Quality Houses

FORM 56-1 ONE REPORT 2023

Quality Houses Public Company Limited

Q House

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Vision and Mission

Vision

To be the leading real estate development company in providing the quality and innovations of products and services for customers in all target segments under the social sustainability approach.

Mission

Product and Service Quality

- Create long-term competitive advantage by focusing on the best quality products and services for customers in all targeted segments.
- Focus on innovations of new products and services to accurately and timely respond to customer needs.

Work Life Quality

- Create positive work environment and culture, enhance employee benefits to promote efficiency and happiness at work.

Personnel

- Operate in accordance with laws, with transparency, that can be audited at every stage.
- Support and encourage employees to develop their potentials in various fields as applicable to their responsibilities for their career advancement.

Social Quality

- Social quality of the project: Focus on pleasant and environmental friendly living place, as well as providing convenience and safety for customers.
- Social quality of the surrounding community: Support and be responsible for surrounding communities where the company and its subsidiaries operate, as well as general society.

Investment quality

- Improve efficiency of company's operation and investment in order to achieve a sustainable growth in profitability.

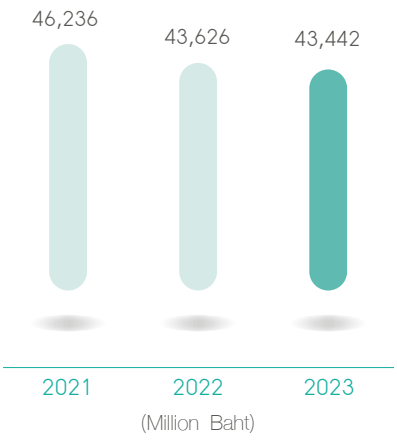
Financial Highlights for the year 2021-2023

(Unit : Million Baht)

Summary of Financial Statements Information	2021	2022	**2023**
Total Assets	46,236	43,626	43,442
Total Liabilities	19,251	15,793	15,070
Shareholders' Equity	26,985	27,833	28,372
Net Sales	8,119	9,226	8,968
Total Revenues	8,352	9,445	9,237
Gross Profit	2,418	3,129	3,006
Net Profit	1,670	2,396	2,503

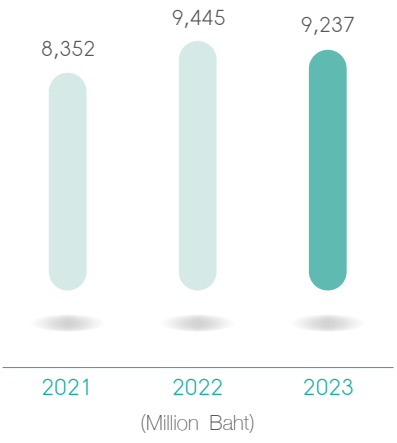
Financial Ratio	2021	2022	**2023**
Net Profit Margin (%)	20.0	25.4	27.1
Return on Equity (%)	6.2	8.7	8.9
Return on Assets (%)	3.6	5.3	5.8
Basic Earning per Share (Baht)	0.16	0.22	0.23
Dividend per Share (Baht)	0.10	0.14	n.a.
Debt to Equity Ratio (Time)	0.7	0.6	0.5
Book Value per Share (Baht)	2.52	2.60	2.65

Total Assets



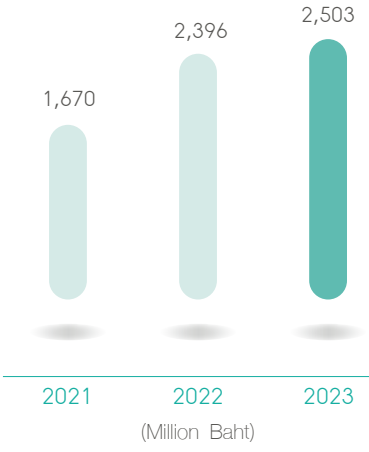
(Million Baht)

Total Revenues



(Million Baht)

Net Profit



(Million Baht)

Message from the Board of Directors

Dear Shareholders,

In 2023, the residential real estate development industry was affected by various factors, including inflation and household debt that remained elevated. The increase in interest rates and the stricter lending criteria for residential mortgages by financial institutions, along with the cancellation of measures to relax the loan to collateral value (LTV) ratio, or measures to relax the minimum down payment, since January 1, 2023.

The aforementioned factors impacted the Company's operating results. In 2023, the Company and its subsidiaries reported revenue from real estate sales, rental and services totaling 8,968 million baht, a decrease of three percent. Net operating profit decreased by eight percent, while interest-bearing debt to equity ratio was at 0.39 (compared to 0.41 in 2022).

With respect to real estate development, the Company continued its focus on low-rise residential development due to the segment's strong fundamental housing demand. In 2023, the Company opened six low-rise housing projects in Bangkok and surrounding areas, with a total project value of 8,589 million baht, which is higher than that of 2022. Operating results of the hotel business have improved, helped by the easing of the COVID-19 outbreak that boosted higher foreign

tourist arrivals, and the government's measures to promote domestic tourism through the "We Travel Together" Phase 5 program that led to the continued recovery of domestic tourism.

Regarding sustainable development, the Company continues to operate in accordance with the sustainable development policies and guidelines, which are consistent with the ESG guidelines that cover environmental dimension, social dimension, and corporate governance dimension, under the principles of good corporate governance. Housing development is accomplished through innovation that is environmentally friendly, by selecting construction materials that focus on saving energy, reducing heat and greenhouse gas emissions.

The Company values the importance of conducting business under good corporate governance. In 2023, as part of the corporate governance survey initiative titled Corporate Governance Report of Thai Listed Companies (CGR), the Company was rated "Excellent", for the eight consecutive year.

The Board of Directors, Quality Houses Public Company Limited would like to extend its gratitude to all customers, shareholders, business partners and all stakeholders for their continued support of the Company, as well as all employees who strived to perform their duties to the best of their ability throughout the past year. The Company will continue to adhere to sustainable business operations under the principles of good corporate governance to create value for society and for the maximum benefit of the Company and all stakeholders.

(Mr. Boonsom Lerdhirunwong)
Chairman

Report of the Board of Directors' Responsibility for Financial Reports

The financial statements of Quality Houses Public Company Limited have been prepared under the policy of the Board of Directors in accordance with Generally Accepted Accounting Principles (GAAP) and conservative accounting policy with careful judgment in making estimates in the preparation of the financial statements to reflect actual operating results of the Company.

The Board of Directors has realized the importance of the quality of the financial statements by providing a review of financial information and adequate disclosure of important information in the Notes to Financial Statements for the benefits of shareholders and general investors in the use of financial statements.

In this regard, the Board of Directors has appointed an Audit Committee, consisting of independent directors who are experts, to directly oversee the quality of the financial statements. The opinion of an Audit Committee has appeared in the Audit Committee Report as disclosed in this Form 56-1 One Report 2023.

According to the mentioned management structure and internal control system as well as an unqualified opinion by the auditor, the Board of Directors therefore believes that the financial statements of Quality Houses Public Company Limited as of December 31, 2023 have presented the financial position, operating results and cash flow correctly in accordance with GAAP.

(Mr. Boonsom Lerdhirunwong)
Chairman

Report from the Audit Committee

Dear Shareholders,

The Audit Committee of Quality Houses Public Company Limited consists of 3 independent directors. In 2023, 6 meetings were convened to independently discuss and consider various subjects. The list of Audit Committee's members and the details of its meetings were shown as follows:

Audit Committee	Position in the Audit Committee	Attendance / Total Meetings (Times)
Mr. Rachai Wattanakasaem [1]	Chairman of the Audit Committee	1/1
Mr. Suri Buakhom [1]	Member of the Audit Committee	1/1
Mr. Adul Vinaiphat [2]	Member of the Audit Committee	1/1
Mrs. Tipawan Chayutimanta [3]	Chairman of the Audit Committee	5/5
Miss Vilasna Poonpatpibul [4]	Member of the Audit Committee	5/5
Assoc.Prof.Dr. Narongdech Srukhosit [5]	Member of the Audit Committee	3/3

Remarks : (1) *Mr. Rachai Wattanakasaem and Mr. Suri Buakhom, Independent Directors, indicated their intention to resign from the Company's Board of Directors due to retirement as per the criteria for holding a position of director and independent director of the Company, effective from May 1, 2023 onwards.*

(2) *Mr. Adul Vinaiphat, Independent Director, had completed his term and did not wish to renew his position at the 2023 Annual General Meeting of Shareholders held on April 21, 2023.*

(3) *Mrs. Tipawan Chayutimanta was approved and appointed as an Independent Director of the Company by the resolution of the 2023 Annual General Meeting of Shareholders held on April 21, 2023, in replacement for Mr. Adul Vinaiphat and was approved and appointed as a Chairman of the Audit Committee by the resolution of the Board of Directors' Meeting No. 3/2023 held on April 21, 2023, effective from May 1, 2023 onwards.*

(4) *Miss Vilasna Poonpatpibul was approved and appointed as an Independent Director and Member of the Audit Committee by the resolution of the Board of Directors' Meeting No. 3/2023 held on April 21, 2023, in replacement for the vacant position of Mr. Suri Buakhom, effective from May 1, 2023 onwards.*

(5) *Assoc. Prof. Dr. Narongdech Srukhosit was approved and appointed as an Independent Director and Member of the Audit Committee by the resolution of the Board of Directors' Meeting No. 5/2023 held on June 27, 2023, in replacement for the vacant position of Mr. Rachai Wattanakasaem, effective from June 27, 2023 onwards.*

The Audit Committee performed his duties as delegated by the Company's Board of Directors and as stipulated in the rules and regulations of the Stock Exchange of Thailand. The Audit Committee's performance of year 2023 is summarized as follows:

1. **Reviewing the Company's quarterly and yearly financial statements** : The Audit Committee collaborated with the internal auditor and the executives in providing the opinion that the Company's financial statement was prepared according to the generally accepted accounting principles and was disclosed accurately and completely. The external auditors did not provide any specific opinion on such financial statement.

In 2023, the Audit Committee held 4 private meetings with the external auditors, without the presence of any executives of the Company, in order to exchange opinions and acknowledge the significant comments as well as suggestions of the external auditors. The meetings were also conducted in order that the financial statements were well prepared for the changes on new or improved accounting standards. This brings about financial statement accuracy and reliability for the benefits of investors and users.

2. **Monitoring internal audit activities and reviewing annual audit plan :** The Audit Committee reviewed and approved the annual audit plan created by prioritizing the risk of significant business operation.

   The Audit Committee acknowledged the result of audit report and commented on taking the preventive measures of internal control systems to prevent or mitigate risks as well as suggested to improve the internal audit activities. The Audit Committee also emphasized following up the improvement of business operation as recommended in the internal audit report to achieve the efficiency of the internal audit system. In 2023, no significant deficiencies were found in the Company's internal control systems.

3. **Reviewing the adequacy of the risk management system :** The Audit Committee considered the adequacy of the risk management system. The Risk Management Committee was established in order to classify the risk type and define the criteria of risk assessment. Evaluate and monitor the impact level of each risk type by department. The Audit Committee considered that the Company has the appropriate and adequate risk management for the business operation.

4. **Monitoring the Company's compliance in accordance with the Securities and Exchange Laws :** The secretary of the Audit Committee was tasked to provide regular updates of any changes to such laws and regulations to the Audit Committee. This includes a summary of the Audit Committee's responsibilities as per the SEC document No. 23/2023 dated September 12, 2023, regarding rehearsal and understanding of the roles and responsibilities of the Audit Committee. The Audit Committee is of the view that in 2023, there were no significant incidents of violation to any laws or regulations.

5. **Selecting the Company's external auditors and reviewing their remuneration :** The Audit Committee proposed and selected the Company's external auditors based on their knowledge, experience, independence, performance and service, as well as the appropriate remuneration. In 2023, the Audit Committee recommended the appointment of EY Office Company Limited to be the Company's external auditors. The proposal was approved by the Board of Directors and was subsequently approved by shareholders at the 2023 Annual General Meeting.

6. **Reviewing and providing opinions on related party transactions :** The Audit Committee ensured that the Company has established procedures and guidelines for every related party transactions in accordance with the government law and regulations, by considering the Company's best benefits at arm's length basis to prevent any conflicts of interest. The Audit Committee also monitored the full and fair disclosure of all related party transactions. The Company performed fairly in compliance with related departments.

7. **Emphasizing the Company's corporate governance :** To achieve good corporate governance in accordance with rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, the Audit Committee has reviewed the roles and responsibilities of the Audit Committee members in all aspects as prescribed in the SEC rules to ensure their full compliance. The Company has established a system to receive complaints from all stakeholders and encouraged employees' compliance with such rules, regulations and code of conduct, as well as environmental protection. The practice of the Company's good corporate governance enhances the Company recognition and trust by shareholders, investors, and other stakeholders.

8. **Considering the Anti-Corruption Guidelines :** The Audit Committee acknowledged all activities and executions related to anti-corruption measures of the Company and provided guidance in accordance with the Company's anti-corruption policy. In addition, the Company is currently certified as a "Member of the Thai Private Sector Collective Action Against Corruption."

9. **Performing the Audit Committee' s duties properly :** The Audit Committee properly performed his duties prudently and independently under the Audit Committee Charter's framework, and also regularly reviewed and appropriately revised the Audit Committee Charter in accordance with the current business situation.

10. **Establishing the Self-Assessment System :** The Audit Committee established the self-assessment system for its members in following topics:
    - The Audit Committee composition
    - Training and resources
    - Meetings
    - Activities of the Audit Committee
    - Relationship with Chief of Internal Audit department, external auditors and Executives

The assessment result was found that the Audit Committee completely performed in accordance with the Audit Committee Charter and effectively promoted good corporate governance. The Report of the Audit Committee's performance shall be regularly presented to the Board of Directors on a quarterly basis.

The Audit Committee concluded that the Company conducted its business principally in line with the good corporate governance policy. As a result, the management system and internal control system had no significant deficiency. Besides, the Company's business practices were conducted based on the Company's best benefits under the policies determined by the Board of Directors.

Tipawan Chayutimanta

(Mrs. Tipawan Chayutimanta)
Chairman of the Audit Committee

Report from the Nomination and Remuneration Committee

Dear Shareholders,

The Nomination and Remuneration Committee is appointed by the Board of Directors for a three-year term or until the remaining term of directorship. The Committee comprises two Independent Directors including:

1.	Mr. Adisorn Thananan-narapool	Chairman of the Nomination and Remuneration Committee
2.	Mrs. Tipawan Chayutimanta	Member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee's duties and responsibilities are prescribed in the Charter of the Nomination and Remuneration Committee regarding human resource policy, director nomination, employee remuneration based on the Company's performance, and the review of directors' remuneration prior to seeking approvals from the Board of Directors and at the shareholders' meeting, respectively.

In 2023, the Nomination and Remuneration Committee held five meetings to review the following agenda items and presented to the Board of Directors:

1. Consider the criteria for holding director and independent director positions
2. Nominate the directors to replace those who completed their terms and to fill vacant positions
3. Consider the Board of Directors' monthly remuneration and meeting allowance for the year 2023
4. Consider the Board of Directors' bonus for the year 2022
5. Consider the Chief Executive Officer 's KPI
6. Consider employee bonus for the year 2023 and employee salary increase for the year 2024
7. Consider the Chief Executive Officer's bonus for the year 2023 and salary increase for the year 2024
8. Consider and follow-up of the succession plan
9. Assessment of director's skill matrix
10. Consider the Nomination and Remuneration Committee's self-assessment for the year 2023

It shall be noted that all members of the Nomination and Remuneration Committee attended all the meetings.

(Mr. Adisorn Thananan-narapool)
Chairman of the Nomination and Remuneration Committee

Report from the Corporate Governance Committee

Dear Shareholders,

The Corporate Governance Committee is responsible for supporting the Board of Directors by overseeing the Company's policy, regulation, and procedure in accordance with the principles of good corporate governance.

A list of the Corporate Governance Committee members and their meeting attendance records in 2023 are as follows:

Name	Position in the Corporate Governance Committee	Meeting Attendance / Total Meetings (Times)
(1) Mr. Suri Buakhom	Chairman of the Corporate Governance Committee	1/1*
(2) Mrs. Suwanna Bhuddhaprasart	Chairman of the Corporate Governance Committee	4/4*
(3) Ms. Apinya Jarutrakulchai	Member of the Corporate Governance Committee	4/4

Remarks : *(1) Mr. Suri Buakhom indicated his intention to resign from the Company's Board of Directors due to retirement as per the criteria for holding a position of director and independent director of the Company, effective from May 1, 2023 onwards.*

(2) The Board of Directors' Meeting No. 5/2023 held on June 27, 2023 resolved to approve the appointment of Mrs. Suwanna Bhuddhaprasart, Member of the Corporate Governance Committee, to hold the position of Chairman of the Corporate Governance Committee.

In 2023, the Corporate Governance Committee performed its duties according to the Charter and as tasked by the Board of Directors with summary of its operations as follows:

(1) Acknowledgment and review of the suggestions by the Thai Institute of Directors Association (IOD) to strengthen the Company's corporate governance

The Corporate Governance Committee acknowledged and reviewed the IOD's suggestions to strengthen the Company's corporate governance per the corporate governance survey of the Thai Listed Companies (CGR). The Committee has provided guidelines to strengthen the Company's corporate governance in 2023 according to the CGR 2023.

(2) Annual review concerning the application of the principles of good corporate governance 2017 (CG Code 2017) according to the Company's business context

In 2023, the Company had an annual review concerning the application of the principles of good corporate governance 2017 (CG Code 2017) according to the Company's business context and presented to the Board of Directors.

Overall, the Company was able to proceed in accordance with such principles.

(3) Evaluation of the operational results of the Board of Director and sub-committees

To be consistent with the principles of good corporate governance, the Corporate Governance Committee mandated the evaluation of operational results of the Board of Director (as a group and individually) and all sub-committees (as a group) in order to improve future operations. The Corporate Governance Committee also encouraged directors to participate in various training courses offered by the IOD and relevant institutions.

With its commitment to the business operations that are aligned with the principles of good corporate governance, Quality Houses Public Company Limited is rated "Excellent" in corporate governance for the year 2023 as part of the corporate governance survey of the Thai listed companies by the Thai Institute of Directors Association (the Company also received "Excellent" result for the year 2022).

The Company was also certified as a member of the Thai Private Sector Collective Action Against Corruption on March 9, 2017, with second round of renewal on October 5, 2022, for another three years (December 2022 - December 2025).

The Board of Directors and the Corporate Governance Committee recognize the importance of and commit to the continued development of the Company's good corporate governance to achieve the goal of creating value for the business and all stakeholder groups.

(Mrs. Suwanna Bhuddhaprasart)
Chairman of the Corporate Governance Committee

Report from the Sustainable Development Committee

Dear Shareholders,

The Sustainable Development Committee was appointed by the Board of Directors Meeting No. 6/2022 held on September 27, 2022 to support the Board of Directors in guiding the Company to operate in accordance with the sustainable development policies and guidelines. Under the good corporate governance principles, this would create economic value while preserving resources and the environment in order to satisfy all stakeholders.

The list of the Sustainable Development Committee members and their meeting attendance records in 2023 are as follows:

Name	Position in the Sustainable Development Committee	Meeting Attendance/ Total Meetings (Times)
1. Mr. Adul Vinaiphat	Chairman of the Sustainable Development Committee	2/2*
2. Mrs. Suwanna Bhuddhaprasart	Chairman of the Sustainable Development Committee	5/5*
3. Mr. Pravit Choatewattanaphun	Member of the Sustainable Development Committee	5/5
4. Ms. Apinya Jarutrakulchai	Member of the Sustainable Development Committee	5/5
5. Mr. Adisak Srisook	Member of the Sustainable Development Committee	5/5
6. Mr. Sommart Promkunakorn	Member of the Sustainable Development Committee	5/5
7. Mrs. Ratchada Leetrakul	Member of the Sustainable Development Committee	5/5

Remarks : * *(1) Mr. Adul Vinaiphat, Independent Director, had completed his term and did not wish to renew his position at the 2023 Annual General Meeting of Shareholders held on April 21, 2023.*

(2) The Board of Directors' Meeting No. 4/2023 held on May 10, 2023 resolved to approve the appointment of Mrs. Suwanna Bhuddhaprasart, Vice Chairman of the Sustainable Development Committee to the position of Chairman of the Sustainable Development Committee.

In 2023, the Sustainable Development Committee performed its duties in accordance with the roles and responsibilities assigned by the Board of Directors as follows:

(1) Setting corporate sustainability management goals

The Sustainable Development Committee set the corporate sustainability management goals by applying the United Nations' Sustainable Development Goals (SDGs) to the corporate sustainability management goals, to align with the direction and goals of international sustainable development as well as to build confidence and create benefits to all stakeholders in all three dimensions, namely Environment (E), Social (S), and Governance and Economy (G).

Moreover, the Committee has recommended the preparation of a report on the organization's greenhouse gas emissions in 2023 and has set long-term targets for the organization's greenhouse gas emissions, which are consistent with Thailand's goals.

