properties	-	-	293	293
<b>Liabilities measured at fair value</b>				
Derivatives - Cross currency and interest rate swaps	-	133	-	133
<b>Liabilities for which fair value are disclosed</b>				
Long-term loan from related party	-	-	600	600
Long-term loans from financial institution	-	-	6,111	6,111
Debentures	-	40,209	-	40,209





(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Equity investments measured at FVOCI	2,208	-	-	2,208
Derivatives - Cross currency and interest rate swaps	-	109	-	109
<b>Assets for which fair value are disclosed</b>				
Investments in associates that are listed companies on the Stock Exchange	73,856	-	-	73,856
Investment properties	-	-	293	293
<b>Liabilities for which fair value are disclosed</b>				
Long-term loan from related party	-	-	618	618
Long-term loans from financial institution	-	-	3,529	3,529
Debentures	-	33,643	-	33,643

## 40. Financial instruments

### 40.1 Derivatives

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Derivative assets</b>				
Derivative assets not designated as hedging instruments				
Cross currency and interest rate swaps	168,681	109,291	168,681	109,291
<b>Total derivative assets</b>	<u>168,681</u>	<u>109,291</u>	<u>168,681</u>	<u>109,291</u>
<b>Derivative liabilities</b>				
Derivative liabilities not designated as hedging instruments				
Cross currency and interest rate swaps	154,581	18,834	132,764	-
<b>Total derivative liabilities</b>	<u>154,581</u>	<u>18,834</u>	<u>132,764</u>	<u>-</u>

### Derivatives not designated as hedging instruments

The Group uses cross currency and interest rate swaps to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 12 months.



## 40.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, loans to related parties, loan to other company, investments, trade and other payables, short-term loans, loan from related party, debentures and long-term loans from financial institutions. The financial risks associates with these financial instruments and how they are managed is described below.

### **Credit risk**

The Group is exposed to credit risk primarily with respect to trade and other receivables, loans, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statements of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

### ***Trade receivables***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating, and coverage by deposits. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

### ***Financial instruments and cash deposits***

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**Market risk**

There are two types of market risk comprising currency risk and interest rate risk. The Group enters into derivatives to manage its risk exposure i.e., cross currency and interest rate swaps to mitigate the risk of rising foreign currency rates and interest rates.

**Foreign currency risk**

The Group's exposure to the foreign currency risk relates primarily to its loans that are denominated in foreign currency. The Group seeks to reduce this risk by entering into cross currency and interest rate swaps when it considers appropriate. Generally, the cross currency and interest rate swaps mature within 5 years.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Philippines Peso	1,948	2,296	-	-	0.6138	0.6190
US Dollar	17	17	-	-	34.2233	34.5624

Foreign currencies	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Philippines Peso	1,948	2,296	-	-	0.6138	0.6190
US Dollar	366	303	-	-	34.2233	34.5624

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2023 and 2022. The Group's exposure to foreign currency changes for all other currencies is not material.



Currency	Increase/decrease (%)	2023		2022	
		Effect on profit before tax		Effect on profit before tax	
		Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
US dollar	+3	349,045	347,816	147,134	146,369
	- 3	(349,045)	(347,816)	(147,134)	(146,369)

This information is not a forecast or prediction of future market conditions and should be used with care.

### Interest rate risk

The Group's exposure to interest rate risk relates primarily to its loans to related parties, loan to other company, short-term borrowings, loans from related party, debentures and long-term loans from financial institutions. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						
	2023						
	Fixed interest rates				Floating interest rate	Non-interest bearing	Effective interest rate
	At call	Within 1 year	1 - 5 years	Over 5 years		Total	(% p.a.)
<b>Financial assets</b>							
Cash and cash equivalents	390	1,754	-	-	2,185	8	4,337
Trade and other receivables	-	-	-	-	-	477	477
Restricted bank deposits	-	-	-	-	17	-	17
Loans to related party	-	-	504	-	-	-	504
Equity instruments measured at FVOCI	-	-	-	-	-	2,528	2,528
Derivatives - Cross currency and interest rate swaps	-	-	169	-	-	-	169
<b>Financial liabilities</b>							
Overdraft and short-term loans from financial institutions	1,110	4,982	-	-	-	-	6,092
Trade and other payables	-	-	-	-	-	3,423	3,423
Retention guarantees	-	-	-	-	-	561	561
Long-term loans from financial institutions	-	284	9,813	1,077	-	-	11,174
Debentures	-	16,117	27,569	-	-	-	43,686
Lease liabilities	-	1,429	3,357	5,220	-	-	10,006
Derivatives - Cross currency and interest rate swaps	18	136	-	-	-	-	154



(Unit: Million Baht)

	Separate financial statements							
	2023							
	Fixed interest rates				Floating	Non-interest		Effective
	At call	Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing	Total	interest rate
								(% p.a.)
<u>Financial assets</u>								
Cash and cash equivalents	304	500	-	-	1,230	2	2,036	Note 7
Trade and other receivables	-	-	-	-	-	157	157	-
Loans to related parties	8,175	1,294	10,994	-	-	-	20,463	2.50 - 5.90
Equity instruments measured at FVOCI	-	-	-	-	-	1,859	1,859	-
Derivatives - Cross currency and interest rate swaps	-	-	169	-	-	-	169	3.00 - 5.54
<u>Financial liabilities</u>								
Short-term loans from financial institution	-	4,982	-	-	-	-	4,982	Note 22
Trade and other payables	-	-	-	-	-	2,094	2,094	-
Retention guarantee	-	-	-	-	-	285	285	-
Loan from related party	-	-	720	-	-	-	720	2.00
Long-term loans from financial institution	-	-	7,065	-	-	-	7,065	Note 24
Debentures	-	16,117	27,569	-	-	-	43,686	Note 25
Lease liabilities	-	54	116	-	-	-	170	2.25 - 5.21
Derivatives - Cross currency and interest rate swaps	18	115	-	-	-	-	133	4.75 - 5.90

(Unit: Million Baht)