(2) Identifying important sustainability issues (Materiality Topics) and prioritizing them in accordance with the corporate strategy

Sustainable Development Committee has identified important sustainability issues (Materiality Topics) and prioritized them in accordance with the corporate strategy by considering material issues that affect the organization and each group of the stakeholders. Supporting activities on each issue have been carried on since 2022.

(3) Supervising, advising, supporting, and promoting sustainable development operations

Sustainable Development Committee has tasked a working group on sustainability to create goals, plans, and indicators for each important issue of sustainability. It has also supervised, advised, and promoted sustainable development operations as well as followed up to ensure efficient sustainable development operations.

The Board of Directors and the Sustainable Development Committee recognize the importance of and strongly commit to the operations that are consistent with the guidelines of sustainable development operations, which shall benefit all stakeholder and the society as a whole.

(Mrs. Suwanna Bhuddhaprasart)
Chairman of the Sustainable Development Committee

Report from the Risk Management Committee

Dear Shareholders,

The Risk Management Committee has been assigned by the Board of Directors to oversee the Company's risk management, which plays an important role in the Company's sustainable development.

Names of the Risk Management Committee and details of the Risk Management Committee Meeting in 2023 are as follows:

Name	Position in the Risk Management Committee	Meeting Attendance/ Total Meetings (Times)
1. Mr. Chalerm Kiettitanabumroong	Chairman of the Risk Management Committee	2/2
2. Mr. Pravit Choatewattanaphun	Member of the Risk Management Committee	2/2
3. Mrs. Suwanna Bhuddhaprasart	Member of the Risk Management Committee	2/2
4. Ms. Apinya Jarutrakulchai	Member of the Risk Management Committee	2/2

The Risk Management Committee has assessed the level of each major risk as follows:

1. Sale risks
2. Production and quality risks
3. Information technology risks
4. Legal risks
5. Financial risks

The Risk Management Committee has supervised the establishment of risk assessment procedures on a monthly/quarterly basis by assessing risks at both the project and company levels, as well as ensuring that risk owners prepare appropriate risk management plans.

The Risk Management Committee is committed to preventing and minimizing risks to facilitate the Company's sustainable development and value creation for all stakeholders.

(Mr. Chalerm Kiettitanabumroong)
Chairman of the Risk Management Committee

The Board of Directors and Executives

The Board of Directors	
1. Mr. Boonsom Lerdhirunwong	Chairman and Independent Director
2. Mrs. Tipawan Chayutimanta	Independent Director Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee
3. Ms. Vilasna Poonpatpibul	Independent Director and Member of the Audit Committee
4. Assoc. Prof. Dr. Narongdech Srukhosit	Independent Director and Member of the Audit Committee
5. Mr. Naporn Sunthornchitcharoen	Director
6. Mr. Adisorn Thananan-narapool	Director and Chairman of the Nomination and Remuneration Committee
7. Mrs. Suwanna Bhuddhaprasart	Director Chairman of the Sustainable Development and Corporate Governance Committee and Member of the Risk Management Committee
8. Mr. Achawin Asavabhokin	Director
9. Mr. Chalerm Kiettitanabumroong	Director Chairman of the Risk Management Committee and Chairman of the Executive Committee
10. Mr. Pravit Choatewattanaphun	Director Member of the Risk Management Committee and Member of the Sustainable Development and Corporate Governance Committee
11. Ms. Apinya Jarutrakulchai	Director Member of the Risk Management Committee Member of the Sustainable Development and Corporate Governance Committee and Company Secretary

The Executives	
1. Mr. Chalerm Kiettitanabumroong	Chief Executive Officer
2. Mr. Pravit Choatewattanaphun	Managing Director
3. Ms. Apinya Jarutrakulchai	Senior Executive Vice President
4. Mr. Adisak Srisook	Executive Vice President
5. Mr. Sommart Promkunakorn	Executive Vice President
6. Ms. Chuleeporn Moonsawat	Assistant Vice President, Finance and Accounting Department

Section

1

Business Operation and Operating Results

1. Organizational Structure and Operation of the Group of Companies
2. Risk Management
3. Driving Business for Sustainability
4. Management Discussion and Analysis
5. General Information and Other Material Facts

1. Organizational Structure and Operation of the Group of Companies

1.1 Policy and Overview of Business Operations of the Company

Quality Houses Public Company Limited, its subsidiaries and associated companies operates real estate development for sales and rent business, jointly invests in other companies and property funds, which could be summarized as follows:

- **Real Estate Development for Sales Business :** including Land and houses for sales business and Residential condominium units for sales business
- **Real Estate for Rent Business :** including hotels business and office buildings for rent business.
- **Management Service for Real Estates for Rent Business :** including hotels, apartments, office buildings and houses for rent.
- **Investment Business :** the Company has direct and indirect, through its subsidiaries, investments and property funds, including Harbour View Corporation, Home Product Center Plc., LH Financial Group Plc., Quality Houses Leasehold Property Fund ("QHPF") and Quality Houses Hotel and Residence Freehold and Leasehold Property Fund.

1.1.1 Vision and Mission

The Board of Directors has set the vision and mission of the Company to serve as goals and guidelines for formulating strategy as well as future business plan. The details are as follows:

Vision

To be the leading real estate development company in providing the quality and innovations of products and services for customers in all target segments under the social sustainability approach.

Mission

Product and Service Quality

- Create long-term competitive advantage by focusing on the best quality products and services for customers in all targeted segments.
- Focus on innovations of new products and services to accurately and timely respond to customer needs.

Work Life Quality

- Create positive work environment and culture, enhance employee benefits to promote efficiency and happiness at work.

Personnel

- Operate in accordance with laws,with transparency, that can be audited at every stage.
- Support and encourage employees to develop their potentials in various fields as applicable to their responsibilities for their career advancement.

Social Quality

- Social quality of the project: Focus on pleasant and environmental friendly living place, as well as providing convenience and safety for customers.
- Social quality of the surrounding community: Support and be responsible for surrounding communities where the company and its subsidiaries operate, as well as general society.

Investment quality

- Improve efficiency of company's operation and investment in order to achieve a sustainable growth in profitability.

1.1.2 Significant Changes and Developments

The Company's history, significant changes and developments are summarized as follows;

Year 1983 : The Company was incorporated on October 21,1983 with an initial registered capital of Baht 1.0 million with a primary objective to provide one-stop, integrated construction services for housing projects on customers' plots of land;

Year 1990 : The Company began operating the business of real estate development for rent, divided into 2 categories: serviced apartments for rent and office buildings for rent;

Year 1991 : On September 11, 1991, the Company was listed on the Stock Exchange of Thailand;

Year 1992 : The Company began operating the business of land and houses for sales;

Year 1993 : The Company was transformed into a Public Company on June 28, 1993;

Year 1997 : The Company encountered business difficulties during Thailand's financial crisis;

Year 1999 : The Company entered into debt restructuring agreements with commercial banks and financial institutions and was able to satisfactorily comply with the terms and conditions of the agreements. Later in 2005, the Company was able to repay the full amount of loans according to the agreements;

Year 2001 : The Company increased its capital and offered 20% of its total shares or Baht 812.0 million to the Government of Singapore Investment Corporation Pte Ltd. (GIC);

Year 2006 : The Company and its subsidiaries sold the properties together with the related equipment, and/or gave the leasehold rights, and/or transferred the property leasehold rights for 2 office buildings, namely, Q.House Ploenjit and Q.House Lumpini, to the Quality Houses Leasehold Property Fund (QHPF). The transaction was approved by the Securities and Exchange Commission (SEC) on December 7, 2006. The Company also invested 204.5 million units, equating to 25.66%, worth Baht 2,045.1 million in the property fund.

Furthermore, the Fund Manager appointed Q.H. International Co., Ltd., a subsidiary of the Company, to be the property manager of such properties for 5 years with an option to renew the contract for not exceeding 5 years each;

Year 2012 : The Company and its subsidiaries sold the properties together with related equipment and/or gave the leasehold rights and/or transferred the property leasehold rights for 3 hotel projects, i.e. the Centre Point Hotel Pratunam, the Centre Point Hotel Sukhumvit 10 and the Centre Point Hotel Chidlom, to the Quality Houses Hotel and Residence Freehold and Leasehold Property Fund (QHHR) ("The Fund"). The transaction was approved by the Securities and Exchange Commission (SEC) on July 2, 2012. The Company also invested 105.28 million units, equating to 31.33%, worth Baht 1,050.28 million in The Fund.

After invested in those properties, QHHR was set to offer for rent or for lease the properties under its ownership and possession, and all of whose leasehold rights it has been granted, to Centre Point Hospitality Co., Ltd., a 100% wholly owned subsidiary of the Company.

The Centre Point Hospitality Co., Ltd. then appointed Q.H. International Co., Ltd., a 100% wholly owned subsidiary of the Company, to manage the hotels and serviced apartments over the period of 3 years and the contract can be renewal with an option to renew the contract for not exceeding 3 years each;

Year 2017 : LH Financial Group Public Company Limited ("LHFG") issued new shares and sold to CTBC Bank Co., Ltd. ("CTBC") resulting in a lower shareholding of the Company of 13.74% from 21.34% of total registered and paid up capital;

Year 2018 : Casa Ville (Chonburi 2554) Co.,Ltd. Opened the Centre Point Hotel Pattaya on December 2018. (In 2020, the hotel was renamed to "Centre Point Prime Hotel Pattaya");

Objective of Business

The Company and its subsidiaries operate in 3 core businesses including, real estate development for sales business, hotel business and office building rental business. The Company's and its subsidiaries business policy in the next 3 years will maintain to focus on real estate development for sales comprising of single detached houses, townhouses and condominiums with high quality in various price ranges in Bangkok, its greater area and upcountry regions aiming to serve customers in all target segments, as well as focusing on safety and after service sales for customer's satisfaction.

1.1.3 Utilization of the Capital from Debentures

The use of proceeds is as its objectives that is to repayment of loan and/or Working capital.

1.1.4 Head Office Location

Company Name	:	Quality Houses Public Company Limited
Registration No.	:	0107536000579
Type of business	:	Operates real estate development for sales and rent business
Head Office Location	:	6th and 7th Floor of Q.House Lumpini Building, No. 1 South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120
Telephone No.	:	0-2677-7000
Company Website	:	www.qh.co.th
Registered capital	:	10,714,426,091 Baht (As at December 31, 2023)
Paid-up capital	:	10,714,381,645 Baht (As at December 31, 2023)
Par value Per Share	:	1 Baht

1.2 Nature of Business

1.2.1 Revenue Structure

Revenue structure of Quality Houses Public Company Limited and its Subsidiaries

(Unit : Million Baht)

Revenue by Business 1/	Operated by	2021		2022		2023	
		Revenues	%	Revenues	%	Revenues	%
1) Real Estate Development Business							
1.1 Real Estate for Sales Business	Quality Houses Plc. and its Subsidiaries 2/	6,984	72	7,457	68	6,720	61
1.2 Residential Condominium for Sale Business	Quality Houses Plc. and its Subsidiaries 3/	518	5	770	7	899	8
1.3 Hotel Business	Quality Houses Plc., Centre Point Hospitality Co., Ltd. and Casa Ville (Chonburi 2554) Co., Ltd.	314	3	717	6	1,215	11
1.4 Office Building for Rent Business	Quality Houses Plc.	303	3	282	3	134	1
Total revenue from real estate development business		**8,119**	**83**	**9,226**	**84**	**8,968**	**82**
2) Other income							
2.1 Share of profit from investments in associates	Quality Houses Plc.	1,382	14	1,586	14	1,753	16
2.2 Others	Quality Houses Plc. and its subsidiaries	233	2	219	2	269	2
Total of other income		**1,615**	**17**	**1,805**	**16**	**2,022**	**18**
Total		**9,734**	**100**	**11,031**	**100**	**10,990**	**100**

Remarks : *1/ The Company's revenue is entirely from domestic sales.*

2/ Subsidiaries are Casa Ville Co., Ltd., The Confidence Co., Ltd., Casa Ville (Petchburi 2553) Co., Ltd., Casa Ville (Chonburi 2554) Co., Ltd. and Gusto Village Co., Ltd.

3/ Subsidiaries are Casa Ville Co., Ltd., The Confidence Co.,Ltd., Casa Ville (Prachuabkhirikhan 2554) Co., Ltd., Casa Ville (Chonburi 2554) Co., Ltd., Casa Ville (Petchburi 2553) Co., Ltd., Gusto Village Co., Ltd. and Casa Ville (Rayong 2553) Co., Ltd.

The structure of Share of profit from investments in associates

(Unit : Million Baht)

Project	Operated by	% Owned by the Company as at Dec 31, 2023	2021		2022		2023	
			Revenues	%	Revenues	%	Revenues	%
1. Office building for rent Business								
- Q. House Lumpini Building, Q. House Ploenjit Building and Wave Place Building	Quality Houses Leasehold Property Fund	25.66	148	11	120	7	120	7
Sub-total			**148**	**11**	**120**	**7**	**120**	**7**
2. Hotel Business								
- Centre Point Hotel Pratunam, Centre Point Hotel Sukhumvit 10, Centre Point Hotel Chidlom	Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	31.33	(17)	(1)	14	1	65	4
Sub-total			**(17)**	**(1)**	**14**	**1**	**65**	**4**
3. Construction material Business	Home Product Center Plc.	19.87	1,081	78	1,235	78	1,280	73
Sub-total			**1,081**	**78**	**1,235**	**78**	**1,280**	**73**
4. Investment Business	LH Financial Group Plc.	13.74	170	12	217	14	288	16
Sub-total			**170**	**12**	**217**	**14**	**288**	**16**
	Total		**1,382**	**100**	**1,586**	**100**	**1,753**	**100**

1.2.2 Products information

(1) Nature of products and services

(1.1) Products or services classification. The Company and its subsidiaries classify its products according to the nature of business and use variety of marketing strategies based on each business types. The Company's approaches may be summarized as follows:

A) Real Estate Development for Sales Business

- **Land and houses for sales business**

The Company and its subsidiaries develop land and houses for sales by taking the raw lands which are in good locations, subdividing the land into plots, building houses on those land plots whilst developing a variety of infrastructures accordingly. At present, the Company and its subsidiaries' residential development projects are located in location with convenient access to the city center, including Bangkok Metropolitan Region and upcountry such as Chonburi, Rayong and Chiang Mai.

The Company and its subsidiaries have adopted a policy to expand its target group by offering a wider range of products from high-end, middle-end to low-end in order to cater to customers' needs as follows:

- **High-end products**

(Price per Unit)

Company Name	Single Detached House Projects	
	PRUKPIROM	LADDAROM
	Baht > 20 million	Baht 10-20 million
1. Quality Houses Plc.	✓	✓
2. Casa Ville (Chonburi 2554) Co., Ltd.		✓
3. Gusto Village Co., Ltd.		✓

- **Middle-end products**

(Price per Unit)

Company Name	Single Detached House Projects		Townhouses Projects	
	VARAROM	CASA GRAND, CASA LEGEND, CASA PREMIUM, CASA VILLE, CASA PRESTO	Q District	CASA CITY
	Baht 5-10 million	Baht 5-10 million	Baht 3-7 million	Baht 3-5 million
1. Quality Houses Plc.	✓	✓	✓	✓
2. Casa Ville Co., Ltd.		✓		✓
3. Casa Ville (Rayong 2553) Co., Ltd.		✓		
4. Casa Ville (Chonburi 2554) Co., Ltd.		✓		
5. The Confidence Co., Ltd.	✓	✓		✓
6. Gusto Village Co., Ltd.			✓	✓
7. Casa Ville (Petchburi 2553) Co., Ltd.			✓	

- **Low-end products**

(Price per Unit)

Company Name	Townhouses Projects	
	THE TRUST	Gusto
	Baht < 3 million	Baht < 3 million
1. The Confidence Co., Ltd.	✓	
2. Gusto Village Co., Ltd.		✓
3. Quality Houses Plc.		✓

- **Residential condominium units for sales business**

The Company and its subsidiaries have adopted a policy to expand its business in residential condominium units for sales, considering projects with appropriate return on investment and located in the city center or near the mass transit lines (BTS) both current lines and future extensions as well as community area with convenient transportation, Moreover, the Company's subsidiaries also expand condominium projects to upcountry such as Chonburi, Petchburi, Prachuabkhirikhan, Chiang Mai, Chiang Rai and Nakhon Pathom.

This policy is strategically intended to inspire customer's satisfaction and cater to the needs and wants of those who are looking for modern-day convenience in terms of commuting from and to workplaces while at the same time making it possible to enjoy their lifestyles. The target group includes entrepreneurs, middle management and above, as well as company employees and younger generation who prefer convenience and city life. The projects may be classified by product types as follows:

(Price per Unit)

Company Name	High-end product	Mid-end product	Low-end products	
	Q	CASA CONDO	THE TRUST CONDO	THE POINT CONDO
	Baht > 20 million	Baht 3-5 million	Baht < 3 million	Baht < 3 million
1. Quality Houses Plc.	✓	✓		
2. Casa Ville Co., Ltd.		✓		
3. The Confidence Co., Ltd.			✓	✓
4. Casa Ville (Petchburi 2553) Co., Ltd.	✓	✓		
5. Casa Ville (Chonburi 2554) Co., Ltd.		✓	✓	✓
6. Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.			✓	
7. Gusto Village Co., Ltd.		✓		
8. Casa Ville (Rayong 2553) Co., Ltd.		✓		

B) Real Estate for Rent Business

- **Hotel business**

The Company has built and rented hotel buildings under the brand **"Centre Point"** in order to provide residential services to expatriates who come to work and/or travel in Thailand on both short-term and long-term basis. Therefore, the Company and its subsidiaries have made selection of the best in terms of locations, equipped with convenience and comfort within the heart of the city and central business district areas (CBD). Furthermore, the Company and its subsidiaries have also emphasized on other services, such as by providing meeting rooms, business centers and restaurants, etc.; the Company also has a policy of providing high quality services, efficient security system, as well as state-of-the-art communication devices.

The assets used in operating the hotel business are ones used for long-term operation and those leased for business operation under the terms of agreement between 1-3 years.

- **Office buildings for rent business**
  The Company has constructed high-rise buildings on its own plots of land and on long-term leased land which are located in central business district areas (CBD) and fully equipped with public utilities and telecommunication facilities in order to provide office space rental services to customers. In addition, the Company also emphasizes on the standard quality of the buildings, the quality of services and the proper lay-out within the buildings to ensure more effective business operations.

C) Management Service for Real Estates for Rent Business

The Company and its subsidiaries provide management service for real estate for rent, including hotels, apartments, office buildings and houses for rent as follows:

- Management of Wave Place Building and management of office buildings: Q. House Lumpini Building, and Q. House Ploenjit Building for the Quality Houses Leasehold Property Fund;
- Management of residential buildings for rent : Centre Point Residence Promphong Project and Centre Point Sukhumvit-Thonglor, as well as management of houses for rent in L&H Villa Sathorn Project for Land and Houses Freehold and Leasehold Property Fund;
- Management of Centre Point Hotel Pratunam, Centre Point Hotel Sukhumvit 10 and Centre Point Hotel Chidlom for Quality Houses Hotel and Residence Freehold and Leasehold Property Fund;
- Management of Mandarin Hotel for the Mandarin Hotel Public Company Limited.
- To be an advisor to Siam Retail Development Company Limited to manage Centre Point Terminal 21 Korat.
- Management of Nuam Building for the Nuam Co., Ltd.

D) Investment Business

The Company has direct and indirect, through its subsidiaries, investments and property funds as follows:

- **Harbour View Corporation ("HVC")** ; The Company has invested indirectly in HVC by holding 100% shares in Q.H. International Co., Ltd. (QHI), while in turn QHI owns 100% shares in Q.H. International (BVI) Co., Ltd. ("QHI (BVI)") and QHI (BVI) is in possession of 14.15% shares in HVC, the last of which operates a hotel and office building rental business in Haiphong, Vietnam;
- **Home Product Center Plc.** ; Of which the Company holds 19.87% shares; (detail in "Shareholding Structure of the Company" section,topic 1.3.1 (B) Associated Companies)
- **LH Financial Group Plc.** ; A holding company which has remained active in making long-term investments in the Land and Houses Bank Plc., holding 100% of shares; the Company holds 13.74% of its shares; (detail in "Shareholding Structure of the Company" section, topic 1.3.1 (B) Associated Companies)

- **Quality Houses Leasehold Property Fund ("QHPF")** ; The Company and its subsidiaries sold the property with components and relevant equipment and/or transferred the office building leasehold rights of 2 projects, Q.House Ploenjit and Q.House Lumpini, to Quality Houses Leasehold Property Fund. The Company invested in QHPF for units 204.5 million, or 25.66% of QHPF's total investment units, which amounted to Baht 2,018 million.

  In addition, Land and Houses Fund management Co., Ltd. has appointed the Company and/or Q.H. International Co., Ltd., which was the Company's subsidiary, to be the Property Manager for all properties in which QHPF has invested. The management fee will be calculated with reference to the result of business operation of each project.

  In 2023, the Company and its subsidiary, Q.H. International Co., Ltd., the Company's subsidiary was continuously extended the agreement as the Property Manager for another 3 years. Which is effective since January 1, 2023 to December 31, 2025.

Summary of Quality Houses Property Fund's Investment Properties are as follow;

Detail	Q.House Ploenjit	Q.House Lumpini	Wave Place
Location	598 Ploenchit Rd., Lumpini, Pathumwan (Construction completed since 1998)	1 South Sathorn Rd., Tungmahamek, Sathorn (Construction completed since Mar 2006)	55 Wireless Rd., Lumpini, Pathumwan (Constuction completed since 1999)
Type of investment	Leasehold of land and building including infrastructure system and related equipment for 30 years	Freehold of building and infrastructure system including related equipment and be transferred for land leasehold right	Freehold of building and infrastructure system including related equipment and be transferred for land leasehold right
Ownership			
- Land	Quality Houses Plc.	Individual[1/]	Individual[1/]
- Building	Quality Houses Plc.	The Confidence Co., Ltd.	Land and Houses Freehold and Leasehold Property Fund
- Infrastructure system and related equiments	Quality Houses Plc.	The Confidence Co., Ltd.	Land and Houses Freehold and Leasehold Property Fund
Property manager after investment by fund	Quality Houses Plc.	Q.H. International Co., Ltd.	Quality Houses Plc.

Remark 1/ Individual is a person who has no conflict of interest.

- **Quality Houses Hotel and Residence Freehold and Leasehold Property Fund** ; The Board of Directors' Meeting No. 4/2012 dated June 19, 2012, has passed a resolution to establish Quality Houses Hotel and Residence Freehold and Leasehold Property Fund ("QHHR"), which was to be managed by Land and Houses Fund Management Co., Ltd. ("management company"), and on behalf of which the Company was in charge of distributing the real estate property, fixture and the related equipment and/or to give the leasehold right and/or to transfer the leasehold right of real estate property for the following (three) hotels, i.e. Centre Point Hotel Pratunam, Centre Point Hotel Sukhumvit 10 and Centre Point Hotel Chidlom, and ensure that QHHR would enter into the property lease agreement "for" Centre Point Hotel Chidlom "from" The Crown Property Bureau. In addition, by virtue of the aforementioned resolution, approbation has been made in order that Company was to invest in QHHR whereby a number of not greater than 112 million investment units would be purchased at Baht 10 each, thus accounting for not greater than Baht 1,120 million approximately, or not more than one-third of the total number of QHHR investment units. The Company has practically made investment in the aforementioned entity's 105.3 million (investment) units worth Baht 1,053 million.

  In addition, the Board of Directors has also adopted another resolution to grant one of the Company's subsidiaries "Centre Point Hospitality Co., Ltd.", whose shares amounting to not less than 99.99% being directly or indirectly held by the Company, to lease and sublease the aforementioned properties from QHHR over the period of 3 years commencing from the lease commencement date at the prescribed rates of rental and sublease fees. Centre Point Hospitality Co., Ltd. has also given a pledge to QHHR that it would lease and sublease from the latter following the completion of the lease and sublease period, whichever applicable, for the period of 3 years, were QHHR to desire accordingly; whereas the terms and conditions specified thereof were to be thoroughly the same as the currently existing ones, including an option to renew the lease and sublease terms for the other 3 years each, commencing from the lease and sublease expiry dates stated in the contracts. Furthermore, the resolution has also been given so as to approve that the Company entered into the process of guaranteeing that QHHR would observe all terms and conditions and thus act accordingly in honoring the agreements with the Crown Property Bureau, as the joint debtor. The initial total value of the aforementioned act of guarantee amounted to Baht 86.2 million.

  Furthermore, the Board of Directors have also approved that the Company entered into agreement whereby to provide guarantee for the minimum rental fee of Baht 837 million, which was to be received by QHHR from the investments in all 3 Centre Point projects, and which would remain effective for a period of 3 years commencing from the date upon which QHHR had first entered into the business of making investment in the aforementioned property ("guarantee period") however the guarantee period for the minimum rental expired since July 2015.

Summary of Quality Houses Hotel and Residence Property Fund's Investment Properties are as follow;

Detail	Centre Point Hotel Pratunam	Centre Point Hotel Sukhumvit 10	Centre Point Hotel Chidlom
Location	6 Petchburi Rd., Phayathai, Ratchathewi, Bangkok	39 Sukhumvit 10, Klongtoey Rd., North Klongtoey, Klongtoey, Bangkok	60 Langsuan 1, Langsuan Rd., Lumpini, Patumwan, Bangkok
Type of investment	Freehold of building, infrastructure system, furniture and related equipment.	Freehold of building, infrastructure system, furniture and related equipment.	Freehold of building, infrastructure system, furniture and related equipment.
Ownership			
- Land, Building and infrastructure	Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	Crown Poperty Bureau
- Furniture and related equipment	Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	Quality Houses Hotel and Residence Freehold and Leasehold Property Fund
Leasee from QHHR after investment by fund	Centre Point Hospitality Co., Ltd.	Centre Point Hospitality Co., Ltd.	Centre Point Hospitality Co., Ltd.
Property manager	Q.H. International Co., Ltd.	Q.H. International Co., Ltd.	Q.H. International Co., Ltd.
Addtional conditions - guarantee rental payment to the fund	Quality Houses Plc., agreed to guarantee for minimum rental to the fund for 3 projects for 3 years, since and including July 20, 2012, "the fund's investment date", to and including July 19, 2015, "guarantee period", as following amount of "guarantee net profits"; 1. Since the fund's investment date to 31 December 2012, "guarantee period year 2012", at amount of Baht 138,400,000 (One hundred and thirty-eight million and four hundred thousand baht). 2. Year 2013, "guarantee period for year 2013", at amount of Baht 266,100,000 (Two hundred and sixty-six million and one hundred thousand baht). 3. Year 2014, "guarantee period for year 2014", at amount of Baht 278,300,000 (Two hundred seventy-eight million and three hundred thousand baht). 4. Since 1 January 2015 to 19 July 2015, 3 years anniversary date from the fund's investment date or "guarantee period year 2015", at amount of Baht 152,800,000 (One hundred and fifty-two million and eight hundred thousand baht).		

Remark - *Centre Point Hotel Pratunam Formerly known as "Centre Point Hotel & Residence Petchburi"*
- *Centre Point Hotel Sukhumvit 10 Formerly known as "Centre Point Hotel & Residence Sukhumvit"*
- *Centre Point Hotel Chidlom Formerly known as "Centre Point Hotel & Residence Langsuan"*

(1.2) Project details by business types.

A) Land and Houses for sales, the Company and its subsidiaries are categorized into 2 categories as follows;

- **Complete construction projects** (As at December 31, 2023)

Projects' Name	Unit	Project Area (Rai-Ngan-Sq.w.)	Sales Area (Sq.w.)	Investment Value (MB)	Project Value (MB)	Remaining Value		Operated by
						Unit	(MB)	
1. Prukpirom Pinklao 1-2	117	74-3-1	17,170	751	960	5	84	Quality Houses Plc.
2. Prukpirom Regent Pinklao Phase 3	96	63-3-45	17,510	902	1,103	1	16	Quality Houses Plc.
3. Laddarom Elegance Outer Ring Road - Sathorn	217	92-1-45	23,689	2,283	3,110	2	65	Quality Houses Plc.
4. Casa Grand On nut-Outer Ring Road	205	63-2-25	14,884	1,433	2,185	2	30	Casa Ville Co., Ltd.
5. Casa Grand Sukhaphiban 5	100	31-3-99	6,838	658	869	4	42	Casa Ville Co., Ltd.
6. Casa Premium Ratchaphruk-Phraram 5	311	70-1-47	17,957	1,445	2,180	14	87	Casa Ville Co., Ltd.
7. Casa Ville Rayong	137	31-2-59	7,486	323	438	1	4	Casa Ville (Rayong 2553) Co., Ltd.
8. Casa City Pracha Uthit 90	230	20-3-31	4,844	507	620	1	6	The Confidence Co., Ltd.
9. Casa City Don Mueang-Si Saman	398	48-0-92	10,088	1,003	1,496	14	58	Gusto Village Co., Ltd.
10. Q District Suksawat-Wongwaen Phraram 3	495	66-1-48	13,254	1,023	1,671	4	26	Quality Houses Plc.
11. Gusto Wongwean-Phraram 5	274	28-3-51	6,160	474	739	3	10	Gusto Village Co., Ltd.
12. The Trust Suvarnbhumi-Teparak	212	37-2-58	8,375	616	843	3	13	The Confidence Co., Ltd.

- **Current Projects** (As at December 31, 2023)

Project's Name	Unit	Project Area (Rai-Ngan-Sq.w.)	Sales Area (Sq.w.)	Total Investment Value (MB)	Construction Progress		Project Value (MB)	Accumulate Presales (MB)	Accumulate Transfer (MB)	Operated by
					Investment Value (MB)	% of progress				
1. Q. House Villa Nakorn Ping	36	10-1-69	2,501	303	299	99%	360	294	294	Quality Houses Plc.
2. Prukpirom New Ratchaphruk	94	78-2-18	20,290	1,874	1,348	72%	2,925	1,096	959	Quality Houses Plc.
3. Laddarom New Ratchaphruk	178	57-1-11	15,353	1,229	825	67%	1,852	481	473	Gusto Village Co., Ltd.
4. Laddarom Phuttamonthon Sai 1-Bang Khae	96	44-2-73	11,906	1,064	943	89%	1,689	1,034	1,034	Quality Houses Plc.
5. Laddarom Phuttamonthon Sai 3	60	24-2-2	6,663	508	449	88%	796	351	340	Casa Ville (Chonburi 2554) Co., Ltd.
6. Laddarom Wong Wean-Ramintra	132	42-3-82	11,606	900	819	91%	1,471	1,044	1,044	Quality Houses Plc.
7. Laddarom Chatuchot 15	220	59-2-35	16,219	1,423	926	65%	2,126	475	451	Casa Ville (Chonburi 2554) Co., Ltd.
8. Laddarom Tiwanon	109	34-1-50	7,069	712	686	96%	961	734	717	Quality Houses Plc.
9. Laddarom Elegance City Hall	113	48-3-39	10,269	678	486	72%	1,349	618	608	Quality Houses Plc.
10. Vararom Watcharapol-Permsin	306	72-0-7	19,467	1,534	1,165	76%	2,418	961	947	Quality Houses Plc.
11. Vararom New Ratchaphruk	239	59-3-66	16,041	1,281	720	56%	1,766	110	104	The Confidence Co., Ltd.
12. Vararom Suksawat 76	134	32-0-78	8,321	754	435	58%	1,164	-	-	The Confidence Co., Ltd.
13. Vararom Premium Kaewnawarat	290	83-0-80	20,018	891	599	67%	1,449	664	659	Quality Houses Plc.
14. Vararom Premium Kawila	34	8-2-43	2,138	204	196	96%	232	109	109	Quality Houses Plc.
15. Casa Grand Sriracha	196	35-2-62	8,213	681	585	86%	685	287	287	Casa Ville (Chonburi 2554) Co., Ltd.
16. Casa Legend Phraram 5-Ratchaphruk	249	63-3-70	15,617	1,393	1,382	99%	2,165	1,849	1,849	Casa Ville Co., Ltd.
17. Casa Legend Ban Bueng	87	21-0-16	4,773	386	381	99%	426	379	379	Casa Ville (Chonburi 2554) Co., Ltd.
18. Casa Premium Ratchaphruk-Chaengwattana	362	93-1-22	23,908	1,722	1,676	97%	2,416	2,043	2,043	Casa Ville Co., Ltd.
19. Casa Premium Phraram 2	112	30-0-84	6,695	583	580	99%	819	777	777	Casa Ville Co., Ltd.
20. Casa Presto Don Mueang-Song Prapha	333	60-3-78	13,590	1,294	1,202	93%	2,062	1,492	1,486	Quality Houses Plc.
21. Casa Presto Pracha Uthit 90	167	29-2-95	6,571	595	439	74%	771	290	290	The Confidence Co., Ltd.
22. Casa Ville Wong Wean-Ramintra	386	89-3-35	24,076	1,647	1,113	68%	2,638	1,008	1,008	Casa Ville Co., Ltd.

Project's Name	Unit	Project Area (Rai-Ngan-Sq.w.)	Sales Area (Sq.w.)	Total Investment Value (MB)	Construction Progress		Project Value (MB)	Accumulate Presales (MB)	Accumulate Transfer (MB)	Operated by
					Investment Value (MB)	% of progress				
23. Casa Ville Ramkamhaeng-Outer Ring Road 2	352	84-0-48	20,936	1,462	1,392	95%	2,466	2,132	2,119	Quality Houses Plc.
24. Casa Ville Wongwaen Chatu Chot	257	65-1-72	14,797	1,004	941	94%	1,510	1,120	1,120	Quality Houses Plc.
25. Casa Ville Pinklao-Sirat	212	44-3-95	10,026	684	679	99%	1,093	1,022	1,022	Casa Ville Co., Ltd.
26. Casa Ville Pinklao-Wong Wean	187	38-2-69	10,002	675	401	59%	1,150	126	126	Quality Houses Plc.
27. Casa Ville Pracha Uthit 90	31	8-1-19	1,601	139	137	99%	172	143	143	The Confidence Co., Ltd.
28. Casa Ville Ban Bueng	211	39-2-47	9,209	585	415	71%	698	278	278	Casa Ville (Chonburi 2554) Co., Ltd.
29. Casa Waterside Phraram 5	279	27-1-13	5,555	606	599	99%	966	841	841	Casa Ville Co., Ltd.
30. Q Prime Sukhumvit 77	272	25-0-76	5,876	1,260	1,035	82%	1,489	716	691	Quality Houses Plc.
31. Q District West Gate	483	61-3-91	12,210	1,205	1,069	89%	1,779	1,127	1,127	Quality Houses Plc.
32. Q District Suksawat 76	462	50-0-0	12,286	970	764	79%	1,545	743	740	Quality Houses Plc.
33. Q District Bangna-King Kaew	298	31-1-44	8,029	764	603	79%	1,119	379	379	Quality Houses Plc.
34. Q District Chaiyaphruk-Ratchaphruk	386	46-1-5	11,646	937	657	70%	1,379	349	349	Quality Houses Plc.
35. Q District @MRT Yaek Romklao	494	71-2-62	17,898	1,614	794	49%	2,512	11	11	Gusto Village Co., Ltd.
36. Q District Suksawat 78	316	38-2-11	9,482	785	478	61%	1,098	168	157	Casa Ville (Petchburi 2553) Co., Ltd.
37. Casa City Watcharapol Permsin 2	494	51-1-9	12,749	1,043	945	91%	1,621	1,116	1,100	Quality Houses Plc.
38. Casa City Ratchaphruk-Phraram 5	411	46-2-68	8,597	1,034	892	86%	1,269	838	838	Casa Ville Co., Ltd.
39. Casa City Phraram 5-Pinklao	291	29-2-7	6,103	702	645	92%	1,050	773	773	Quality Houses Plc.
40. Casa City Sukhumvit-Samut Prakan	229	21-0-76	5,365	713	634	89%	825	465	454	The Confidence Co., Ltd.
41. Casa City Don Mueang-Song Prapha	168	22-1-7	4,875	463	445	96%	709	527	523	Quality Houses Plc.
42. Casa City Ramkamhaeng-Misteen	146	15-2-21	3,514	395	375	95%	559	387	380	Quality Houses Plc.
43. Casa City King Kaew-Suvarnabhumi	135	18-0-71	3,816	389	386	99%	513	427	427	Quality Houses Plc.
44. Gusto King Kaew-Suvarnabhumi	445	40-1-100	8,701	887	843	95%	1,275	1,055	1,052	Gusto Village Co., Ltd.
45. Gusto Petkasem 69-Kanjanapisek	322	32-1-69	6,580	664	634	95%	990	723	723	Quality Houses Plc.
46. Gusto Suksawat-Pracha Uthit	277	30-1-0	6,739	477	425	89%	748	472	472	Quality Houses Plc.

B) **Condominium for sales, the Company and its subsidiaries are categorized into 2 categories as follows;**

- **Complete construction projects** (As at December 31, 2023)

Project's Name	Unit	Project Area (Rai-Ngan-Sq.w.)	Sales Area (Sq.m.)	Investment Value (MB)	Projects Value (MB)	Remaining		Operated by
						Unit	Value (MB)	
1. Casa Condo Chang Puak	280	3-0-3	10,813	301	428	1	8	Quality Houses Plc.
2. Casa Condo @ CMU 2	67	1-2-7	2,023	110	146	1	1	Gusto Village Co., Ltd.
3. The Trust Condo Ngamwongwan	1,280	4-3-59	37,711	1,684	2,089	47	66	The Confidence Co., Ltd.
4. The Trust Condo Hua Hin	671	8-3-48	24,685	996	1,317	13	29	Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.

- **Projects under construction** (As at December 31, 2023)

Project's Name	Unit	Project Area (Rai-Ngan-Sq.w.)	Sales Area (Sq.w.)	Total Investment Value (MB)	Construction Progress		Project Value (MB)	Accumulate Presales (MB)	Accumulate Transfer (MB)	Operated by
					Investment Value (MB)	% of progress				
1. Q Condo Sukhumvit	273	3-1-70	34,170	6,352	6,352	100%	9,962	2,931	2,931	Quality Houses Plc.
2. Q Seaside Hua Hin	207	7-1-20	11,308	1,313	1,313	100%	1,450	566	566	Casa Ville (Petchburi 2553) Co., Ltd.
3. Casa Condo @MRT T-Junction Bangyai	847	3-1-12	22,721	1,133	1,133	100%	1,495	1,086	1,078	Casa Ville Co., Ltd.
4. Casa Condo Sriracha A	49	1-1-80	2,450	106	106	100%	135	55	55	Casa Ville (Rayong 2553) Co., Ltd.
5. Casa Condo Sriracha B	49	1-1-48	2,450	107	107	100%	170	-	-	Casa Ville (Petchburi 2553) Co., Ltd.
6. Casa Condo Sriracha C	42	1-0-49	2,333	106	106	100%	132	79	79	Casa Ville (Chonburi 2554) Co., Ltd.
7. The Trust Condo at BTS Erawan	1,570	7-2-84	44,690	2,413	2,413	100%	3,066	1,858	1,855	The Confidence Co., Ltd.

Project's Name	Unit	Project Area (Rai-Ngan-Sq.w.)	Sales Area (Sq.w.)	Total Investment Value (MB)	Construction Progress		Project Value (MB)	Accumulate Presales (MB)	Accumulate Transfer (MB)	Operated by
					Investment Value (MB)	% of progress				
8. The Trust Condo Nakornpathom	405	5-2-43	11,628	418	418	100%	556	510	510	The Confidence Co., Ltd.
9. The Trust Condo Amata-Chonburi	518	5-0-4	14,713	606	606	100%	705	496	496	Casa Ville (Chonburi 2554) Co., Ltd.
10. The Point Condo Rangsit-Klong 6	821	7-0-32	21,624	521	521	100%	663	537	535	The Confidence Co., Ltd.
11. The Point Condo Laem Chabang	683	5-1-77	18,100	510	510	100%	486	245	245	Casa Ville (Chonburi 2554) Co., Ltd.

C) Hotel Business

Project's Name and location	Unit	Project Area (Rai-Ngan-Sq.w.)	Total Rental area	Investment Value (MB)	Average revenue from rental and service fee / month (100% full leasing of space) (MB)	Average revenue from rental and service fee/month As at December 31, 2023		Operated by
						Revenue from rental and service fee (MB)	% of revenue from rental and service fee (100% full leasing of space)	
1. Centre Point Hotel Silom Charoenkrung Rd., Bangrak, BKK.	214	7-1-1	Construction area 30,066 Sq.m. Rental area 13,933 Sq.m.	1,145	25.52	20.26	79	Quality Houses Plc.
2. Centre Point Prime Hotel Pattaya Nakluae ,Banglamoong, Chonburi.	544	6-1-91	Construction area 34,544 Sq.m. Rental area 15,611 Sq.m.	1,476	33.47	18.62	56	Casa Ville (Chonburi 2554) Co., Ltd.

D) Office Building for Rent Business

Project's Name and location	Project Area (Rai-Ngan-Sq.w.)	Total Rental area	Investment Value (MB)	Average revenue from rental and service fee / month (100% full leasing of space) (MB)	Average revenue from rental and service fee/month As at December 31, 2023		Operated by
					Revenue from rental and service fee (MB)	% of revenue from rental and service fee (100% full leasing of space)	
1. Q. House Sathorn South sathorn Rd., BKK.	2-3-56	Construction area 27,829 Sq.m. Rental area 13,454 Sq.m.	517	9.22	6.51	71	Quality Houses Plc.
2. Q. House Ploenjit * Ploenchit Rd., BKK.	1-1-63	Construction area 22,341 Sq.m. Rental area 10,880 Sq.m..	897	7.61	5.54	73	Quality Houses Leasehold Property Fund has granted leasehold right from Quality Houses Plc., for 30 years, 14 years ramining from now, and contracted Quality Houses Plc. to be property manager.