	Consolidated financial statements							
	2022							
	Fixed interest rates				Floating	Non-interest		Effective
	Within	1 - 5	Over	interest				interest rate
At call	1 year	years	5 years	rate	bearing	Total		(% p.a.)
<u>Financial assets</u>								
Cash and cash equivalents	3	2,420	-	-	2,368	8	4,799	Note 7
Trade and other receivables	-	-	-	-	-	249	249	-
Restricted bank deposits	-	-	-	-	16	-	16	0.25 - 0.30
Loans to related party	-	-	509	-	-	-	509	2.23
Debt investments measured at amortised cost	-	220	-	-	-	-	220	0.90
Equity instruments measured at FVOCI	-	-	-	-	-	3,801	3,801	-
Derivatives - Cross currency and interest rate swaps	-	78	31	-	-	-	109	2.92 - 6.09
Long-term loan to other company	-	-	-	-	110	-	110	Note 9
<u>Financial liabilities</u>								
Short-term loans from financial institutions	970	4,669	-	-	-	-	5,639	Note 22
Trade and other payables	-	-	-	-	-	3,641	3,641	-
Retention guarantees	-	-	-	-	-	555	555	-
Long-term loans from financial institutions	-	2,074	4,458	-	6,263	-	12,795	Note 24
Debentures	-	8,400	27,803	-	-	-	36,203	Note 25
Lease liabilities	-	1,893	2,479	3,579	-	-	7,951	2.25 - 4.57
Derivatives - Cross currency and interest rate swaps	-	-	19	-	-	-	19	2.23



(Unit: Million Baht)

	Separate financial statements							
	2022							
	Fixed interest rates				Floating	Non-interest		Effective
	At call	Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing	Total	interest rate
								(% p.a.)
<u>Financial assets</u>								
Cash and cash equivalents	-	1,500	-	-	1,355	3	2,858	Note 7
Trade and other receivables	-	-	-	-	-	278	278	-
Loans to related parties	6,740	9,210	1,135	-	-	-	17,085	2.50 - 6.09
Equity instruments measured at FVOCI	-	-	-	-	-	2,208	2,208	-
Derivatives - Cross currency and interest rate swaps	-	78	31	-	-	-	109	2.92 - 6.09
<u>Financial liabilities</u>								
Short-term loans from financial institution	-	4,669	-	-	-	-	4,669	Note 22
Trade and other payables	-	-	-	-	-	2,213	2,213	-
Retention guarantee	-	-	-	-	-	336	336	-
Loan from related party	-	-	720	-	-	-	720	1.22
Long-term loans from financial institution	-	-	3,778	-	-	-	3,778	Note 24
Debentures	-	8,400	27,803	-	-	-	36,203	Note 25
Lease liabilities	-	53	170	-	-	-	223	2.25 - 4.57

### Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loan to other company and loans from financial institutions affected as at 31 December 2023 and 2022.

Loan	Increase/ decrease (%)	2023		2022	
		Effect on profit before tax		Effect on profit before tax	
		Consolidated financial statement	Separate financial statement	Consolidated financial statement	Separate financial statement
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Loan to in Baht	+1	-	-	1,100	-
	-1	-	-	(1,100)	-
Loan from in Baht	+1	29,175	-	(24,099)	-
	-1	(29,175)	-	24,099	-





The above analysis has been prepared assuming that the amounts of the floating rate loan to other company and loans from financial institutions and all other variables remain constant over one year. Moreover, the floating legs of these loans from are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

### Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, trade payable, bank loans, debentures and lease contracts. Approximately 36% of the Group's debt will mature in less than one year at 31 December 2023 (2022: 32%) (the Company only: 31%, 2022: 32%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows which comprise of principal and interest:

(Unit: Thousand Baht)

	Consolidated financial statements as at 31 December 2023			
	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Overdraft and short-term loans from financial institutions	6,147,792	-	-	6,147,792
Trade and other payables	3,423,210	-	-	3,423,210
Retention guarantees	560,552	-	-	560,552
Long-term loans from financial institutions	877,407	10,687,424	1,197,814	12,762,645
Debentures	17,023,527	28,702,928	-	45,726,455
Lease liabilities	1,831,852	4,559,327	8,383,293	14,774,472
<b>Total non-derivatives</b>	<b>29,864,340</b>	<b>43,949,679</b>	<b>9,581,107</b>	<b>83,395,126</b>
<b>Derivatives</b>				
Derivative liabilities - net settled	18,195	136,386	-	154,581
<b>Total derivatives</b>	<b>18,195</b>	<b>136,386</b>	<b>-</b>	<b>154,581</b>



(Unit: Thousand Baht)

## Consolidated financial statements as at 31 December 2022

	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Short-term loans from financial institutions	5,671,665	-	-	5,671,665
Trade and other payables	3,640,836	-	-	3,640,836
Retention guarantees	555,263	-	-	555,263
Long-term loans from financial institutions	2,829,589	8,159,148	3,376,357	14,365,094
Debentures	8,837,161	29,581,256	-	38,418,417
Lease liabilities	2,129,596	3,220,360	6,275,533	11,625,489
<b>Total non-derivatives</b>	<b>23,664,110</b>	<b>40,960,764</b>	<b>9,651,890</b>	<b>74,276,764</b>
<b>Derivatives</b>				
Derivative liabilities - net settled	-	18,834	-	18,834
<b>Total derivatives</b>	<b>-</b>	<b>18,834</b>	<b>-</b>	<b>18,834</b>

(Unit: Thousand Baht)

## Separate financial statements as at 31 December 2023

	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Short-term loans from financial institution	5,000,000	-	-	5,000,000
Trade and other payables	2,094,205	-	-	2,094,205
Retention guarantees	284,938	-	-	284,938
Loan from related party	-	737,592	-	737,592
Long-term loans from financial institution	228,399	7,579,850	-	7,808,249
Debentures	17,023,527	28,702,928	-	45,726,455
Lease liabilities	57,935	118,843	-	176,778
<b>Total non-derivatives</b>	<b>24,689,004</b>	<b>37,139,213</b>	<b>-</b>	<b>61,828,217</b>
<b>Derivatives</b>				
Derivative liabilities - net settled	18,195	114,569	-	132,764
<b>Total derivatives</b>	<b>18,195</b>	<b>114,569</b>	<b>-</b>	<b>132,764</b>



(Unit: Thousand Baht)

	Separate financial statements as at 31 December 2022			
	Less than 1 year	1 to 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Short-term loans from financial institution	4,680,000	-	-	4,680,000
Trade and other payables	2,212,755	-	-	2,212,755
Retention guarantees	335,859	-	-	335,859
Loan from related party	-	738,988	-	738,988
Long-term loans from financial institution	84,443	3,882,162	-	3,966,605
Debentures	8,837,161	29,581,256	-	38,418,417
Lease liabilities	58,239	176,413	-	234,652
<b>Total non-derivatives</b>	<b>16,208,457</b>	<b>34,378,819</b>	<b>-</b>	<b>50,587,276</b>

### 40.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position, except for the following financial liabilities.

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Carrying amount		Fair value		Carrying amount		Fair value	
	2023	2022	2023	2022	2023	2022	2023	2022
<u>Financial liabilities</u>								
Loan from related party	-	-	-	-	720	720	600	618
Long-term loans from financial institutions	11,174	12,794	10,901	12,525	7,065	3,778	6,111	3,529
Debentures	43,900	36,300	40,209	33,643	43,900	36,300	40,209	33,643

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to related parties and accounts payable and short-term loan from related parties, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.



- c) The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- d) The fair value of fixed rate debentures and long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- e) The carrying amounts of loans to and loans from carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- f) The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

#### 40.4 Reconciliation of recurring fair value measurements of assets categorised within Level 3 of the fair value hierarchy.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Non-listed equity investment	Non-listed equity investment
Balance as of 1 January 2022	115,111	-
Purchase during the year	39,413	-
Net loss recognised into other comprehensive income	(4,724)	-
Balance as of 31 December 2022	149,800	-
Purchase during the year	16,891	-
Net loss recognised into other comprehensive income	62,208	-
Balance as of 31 December 2023	228,899	-



Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investment in non-listed equity instruments	Stock valuation by dividend discounted model	Risk premium	11.14% (2022: 12.0%)	2% increase (decrease) in the risk premium would result in Baht 41 million (2022: Baht 25 million) decrease (increase) in fair value

#### 41. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants, throughout the reporting period. As at 31 December 2023, the Group's debt-to-equity ratio was 1.53:1 (2022: 1.37:1) and the Company's was 1.17:1 (2022: 0.97:1).

#### 42. Events after reporting period

On 28 February 2024, the meeting of the Company's Board of Directors passed a resolution to propose to the 2024 Annual General Meeting of the Company's shareholders a dividend of Baht 0.30 per share in respect of the Company's operating result of 2023 in addition to the interim dividend to be paid to the Company's shareholders, or a total of Baht 3,585 million for approval.

#### 43. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2024.







## Attachment

### **Attachment 1**

Board of Directors and Executives 300

### **Attachment 2**

Detail of Management Positions 309  
in the Company, Subsidiaries,  
Associated and Related Companies.

### **Attachment 3**

Changes in Shareholding Position 310  
of Directors and Executives in 2023

### **Attachment 4**

Detail of Head of Internal Audit 312

### **Attachment 5**

Land Use for Operating Projects 313



## Attachment 1

### Board of Directors and Executives

#### Mr. Naporn Sunthornchitcharoen Age 65 years

##### Position

- Chairman of the Board of Directors
- Chairman of the Executive Committee
- Director and authorized signatory

**Appointed Date as Director 28 September 1992**  
(Registered 12 November 1992)

##### Education / Trainings

- Bachelor of Engineering (Civil Engineering), Chiang Mai University
- MBA, Thammasat University
- National Defense College Class of 2006
- Director Accreditation Program (DAP) 25 / 2004 : IOD
- Director Certification Program (DCP) 53 / 2005 : IOD
- Financial Institutions Governance Program (FGP) 2 / 2011 : IOD
- Stanford Executive Programe (SEP), Graduate School of Business, Stanford University, USA
- Information Security Awareness Training 2021 : LH Bank

##### % of Shareholding as 31 December 2023

0.230

##### Family Relationship among Directors and Executives

- None -

##### 5-year Past Experiences

###### Listed Company

Aug 2017 - Present	Chairman of the Board of Directors, Chairman of the Executive Committee Land and Houses PCL (Property Development)
1992 - Present	Director Land and Houses PCL (Property Development)
May 2013 - Aug 2017	Executive Committee, Managing Director (Operations) Land and Houses PCL (Property Development)
2002 - Apr 2013	Executive Committee, Senior Executive Vice President (Operations) Land and Houses PCL (Property Development)
1991 - 2001	Executive Vice President Land and Houses PCL (Property Development)
Jun 2017 - Present	Director Quality Houses PCL (Property Development)
2023 - Present	Chairman of the Nomination and Remuneration Committee Home Product Center PCL (Home Improvement Retail)
2015 - 2023	Member of the Nomination and Remuneration Committee Home Product Center PCL (Home Improvement Retail)
2001 - Present	Director, Executive Committee Home Product Center PCL (Home Improvement Retail)

1994 - Present	Director Quality Construction Products PCL (Building Material)
May 2011 - Present	Director LH Financial Group PCL (Holding Company)
Sep 2018 - Mar 2019	Member of Nomination and Remuneration Committee LH Financial Group PCL (Holding Company)
May 2011 - Jul 2018	Member of the Nomination and Remuneration Committee LH Financial Group PCL (Holding Company)
May 2011 - Jun 2017	Executive Committee LH Financial Group PCL (Holding Company)

##### Non-Listed Company

Dec 2013 - May 2023	Director Land and Houses Securities Plc. (Management Fund)
2012 - Present	Director Land and Houses U.S.A., Inc. (Property Investment)
2012 - Present	Director Land and Houses Property and Loan Fund-II (Property Fund)
2005 - Present	Director, Executive Committee Land and Houses Bank PCL (Bank)
2005 - Jul 2018	Member of the Nomination and Remuneration Committee Land and Houses Bank PCL (Bank)
2004 - Present	Director LH Asset Co., Ltd. (Property Development)
2003 - Present	Director LH Real Estate Co., Ltd. (Property Development)
1995 - Present	Director Land and Houses Northeast Co., Ltd. (Property Development)
1995 - Present	Director Land and Houses North Co., Ltd. (Property Development)
1995 - Present	Director LH Muang Mai Co., Ltd. (Property Development)
1993 - Present	Director Siam Tanee Real Estate Co., Ltd. (Property Development)
1990 - Present	Director Siam Tanee Property Co., Ltd. (Property Development)
1987 - Present	Director Atlantic Real Estate Co., Ltd. (Property Development)
1986 - Present	Director LH Mall and Hotel Co., Ltd. (Property Development)