*Remark : * On 8 December 2006, the Company granted land and building leasehold including related equipment of QH Ploenjit projects to Quality Houses Property Fund for 30 years. Therefore, the right of use as well as benefits regard of rental agreement and service agreement needs to be transferred to Quality Houses Property Fund since 8 December 2006.*

(1.3) Detail of trade accounts receivable

Project name	Total trade accounts receivable		Aged of receivables					
			1-3 months		3-6 months		Over 6 months	
	No. of customers	Amount (MB)	No. of customers	Amount (MB)	No. of customers	Amount (MB)	No. of customers	Amount (MB)
Hotel Business								
1. Centre Point Hotel Pratunam	48*	15.73	47	15.40	1	0.002	3	0.33
2. Centre Point Hotel Sukhumvit 10	78*	10.02	78	10.01	1	0.009	-	-
3. Centre Point Hotel Silom	46	11.21	46	11.21	-	-	-	-
4. Centre Point Hotel Chidlom	69	8.28	69	8.28	-	-	-	-
5. Centre Point Prime Hotel Pattaya	86	11.75	86	11.75	-	-	-	-
Office Building for Rent Business								
1. Q. House Sathorn	12	2.67	12	2.67	-	-	-	-

Remark : * *Number of payables in 1-3 months, 3-6 months and over 6 months.*
The policy of credit loss arising provision setting for rental payables and service recievables of hotel business and office for rent business shall consider projecting credit loss arising from payables according to Financial Reporting Standard No. 9, Financial Instrument. As ending of financial statement, payables's credit loss arising would be perceived through financial statement

(2) Marketing and Competition

(2.1) Product and Service Marketing Policy

(A) Pricing Policy

The Company's and its subsidiaries' pricing policy are in conjunction with product types and market segmentation, as well as cost of production while also remaining competitive.

(B) Sales and Distribution Channels

The Company and its subsidiaries allocate their distribution channels in accordance with types of business as follows:

1) **Land and houses for sales and residential condominium units for sales business**
The Company and its subsidiaries utilize their sales office strategically situated in each project as well as through exhibition booths as appropriate.

2) **Hotel business**
There are several channels of distribution for the Company and its subsidiaries as follows:

- **The Company's sales representatives**: Customers are able to contact the central sales office; alternatively, our sales representatives may visit the customers at their office. Our sale personnel will provide useful information on each and every project while ensuring that good relationship be maintained and that customer satisfaction be achieved through contacts being made with the customers.
- **Sales agents**: As an integral part to widen the customer base, the Company provides the opportunity for all agents/brokers to seek and locate customers for both the short-term and long-term businesses.
- **The Company's website**: The Company has facilitated foreign customers who are interested in our hotels to make their reservations through the Company's website. This channel has gradually become an incrementally potential marketing means on annual basis.
- **Online representative website**: Given the current trend in which foreign customers are most likely to employ the Internet in making (room) reservation, the Company therefore provides another distribution channel through online representative website.

3) **Office buildings for rent business**
The Company's and its subsidiaries' main sales distribution channel is predominantly through corporate agents since they tend to be in possession of an extensive network of customers and relevant products of which they may choose to conduct inspection prior to making decision. In addition, the Company's customers may directly contact the Company's sales representative office as well.

(C) Target Customers and Their Characteristics

The Company's and subsidiaries' customers are retail customers which has the follow characteristics,

1) Land and houses for sales and residential condominium units for sales business

The target customers include senior executives, business proprietors, government officials, those working for state enterprise agencies and private company employees, etc.

2) Real estate for rent business

- **Office building for rent**: The target customers include medium-to-large companies, Thai and foreign, which require office space in the prime locations.
- **Hotel business**: The main target customers include foreign business persons visiting Thailand for business or working with private companies and/or organizations, as well as foreign tourists who may be planning on short-term or long-term stay.

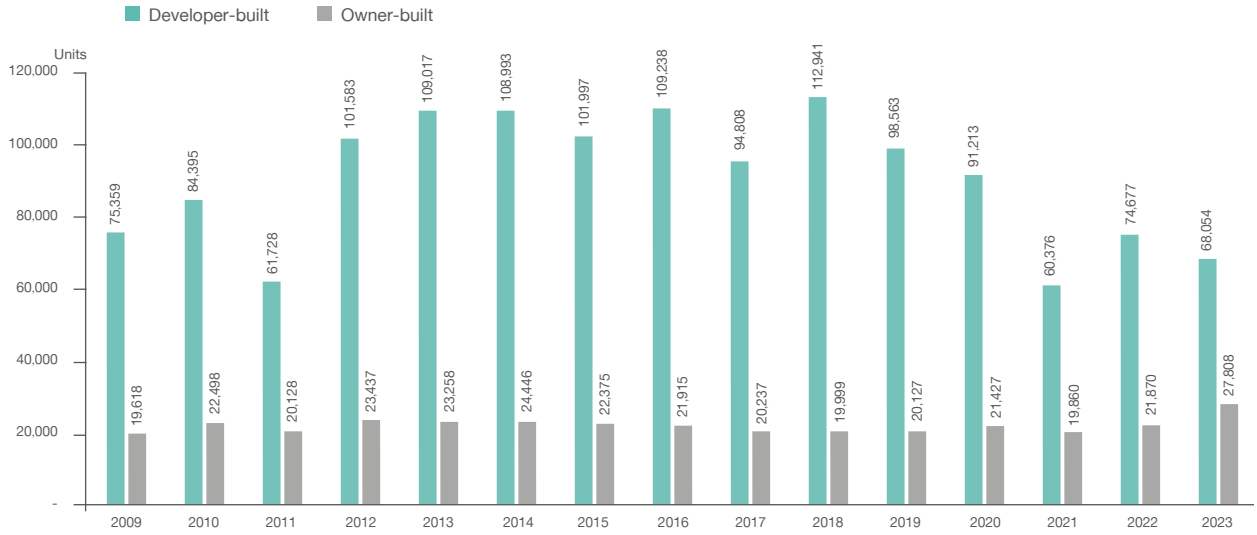
(2.2) Industry Competition and the Company's Competitiveness

The Company and its subsidiaries classify the competition within the industry according to nature of business as follows:

1) Real estate for sales business

There were 96,547 newly registered residential properties in 2022 compared to 80,236 properties in 2021, representing a 20 percent increase year-over-year. Out of the total newly registered residential properties in 2022, 74,677 were developer-built properties and 21,870 were owner-built properties, representing a 24 percent increase and a 10 percent increase from those of 2021, respectively.

Meanwhile in 2023, there were 95,862 newly registered residential properties compared to 96,547 properties in 2022, representing a 1 percent decrease year-over-year. Out of the total newly registered residential properties in 2023, 68,054 were developer-built properties and 27,808 were owner-built properties, representing a nine percent decrease and a 27 percent increase from those of 2022, respectively.



Source: Real Estate Information Center, Government Housing Bank

Newly registered developer-built properties classified by property types from 2016 to 2023

Newly registered developer-built properties classified by property types	2016	2017	2018	2019	2020	2021	2022	2023	% changes 2022 / 2021	% changes 2023 / 2022
Single detached houses	12,736	12,129	15,563	13,552	10,736	10,582	11,809	17,010	12%	44%
Duplexes	1,895	2,535	2,101	3,024	2,536	3,107	3,497	6,988	13%	100%
Townhouses and commercial buildings	17,111	16,634	20,051	21,274	16,424	13,540	13,477	13,046	0%	-3%
Condominiums	77,496	63,510	75,226	60,713	61,517	33,147	45,894	31,010	38%	-32%
Total newly registered developer-built properties	**109,238**	**94,808**	**112,941**	**98,563**	**91,213**	**60,376**	**74,677**	**68,054**	**24%**	**-9%**

Source : Real Estate Information Center, Government Housing Bank

In 2022, the number of newly registered developer-built properties increased from that of 2021, mainly from the increase in condominiums, single detached houses, and duplexes, while townhouses and commercial buildings remained stable.

Comparing the number of newly registered developer-built properties in 2023 against that of 2022, the decrease year-over-year was attributed to the significant decrease in the condominium segment. Townhouses and commercial buildings saw slight decreases in registrations; single detached houses saw an increase in registrations, and duplex registrations doubled. The reason for the overall decrease in condominium registrations in 2023 was due to developers adjusting their plan by launching more low-rise projects to meet the needs of consumers who buy a property with the intention to live in, and focus more on the living spaces within the house. In addition, negative factors included elevated inflation and household debts, the tightening of mortgage lending by financial institutions, the gradual increase in mortgage rates, the cancellation of the easing of the mortgage lending control measure (LTV), higher development project costs from land prices, building materials, labor costs, etc. as well as the ongoing Russia-Ukraine war that affects global economy including Thailand's.

For the overall housing market outlook in 2024, the Company expects the real estate industry to continue its recovery from 2023 as developers adjust their plans to balance the number of unsold properties with the number of newly launched properties. Positive contributing factors include economic recovery given there is still real demand among consumers who buy a property with the intention to live in, as well as the recovery of the tourism sector, with higher foreigner spending, and the renewal possibility of the government's stimulus measures for real estate sales. Nevertheless, negative factors being carried over from 2023 may continue to affect the sentiments.

2) Office Buildings for Rent Business

There were 9.52 million square meters of total office rental space in 2023, 0.29 million square meter increase year-over-year, mainly in the central business district (CBD) areas with 0.23 million square meters, and the non-central business district (non-CBD) areas with 0.06 million square meter increase.

Overall, the office building market recorded high supply (relative to demand), which came in at only 0.03 million square meters, albeit improving condition from the previous year. Most of the demand was for newly built office buildings, including Grade A+ office buildings in the central business district (CBD) areas, Grade A office buildings in the non-central business district (non-CBD) areas, as well as Grade B office buildings both in the CBD and non-CBD areas. The increasing supply created higher competition as owners wanted to increase rental stock, and this negatively affected old office buildings, including Grade A office buildings. Potential tenants were interested in moving to newer buildings in the same area or even from outside of the CBD areas to the CBD areas for convenience. As a result, old office buildings needed to be adapted and renovated to compete with new buildings.

The average rental rate in the fourth quarter of 2023 (for 100-300 square meter space) mainly decreased, except for Grade B office buildings in the CBD areas, which were stable relative to the same quarter of the previous year. Average rental rate of Grade A office buildings in the CBD areas decreased from 1,040 baht per square meter per month to 925 baht per square meter per month. Average rental rate of Grade A office buildings in the non-CBD areas decreased from 834 baht per square meter per month to 750 baht per square meter per month. Meanwhile, the average rental rate of Grade B office buildings in the CBD areas remained stable at 721 baht per square meter per month and that of Grade B office buildings in the non-CBD areas decreased from 614 baht per square meter per month to 552 baht per square meter per month. For rental spaces larger than 1,000 square meters, average rental rates decreased by 5-15 percent from the above-mentioned rates, depending on the area size.

For the rental office market outlook in 2024, the rental space is expected to increase significantly by approximately 0.74 million square meters; majority of the expansion will be in the CBD areas with 0.43 million square meters, and 0.32 million square meters in the non-CBD areas. High competition is expected due to the relocation, and downsizing, to new office buildings in CBD areas or the move from the non-CBD areas to CBD areas, also with downsizing. Rental rates are expected to be stable, given the high competition. New buildings entering the market – modern, in good locations, and are Green Buildings that focus on environment and quality of life of the tenants – will attract interest from multinational corporations as the higher rental rates are offset with special promotions. Old buildings will need to be adapted, including renovation to modernize the building and to improve quality. Owners need to adjust the rental strategy in order to lease the space quickly and to be able to retain existing tenants through long-term contract renewals.

CBD : *Central Business District - Silom, Sathorn, Surawongse, Rama IV, Ploenchit, Wireless, Petchburi, Sukhumvit 1 – Sukhumvit 41, and Asoke Roads, etc.*

Non CBD : *Sukhumvit 43 – Sukhumvit 105, outer Petchburi, Rachadapisek, Paholyothin, Vibhavadee-rangsit, Rama III Srinagarindra and Bangna-Trad Roads, etc.*

Source : *Information compiled by Quality Houses plc.*

3) Hotels / Rental Residential Buildings

At the end of 2023, there were 28.04 million tourists entering Thailand throughout the year, representing an increase of 16.89 million tourists or 151 percent versus the same period of the year 2022, which saw 11.15 million tourists. Tourism revenue from international tourists accounted for 1.20 trillion baht, although falling short of the government's expectation by three hundred billion baht or 25 percent. Tourist behaviors have changed given the availability of information that allows them to seek cheaper alternatives. Moreover, the wars between Russia and Ukraine and in Israel which have negatively affected the world economy also influenced tourists to cut down on travel budget.

For domestic tourism, there were 249.08 million person-visit in 2023, generating 859 billion baht, increasing both in number of tourists and revenue. The number of domestic tourists increased by 22.82 percent and domestic tourism revenue increased by 33.88 percent helped by the easing of the COVID-19 outbreak and the government's measures to promote domestic tourism through the "We Travel Together" Phase 5 program which led to the continued recovery of domestic tourism.

Concerning hotel market in Bangkok in 2023, there were 80,295 rooms, an increase of 1,191 rooms, or a 1.5 percent increase compared to 79,104 rooms in 2022. Mid-end hotels (nightly rates 1,500 - 2,500 baht) held the largest share and they are mainly located in the Ploenchit – Sukhumvit business district, resulting in the highest degree of competition in that area.

Overall investment sentiment in Thailand based on the information of the Office of the Board of Investment (BOI), there were 2,307 projects being applied for investment promotion by foreign investors in 2023, with a total investment value of 848.318 billion baht. Comparing to the same period of 2022, 2,119 projects were applied by foreign investors for investment promotion with a total investment value of 664.63 billion baht. The number of projects in 2023 increased by 188 projects or eight percent and total investment value increased by 183.688 billion baht or 28 percent from the same period of 2022.

The number of expatriates with work permits through BOI privilege companies, who temporarily resided in Bangkok amounted to 99,589 at the end of 2023, compared to 91,346 in 2022, representing an increase of 8,243, or nine percent. The main target customer groups for rental apartments remained Asian expatriates. At the end of 2023, Chinese ranked number one in outstanding work permit holders in Thailand with 34,300 expatriates, followed by Japanese, and Filipinos at 24,230 and 20,157 expatriates, respectively.

As for the residential rental market in 2023, there were 174,986 rental units compared to 164,287 units in 2022, representing an increase of 10,699 units or 6.5 percent. Most foreign customers still preferred to reside in serviced apartments, but competition in this segment was getting more intense with the reduction in housing allowance among many multinational companies, together with the significant growth of the condominium rental market, which has resulted in an increasing market share.

Source : *Alien Section, Work Provision Department*
The Office of Board of Investment
The Tourism Department
CBRE Thailand Hotel Report
Information compiled by Quality Houses Plc.

(3) Sourcing Product or Service

(3.1) Product Acquisition

A) Product Design

The Company and its subsidiaries have research and development teams, which conduct studies on consumer behavior by surveying customers who visited home-design projects, as well as by using historical project sales data to analyze customer needs, and surveying competitor products to use as information on product design. As a result, the Companies and its subsidiaries are able to build homes that meet the needs and are accepted by the customers. In addition, to achieve a variety of design that changes over the years, the Company and its subsidiaries also hire companies and third parties to design homes and projects.

B) Production and Procurement

Production and Production Policies

The Company and its subsidiaries that produce high-priced products have manufacturing control policies in place to ensure that the products meet the set standards and quality.

Raw Material Procurement

The Company and its subsidiaries supply raw materials in key components of the house, and the construction contractors also supply some of the materials, which can be detailed as follows:

1) Raw materials supplied directly by the Company and its subsidiaries include piles, roof tiles, steel bar, sanitary ware, ceramic, brick, marble, granite, prefabricated slabs, etc.
2) For raw materials which are included in the construction price, the Company and its subsidiaries have hired construction contractors, with sum covering the total cost of all labor and raw materials except for raw materials mentioned in item 1).

The raw materials used by the Company and its subsidiaries in constructions are diverse. As a result, the cost of any raw material is not above 50 percent of the total production cost and there has been no reliance on the purchase of raw materials from any supplier worth more than 30 percent of the total revenue in the past three years, and there is no obligation to any supplier to purchase raw materials worth more than 30 percent of the total revenue in the future.

Selection and Hiring of Construction Contractors

The Company and its subsidiaries have preliminary criteria for determining and selecting contractors as follows:

1) Established as a company or partnership
2) Able to operate according to the standards and quality defined by the Company and its subsidiaries
3) Have financial stability
4) Have engineers, architects, and construction supervisors
5) Have reliable experience and performance with presentable and verifiable details
6) Have a permanent establishment
7) Have a clear phone number and contact name
8) Have a letter of guarantee for construction work
9) Pass the benchmark for the annual quality and performance assessment for consideration of the next employment.

Use of Raw Materials Substitution

In the construction of houses and residential units for sale, most of the raw materials used are domestically available. Therefore, when suffering from a shortage of raw materials, the Company and its subsidiaries can find other raw materials to replace the original raw materials; for example, wood used to make door and window jambs can be replaced by high quality aluminum jambs or UPVC that meet the specified standards, etc.

Effect of Technological Changes on Raw Material Consumption

Because advanced technology is not used in the control or construction of residential houses and residential units for sale, the change in technology does not significantly affect the raw materials used in construction.

Raw Material Cost

The rise in raw material costs is a problem that affect the cost of houses or residential units for sale. The key variables are the price of vacant land, the price of oil and fuel used in the production process of building materials, the cost of transporting raw materials to projects, as well as other building materials. The Company and its subsidiaries seek to reduce such costs by negotiating with the sellers of raw materials to maintain the raw material price or by signing futures contracts for 6 months to 1 year period, etc.

Proportion of Domestic and Oversea Raw Materials Procurement

Most raw materials for the Company and its subsidiaries business are domestic.

Land Acquisition Policy

The Company and its subsidiaries have a policy to procure and acquire additional land to operate the real estate business over the next 2-3 years. The process will be considered by the Board of Directors, to support future expansion and operation.

(3.2) Environmental Impact

The Company and its subsidiaries may have impact on the environment through each business type as follows:

1) Real estate for sales business

In regard to the implementation of all the Company's and its subsidiaries' projects, for any project requiring permission from the Environmental Board, the Company and its subsidiaries shall duly comply with the prescribed criteria and ensure that they be properly and entirely licensed. Pertaining to the projects that do not require any permission from the Environmental Board, the Company and its subsidiaries also have an eye on the following factors which may affect the environment. For instance, the Company and its subsidiaries will control the construction process by adopting noise control measure against audio pollutions which might affect the communities during the period of project development. In addition, tools and equipment are to be retained in safe places. Construction sites are to be controlled to ensure safety, dust prevention and orderly work site. Construction zones are to be properly allocated in order to minimize the negative impacts on finished houses and their residents.

2) Real estate for rent business

The Company and its subsidiaries have preventive and control measures so as to minimize impacts of public utility problems, such as the ones whereby to inspect and replace equipment in aims at reducing energy consumption, as well as garbage management and sewage testing, etc.

As a result, none of the projects operated by the Company and its subsidiaries creates any negative environmental impact.

(4) Assets for business undertaking

The Company's assets and its subsidiaries as of December 31, 2023 are as follows:

(4.1) Property, plant and equipment , Investment properties.

(4.2) Land and construction in progress and Land and project development costs

(4.3) Right-of-use assets

Details of assets for business undertaking are disclosed in Attachment 4

(5) Under-construction projects

As of December 31, 2023, the Company and its subsidiaries have a letter of subscription for land and buildings for land and the house for sales project and the condominium project ,that has not yet been recognized in the total amount of approximately Baht 352 million. There is no project, land and the house for sales project and the condominium project, with unrealized revenues of more than 10% of the total revenues according to the consolidated financial statements.

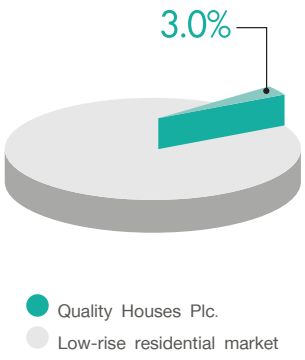
(6) Market Share

The Company reported a market share of sales of residential projects in Bangkok and Vicinities in 2023 as follows:

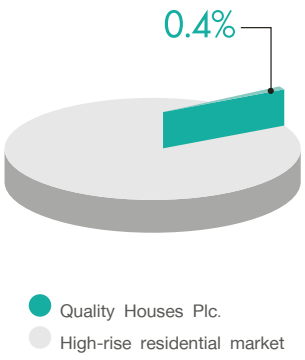
- For low-rise projects including detached house, duplex and townhouse, the Company reported a market share around 3.0%.
- For high-rise projects including condominium, the Company had a market share around 0.4%.

Overall, the Company reported a market share of sales of residential projects in Bangkok and Vicinities around 1.8% as shown in the following diagrams:

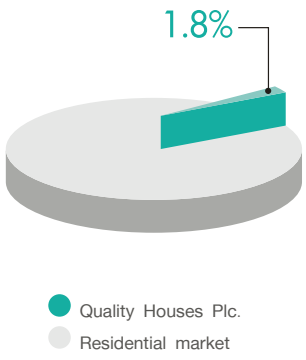
QH's sales of low-rise projects vs. Total sales of low-rise projects



QH's sales of high-rise projects vs. Total sales of high-rise projects



QH's sales vs.Total sales of low-rise and high-rise projects



Source : Agency for Real Estate Affairs (AREA) and Quality Houses Plc.

1.3 Shareholding Structure of the Company

Quality Houses Public Company Limited, its subsidiaries and associated companies operates real estate development for sales and rent business, jointly invests in other companies and property funds, which could be summarized as follows:

1. Land and houses for sales;
2. Condominium units for sales;
3. Hotel business;
4. Office building for rent;
5. Property management for rental properties including hotels, serviced apartments, rental office buildings and rental residential projects;
6. Investment business.

(Details as Section 1.2 “Nature of Business” Topic 1.2.2 “Type of Product”)

1.3.1 Shareholding Structure of the Company

The Company has the policy to segregate the operations of the Company, its subsidiaries and associated company is summarized as follows:

A) Subsidiaries

The Company has invested in 13 subsidiaries as follows,

(1) The Confidence Co., Ltd. : The Company holds 100% of its shares via Casa Ville Co., Ltd. At present, The Confidence Co., Ltd. is conducting the business of property development for sales, including land and houses and condominium units for sales;

(2) Q.H. Management Co., Ltd. : The Company holds 80.58% of its shares. The remaining 19.42% is held by The Confidence Co., Ltd. At present, Q.H. Management Co., Ltd. does not conduct any businesses, as the business of infrastructure management and after sales service has been transferred to the Company and its subsidiaries;

(3) Casa Ville Co., Ltd. : The Company holds 100% of its shares. At present, Casa Ville Co., Ltd. is conducting the business of property development for sales, including land and houses and condominium units for sales;

(4) Q.H. International Co., Ltd. : The Company holds 100% of its shares. At present, Q.H. International Co., Ltd. is conducting the business of residential building, hotel and office building for rent management and making investments in various companies;

(5) Q.H. International (BVI) Co., Ltd. : 100% of its shares is held by Q.H. International Co., Ltd. At present, Q.H. International (BVI) Co., Ltd. is conducting investments in Harbour View Corporation, which is comprised of the hotel and office building for rent businesses in Haiphong City, Vietnam, with 14.15%; share ownership in those companies;

(6) Casa Ville (Rayong 2553) Co., Ltd. : The Company holds 100% of its shares via Casa Ville Co., Ltd. At present, Casa Ville (Rayong 2553) Co., Ltd. is conducting the business of property development for sales, including land and houses and condominium units for sales;

(7) Casa Ville (Petchburi 2553) Co., Ltd. : The Company holds 100% of its shares via Casa Ville Co., Ltd. At present, Casa Ville (Petchburi 2553) Co., Ltd. is conducting the business of property development for sales, including land and houses and condominium units for sales;

(8) **Q. House Precast Co., Ltd. :** The Company holds 100% of its shares via Casa Ville Co., Ltd. to manufacture and sell ready-made concrete sheets to the housing projects of Company and its subsidiaries;

(9) **Gusto Village Co., Ltd. :** The Company holds 100% of its shares via Casa Ville Co., Ltd. to operate the business of property development for sales, including land and houses and condominium units for sales;

(10) **Casa Ville (Chonburi 2554) Co., Ltd. :** The Company holds 100% of its shares via Casa Ville Co., Ltd. to operate the business of property development for sales, including land and houses, condominium units for sales and hotel business;

(11) **Property Host Co., Ltd. :** The Company holds 100% of its shares to operate the business of property for rent;

(12) **Casa Ville (Prachuabkhirikhan 2554) Co., Ltd. :** The Company holds 100% of its shares via Casa Ville Co., Ltd. to operate the business of property development for sales, including condominium units for sales;

(13) **Centre Point Hospitality Co., Ltd. :** The Company holds 100% of its share to operate the business of hotel and serviced apartment.

B) Associated Companies

The Company has invested in 2 associated companies and 2 property funds as follows:

(1) **Home Product Center Plc. :** The Company has a long-term investment policy, as of December 31, 2023, the Company has a shareholding of 19.87%. Home Product Center Plc. operates as a one stop shopping home center, selling products and providing services for construction, decoration, expansion, repair and improvement for home, residential unit, and building, under the trademark 'Home Pro' and also provides space for rent;

(2) **LH Financial Group Plc. :** As of December 31, 2023, the Company has a shareholding of 13.74%. LH Financial Group Plc. was established as a holding company with the business objective of making long-term investment by holding 100% shares in Land and Houses Bank Plc., which operates the business of commercial banking services that provides services of deposits, mortgages, corporate loans and personal loans;

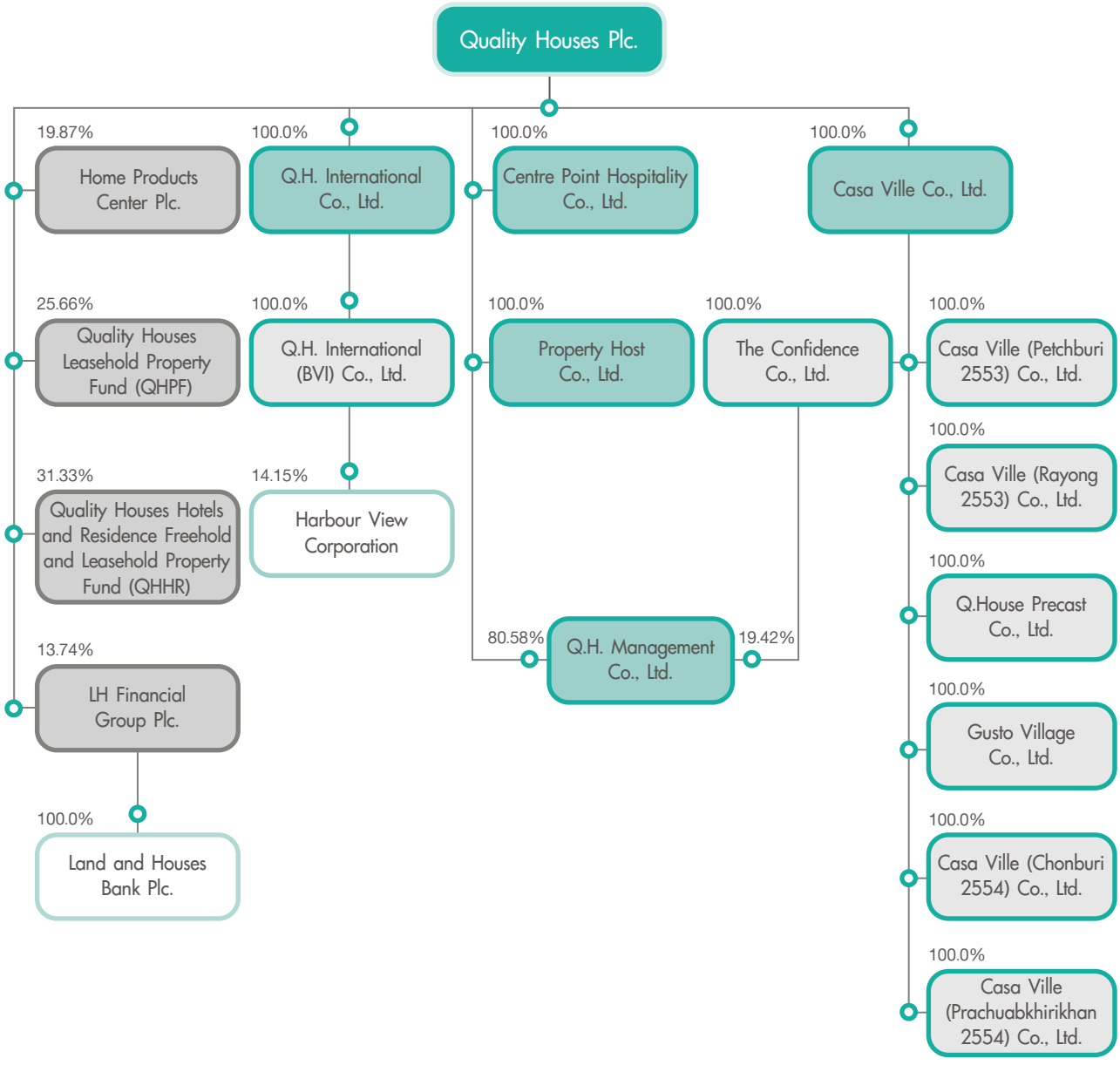
(3) **Quality Houses Leasehold Property Fund (QHPF) :** QHPF was established in December 2006. The Company has a long-term investment policy and a unit holding of 25.66%. Quality Houses Leasehold Property Fund operates in property for rent business and has registered as a closed-end Property Fund, with the capital of Baht 7,970 million in total. Properties in form of office buildings for rent invested by the Quality Houses Leasehold Property Fund include Q.House Lumpini, Q.House Ploenjit and Wave Place projects;

(4) **Quality Houses Hotel and Residence Freehold and Leasehold Property Fund (QHHR) :** QHHR was established in July 2012. The Company has a long-term investment policy on a unit holding of 31.33% of shares. Quality Houses Hotel and Residence Freehold and Leasehold Property Fund operates in hotel and serviced apartment business and has registered as a closed-end Property Fund, with the capital of Baht 3,360 million in total. Properties invested by the Quality Houses Hotel and Residence Freehold and Leasehold Property Fund include Centre Point Hotel Pratunam, Centre Point Hotel Sukhumvit 10 and Centre Point Hotel Chidlom.

C) Other Companies

Harbour View Corporation operates hotel and office buildings for rent in Haiphong City, Vietnam. Q.H. International (BVI) Co., Ltd., one of the Company's subsidiaries, once held 21% of its shares. However, without the Company's further subscription to any additional shares of Harbour View's shares being offered to existing shareholders, due to Harbour View Corporation's continually loss, the current proportion of shareholding has decreased to 14.15%.

Shareholding Structure in Subsidiaries and Associated Companies as at December 31, 2023



1.3.2 Shareholders

List of the top 10 shareholders at the book-closing date on August 24, 2023

Major shareholders	Number of shares	% of the paid-up capital
1. LAND AND HOUSE PLC.	2,675,945,601	24.98
2. THAI NDVR COMPANY LIMITED	734,893,988	6.86
3. MR.NIWES HEMVACHIRAVARAKORN	250,000,000	2.33
4. MR. PRINYA TIEANWORN	227,500,000	2.12
5. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	211,693,468	1.98
6. BNY MELLON NOMINEES LIMITED	170,272,233	1.59
7. MS. JINTANA KANCHANAKAMNERD	169,000,000	1.58
8. MS.PISSACHA HEMVACHIRAVARAKORN	150,000,000	1.40
9. MRS. SOMSONG LAPANANRAT	146,815,800	1.37
10. DHIPAYA INSURANCE PUBLIC COMPANY LIMITED	143,721,600	1.34
Total of the top 10 shareholder	**4,879,842,690**	**45.54**
Total of the shareholder	**10,714,381,645**	**100.00**

1.4 Registered and Paid-up Capital

As at December 31, 2023, the Company had registered and paid-up capital of

Registered capital : 10,714,426,091 Baht
(10,714,426,091 ordinary shares of Baht 1 each)

Paid-up capital : 10,714,381,645 Baht
(10,714,381,645 ordinary shares of Baht 1 each)

According to the information of ordinary share holdings by Thai NVDR Co.,Ltd, as of August 24, 2023, the number of Company's ordinary shares of 734,893,988 shares, representing 6.86 % of total paid up ordinary shares, whereas the ordinary shares held by Thai NVDR Co.,Ltd. are not entitled to a voting right in the shareholders' meeting (except for a decision to consider the de-listing of the shares from the Stock Exchange), thus the holders of non-NVDR shares shall have 7.36 % more of the voting right. As a result, the holders of only 23.29 % of the paid-up ordinary shares will have a voting right equal to 25% of total voting shares. Investors can check the latest number of shares held through Thai NVDR at the Stock Exchange of Thailand's website at http://www.set.or.th/nvdr/th/info/monthly-outstanding.html.

1.5 Issuance of other securities

1.5.1 Debentures

As at December 31, 2023, the Company had outstanding debentures worth Baht 9,500 million with detail are as follows:

Unsubordinated and Unsecured Debentures								
No.	Tenor	Amount	No. of Units	Interest	Type of Interest	Maturity Date	Repayment	Credit
1/2021	3 years	3,000	3,000,000	2.50%	Fixed Rate	3-Mar-2024	At Maturity	A-
2/2021	3 years	1,500	1,500,000	1.76%	Fixed Rate	8-Jun-2024	At Maturity	A-
1/2022	3 years	1,000	1,000,000	2.78%	Zero Coupon	5-May-2025	At Maturity	A-
2/2022 series 1	1 year 11 months 29 days	730	730,000	3.06%	Fixed Rate	22-Nov-2024	At Maturity	A-
2/2022 series 2	2 years 11 months 28 days	720	720,000	3.38%	Fixed Rate	21-Nov-2025	At Maturity	A-
3/2022	3 years 9 days	550	550,000	3.33%	Zero Coupon	11-Dec-2025	At Maturity	A-
1/2566	2 years 9 months 11 days	1,000	1,000,000	3.32%	Zero Coupon	18-Dec-2025	At Maturity	A-
2/2566	3 years	1,000	1,000,000	3.43%	Fixed Rate	25-Apr-2026	At Maturity	A-

1.5.2 Short-term loans from financial institutions/ Short-term loans/ Short-term bill of exchange

As at December 31, 2023, the Company had Baht 500 million of Short-term loans from financial institutions/ Short-term loans / Short-term bill of exchange.

1.5.3 Long-term loan

As at December 31, 2023, the Company had outstanding long-term loan from financial institutions worth Baht 1,125 million.

1.6 Dividend payment policy

1.6.1 The Company's dividend payment policy

The Company has a policy to pay dividends from the retained earnings and/or net profit to its shareholders. In considering the payments, the following factors are taken into consideration: the Company's operating results and financial position, liquidity, expansion plans and other management-related factors. Any dividend payment is subjected to the approval of the Company's Board of Directors and/or shareholders' meetings.

Dividend payment during 2021 - 2023 is as follows:

Detail on dividend payment	2021	2022	2023
1. Basic earnings per share (Baht/share)	0.16	0.22	0.23
2. Dividend paid per share (Baht/share)	0.10	0.14	*0.15
2.1 Interim dividend for the first half year (Baht/share)	0.03	0.04	0.05
2.2 Dividend for the second half year (Baht/share)	0.07	0.10	*0.10
3. Dividend payout ratio (%)	64	63	64

Remarks : *1) Dividend for the year 2021 amounted to 0.10 Baht/share paying from the first 6-month operation of 0.03 Baht/share, according to the resolution of the Board of Directors' Meeting No.6/2021 on August 9, 2021, and the last 6-month operation of another 0.07 Baht/share, according to the resolution of the 2022 Annual General Meeting of Shareholders on April 22, 2022*

2) Dividend for the year 2022 amounted to 0.14 Baht/share paying from the first 6-month operation of 0.04 Baht/share, according to the resolution of the Board of Directors' Meeting No.5/2022 on August 10, 2022, and the last 6-month operation of another 0.10 Baht/share, according to the resolution of the 2023 Annual General Meeting of Shareholders on April 21, 2023.

3) Dividend for the year 2023 amounted to 0.15 Baht/share paying from the first 6-month operation of 0.05 Baht/share, according to the resolution of the Board of Directors' Meeting No.6/2023 on August 9, 2022, and the last 6-month operation of another 0.10 Baht/share, according to the Board of Directors' Meeting No.1/2024 on February 27, 2024 , approved to propose to the 2024 Annual General Meeting of Shareholders on April 19, 2024.

1.6.2 The Company's Subsidiaries dividend payment policy

The Company's subsidiaries shall pay dividend to the Company from the earnings of subsidiaries, whereas the Board of Directors of the Company and/or subsidiaries shall consider the dividend payment policy as suitable to the management of capital structure and overall financial management.

2. Risk Management

2.1 Risk management policy and plan

The Risk Management Committee is an independent body that will provide support and act on behalf of the Board of Directors in risk management to minimize potential damage to business operations from both external and internal factors. In order to give the company reasonable confidence that if there are various risks in the organization, the Company will manage such risks appropriately and in a timely manner in order to contribute to the sustainable growth and create added value for shareholders in the long run.

The Risk Management Committee will constantly assess the company's risks and find ways or measures that will minimize the company's risk with consideration, at least to financial risks, business operating risks, and production related risks.

2.2 Risk factors on business operation

2.2.1 Operational risk associated with the Company

Financial Risks

Risk from investments, lending made for the related companies Harbour View Corporation

Harbour View Corporation ("HVC") is a related company with Q.H. International (BVI) ("QHI (BVI)"), a wholly-owned subsidiary (which the Company holds 100% shares through its subsidiary, Q.H. International Co., Ltd.), with a shareholding of 14.15% (previously, it had a shareholding of 21%).

As of December 31, 2023, the net investment after the allowance for impairment of investment in HVC amounted was zero, in comparison with the investment cost of Baht 33 million. The Company reserved an allowance for loss impairment of the aforementioned investment in full amount as HVC, which operates hotel businesses and rental office buildings in Haiphong, Vietnam, had continually operated at a loss.

As of December 31, 2023, QHI (BVI), the subsidiary, had loan amount, principal and interest receivables to HVC, of approximately US$ 2.3 million and US$ 0.04 million, respectively (2022: US$ 2.3 million and US$ 0.04 million; 2021: US$ 2.3 million and US$ 0.04 million, respectively). Thus, the mentioned subsidiary probably incurs the risk of losing all principal as HVC had continually operated at a loss; however, QHI (BVI) has already had provision for loss arising on such debt. In addition, the Company has guaranteed the loans for HVC since 1997 because each shareholder is obligated to provide financial support to HVC in proportion to their shareholding. Consequently, QHI (BVI) and one other shareholder jointly provided loan guarantee (principal and interest) US$ 1.8 million from a financial institution in the proportion of 50% each. However, the liabilities that the Company and its subsidiaries had to provide for HVC, was dependent on the percentage of ownership of QHI (BVI), which was equivalent to 21%. Subsequently, there was a capital increase to existing shareholders in the same proportion, whereas the subsidiary company (QHI (BVI)) did not exercise its right to subscribe for such shares, as HVC had continually operated at a loss. Consequently, the Company's shareholding in HVC at the end of 2007 reduced to 14.15%. During 2017, HVC had already paid back both principal and interest owned to financial institutions and the Company withdrew such guarantees and reversed the provision for losses arising.

Risk from obligation Company issued debentures

As of December 31, 2023, the Company had short-term loan from financial institution of Baht 497 million, debentures of Baht 9,365 million which was current portion of debentures Baht 5,229 million and non-current debentures Baht 4,136 million , and long-term loan from financial institution of Baht 1,123 million . Interest bearing debt-to-equity ratio was at 0.39 times. If the Company is unable to achieve the sales target, it might affect the Company's repayment ability. However, the Company still delivered revenue from sale of housing and condominiums as shown performance as of December 31, 2023. Furthermore, the Company and its subsidiaries had total 56 active projects of landed properties for sale with a remaining value of Baht 29,726 million; furthermore, there are 12 residential condominiums projects for sale with a remaining value of Baht 10,531 million which are potential sources of the Company's revenue in the future. Meanwhile, the Company has continual stable income from the hotel business and rental office building business to bolster cash flow.

The issuance of the Company's debenture has been implemented in accordance with the funding policy whereby finding sources of funds with lower financial costs than obtaining loans from financial institutions, while lowering the risk from fluctuating interest rates. The Company has a proven track record in being able to pay interest and redeem its debentures as scheduled.

Risks from interest rate fluctuation and access to capital

The Company and its subsidiaries require a large amount of funds for property development, the part of which is derived from loans from financial and banking institutions and issuance of debentures. Consequently, market interest rates play a vital role in the Company's cost of funds required for its operations and project development.

Due to the interest rate fluctuations, the Company and its subsidiaries have adopted several preventive measures depending on the trend of interest rates at that particular period. These measures include the issuance of debentures with fixed interest rates in place of loans from banks which mostly bear floating rate and higher interest costs, or the issuance of short-term bills of exchange to institutional investors with lower interest rates which is to reduce interest obligations and more suitable for the business of land and houses for sales that requires short-term fund in light of project development. Another measure is to improve the efficiency of project planning and construction to shorten the development period and to alleviate the burden of interest bearing loans. Furthermore, the Company also monitors the interest rate trends, and considers the use of appropriate financial tools in order to manage the risk accordingly.