**Mr. Watcharin Kasinrerak****Age 62 years****Position**

- Managing Director
- Director and authorized signatory
- Member of of the Executive Committee
- Member of the Risk Management and Sustainable Development Committee

**Appointed Date as Director 14 February 2019**  
(Registered 22 February 2019)

**Education / Trainings**

- Bachelor of Engineering (Civil Engineering), Chiang Mai University
- MBA, Thammasat University
- Stanford Executive Programe (SEP), Graduate School of Business, Stanford University, USA
- Director Certification Program (DCP) 275 / 2019 : IOD
- Successful Formulation & Execution of Strategy (SFE) 35 / 2021 : IOD

**% of Shareholding as 31 December 2023**

0.005

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

Feb 2019 - Present	Director, Executive Committee, Managing Director (Operations), Member of the Risk Management and Sustainable Development Committee Land and Houses PCL (Property Development)
Sep 2017 - Feb 2019	Senior Executive Vice President Land and Houses PCL (Property Development)
2015 - Aug 2017	Executive Vice President Land and Houses PCL (Property Development)
2013 - 2014	Senior Vice President (Project 2) Land and Houses PCL (Property Development)

**Non-Listed Company**

2019 - Present	Director Land and Houses Northeast Co., Ltd. (Property Development)
2019 - Present	Director Siam Tanee Property Co., Ltd. (Property Development)
2019 - Present	Director LH Asset Co., Ltd. (Property Development)
2019 - Present	Director Siam Tanee Real Estate Co., Ltd. (Property Development)
2019 - Present	Director LH Real Estate Co., Ltd. (Property Development)
2019 - Present	Director Land and Houses North Co., Ltd. (Property Development)
2019 - Present	Director Atlantic Real Estate Co., Ltd. (Property Development)

**Other Organizations / Institutions**

Oct 2020 - Present	Qualified Board Member of the Central Land Development Board Ministry of Interior
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**Mr. Wit Tantiworawong****Age 65 years****Position**

- Managing Director
- Director and authorized signatory
- Member of of the Executive Committee
- Member of the Risk Management and Sustainable Development Committee
- Member of the Nomination and Compensation Committee

**Appointed Date as Director 24 February 2022**  
(Registered 2 March 2022)

**Education/Trainings**

- Bachelor of Administration, Bangkok University
- MBA, Thammasat University
- Continuing Professional Development (CPD) : 2019
- The Impact of the TFRS 16: Leases (6 hours) : Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- TFRS 9 Share Experience in Impairment of Financial Assets (6 hours) : Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- Director Certification Program (DCP) 320/2022 : IOD
- TLCA CFO Professional Development Program (TLCA CFO CPD) 5/2022 "Restructuring Business for Growth" : Thai Listed Companies Association

**% of Shareholding as 31 December 2023**

0.025

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

2023 - Present	Member of the Nomination and Compensation Committee Land and Houses PCL (Property Development)
2022 - Present	Director, Managing Director (Support), Member of the Risk Management and Sustainable Development Committee Land and Houses PCL (Property Development)
Sep 2017 -2021	Senior Executive Vice President Land and Houses PCL (Property Development)
May 2013 - Aug 2023	Chief Finance Officer Land and Houses PCL (Property Development)
2002 - Present	Member of the Executive Committee Land and Houses PCL (Property Development)
May 2013 - Aug 2017	Executive Vice President Land and Houses PCL (Property Development)
2009 - Apr 2013	Senior Vice President (Financial Department) Land and Houses PCL (Property Development)

1991 - 2008	Vice President (Financial Department) Land and Houses PCL (Property Development)
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**Non-Listed Company**

2022 - Present	Director Land and Houses Northeast Co., Ltd. (Property Development)
2022 - Present	Director Land and Houses North Co., Ltd. (Property Development)
2022 - Present	Director Atlantic Real Estate Co., Ltd. (Property Development)
2022 - Present	Director Siam Tanee Property Co., Ltd. (Property Development)
2022 - Present	Director Siam Tanee Real Estate Co., Ltd. (Property Development)
2022 - Present	Director LH Mall Co., Ltd. (Property Development)
2022 - Present	Director LH Asset Co., Ltd. (Property Development)
2015 - Present	Director L&H Retail Management Co., Ltd. (Retail)
2013 - Present	Director LH Mall and Hotel Co., Ltd. (Property Development)
2012 - Present	Director L&H Hotel Management Co., Ltd. (Hotel)
2012 - Present	Director Land and Houses U.S.A., Inc. (Property Investment)
2007 - Present	Director L&H Property Co., Ltd. (Property Development)
2007 - Present	Director L&H Management Co., Ltd. (Management)
2000 - Aug 2022	Director Asia Asset Advisory Co., Ltd. (Investment Advisory)

Note : Mr. Wit Tantiworawong, Chief Finance Officer, who takes highest responsibilities in Accounting and Finance, has attended the continuous training for accounting knowledge in 2020 up to 12 hours (which is double the time defined by The Securities and Exchange Commission)  
\*Previously, named LH Real Estate Co., Ltd.)



## Mr. Chokchai Walitwarangkoon      Age 61 years

### Position

- Managing Director
- Director and authorized signatory
- Member of the Executive Committee

**Appointed Date as Director 24 February 2022**  
(Registered 2 March 2022)

### Education / Trainings

- Bachelor of Business Administration (Marketing),  
Chulalongkorn University
- Director Certification Program (DCP) 321 / 2022 : IOD
- Financial Statements for Directors (FSD) 46 / 2022 : IOD

### % of Shareholding as 31 December 2023

0.000

### Family Relationship among Directors and Executives

- None -

### 5-year Past Experiences

#### Listed Company

2022 - Present	Director, Managing Director (Operation), Executive Committee Land and Houses PCL (Property Development)
Sep 2017 - 2021	Senior Executive Vice President Land and Houses PCL (Property Development)
2015 - Aug 2017	Executive Vice President Land and Houses PCL (Property Development)
2013 - 2014	Senior Vice President (Corporate Communication Department) Land and Houses PCL (Property Development)

**Mr. Achawin Asavabhokhin****Age 48 year****Position**

- Senior Executive Vice President
- Director and authorized signatory
- Member of the Risk Management and Sustainable Development Committee
- Chief Finance Officer