Business Risks

Risks from Pre-built Projects

The Company and its subsidiaries operate a business of real estate development for sales and for rent with main revenue generated from sales of land and houses. In 2021, 2022 and 2023, the Company and its subsidiaries generated revenue from sales of land and houses of 92%, 89% and 85% of total revenue from their real estate business for sales and for rent respectively. The Company and its subsidiaries has pre-built projects, resulting in requiring high working capital for such construction, and having risks from not being able to completely sell all pre-built houses.

However, the Company and its subsidiaries have established preventive measures to reduce and prevent the aforementioned risk, by dividing construction into phases, and controlling inventories by construction planning appropriate to market demands, as well as conducting an analysis on customer demands based on historical data of project sales, to construct pre-built house to cater to and be accepted by customers. Furthermore, as the Company and its subsidiaries are major real estate developers with a long track record in the real estate industry, the real estate projects are widely recognized and well accepted among customer target segments in term of quality, price and services, which help reducing the risk in term of inventory.

Risk from high competition

At present, there is increased competition in real estate development business from the increased number of new developers and increased number of new projects from major developers, resulting in rapid increase in supply. In addition, various new marketing strategies and tactics have been constantly introduced to increase sales, thus, even higher competition. However, as the Company and its subsidiaries have a long proven track record, and is well accepted in the sales of houses with high, medium and low prices, it has competitive advantage in terms of reputation, trustworthiness, quality and standards. Furthermore, the Company and its subsidiaries have been adding more innovations, product diversities and differentiators, in order to cater well to the consumers' requirements, as well as focusing on effective after sales services.

Production Risk

Risk from shortage of contractors and skilled labor

Housing construction and development project significantly depends upon qualified contractors and skilled labors. In particular, the projects that the Company's and subsidiaries' sell are mid-level to high-end products which have heavy emphasis on product quality. The number of qualified contractors and skilled labor for construction of the houses or public infrastructure of the projects are limited or in shortage, especially in times real estate industry growth.

The shortage of qualified contractors and skilled labor is an obstacle to production, growth of revenue and quality control. However, the Company and its subsidiaries have a policy in accepting new contractors, who meet the criteria in contracting for its projects. Additionally, it constantly provides knowledge and skills development, and promotes good relationship with both existing and new contractors.

In addition, the Company and its subsidiaries also provide financial support to contractors as the case may be. The Company and its subsidiaries have also adapted its construction methods by introducing new technologies, including, pre-cast, pre-fabrication and tunnel to reduce labor intensity and shorten construction period.

Risk from cost of construction material

As the cost of construction material is of the major costs, the Company has risks from fluctuations or increase in the cost of construction material. However, the Company has preventive measures against such risk by entering into turnkey contracts with fixed costs of labor and some types of construction material. For main construction materials, the Company will contact the manufacturer or major distributor directly with more negotiation power for better terms. Additionally, the Company has a policy to speed up sales to reduce risk of fluctuating construction material prices.

Risk from mortgage loan by commercial banks

Due to economic slowdown, as well as increasing household debt, commercial banks have been more stringent in mortgage loan policies, with high chances of disapproving mortgages. As a result, customers who have reserved houses and condominium units are not able to transfer the unit ownership, which would affect the Company's income. However, the Company has preventive measures for such risk, by evaluating the basic qualifications and ability of mortgage repayment of customers before submitting them to the banks for consideration prior the reservation, which in turn reduced the default risk of the commercial banks' mortgage loans.

2.2.2 Investment risk imposed on the securities holders.

None

2.2.3 Foreign investment risk

None

3. Driving Business for Sustainability

3.1 Policies and goals for sustainability management

Sustainability Policy Overview

The Company is committed to conducting business in building quality communities and societies to become a learning organization that creates innovation and technology for sustainable business operations with the aim to deliver a better quality of life. This would lead to the creation of economic values while preserving resources and the environment under good corporate governance in order to satisfy all stakeholders.

The Company believes that sustainable business operations must take into account all stakeholders and must be conducted under good corporate governance principles. Therefore, the Company has established policies and guidelines to cover the following 3 dimensions:

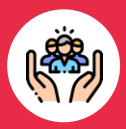
Environment

Be a part of environmental care and preservation.

- Manage the use of resources cost-effectively.
- Reduce environmental impact with environmentally friendly construction.
- Greenhouse Gas Management

Social

Take care of society and nearby communities.



- Conduct business based on the principle of respect for human rights, including the equitable and fair treatment of employees and workers.
- Enhance the quality of life of society and communities.
- Sustainable human resource management
- Responsible production and service for customers

Corporate Governance and Economic

Conduct business ethically with economic stability.

- Comply with good corporate governance and business ethics.
- Develop innovative products and services to meet the needs of customers in all aspects to create economic growth.
- Manage risks.

The Company has listed the full version of the sustainability policy and guidelines on the Company's website "www.qh.co.th" to increase channels for executives and employees to be able to access the guidelines and implement them effectively.

Corporate Sustainability Management Goals of the Company

To comply with the policies and guidelines, the Company's corporate sustainability management goals have been set by applying the sustainable development goals of the United Nations (SDGs), the Securities and Exchange Commission (SEC)/ the Stock Exchange of Thailand (SET), and the Thai Institute of Directors Association (IOD) in order to be in line with the direction and goals of international sustainable development.

This is to build confidence and create benefits for all stakeholders in all 3 dimensions, namely the Environment (E), Social (S), and Governance and Economy (G).

Corporate sustainability management goals

Environment (E)

Goals considered in setting sustainability goals	Company's Sustainability Issues	Supported Activities	Benefits to the Company, Society and Environment
Sustainable communities' settlements Having sustainable production and consumption patterns	• Reduce the environmental impact of construction	• Use Precast system for property construction	• Reduce dust/ noise pollution caused by construction. • Reduce the number of complaints from the community. • Create a positive image for the Company.
	• Reduce the environmental impact of hotel operations	• Campaign to promote Green Hotels	• To promote cost-effective and efficient consumption of energy resources as well as good environmental management • To raise service standards to be environmentally friendly
Access to clean energy Protect, restore and support sustainable use of terrestrial ecosystems	• Use of environmentally friendly construction materials	• Promote procurement of environmentally friendly construction materials	• Reduce the destruction of natural resources • Be aware of the use of nature-friendly alternative materials. • Protect the environment and natural resources
Tackling climate change and its impacts	• Greenhouse gas management and climate change risk management.	• Use energy-saving LED lightbulbs • Use renewable energy from sunlight • Preparation of corporate carbon footprint report • Greenhouse gas training for employees	• Able to estimate the amount of greenhouse gases emitted from the Company's operating activities in order to establish ways to reduce the Company's greenhouse gas emissions for the benefit of society as a whole.

Social (S)

Goals considered in setting sustainability goals	Company's Sustainability Issues	Supported Activities	Benefits to the Company, Society and Environment
 Create gender equality Provide comprehensive and equitable quality education and support learning opportunities.	• Respect for human rights and treat employees and workers equally and fairly.	• Legal employment and non-violation of human rights. • Equal employment. Without excluding the diversity of individuals such as gender, race, religion, etc. • Employment of people with disabilities/ disadvantaged.	• Promote respect for human rights. • Promote equality and gender equality. • People with disabilities/ disadvantaged can help themselves and their families. • Promote equitable and non-discriminatory employment.
	• Sustainable human resource management.	• Conduct training to develop employees' skills. • Clearly and appropriately announced career path policy.	• Employees have more knowledge and skills. • Employees are happy at work.
	• Occupational health and safety.	• Define safety policies on occupational health and working environment.	• Promote adequate health care and hygiene within the organization.
 Promote continuous, inclusive and sustainable economic growth	• Responsibility to customers and consumers.	• Customer satisfaction survey • After-sales service satisfaction survey.	• To be used as analytical data to improve and develop products and services to meet the needs of all groups of customers
 Sustainable communities' settlements	• Responsibility to communities and society.	• Participate in donating items for community and social develop-ment. • Organize activities for charity. together with the foundation	• Create a positive image for the Company regarding community and social responsibility. • People in the community have a better quality of life.

Corporate Governance and Economic (G)

Goals considered in setting sustainability goals	Company's Sustainability Issues	Supported Activities	Benefits to the Company, Society and Environment
 Promote a comprehensive and sustainable industrial development infrastructure and innovation.	• Innovative development of products and services.	• Design and produce residential products by applying modern technology to respond to the daily life of today's customers.	• Continuous development of quality products and services that meet the needs of customers in all target groups.
	• Sustainable supply chain management.	• Establish practices or codes of conduct for business partners that cover environmental, social and good governance issues.	• Promote the production of quality products that reduce environmental impact and have fair prices for consumers.
 Support a peaceful and just society, and build effective institutions.	• Corporate governance and business ethics.	• Formulate policies related to good corporate governance.	• The Company operates its business under good corporate governance to build confidence among all stakeholders.
SET / SEC	• Risk management.	• Assess and manage risks under the supervision of the Risk Management Committee.	• Reduce/ prevent the Company's risk to an acceptable risk level.
Personal Data Protection Act (PDPA)	• Cybersecurity and personal dataa protection.	• Improve work process by having systems to request consents for the collection, use, and disclosure of personal data from customers and related parties. • Improve IT Policy to be in line with the law.	• Secured personal information access.

Key Sustainability Issues

Analysis Process for Sustainability Issues

The Company has analyzed and determined issues that are important to the sustainable development of the economy, society, and environment by considering those that affect the organization and each group of stakeholders. The determination of such issues was carried out through a survey of the organization's management and relevant departments and the results of the assessment were prioritized using the principles of the Global Reporting Initiative (GRI) Standards which consist of 3 main steps as follows:

Identification	Consider sustainability issues that are important and have an impact on stakeholders and businesses economically, socially, and environmentally, together with risk factors and corporate performance.
Prioritization	Identify issues of importance and prioritize those with potential and impact on the economy, society and the environment and consider the importance of such issues to both the organization and all stakeholders.
Validation	Present the priority issues to the Sustainable Development Committee for review and present to the Board of Directors for information. These issues will be reviewed annually.

Key Sustainable Issues

Environment (E)

- E1 Reduce the environmental impact of project management.
- E2 Use of environmentally friendly construction materials.
- E3 Greenhouse gas management and climate change risk management.

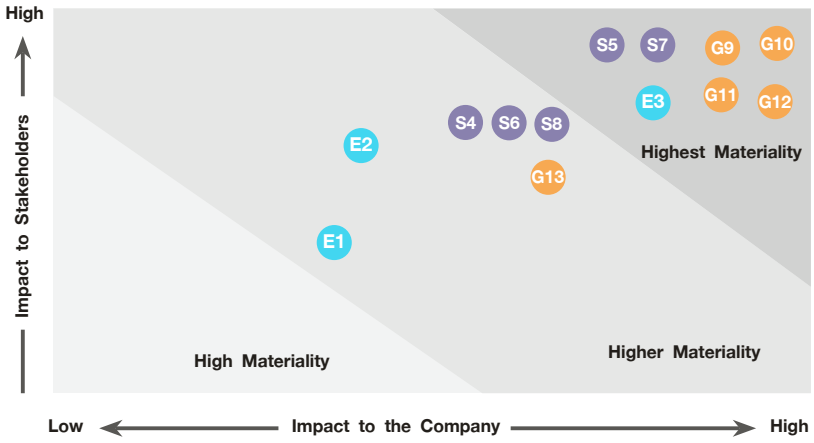
Social (S)

- S4 Respect for human rights and treat employees and workers equally and fairly.
- S5 Sustainable human resource management.
- S6 Occupational health and safety.
- S7 Responsibility to customers and consumers.
- S8 Responsibility to communities and society.

Corporate Governance and Economic (G)

- G9 Innovative development of products and services.
- G10 Sustainable supply chain management.
- G11 Corporate governance and business ethics.
- G12 Risk management.
- G13 Cybersecurity and personal data protection.

Prioritization of Issues according to Corporate Strategy



3.2 Managing impact on stakeholders in the business value chain

3.2.1 Business Value Chain

The nature of the business value chain that represents the relationship of key stakeholders in activities related to the Company's business operations can be divided into primary activities and support activities as follows:

Business Value Chain

Primary Activities				Support Activities
Production factor management	**Operations**	**Marketing and sales**	**Project delivery and after-sales service**	**Support activities**
• Conduct survey on the demand for the areas to be developed.	• Research on the project development and design	• Sales Management	• After-sales Service Channel (Tel. 1388)	• Accounting and finance
• Land procurement	• Project Development	• Advertising • Communicate product and service information to customers and consumers.	• Product warranty for a specified period of time	• Human resource management • Procurement • Corporate governance
• Land allotment permit application	• Inspection of Product as requested and good quality	• Marketing campaigns	• Defective parts repair service	• Risk management
stakeholders : - Shareholder - Employee - Trading Partner and Creditor - Regulators and governments - Neighboring communities	**stakeholders** : - Customers - Residents - Trading Partner and Creditor - Labor - Regulators and governments - Neighboring communities	**stakeholders** : - Shareholder - Customers - Employee	**stakeholders** : - Customers - Residents - Employee	**stakeholders** : - Employee - Customers - Financial Institutions - Regulators and governments

3.2.2 Analysis of stakeholders in the business value chain

The Company's guidelines for meeting the expectations of stakeholders both inside and outside the organization are as follows:

Stakeholders	Points of interest / expectations	Response to stakeholders and treatment	Communication and engagement channels
Shareholder	• Consistently generate appropriate profits and business growth • Balance returns for the stakeholders of all groups • Risk Management • Adherence to good governance • Anti-Corruption • Socially and Environmentally Responsible	• Appropriate and consistent dividend payment • Treat all shareholders equally • Establish sustainable development policies and practices consisting of corporate, environmental, and social governance principles • Disclose information with transparency in a specified period of time • Conduct business in accordance with relevant laws and regulations	• Annual general meeting of shareholders • Company website • SET News • Annual report • Analyst meetings • Investors/fund managers meetings
Neighboring communities and environment	• Reduce the environmental impact from construction • Construction Safety • Promote energy savings • Efficient use of resources • Does not cause damage to nearby buildings	• Design products with regards to environmental responsibility • Blocking/enclosing construction zones • Prevent noise, dust and reduce impact/ prevent damage from construction • Conduct business with a focus to prevent impact on communities and the environment • Choose an eco-friendly partner • Strictly comply with relevant laws • Establish sustainable development policies and practices consisting of corporate, environmental, and social governance principles	• Construction site signs • Field visits to survey the impacts on communities • Social responsibility activities
Trading Partner and Creditor	• Fair and appropriate compensation • Clear procurement policy • Safety at work • Comply with the contracts	• Record the contract in writing • Strictly comply with the conditions of creditors • Pay appropriate and on-time compensation • Have protective equipment at work • Treat all partners equally	• Inspect the site and survey requirements • Training arrangements • Relationship building activities

Stakeholders	Points of interest / expectations	Response to stakeholders and treatment	Communication and engagement channels
Customers / Residents	• Business Ethics and Transparency • High quality products and services at a fair price • New innovation for products • Customer relationship management • Data security and privacy • Set up a unit to receive customer complaints	• Set price appropriately • Quality material that is reasonable with price • Continuously develop innovation for products and services • Develop and improve customer services • Maintain customer confidentiality • Establish sustainable development policies and practices consisting of corporate, environmental, and social governance principles • Provide appropriate after-sales services	• Non-exaggerated advertising • Satisfaction Survey • Call Center • Customer relations activities • Email for complaint notification
Employee	• Happy at work • Have career advancement • Good quality of life • Appropriate compensation and benefits • Sustainable Business Growth • Continuous knowledge and skills development • Occupational Health and Safety	• Provide appropriate benefits • Take care and provide fair treatment in compensation and career advancement • Provide the necessary training for continuous development • Establish sustainable development policies and practices consisting of corporate, environmental, and social governance principles • Notification of Occupational Health and Safety Policy • Operational guidelines for employees	• Employee Manual • Intranet • Employees' Orientation • Trainings
Regulators and governments	• Compliance of related rules and regulations • Transparent Disclosure • Business integrity and ethics • Cooperation with government agencies	• Conducting business correctly according to official requirements • Complete disclosure of information in a timely manner as required by the regulatory authorities • Cooperate and support operations that benefit all sectors	• Company Website • Government Agency Website • Annual Report • Corporate Governance Policy • Contacting government agencies
Financial Institutions	• The number of the Company's customers applying for loans with the financial institutions increases	• Introduce financial institutions to approve loans to customers	• Contacting financial institutions • Financial Institutions Website • Facilitate customers to submit documents for loan applications.

3.3 Environmental Sustainability Management

3.3.1 Policy and Guidelines on Environmental Issues

Policy

The Company is committed to maintaining the environment and making the most of natural resources, as well as reducing negative environmental impacts on issues such as energy, management of wastewater, waste, and dust generated from residential construction in line with the Company's business operations, and not taking any action that will damage the natural resources and the environment. In addition, the Company has policies to promote employees' awareness to participate in environmental responsibility with guidelines on environmental management as follows:

Guidelines and Results on Environmental Issues

1. Support energy-efficient home design approaches, by taking into account the direction of light and wind, to save energy.
2. Promote the use of energy-efficient and environmentally friendly construction materials and equipment.
3. Develop the construction system to reduce construction time and the impact of construction on the surrounding communities.
4. Promote the use of renewable materials in construction instead of natural materials to help reduce environmental impacts and save installation time, as well as support the use of materials from environmentally conscious manufacturers who use natural resources efficiently.
5. Encourage the separation of waste into categories.
6. Provide a water management process by having small wastewater treatment systems in homes and buildings and a combined wastewater treatment system to treat wastewater or used water before discharging into public pipes.
7. Promote training and educate employees on issues related to work that reduce environmental impact.

Environmental Activities in 2023:

- **Reduce environmental impacts by reducing energy consumption**

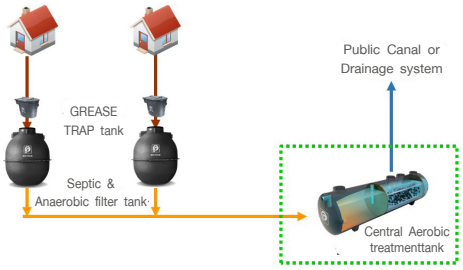
  Use environmentally friendly construction materials

  Given much of natural resources have been destroyed, choosing natural marerials as alternatives is another option for the Company to help reduce natural destruction, such as:

  - Using prefabricated reinforced concrete walls (Precast) manufactured at factory to be assembled on site, which helps to reduce construction dust.
  - Choosing lightweight bricks as construction materials for their highly effective heat insulation property to effectively reduce heat from penetrating through the walls and save energy.
  - Using LED light bulbs to increase energy efficiency
  - Using split-type air conditioners that meet the criteria for Energy-saving Label No. 5.

Wastewater management

The Company's wastewater treatment systems that meet the government standards will continue to be operated in every housing project. Wastewater from residential properties goes through a primary wastewater treatment system consisting of a grease trap tank, a septic tank, an anaerobic filter tank before being treated at the housing project's wastewater treatment system to ensure of its compliance with the required standards prior to being released into canals or public drainage systems.



To systematically and appropriately manage wastewater treatment in accordance with sanitary engineering guidelines, and to ensure machinery and various equipment run with efficiency, the Company has engaged an outside agency with a team of expert technicians and specialized engineers to supervise its wastewater treatment operations. The team monitors and analyzes the wastewater treatment system operations, collects water samples, and sends them to an ISO/IEC 17025 certified scientific laboratory every three month to check for parameter* values in treated wastewater and compare against standard values set by the government agencies.

In 2023, the Company's wastewater quality inspection results of all housing projects passed the government's required standards.

*Remark : * Parameters used to analyze water quality in scientific laboratories include:*

1. *PH = measurement of the acidity or basicity of water*
2. *BOD = Biochemical Oxygen demand*
3. *TDS = number of organic and inorganic substances dissolved in water*
4. *SS = number of suspended solids in water*
5. *SULFIDE = anaerobic decomposition condition*
6. *SET.S = Settleable Solids*
7. *TKN = total amount of organic nitrogen*
8. *OGF = amount of oil and fat dissolved in water*

Use of renewable energy

To reduce electrical energy consumption and to protect the environment in the long run, the Company has designed and installed a Solar Rooftop on the housing project clubhouses.

The goal is to install Solar Rooftop for all the clubhouses of every housing project developed and opened for sale from 2022 onwards.

In 2023, the Company already completed the installation of Solar Rooftop in eight housing projects.
Project examples

Laddarom Chatuchot 15

Vararom New Ratchaphruk

Q District Suksawat 78

In addition, the Company also uses outdoor electrical equipment that generates electricity from solar energy (Solar Cell) such as solar-cell street lights in public parks, instead of conventional electricity to help reduce electrical energy consumption and greenhouse gas emissions.