**Appointed Date as Director 28 February 2018**  
(Registered 9 March 2018)

**Education/Trainings**

- Bachelor of Science in Engineering. System Science and Engineering. University of Pennsylvania, USA
- Bachelor of Science in Economics. Finance. University of Pennsylvania, USA
- Director Certification Program (DCP) 193 / 2014
- Fund Manager License
- Derivative Fund Manager License
- Investment Planner License

**% of Shareholding as 31 December 2023**

0.019

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

Sep 2023 - Present	Senior Executive Vice President, Member of the Risk Management and Sustainable Development Committee, Chief Finance Officer Land and Houses PCL (Property Development)
Feb 2018 - Present	Director Land and Houses PCL (Property Development)
2017 - Present	Director Quality Houses PCL (Property Development)
2014 - Present	Director Home Product Center PCL (Home Improvement Retail)

**Non-Listed Company**

Dec. 2023 - Present	Director LH Mall Co., Ltd. (Asset Management)
2018 - 2023	Chief Marketing Officer, Senior Executive Vice President SCB Asset Management Co., Ltd. (Asset Management)
2011 - 2018	Executive Vice President, Group Head, Product & Foreign Fixed Income Group, Investment Division SCB Asset Management Co., Ltd. (Asset Management)



**Mr. Nantawat Pipatwongkasem      Age 64 years****Position**

- Senior Executive Vice President
- Director and authorized signatory
- Company Secretary
- Member of the Risk Management and Sustainable Development Committee

**Appointed Date as Director 28 September 1992**  
(Registered 12 November 1992)

**Education / Trainings**

- Bachelor of Law, Barrister at Law
- MBA, Thammasat University
- Director Certification Program (DCP) 62 / 2005 : IOD
- Director Accreditation Program (DAP) 18 / 2004 : IOD
- Finance for Non-Finance Director (FN) 13 / 2004 : IOD

**% of Shareholding as 31 December 2023**

0.000

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

Feb 2021 - Present	Senior Executive Vice President Land and Houses PCL (Property Development)
Sep 2017 - Jan 2021	Executive Vice President Land and Houses PCL (Property Development)
2014 - Present	Member of the Risk Management and Sustainable Development Committee Land and Houses PCL (Property Development)
2013 - Aug 2017	Senior Vice President (Legal Department) Land and Houses PCL (Property Development)
July 1992 - Present	Director Land and Houses PCL (Property Development)
1990 - Jun 2013	Vice President (Legal Department) Land and Houses PCL (Property Development)

**Non-Listed Company**

2012 - Present	Director Land and Houses U.S.A., Inc. (Property Investment)
2004 - Present	Director LH Asset Co., Ltd. (Property Development)
2003 - Present	Director LH Real Estate Co., Ltd. (Property Development)
1995 - Present	Director Land and Houses North Co., Ltd. (Property Development)
1995 - Present	Director Land and Houses Northeast Co., Ltd. (Property Development)
1995 - Present	Director LH Muang Mai Co., Ltd. (Property Development)
1993 - Present	Director Siam Tanee Real Estate Co., Ltd. (Property Development)
1990 - Present	Director Siam Tanee Property Co., Ltd. (Property Development)
1987 - Present	Director Atlantic Real Estate Co., Ltd. (Property Development)
2005 - Sep 2018	Director Phuket Future Plan., Ltd. (Property Development)
2005 - Aug 2017	Director Double Three Co., Ltd. (Property Development)

**Other Organizations / Institutions**

2017 - Oct 2020	Qualified Board Member of the Central Land Development Board Ministry of Interior
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**Mr. Pakhawat Kovithvathanaphong Age 74 years****Position**

- Chairman of the Audit Committee
- Director
- Independent Director

**Appointed Date as Director 22 November 1999**  
(Registered 3 December 1999)

**Education / Trainings**

- Bachelor Degree of Economics (First Class Honors), Thammasat University
- Master's Degree of Marketing & Finance Wharton School, University of Pennsylvania, USA
- National Defense College Class 344
- Certificate of Leadership Program at Capital Market Academy Batch 5
- Director Accreditation Program (DAP) 4 / 2003 : IOD
- Director Certification Program (DCP) 58 / 2005 : IOD
- Corporate Governance for Capital Market Intermediaries (CGI)
- Certificate course of Corporate Governance for Director and Senior Executive of State Enterprises and Public Organization, King Prajadhipok's Institute Batch 15
- Executive Program in "Energy Literacy for a Sustainable Future" TEA Class 12, Thailand Energy Academy

**% of Shareholding as 30 June 2023**

0.003

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

May 2015 - June 2023	Chairman of the Audit Committee Land and Houses PCL (Property Development)
1999 - June 2023	Director, Independent Director Land and Houses PCL (Property Development)
2016 - Present	Executive Chairman Trinity Watthana Plc. (Holding Company)
2001 - 2016	Chief Executive Officer, Director Trinity Watthana Plc. (Holding Company)
Nov 2018 - Present	Chairman of the Audit and Risk Management Committee P.C.S. Machine Group Holding Plc. (Automotive)
2017 - Present	Independent Director and Investment Committee Dusit Thani Plc. (Hotel)

2016 - 2018	Audit Committee Thai Rubber Latex Corporation (Thailand) Plc. (Rubber Business)
2011 - 2018	Independent Director Thai Rubber Latex Corporation (Thailand) Plc. (Rubber Business)

**Non-Listed Company**

2020 - Present	Director / Nomination and Remuneration Committee Tris Rating Co., Ltd. (Credit Rating)
Jun 2018 - Present	Director Trinity One Co., Ltd. (Holding Company)
2017 - Present	Chairman Smart ID Group Co., Ltd. (Electronic Components)
2014 - Present	Director Sukhumvit 62 Medical Co., Ltd. (Health Care Services)
2011 - Present	Chairman Trinity Advisory 2001 Co., Ltd. (Financial Advisor)
2001 - Present	Chairman Trinity Securities Co., Ltd. (Securities Business)
2021 - Present	Director Zennite Co., Ltd. (Financial Services)

**Professor Piphob Veraphong****Age 61 years****Position**

- Chairman of the Nomination and Compensation Committee
- Director
- Independent Director
- Member of the Audit Committee

**Appointed Date as Director 23 April 2015**  
(Registered 29 April 2015)

**Education / Trainings**

- Bachelor of Law (Honors), Chulalongkorn University
- Barrister at Law
- Master of Laws, LL.M. in Taxation, Boston University
- Master of Laws, LL.M., Harvard University
- Certificate of International Taxation, Harvard University
- Directors Certification Program (DCP) 238 / 2017 : IOD