Use of alternative energy

The Company supports the use of alternative energy to promote energy saving and reduce greenhouse gas emissions into the atmosphere, including the use of electric vehicles. Single-detached houses in the Wararom, Laddarom and Pruekphirom projects are designed to accommodate the installation of electric vehicle chargers (EV Chargers) with designated power outlets and sufficient meter size. The goal is to proceed with housing projects which are developed and opened for sale starting 2023 onwards.

Green Hotel Operations

To promote efficient and cost-effective energy consumption in the hotel establishments and good environmental management; to raise service standards, to be environmentally friendly, that will lead to a sustainable development of the country's tourism industry; and to reduce greenhouse gas emissions, the Company's hotel operations have implemented the following initiatives in 2023:

- Changing paper towels at the common washrooms to be environmentally friendly paper
- Changing drinking straws made from plastic to paper material
- Separating each type of waste such as recycle and general waste
- Supporting the reduction of electrical energy consumption

These initatives are expected to continue in 2024.

- **Greenhouse Gas Management and Climate Change Risk Management**

Climate change, which is a result of the continued increase in the amount of greenhouse gases in the atmosphere, has become an issue of global importance and the world sees the need for the preparation to respond in order to maintain a constant concentration of greenhouse gases in the atmosphere at a level that does not pose a danger to the global climate system to prevent economic losses that may arise from the effects of climate change.

In order to demonstrate the Company's social responsibility and contribute to environmental protection in accordance with Thailand's goals and to become a low-carbon organization in the future, in 2023, the company, with the approval of the Stainable Development Committee, hired a company, registered with the Thailand Greenhouse Gas Management Organization (TGO), as a consultant in preparing the organization's greenhouse gas emissions and recovery report and hired Bureau Veritas Thailand Co., Ltd., which operates under Thailand Greenhouse Gas Management Organization (TGO) and is accepted internationally, as an auditor.

Due to the fact that in 2023, the Company has prepared the organization's greenhouse gas emissions and recovery report for the first time, the Company, therefore, has set the scope of data collection on resource and energy consumption that generates greenhouse gas emissions as follows:

1. The area for data collection covers the head office and sales office of the house and condominium projects located in Bangkok and the vicinity areas under the management of Quality House Public Company Limited and its subsidiaries - with 22 projects in total.
2. Direct sources of greenhouse gas emissions (type 1) come from the consumption of vehicle fuel, leakage of refrigerant used, amount of fire extinguishing agent used, and methane emissions from septic tanks.
3. Indirect sources of greenhouse gas emissions (type 2) come from the organization's electricity-use activities.
4. Other indirect sources of greenhouse gas emissions (type 3-6) come from the use of water supply and paper, messenger trips, landfill of solid waste generated by the office, acquisition of electrical energy and the fuel used in the office, employee travel, and business-related trips of the Company.
5. The data collection period is January - December 2023.
6. The process is based on the ISO14064-1 standard.

The results of the company's data collection and calculation of greenhouse gas emissions in 2023 are as follows:

Greenhouse gas emission sources	Quantity	Unit
Type 1	518	Ton CO_2
Type 2	480	Ton CO_2
Type 3-6	253	Ton CO_2
Totals (Type 1 and 2)	998	Ton CO_2
Totals (Type 1 through 6)	1,251	Ton CO_2
Product	14,625.54	Square meter (Sq.m.)
Carbon Intensity (Type 1 and 2)	0.0682	Ton CO_2e/ Sq.m.
Carbon Intensity (Type 1 to 6)	0.0855	Ton CO_2e/ Sq.m.

The Sustainable Development Committee has passed a resolution setting the Company's long-term greenhouse gas emissions targets in line with Thailand's targets: Carbon Neutral by 2050.

- **Innovation and technology development of products and services**

  Develop a system for inspecting customers' homes before transferring

  The Company has developed a customer service technology that allows for a home inspection, prior to the transfer, via telephone in order to reduce paper use and to promote systematic record-keeping system; the lists and data can be conveniently and quickly analyzed.

  Innovation and technology development under the "Quality of Living" concept

  The Company is committed to innovation and technology development to respond to customer needs under the "Quality of Living" concept.

  Design for living

  1. **Working people**
     - Designing personal space in every segment of the houses that can be used for "work from home"
     - Designing communal spaces for social activities
     - Using materials that promote safety in the house
  2. **Young families**
     - Designing a multi-purpose room on the ground floor to accommodate young family lifestyle such as a bedroom (Casa Ville segment and above)
  3. **Seniors**
     - Designing with convenience and safety for elderly in mind, including:
       - Elderly bathroom with floor that is leveled with the rest of the house for comfortable and smooth movements, and is suitable for wheelchair
       - Soft flooring materials used in elderly bedroom to reduce severity, in case of accident

  Design for residents' better quality of life

  1. Designing with ventilation in mind, including the Q.Health system, which brings in air from outside to create circulation while exhausting carbon dioxide which is toxic to the body; this helps to create healthy indoor air quality.
  2. Designing with safety of the housing project in mind, including a license plate scanning system for vehicles that are registered with the juristic person only (Laddarom segment and above) and a CCTV camera system at the entrance and the main roads of the housing projects.
  3. Designing with convenient living conditions in mind, including a digital door lock that homeowners can conveniently operate via Smart Phone, which also allows for monitoring of movements even when they are not at home (Wararom segment and above).

3.4 Social Sustainability Management

3.4.1 Policy and Guidelines on Social Issues

Policy

The Company is committed to conducting business with integrity and ethics, including social responsibility, and the Company considers this as an important mission to improve every aspect of the quality of life of all stakeholders including employees, customers, and communities through activities as follows:

1. Support activities that benefit society, the community, and the environment.
2. The Company has a policy not to take any action that will damage the reputation of the country.
3. The Company will not cooperate with or support any person who conducts illegal business or poses a threat to society and national security.
4. The Company continuously instills a sense of responsibility to the community and society in the Company and employees at all levels.
5. The Company manages its operations to strictly comply with relevant laws.

Guidelines and Results

1. Fair business practices

1.1 The Company selects contractors on an equal and fair basis.

1.2 The Company provides appropriate assistance to business partners.

1.3 The Company is committed to treating banks, financial institutions, debenture holders, and loan creditors with integrity, repaying loans and interest payments on time, and complying with the conditions specified in the loan agreement.

1.4 The Company has a clearly written policy of not encouraging employees to act in violation of another person's intellectual property or copyright without permission.

2. Respect for Human Rights

Since human rights problems today are violent and affect society, and the freedom of individuals to work and conduct business, the Company has a policy against all human rights violations in line with a society with legal systems where people have the right and freedom under the provisions of the law as follows:

2.1 The Company will not commit any act that disregards human rights and the dignity of individuals and will not act in any way that impedes or discriminates against individuals on the basis of gender, race, religion, individual status, economic or social status, and will apply such criteria for employment, work assignment, promotion, compensation, and employment conditions.

2.2 The Company will resist any acts of exploitation of human trafficking, the use of child labor under the age specified by labor laws and will not conduct business with the manufacturer of goods or services that do so.

2.3 The Company will support, respect, and protect human rights by monitoring and controlling the Company's business operations so that no operation with third parties promotes and supports human rights violations. This includes not infringing on the rights of employees who are protected by law.

3. **Fair Treatment of Workers**

The Company will treat workers fairly in accordance with international norms as follows:

3.1 Provide appropriate compensation based on the knowledge, competencies, responsibilities, and performance of each employee.

3.2 Promote the development and enhancement of employees' knowledge and skills to have career advancement and security.

3.3 Promote employee participation in determining the direction of the Company's work and problem-solving.

3.4 Maintain a safe working environment for the employee's life, health, and properties.

3.5 Reward and punish employees based on facts and fairness.

3.6 Comply with laws and regulations relating to labor laws and employee welfare.

3.7 Avoid any unfair and incorrect actions that affect the progress and stability of the employee's career.

3.8 Treat employees based on respect for individual rights and duties.

4. **Responsible Production and Service to Customers**

The Company's guidelines are as follows:

4.1 Meet customer/consumer needs with quality products and services.

4.2 Disclose information about products and services fully, accurately, and fairly to customers without distorting facts.

4.3 Provide warranties of goods and services under appropriate terms.

4.4 Establish a complaint channel for customers to allow them to share opinions about products and services with the goal to respond quickly.

Social Issue related Activities in 2023 are as follows:

- **Respect for Human Rights, and Equal and Fair Treatment**

Equal employment

The Company has a policy of fair employment based on respect for human rights with no discrimination or impediment due to the diversity of individuals, including gender, race, religion, etc.

As of December 31, 2023, the Company employs a total of 911 employees which can be separated by gender as follows:

Gender	Year 2022	Year 2023
Male	503	501
Female	401	410
Total	**904**	**911**

Labor disputes

In 2023, the company has no labor disputes with employees.

Provident Fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2558. The employees voluntarily contributed to the fund at the rate of 2% - 15% of basic salary, while the Group contributed to the rate of 3% - 6% of basic salary. The fund, which is managed by Land and House Fund Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules..

As of December 31, 2023, the number and proportion of the Company's employees participating in the provident fund are as follows:

Item	Unit	Year 2022	Year 2023
Total number of employees	Persons	904	911
Number of employees who are members	Persons	687	814
Proportion of employees who are members	%	76	89

- **Sustainable Human Resource Management**

The Company has a policy to promote the development of knowledge and skills of employees to ensure career advancement and stability. The Human Resources Department has prepared training courses for employees at all levels, including in-house training courses, by inviting speakers with knowledge and ability to train employees as detailed in Part 2, Corporate Governance, Section 6, Corporate Governance Policy.

In 2023, the average number of training hours of employees (hour/person/year) is as follows:

Item	Unit	Year 2022	Year 2023
Total number of employees	Persons	904	911
Number of employee training hours	Hour/person/year	13.42	9.17

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2558. The employees voluntarily contributed to the fund at the rate of 2% - 15% of basic salary, while the Group contributed to the rate of 3% - 6% of basic salary. The fund, which is managed by Land and House Fund Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules.

- **Percentage of employees who voluntarily resigned compared to 2023**

Details	Unit	2022	2023
Total **number of employees** who resigned voluntarily	Persons	89	74
Percentage of **total employees** who voluntarily resigned to total employees.	%	9.85	8.12
Number of **male employees** who resigned voluntarily	Persons	53	46
Percentage of **male employees** who resigned voluntarily	%	59.55	62.16
Number of **female employees** who resigned voluntarily	Persons	36	28
Percentage of **female employees** who resigned voluntarily	%	40.45	37.84

- **Occupational Safety and Health**

To comply with social policies and practices in compliance with laws and regulations on labor and employee welfare, the Company has established a Safety, Occupational Health, and Working Environment Committee with responsibilities to consider safety policies and plans to prevent and reduce workplace accidents and to monitor the performance and prepare reports on the performance of professional safety officers according to the announcement of the Ministry of Labor and Social Welfare on the occupational safety of employees, as follows:

1. The Company strictly complies with laws regarding occupational safety, health and environment in all areas of the Company's operations.
2. Occupational Safety, Health and Environment Committee has communicated relevant policy and guidelines to each business line to ensure consistent implementation across employees at all levels, contractors, and business partners. Guidelines are created to prevent and reduce accidents, danger or insecurity at work including:
   - Mandatory use of personal safety equipment such as seat belt for working at heights higher than two meters
   - Safety signs placed at construction sites
   - Temporary electrical inspections to prevent serious incidents
   - Mobile fire extinguishers and survey of work areas that might be prone to accidents, for examples, manhole lids are required to be closed or fenced off
3. Training supervisor level employees and executives about occupational safety, health and environment in accordance with the Company's occupational safety, health and environment policy as well as the ministerial regulations on the provision of occupational safety officers, personnel, and agencies in business establishments, B.E. 2022
4. Appointments and terminations of work safety officers in accordance with the ministerial regulations on the provision of occupational safety officers, personnel, and agencies in business establishments, B.E. 2022

5. Concerning working environment, work safety officers are responsible for investigating and reporting work accidents or nuisances in each area of the Company in accordance with their roles and responsibilities as prescribed by the Ministerial Regulations B.E. 2022
6. Create work safety officers, personnel, and agencies in the business establishments, B.E. 2022.

The Company's threshold for work accidents is zero fatality and zero injury that requires time off from work. This is to comply with the Company's occupational safety, health and environment policy, which is deemed extremely important for its operations under the occupational safety, health and environment policy.

In 2023, the Occupational Safety, Health, and Environment Committee has prepared a report summarizing the statistics of employees' occupational injuries as follows:

Year	Total number of Employees (Person)	Number of employees who suffered injuries (persons)						
		Total	Death	Disabled	Partial organs loss	Off work for more than 3 days	Off work for not more than 3 days	Not off work
2022	904	-	-	-	-	-	-	-
2023	911	-	-	-	-	-	-	-

- **Responsibility to customers and consumers**

Personal Data Protection

Quality House Public Company Limited (the "Company") recognizes the importance of personal data protection and in order to implement the Personal Data Protection Act B.E. 2562 (2019) (the "Personal Data Protection Act"), the Company has established the Personal Data Protection Committee and the Personal Data Protection Officer in accordance with the resolutions of the Board of Directors' Meeting No. 2/2022.

The Personal Data Protection Committee has established a personal data protection policy to promote and support the protection of personal information of customers, employees, and business partners that the Company has collected in order to comply with the laws and regulations relating to the protection of personal information.

In addition, the Company has a clearly written policy of not encouraging staff to perform any act that infringes the intellectual property or copyright of another person without permission, and in 2022, the Company has improved the regulations on the usage of information technology to comply with the Personal Data Protection Act B.E. 2562 (2019).

Assessment of Customer Satisfaction

The Company has prepared an overall satisfaction assessment form for residents living in the housing projects and a satisfaction assessment form for after-sales service (repair work) in order to continuously develop products and services for the greatest benefit of the customers.

Process used for customer satisfaction survey of after-sales services (house repair work)

1.1 Customers participate in the survey after the requested repair work is completed.

1.2 Satisfaction survey scores on speed, quality of work, and customer care are summarized.

1.3 Results are analyzed and complaints are addressed to maintain the customer satisfaction level over the coming years.

The Company has set a targeted minimum overall customer satisfaction score at 80 percent and the score was 84 percent in 2023.

- **Social and Community Responsibility**

  In 2023, the Company supported various social, community, and environment activities as follows:

  - Centre Point Hotels Group
    - CSR workshop under the name of "Centre Point x Autistic Thai Always Care Workshop"

      Centre Point Hotels Group, in collaboration with Autistic Thai Foundation, hosted a CSR workshop under the name of "Centre Point x Autistic Thai Always Care Workshop" for children with autism and special needs, and their families held at Centre Point Hotel Silom recently.

      The workshop was a result of a campaign launched on 2 April 2023, in observance of World Autism Awareness Day. Centre Point Hotels Group had joined forces with the Autism Thai Foundation to organize an event aimed at promoting the development of autistic children and children with special needs. The event provided an opportunity for all hotel guests who made direct room reservations in the month of April to participate and support this initiative. Centre Point Hotels Group dedicated 1% of the revenue generated from direct room bookings during that period to organize the workshop for this event.
    - The hotel business organized the "Centre Point Always Care" Relief Package to Turkey and Syria by donating essential items such as baby diapers and toilet paper to the Syrian and Turkish embassies.
    - The hotel business organized the "To give and to Gain" activity by sorting aluminum soft drink can openers and donating to the Prostheses Foundation for the production of prosthetic legs.
  - The Company's employees at head office helped to separate plastic water bottle waste and donate them to Chak Daeng Temple in Samut Prakan Province for recycling into funeral robe and monk's robe. The activity helped to reduce waste and generate income for the community.
  - The Company's employees helped to donate old calendars to the Foundation for the Blind.
  - Employees of the Company and affiliated companies participated in four rounds of blood donation to the Thai Red Cross Society at Q House Lumpini Building in 2023.

4. Management Discussion and Analysis

4.1 Analysis of Performance and Financial Position

4.1.1 Analysis of Performance

(A) Overview of Past Performance

For the performance of 2023, the Company and its subsidiaries had total revenue from core businesses of Baht 8,968 million, a decrease of Baht 258 million or 3% from 2022. Meanwhile, total cost of sale was Baht 5,963 million, a decrease of Baht 134 million or 2% from 2022. Net profits for 2023 and 2022 were Baht 2,503 million and Baht 2,396 million with gross profit margin of 33.5% and 33.9% for 2023 and 2022, respectively.

(B) Performance by Business Group

The Company's and its subsidiaries' results of operation are based on the country's economic situation and can be categorized by types of businesses as follows:

(1) Revenue from Sales and Services

- **Real Estate for Sales Business**

  The Company and its subsidiaries recognizes the sales of real estate as revenue in the statement of comprehensive income once construction is completed under the contract and ownership have been transferred to the buyer after all payment have been received from the buyer (Completion Method).

  In 2023, the Company and its subsidiaries had a revenue from sales of real estate of Baht 7,619 million, decrease by Baht 608 million or 7% compared to 2022. This was due to a decrease in revenue from housing projects by Baht 736 million or 10% decrease compared to 2022. While revenue from condominium projects increased by Baht 128 million or 17% increase compared to 2022 Overall economic conditions, which resulted in reducing purchasing power of customers in the middle to lower income classes, the impact of rising interest rates, and the banks' strict home lending measures were contributing factors.

  In 2023, the Company and its subsidiaries launched 6 new housing projects with total project value of Baht 8,589 million and closed 4 sold-out housing projects.

- **Hotel Business**

  In 2023, revenue from hotel business increased by Baht 498 million or 69% increase compared to 2022. This was due to the increase in both Thai and international tourists.

- **Office Building for Rent Business**

  In 2023, revenue from rental office building business decreased by Baht 148 million or 52% decrease compared to 2022 because the leasehold of one office building was expired during the 4th quarter of 2022.

(2) Sharing of Profit from Investments in Associates

The Company's share of profit from investments in associates under equity method increased by Baht 167 million or 11% compared to 2022 with details as follows:

(Unit : Million Baht)

Company / Fund	2022	2023	Increase (Decrease)
Home Products Center Public Company Limited	1,235	1,280	45
LH Financial Group Public Company Limited	217	288	71
Quality Houses Leasehold Property Fund	120	120	-
Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	14	65	51
Total	**1,586**	**1,753**	**167**

(3) Cost of Sales, Selling and Administrative Expenses, Financial Costs and Income Tax Expenses

A Cost of Sales

Total cost of sales in 2023 decreased by Baht 134 million or 2% decrease compared to 2022, which aligned with a decrease in revenue in each business segment. Details of cost of sales proportion by business segment are as follows:

(Unit : %)

Proportion of Cost of sales	2021	2022	2023
Real estate for sales business	92	90	87
Hotel Business	6	8	12
Office Building for Rent Business	2	2	1

B Selling Expenses

In 2023, selling expenses increased by Baht 89 million or 18% increase compared to 2022. This was mainly due to an increase in commission expenses which was in line with the increased of revenue from Hotel operations.

C Administrative Expenses

In 2023, administrative expenses decreased by Baht 13 million or 1% decrease compared to the same period of 2022, mainly due to the decrease in recognition of provision for loss arising from litigations.

D Finance Cost

In 2023, finance cost decreased by Baht 21 million or 8% decrease compared to the same period of 2022 due to loan repayment.

E Income Tax Expenses

In 2023, income tax expenses for the year ended 2023 decreased by Baht 68 million or 24% decrease compared to the same period of 2022. These expenses aligned with a decrease in the Company's operating profit (excluding share of profit from investments in associates).

(4) Gross Profit Margin

The gross profit margin from real estate for sales business , hotel business and office building for rent business are detailed below;

(Unit : %)

Gross Profit Margin	2021	2022	2023
Real estate for sales business	30.3	33.3	31.9
Hotel Business	(17.4)	30.8	41.1
Office Building for Rent Business	64.6	60.7	54.8

(5) Operating Results

In 2023, the Company and its subsidiaries recorded a net profit of Baht 2,503 million, increasing by Baht 107 million or 4% compared to 2022. This was mainly due to a decrease in gross profit from sales of real estate by Baht 303 million, gross profit margin from hotel business increased by Baht 278 million, gross profit margin from office building for rent business decreased by Baht 98 million, an increase in share of profit from investments in associates by Baht 167 million, an increase in other income by Baht 50 million. Meanwhile, Selling expenses increased by Baht 89 million, and Administrative expenses decreased by Baht 13 million, income tax expenses decreased by Baht 68 million and financial expenses decreased by Baht 21 million.

(6) Return on Equity

The 2021 Annual General Meeting of Shareholders held on April 22, 2021 approved a dividend payment from the operations in 2020 as cash dividend at the rate of Baht 0.12 per share, totaling Baht 1,286 million. On August 9, 2021, the Board of Directors approved an interim dividend from the operation result of first six months ending June 30, 2021 at the rate of Baht 0.03 per share, totaling Baht 321 million.

The 2022 Annual General Meeting of Shareholders held on April 22, 2022 approved a dividend payment from the operations in 2021 as cash dividend at the rate of Baht 0.10 per share, totaling Baht 1,071 million. On August 10, 2022, the Board of Directors approved an interim dividend from the operation result of first six months ending June 30, 2022 at the rate of Baht 0.04 per share, totaling Baht 429 million.