**% of Shareholding as 31 December 2023**

0.000

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

Jun 2022 - Present	Independent Director, Chairman of the Audit Committee, Chairman of the Corporate Governance Committee. LH Financial Group PCL (Holding Company)
2015 - Present	Director, Independent Director, Member of the Audit Committee, Chairman of the Nomination and Compensation Committee Land and Houses PCL (Property Development)
2004 - Present	Independent Director, Member of the Audit Committee Bangkok Chain Hospital PCL (Health Care Service)
2003 - 2010	Independent Director, Audit Committee Quality Construction Products PCL (Building Material)

**Non-Listed Company**

Jun 2022 - Present	Independent Director, Audit Committee, Member of the Corporate Governance Committee, Chairman of the Nomination and Remuneration Committee Land and Houses Bank PCL (Bank)
2002 - Present	Partner Law Alliance Co., Ltd. (Legal Advisory)

**Mr. Bandit Pitaksit****Age 58 years****Position**

- Chairman of the Risk Management and Sustainable Development Committee
- Director
- Independent Director
- Member of the Audit Committee
- Member of the Nomination and Compensation Committee

**Appointed Date as Director 23 April 2015**  
(Registered 29 April 2015)

**Education / Trainings**

- Bachelor of Engineering (Civil Engineering), Chulalongkorn University
- Certificate of Leadership Program at Capital Market Academy Batch 12<sup>th</sup>
- The Program for Senior Executives on Justice Administration Batch 17<sup>th</sup>
- Politics and Democracy for Executive, King Prajadhipok's Institute (KPI 14<sup>th</sup>)
- The National Defence Collage Class of 2014
- Director Certification Program (DCP) 237 / 2017 : IOD
- Top Executive Program in Commerce and Trade (TEPCoT)

**% of Shareholding as 31 December 2023**

0.008

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

Mar 2017 - Present	Member of the Nomination and Compensation Committee Land and Houses PCL (Property Development)
2016 - Present	Member of the Audit Committee, Chairman of Risk Management and Sustainable Development Committee Land and Houses PCL (Property Development)
2015 - Present	Director, Independent Director Land and Houses PCL (Property Development)

**Non-Listed Company**

Present	Chairman of the Advisory Isuzu Sanguanthalai Group (Automotive)
Present	Chief Advisory Siam Car Rent Co., Ltd. (Car Rental)

**Ms. Chadanuch Meepien****Age 52 years****Position**

- Chairman of Audit Committee
- Director
- Independent Director

**Appointed Date as Director 6 July 2023**  
(Registered 7 July 2023)

**Education / Trainings**

- Bachelor of Accountancy (B.Acc), Chulalongkorn University
- MBA Chulalongkorn University

**% of Shareholding as 31 December 2023**

0.000

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

July 2023 - Present	Chairman of Audit Committee Director, Independent Director Land and Houses PCL (Property Development)
2011 - 2017	Accounting and Finance Division Manager Thai-German Ceramic Industry PCL (Construction Materials)

**Non-Listed Company**

2019 - Present	Chief Finance Officer Add Life Co., Ltd. (Health Care Services)
1997 - 2011	Accounting and Finance Division Manager The Siam Ceramic Group Industries Co., Ltd. – Subsidiary Company of The Siam Cement PCL (Construction Materials)

**Mr. Teera Benjasilarak****Age 64 years****Position**

- Executive Vice President (Accounting Department)

**Appointed Date as Executive Vice President 1 September 2017**

**Education / Trainings**

- Bachelor of Science (Accounting), Kasetsart University
- MBA, Thammasat University
- Continuing Professional Development (CPD) : 2021
- Validating Account Closing and Financial Reporting
- Continuing Professional Development (CPD) : 2022
- Update All TFRS 2022 ( NO 6. Course)
- Is a bookkeeper who possesses all complete qualifications as required by the Department of Business Development

**% of Shareholding as 31 December 2023**

0.008

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

Sep 2017 - Present	Executive Vice President Land and Houses PCL (Property Development)
2013 - Aug 2017	Senior Vice President (Accounting Department) Land and Houses PCL (Property Development)
1991 - 2012	Vice President (Accounting Department) Land and Houses PCL (Property Development)

**Mr. Visit Tantichaipakorn****Age 64 years****Position**

- Senior Vice President (Finance Department)

**Appointed Date as Senior Vice President 1 February 2022**

**Education / Trainings**

- Bachelor of Communication Arts, Sukhothai Thammathirat Open University

**% of Shareholding as 31 December 2023**

0.000

**Family Relationship among Directors and Executives**

- None -

**5-year Past Experiences****Listed Company**

2022 - Present	Senior Vice President (Finance Department) Land and Houses PCL (Property Development)
2014 - 2022	Vice President (Finance Department) Land and Houses PCL (Property Development)
2002 - 2013	Assistant Vice President (Finance Department) Land and Houses PCL (Property Development)



## Attachment 2

### Detail of Management Positions in the Company, Subsidiaries, Associated and Related Companies.

List of Companies		Company	Subsidiaries										Associated Companies			
Name		LH	LHMH	LM2	LHH LHM LHR	LHN LHNE	AR SN SR	LA LT	LM	LH USA	LHP	LH BANK LHFG	Q-CON	LHPF-II	QH	HMPRO
Ms. Chadanuch Meepien		/, A1, I														
Mr. Budit Pitaksit		/, A, I														
Mr. Piphob Veraphong		/, A, I										/, A1, I				
Mr. Naporn Sunthornchitharoen (Chairman of the Board of Directors and Chairman of the Executive Committee)		X, /, ///	/	/	/	/	/	/	/	/	/	/	/	/	/	/
Mr. Wit Tantiworawong (Managing Director)		/, //	/	/	/	/	/	/	/	/	/					
Mr. Watcharin Kasinrerf (Managing Director)		/, //			/	/	/	/								
Mr. Chokchai Walitwarangkoon (Managing Director)		/, //														
Mr. Nantawat Pipatwongkasem (Senior Executive Vice President)		/			/	/	/	/	/	/	/				/	/
Mr. Achawin Asavabhokhin (Senior Executive Vice President)		/														

Note : / = Director X = Chairman of the Board of Directors // = Member of the Executive Committee /// = Chairman of the Executive Committee  
A = Member of the Audit Committee A1 = Chairman of the Audit Committee I = Independent Director

AR	= Atlantic Real Estate Co., Ltd.	LHM	= L&H Management Co., Ltd.	LHPF-II	= Land and Houses Property and Loan Fund-II
HMPRO	= Home Product Center PCL	LHN	= Land and Houses North Co., Ltd.	LH BANK	= Land and Houses Bank PCL
LA	= LH Asset Co., Ltd.	LHP	= L&H Property Co., Ltd.	LH USA	= Land and Houses U.S.A. Inc.
LH	= Land and House PCL	LHR	= L&H Retail Management Co., Ltd.	QH	= Quality Houses PCL
LM	= LH Muang Mai Co., Ltd.	LHFG	= LH Financial Group PCL	Q-CON	= Quality Construction Products PCL
LM2	= LH Mall Co., Ltd.	LHMH	= LH Mall and Hotel Co., Ltd.	SN	= Siam Tanee Property Co., Ltd.
LHH	= L&H Hotel Management Co., Ltd.	LHNE	= Land and Houses Northeast Co., Ltd.	SR	= Siam Tanee Real Estate Co., Ltd.

**Attachment 3****Changes in Shareholding Position of Directors and Executives in 2023**

No.	Name	Position	No. of Shares as at 1 January 2023	Changes in No. of Shares Increased/ (Decreased) during 2023	No. of Shares as at 31 December 2023	Shareholding (%) as at 31 December 2023
1.	Mr. Naporn Sunthornchitcharoen	Chairman of the Board of Director and Chairman of the Executive Committee	27,489,859	-	27,489,859	0.230
	Spouse and Children under the legal age		-	-	-	-
2.	Mr. Watcharin Kasinrerak	Director Managing Director	550,000	-	550,000	0.005
	Spouse and Children under the legal age		-	-	-	-
3.	Mr. Wit Tantiworawong	Director Managing Director	3,027,118	-	3,027,118	0.025
	Spouse and Children under the legal age		-	-	-	-
4.	Mr. Chokchai Walitwarangkoon	Director Managing Director	30,954	-	30,954	0.000
	Spouse and Children under the legal age		-	-	-	-
5.	Mr. Achawin Asavabhokhin	Director Senior Executive Vice President Chief Finance Officer	1,586,028	660,892	2,246,920	0.019
	Spouse and Children under the legal age		-	-	-	-
6.	Mr. Nantawat Pipatwongkasem	Director Senior Executive Vice President Company Secretary	12,099	-	12,099	0.000
	Spouse and Children under the legal age		-	-	-	-
7.	Mr. Pakhawat Kovithvathanaphong	Independent Director	363,597	-	363,597	0.003
	Spouse and Children under the legal age		-	-	-	-
8.	Mr. Piphob Veraphong	Independent Director	-	-	-	-
	Spouse and Children under the legal age		-	-	-	-
9.	Mr. Bundit Pitaksit	Independent Director	-	1,000,000	1,000,000	0.008
	Spouse and Children under the legal age		-	-	-	-
10.	Ms. Chadanuch Meepien	Independent Director	-	-	-	-
	Spouse and Children under the legal age		-	-	-	-
11	Mr. Teera Benjasilarak	Executive Vice President (Accounting Department)	1,110,417	(200,000)	910,417	0.008
	Spouse and Children under the legal age		688,000	-	688,000	0.006





No.	Name	Position	No. of Shares as at 1 January 2023	Changes in No. of Shares Increased/ (Decreased) during 2023	No. of Shares as at 31 December 2023	Shareholding (%) as at 31 December 2023
12	Mr. Visit Tantichaipakorn	Senior Vice President (Finance Department)	-	-	-	-
	Spouse and Children under the legal age		-	-	-	-
13	Ms. Sumon Buamanee	Vice President (Accounting Department)	10,000	-	10,000	0.000
	Spouse and Children under the legal age		-	-	-	-
14	Mr. Orasumpol Kaewpaluek	Vice President (Finance Department)	70	-	70	0.000
	Spouse and Children under the legal age		-	-	-	-

Remark : As at 30 June 2023, according to the resignation of Mr. Pakhawat Kovithvathanapong from the position of Director, Independent Director, and the Chairman of Audit Committee.



## Attachment 4

### Detail of Head of Internal Audit

Name - Surname : Mr. Pornchai Kiatkajornvirat

Position : Senior Vice President of Internal Audit and System Development

#### Education :

- Bachelor of Business Administration, Accounting
- Master of Business Administration, Faculty of Management Science

#### Work Experiences :

- 1986 - 1989 Accountant
- 1990 - 1991 Assistant Vice President of Accounting Department
- 1992 - 2014 Vice President of Internal Audit and System Development
- 2015 - Present Senior Vice President of Internal Audit and System Development

#### Trainings :

- Important Internal Auditing Procedure
- Full Scale Internal Auditing
- Internal Control Seminar
- Codes of Conduct
- Corporate Governance, Risk Management and Internal Audit in tomorrow's Leading Organization
- Audit Committee (Promotion Mechanism for Good Corporate Governance)
- Risk Management
- AGM Assessment Project
- How can an internal auditor support the Audit Committee?
- IT Auditing in practice
- Business Risk Management
- CG Forum 3/2556 : Conflict of interest : Fighting abusive RPT
- Guideline on the disclosure of Corporate Social Responsibility in Form 56-1
- Roles of Executives and Employees in Anti-Corruption



## Attachment 5

### Land Use for Operating Projects

The land that the Company has used for operating projects as of 31 December 2023, consists of land, landfill, utilities and construction works as detailed below:

No.		Name of Project	Land area (Rai)	Net Cost Value (MB)	Ownership	Collateral
1	074	CHAIYAPRUEK Chiang Mai	3.43	10.1	LH	
2	075	NANTAWAN 2 Chiang Mai	3.67	47.8	LH	
3	107	CHONLADA Chiang Mai	7.45	41.9	LH	
4	140	siwalee Klong Chon.-Chiang Mai	1.59	40.0	LH	
5	188	Villaggio Bangna	0.97	29.4	LH	
6	203	NANTAWAN Serene Lake-Chiang Mai	18.38	286.8	LH	
7	229	siwalee Sankamphang-Chiang Mai	7.92	107.9	LH	
8	243	siwalee Mittraphap Road-Nakhon Ratchasima	0.87	32.4	LH	
9	246	siwalee Maliwan Road-Khon Kaen	8.05	147.9	LH	
10	249	Villaggio Rangsit Klong 2	1.32	29.4	LH	
11	253	NANTAWAN Udonthani	7.78	192.1	LH	
12	254	siwalee Udonthani	5.51	131.4	LH	
13	260	NORTH CONDO 5 SERENE LAKE-CHIANGMAI	1.09	17.4	LH	
14	261	NORTH CONDO 6 SERENE LAKE-CHIANGMAI	2.14	37.9	LH	
15	266	siwalee Sri Wiang-Chiang Rai	12.34	221.2	LH	
16	272	MANTANA Motorway-Korat	52.73	572.2	LH	
17	286	siwalee Maha Sarakham	8.92	184.8	LH	
18	292	Villaggio Phetkasem-Sai 4	0.66	27.1	LH	
19	304	MANTANA Serene Lake-Chiang Mai	2.33	63.8	LH	
20	318	THE BANGKOK Thonglor	14.59	1,230.1	LH	
21	323	indy WESTGATE	6.80	243.5	LH	
22	329	siwalee Srinakarin-Romklao	4.34	120.9	LH	
23	337	anya WESTGATE	9.60	333.3	LH	
24	338	Villaggio Sansai-Chiang Mai	9.66	235.1	LH	
25	341	Villaggio 2 Ayutthaya	28.36	608.9	LH	
26	344	MANTANA Sansai-Chiang Mai	17.64	333.1	LH	
27	345	THE ROOM Sukhumvit 38	29.74	1,823.6	LH	
28	346	indy 2 Srinakarin	0.17	5.5	LH	



No.		Name of Project	Land area (Rai)	Net Cost Value (MB)	Ownership	Collateral
29	347	THE ROOM Phayathai	25.03	1,178.5	LH	
30	349	Villaggio 2 Srinakarin-Bangna	8.12	240.4	LH	
31	351	Villaggio 3 Srinakarin-Bangna	32.36	519.3	LH	
32	354	Villaggio Bangyai	35.74	666.5	LH	
33	355	CHAIYAPRUEK Phetkhasem 69	54.64	783.0	LH	
34	357	THE KEY MRT Petchkasem 48	16.25	497.9	LH	
35	362	MANTANA 2 Motorway-New Krungthep Kritha	5.95	232.2	LH	
36	363	Wanvayla Na Chao Phraya	238.82	1,947.7	LH	Loan
37	368	MANTANA 100+ Kanchana-Bangbon 5	55.77	1,141.7	LH	
38	372	MANTANA Ratchaphruek-Nakhon In	38.58	1,183.4	LH	
39	375	Villaggio Suksawat-Pracha Uthit	27.89	612.0	LH	
40	376	CHAIYAPRUEK Bangna km 15	13.51	538.3	LH	
41	377	VIVE Krungthep Kritha	7.24	596.0	LH	
42	379	NANTAWAN Rama 9-New Krungthep Kritha	17.71	1,248.9	LH	
43	380	CHAIYAPRUEK Bangna km 13	33.51	947.8	LH	
44	381	VIVE Bangna km 13	22.56	932.4	LH	
45	382	PRUEKLADA Pinklao-Salaya	21.13	471.1	LH	
46	383	PRUEKLADA Ratchaphruek-345	26.86	630.3	LH	
47	384	inizio Bangna	32.95	671.1	LH	
48	390	inizio Ratchapruek-Rattana Thibet	0.19	6.4	LH	
49	391	NANTAWAN Pinklao-Kanchana	40.75	1,862.3	LH	
50	399	inizio Srinakarin	6.52	221.3	LH	
51	403	CHAIYAPRUEK 1 Serene Lake-Chiang Mai	0.19	2.5	LH	
52	404	CHAIYAPRUEK 2 Serene Lake-Chiang Mai	0.91	21.6	LH	
53	405	CHAIYAPRUEK 3 Serene Lake-Chiang Mai	2.76	46.8	LH	
54	406	CHAIYAPRUEK Chaengwattana	42.78	1,062.0	LH	
55	410	CHAIYAPRUEK 2 Rangsit Klong 4	58.43	1,205.3	LH	
56	414	CHAIYAPRUEK Prannok-Sai 2	14.10	525.6	LH	
Subsidiaries						
57	NE408	Villaggio Srinakarin	5.56	207.0	LHNE	
58	NE410	inizio Suksawat-Pracha Uthit	11.47	314.5	LHNE	
59	NE411	CHAIYAPRUEK Ayutthaya	8.85	297.2	LHNE	



No.	Name of Project		Land area (Rai)	Net Cost Value (MB)	Ownership	Collateral
60	NE415	MANTANA Motorway-Rama 9	12.04	340.5	LHNE	
61	NE417	MANTANA 100+ Bangkhunthian-Chaithale	14.52	418.8	LHNE	
62	NE419	Villaggio Rangsit Klong 4	17.65	520.3	LHNE	
63	LHM	Phuket 4 Project	56.12	1,073.4	LHM	Loan
64	SA007	anya Phetkhasem-Sai 4	16.15	371.0	SA	
65	LA016	inizio Chiang Mai	22.85	225.5	LA	
66	LA020	MANTANA Maliwan-Khon Kaen	40.74	464.7	LA	
67	LA023	MANTANA Petchkasem-Sai 4	6.24	195.4	LA	
68	LA024	indy Ayutthaya	1.15	32.8	LA	
69	LA025	PRUEKLADA Ramindra Expressway-Chatuchot	20.29	550.7	LA	
70	LA029	anya Ratchaphruek-Nakhon In	1.50	69.6	LA	
71	LA030	MANTANA Bangna km 15	38.56	1,284.7	LA	
Total			1,422.99	33,513.90		

Remark: NE = Land and Houses Northeast Co., Ltd.  
LA = LH Asset Co, Ltd.

LHM = LH Muang Mai Co., Ltd.  
SA = Siam Tanee Property Co., Ltd.

The ongoing projects, the projects under preparation, and the land held for development as of 31 December 2023 bear the cost of land, interest on land, land filling, utility development and construction costs in total of 61,119 million Baht. The Company and its subsidiaries have pledged land and work in progress value of 12,266 million Baht as collateral for the long-term loans from the banks.







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