The 2023 Annual General Meeting of Shareholders held on April 21, 2023 approved a dividend payment from the operations in 2022 as cash dividend at the rate of Baht 0.14 per share, totaling Baht 1,500 million. On August 9, 2023, the Board of Directors approved an interim dividend from the operation result of first six months ending June 30, 2023 at the rate of Baht 0.05 per share, totaling Baht 536 million.

4.1.2 Financial Position

Financial Position as at December 31, 2022 and 2023

(1) Assets

As of December 31, 2022 and 2023, the Company and its subsidiaries had total assets of Baht 43,626 million and Baht 43,442 million, respectively. As of the end of 2023, the Company and its subsidiaries' total assets decreased by Baht 184 million or 0.4% from 2022. Details of important assets are as follow:

- **Cash and Cash Equivalent**

  The Company and its subsidiaries have a policy to hold cash as needed. As of the end of 2022 and 2023, the Company and its subsidiaries had cash and cash equivalent of Baht 1,530 million and Baht 1,347 million, respectively. As of the end of 2023, the Company and its subsidiaries' cash and cash equivalent decreased by Baht 183 million or 12% from 2022 mainly due to the loan repayment.

- **Trade Account Receivables and Other Receivables**

  As of December 31, 2022 and 2023, the Company and its subsidiaries had trade account receivables and other receivables of Baht 42 million and Baht 94 million respectively, increasing by Baht 52 million or 123 %. The increase mainly came from Hotel business.

  The Company and its subsidiaries have a policy to provide 30-day credit terms to their customers, with a specific unit to monitor customers' payment pattern so that the receivables are not overdue for more than one month. Most account receivables are overdue for not more than three months.

- **Land and construction in progress/land and project development costs**

  Land and construction in progress/land and project development costs as of December 31, 2022 and 2023 were Baht 26,677 million and Baht 26,698 million, respectively. As of December 31, 2023, land and construction in progress/land and project development costs increased by Baht 21 million or 0.1% compared to 2022. Land and construction in progress/land and project development costs accounted for 61% of total assets in 2022 and 2023.

  As of December 31, 2022 and 2023, the Company and its subsidiaries had land and construction in progress accounted for current assets of Baht 19,267 million and Baht 20,312 million, respectively. Land and construction in progress is able to generate revenue for the Company and its subsidiaries in a period of 1 to 3 years, depending on the type and size of the project. Land and construction in progress accounted for 92% and 93% of current assets in 2022 and 2023, respectively.

Land and project development cost accounted as non-current assets as of December 31, 2022 and 2023 were Baht 7,410 million and Baht 6,386 million, respectively. Most of them were projects under development for sales and the rest were vacant land awaiting for development. Therefore, they were not the revenue generating assets under this entry. These assets would take 1 to 2 years of development prior to generating revenue depending on time taken for required land allocation and construction permits, type and size of the project.

- **Investment in Associate Companies**

  As of December 31, 2022 and 2023, investment in associate companies under the cost method was unchanged at Baht 6,680 million. Meanwhile, under equity method, the investments were Baht 11,590 million and Baht 11,695 million in 2022 and 2023, respectively. Details are as follow:

(Unit : Million Baht)

Investment in Associate Companies	Dec 31, 2022		Dec 31, 2023		Increase (Decrease)	
	Cost Method	Equity Method	Cost Method	Equity Method	Cost Method	Equity Method
Home Product Center Public Company Limited	760	5,034	760	5,295	-	261
LH Financial Group Public Company Limited	2,850	5,065	2,850	4,940	-	(125)
Quality Houses Leasehold Property Fund	2,017	1,152	2,017	1,115	-	(37)
Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	1,053	339	1,053	345	-	6
Total	**6,680**	**11,590**	**6,680**	**11,695**	**-**	**105**

- **Investment in Subsidiaries**

  Investment in Subsidiaries under cost method as of December 31, 2022 and 2023 was unchanged at Baht 3,124 million. Meanwhile, under equity method, the investments were Baht 7,883 million and Baht 8,195 million in 2022 and 2023, respectively.

- **Other Long Term Investments**

  Q.H. International (BVI) Co., Ltd., a subsidiary of the Company, invested in Harbour View Corporation in the proportion of 14.15% (more details in section 2 “Risk Management”, topic 2.2.1 Financial risk - risk from investment, lending and guarantees made to the related companies Harbour View Corporation).

- **Real Estate for Investment**

  The Company records real estate for investment net of accumulated depreciation and impairment allowance. As of December 31, 2022 and 2023, real estate for investment were Baht 472 million and Baht 464 million, respectively. As of December 31, 2023, real estate for investment decreased by Baht 8 million or 2%. Details are as follow:

(Unit : Thousand Baht)

	Consolidated and Separate financial statements	
	2022	2023
Net book value at beginning of year	527,483	471,664
Increase	-	21,000
Depreciation for the year	(55,819)	(28,232)
Net book value at end of year	**471,664**	**464,432**

- **Land, Building and Equipment**

  Land, building and equipment as of December 31, 2022 and 2023 were at Baht 1,533 million and Baht 1,435 million, respectively. As of December 31, 2023, land, building and equipment decreased by Baht 98 million or 6% compared to 2022. This was mainly due to depreciation write-off during the year by Baht 122 million and additional purchase during the year by Baht 24 million

- **Right-of-use assets**

  As of December 31, 2023, right-of-use assets decreased by Baht 183 million or 22% decrease compared to 2022. Details are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements			
	Land and Hotel buildings	Offices buildings	Motor Vehicles	Total
Net book value as at 31 December 2022	609,029	185,399	22,274	816,702
Increase	-	-	3,412	3,412
Adjustment of right of use assets due to amending contact	-	(15,659)	-	(15,659)
Depreciation for the year	(141,797)	(26,809)	(2,326)	(170,932)
Net book value as at 31 December 2023	**467,232**	**142,931**	**23,360**	**633,523**

As of December 31, 2022 and 2023, the total value of land and construction in progress/land and project development costs / real estate for investment / land, building and equipment/ leasehold rights were Baht 29,498 million and Baht 29,231 million, respectively, which accounted for 68% and 67% of total assets of the Company and its subsidiaries in 2022 and 2023, respectively. They are short-term and long-term revenue generating assets of the Company and its subsidiaries and are recognized as net cost after being deducted by the provision for loss from project revaluation amounting to Baht 835 million and Baht 871 million, respectively.

In setting the provision for loss on diminution in value of projects, the Company and its subsidiaries computed the value by comparison of accounting costs and appraisal value by using Market Approach method and/or Hypothetical Development method. If accounting cost was higher than appraisal value, the different of accounting cost and appraisal value would be recorded as the provision for loss on diminution in value of projects in Statement of comprehensive income under the “Administrative Costs”.

(2) Liquidity

Cash flows from activities in the past is shown as follows:

(Unit : Million Baht)

Cash flows	2021	2022	2023
Net cash flows from operating activities	3,044	2,640	1,136
Net cash flows from investing activities	1,186	1,040	1,251
Net cash flows from financing activities	(3,533)	(5,356)	(2,570)

Net cash flows from operating activities

In 2021, the Company and its subsidiaries had net cash flows from operating activities of Baht 3,044 million since the Company and its subsidiaries had less profit from operation and invested more in land.

In 2022, the Company and its subsidiaries had net cash flows from operating activities of Baht 2,640 million, decreased compared to previous year. This was mainly due to the Company and its subsidiaries invested more in land compare to previous year.

In 2023, the Company and its subsidiaries had net cash flows from operating activities of Baht 1,136 million, which decreased compared to previous year. This was mainly due to the Company and its subsidiaries had less profit from operation and higher investment in project development compared to previous year.

Net cash flows from investing activities

In 2021, the Company and its subsidiaries had net cash flows from investing activities of Baht 1,186 million, mainly due to dividend received from associates of Baht 1,208 million and interest income of Baht 4 million and the decrease of restricted deposit at financial institutions of Baht 5 million. Moreover, the Company and its subsidiaries had an investment in property, plant and equipment with an increase of Baht 31 million from previous year.

In 2022, the Company and its subsidiaries had net cash flows from investing activities of Baht 1,040 million, mainly due to dividend received from associates of Baht 1,150 million and interest income of Baht 4 million. Moreover, the Company and its subsidiaries had an investment in property, plant and equipment with an increase of Baht 144 million from previous year.

In 2023, the Company and its subsidiaries had net cash flows from investing activities of Baht 1,251 million, mainly due to dividend received from associates of Baht 1,265 million and interest income of Baht 3 million. Moreover, the Company and its subsidiaries had an investment in property, plant and equipment with an increase of Baht 17 million from previous year.

Net cash flows from financing activities

In 2021, the company and its subsidiaries had net cash flows from financing activities of Baht 3,533 million, mainly due to the cash received from debenture issuance of Baht 4,500 million, the maturity of debentures of Baht 4,600 million, long-term loan repayment of Baht 800 million, short-term loan repayment to financial institution of Baht 1,000 million, dividend payment of Baht 1,179 million ,interest payment of Baht 408 million, financial fee payment of Baht 5 million and lease liability payment of Baht 41 million.

In 2022, the company and its subsidiaries had net cash flows from financing activities of Baht 5,356 million, mainly due to the cash received from short-term loan issuance of Baht 1,000 million, long-term loan issuance of Baht 1,500 million, debenture issuance of Baht 2,868 million, the maturity of debentures of Baht 7,500 million, long-term loan repayment of Baht 1,600 million, dividend payment of Baht 1,179 million, interest payment of Baht 337 million, financial fee payment of Baht 7 million and lease liability payment of Baht 101 million.

In 2023, the company and its subsidiaries had net cash flows from financing activities of Baht 2,570 million, mainly due to the cash received from debenture issuance of Baht 1,912 million, short-term loan repayment of Baht 500 million, long-term loan repayment to financial institution of Baht 1,919 million, dividend payment of Baht 1,607 million ,interest payment of Baht 259 million, financial fee payment of Baht 2 million and lease liability payment of Baht 195 million.

(3) Source of Funds

Suitability of Capital Structure

As the Company and its subsidiaries operate the business of real estate for sales and rent, the appropriateness of the capital structure must consider the source of funding, the proportion of funds from loans and shareholders' equity, as well as the management of the level of assets, liabilities and shareholders' equity.

Most of the Company's and its subsidiaries' total assets are short-term and medium-term revenue generating assets of 1 to 3 years. Therefore, the Company and its subsidiaries would manage its source of funds, namely, long-term investments will use long-term loan sources, while short-term investments will use short-term loan sources, for an appropriate capital structure.

The Company and its subsidiaries has a policy to utilize long-term loan sources which is mostly by issuing debentures to financial institutions and individuals with a maturity date of 3 to 5 years. As of December 31, 2021, the proportion of debentures to total loans was 79%, another 21% was from long-term loan. As of December 31, 2022, the proportion of debentures to total loans was 64%, another 27% was from long-term loan and the other 9% was from short-term loan. As of December 31, 2023, the proportion of debentures to total loans was 85%, another 10% was from long-term loan and the remaining 5% was from short-term loan from financial institutions. The details of loans are described in topic (4) Liabilities.

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had proportion of short-term to long-term loans and that of short-term to long-term liabilities as follows:

(Unit : %)

Proportion of Loans	Dec 31, 2021	Dec 31, 2022	Dec 31, 2023
Short-term loans	60	26	57
Long-term loans	40	74	43
Total	**100**	**100**	**100**

(Unit : %)

Proportion of Liabilities	Dec 31, 2021	Dec 31, 2022	Dec 31, 2023
Short-term liabilities	59	35	58
Long-term liabilities	41	65	42
Total	**100**	**100**	**100**

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had total liabilities to shareholders' equity ratio of 0.71x, 0.57x and 0.53x, respectively. The ratio decreased since the Company and its subsidiaries had less borrowing an increasing the shareholders' equity.

According to the terms and conditions of debenture issuance, the Company must maintain the ratio of liabilities to shareholders' equity in the consolidated financial statements of the Company not more than 2:1 as of the end of the accounting period of each quarter. In this regard, liabilities means total liabilities as disclosed in the Borrower's audited or reviewed financial statement liabilities deducted by cash and cash equivalent reported in financial statement, but liabilities do not include the advanced receipt, rental income received in advance, deposit from customers, and liabilities guarantees by the Company with third parties and its subsidiaries, of which the liabilities are presented in their financial statements. Therefore, as of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had total liabilities to shareholders' equity in accordance with the terms and conditions of debenture issuance at 0.57x , 0.49x and 0.47x, respectively.

(4) Liabilities

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had total debts mostly consisting of short-term loans from financial institutions / long-term loans and unsecured debentures at total amount of Baht 15,138 million, Baht 11,423 million and Baht 10,985 million, respectively accounting for 79%, 72% and 73% of total liabilities. Details are as follows:

(Unit : Million Baht)

Loans	Dec 31, 2021	Increase in Loans	Repayment	Dec 31, 2022	Increase in Loans	Repayment	Dec 31, 2023
Short-term loans from financial institutions	-	1,000	-	1,000	2,997	(3,500)	497
Long-term loans	3,144	1,498	(1,600)	3,042	-	(1,919)	1,123
Unsecured debentures	11,994	2,868	(7,481)	7,381	1,984	-	9,365
Total	**15,138**	**5,366**	**(9,081)**	**11,423**	**4,981**	**(5,419)**	**10,985**

The Company has pledged the land and buildings with net book value of Baht 2,777 million as of December 31, 2022 (2023 : None) to secure the loans received from financial institutions.

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had total liabilities of Baht 19,251 million, Baht 15,793 million and Baht 15,070 million, respectively. In particular, at the end of 2023, current liabilities was at Baht 8,801 million and non-current liabilities was at Baht 6,269 million.

(5) Shareholders' Equity

As of 31 December 2023, total shareholders' equity of the Company increased by Baht 539 million or 2% increase from the end of 2022 (as of 31 December 2022). This was because the Company recognized net profit of Baht 2,503 million for the year 2023. Meanwhile, the Company paid the dividend of Baht 1,071 million in May 2023 in accordance with the resolution of the Annual General Meeting of 2023 held on 21 April 2023 and paid an interim dividend of Baht 536 million in September 2023 in accordance with the resolution of the Board of Directors' Meeting No.5/2023 dated 9 August 2023. Moreover, other components of shareholders' equity decreased by Baht 166 million from the share of other comprehensive income of associates.

(6) Commitments

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had the following outstanding commitments and contingent liabilities as detailed below:

The Company and its subsidiaries had outstanding commitments with respect to contracts to purchase lands and to develop future projects as follows:

(Unit : Million Baht)

Item	Dec 31, 2021	Dec 31, 2022	Dec 31, 2023
Contracts for construction projects	580	754	919
Contracts to purchase land for future projects	431	138	784

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had a required minimum lease payment in the future under the operating lease contracts (Rent of cars and equipment) as detailed below:

(Unit : Million Baht)

Payable (within)	Dec 31, 2021	Dec 31, 2022	Dec 31, 2023
Within 1 year	8	6	5

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had commitments in respect of various service agreements in the amount of Baht 35 million, Baht 27 million and Baht 28 million, respectively.

As of December 31, 2021, 2022 and 2023, the Company and its subsidiaries had servitude land in total amount of 50 rais, 53 rais and 55 rais, respectively. The mentioned amount of land in projects with servitude land was already included in project costs.

4.2 Major Factors and Influences on Future Financial Position or Performance

- None -

4.3 Disclose information from the financial statement and significant financial ratios

4.3.1 Financial Statement

A) Statement of Financial Position

Assets	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Cash and cash equivalents	3,206	7	1,530	4	1,347	3
Trade and other receivables	26	0	42	0	94	0
Land and construction in progress	19,987	43	19,267	44	20,312	47
Other current assets [1]	146	1	135	-	120	0
Total current assets	**23,365**	**51**	**20,974**	**48**	**21,873**	**50**
Investments in associates	11,524	25	11,590	27	11,695	27
Investment properties	527	1	472	1	464	1
Property, plant and equipment	1,546	3	1,533	4	1,435	3
Right-of-use assets	972	2	817	2	634	1
Land and project development costs	7,474	16	7,410	17	6,386	15
Other non-current assets [2]	828	2	830	2	955	2
Total non-current assets	**22,871**	**49**	**22,652**	**52**	**21,569**	**50**
Total assets	**46,236**	**100**	**43,626**	**100**	**43,442**	**100**

Remarks : 1) *Other current assets, including Advance for construction work, Advance for construction material, Assets recognised in respect of cost to obtain contracts with customers and Other current assets.*

2) *Other non-current assets, including Other non-current financial assets, Deposits for lease of land and building, Deposits for purchase of land, Deferred tax assets and Other non-current assets.*

Assets	December 31, 2021		December 31, 2022		December 31, 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Short-term loans from financial institutions	-	-	1,000	2	497	1
Trade and other payables	556	1	673	2	691	2
Current portion of unsecured debentures	7,500	17	0	0	5,229	12
Other current liabilities [3]	3,266	7	3,809	9	2,384	5
Total current liabilities	**11,322**	**25**	**5,482**	**13**	**8,801**	**20**
Unsecured debentures, net of current portion	4,494	10	7,381	17	4,136	10
Other liabilities [4]	3,435	7	2,930	7	2,133	5
Total non-current liabilities	**7,929**	**17**	**10,311**	**24**	**6,269**	**14**
Total liabilities	**19,251**	**42**	**15,793**	**36**	**15,070**	**35**
Issued and fully paid-up	10,714	23	10,714	25	10,714	25
Share premium	379	1	379	1	379	1
Other components of shareholders' equity	(595)	(1)	(962)	(2)	(1,128)	(3)
Retained earnings-Appropriated statutory reserve	1,072	2	1,072	2	1,072	2
Retained earnings-Unappropriated	15,415	33	16,630	38	17,335	40
Total shareholders' equity	**26,985**	**58**	**27,833**	**64**	**28,372**	**65**
Total liabilities and shareholders' equity	**46,236**	**100**	**43,626**	**100**	**43,442**	**100**

Remarks : 3) *Other current liabilities, including Current portion of long-term loan, Current portion of lease liabilities, Income tax payable, Short-term provisions, Advance received from customers, Deposits for rental and service, Retention guarantees, Current portion of rental income received in advance and Other current liabilities.*

4) *Other liabilities, including Long-term loan, net of current portion, Lease liabilities, net of current portion, Provision for long-term employee benefits, Long-term provisions, Rental income received in advance, net of current portion, Deferred tax liabilities and Deferred compensatory damage income.*

B) Statement of Comprehensive Income

Profit or loss	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales of real estate	7,502	90	8,227	87	7,619	82
Revenue from hotel operations	314	4	717	8	1,215	13
Revenue from office rental operations	303	3	282	3	134	1
Other income	233	3	219	2	269	3
Total revenues	**8,352**	**100**	**9,445**	**100**	**9,237**	**100**
Cost of real estate sold	5,226	63	5,490	58	5,186	56
Cost of hotel operations	369	4	496	5	716	8
Cost of office rental operations	107	1	111	1	61	1
Selling expenses	391	5	494	5	583	6
Administrative expenses	1,425	17	1,501	16	1,487	16
Total expenses	**7,518**	**90**	**8,092**	**86**	**8,033**	**87**
Profit from operating activities	834	10	1,353	14	1,204	13
Share of profit from investments in associates	1,382	17	1,586	17	1,753	19
Interest income	4	0	4	0	4	0
Finance cost	(330)	(4)	(259)	(3)	(238)	(3)
Profit before income tax expenses	**1,890**	**23**	**2,684**	**28**	**2,723**	**29**
Income tax expenses	(220)	(3)	(288)	(3)	(220)	(2)
Profit for the year	**1,670**	**20**	**2,396**	**25**	**2,503**	**27**

C) Statement of Cash Flows

(Unit : Million Baht)

Cash flows	2021	2022	2023
Net cash flows from operating activities	3,044	2,640	1,136
Net cash flows from investing activities	1,186	1,040	1,251
Net cash flows used in financing activities	(3,534)	(5,356)	(2,570)
Net increase (decrease) in cash and cash equivalents	696	(1,676)	(183)
Cash and cash equivalents at beginning of year	2,510	3,206	1,530
Cash and cash equivalents at end of year	3,206	1,530	1,347

D) Significant Financial Ratios

Financial Ratio	Dec 31, 2021	Dec 31, 2022	Dec 31, 2023
Liquidity Ratios			
Current Ratio (Time)	2.06	3.83	2.49
Quick Ratio (Time)	0.29	0.29	0.16
Current Ratio-Cash basis (Time)	0.30	0.31	0.16
Receivable Turnover (Time)	774.98	529.36	216
Avg Collection Period (Day)	0.5	1	1.7
Inventory Turnover (Time)	0.25	0.28	0.26
Inventory Day (Day)	1,465	1,287	1,374
Payable Turnover (Time)	12.58	11.8	9.64
Payable Day (Day)	29	31	37
Cash Cycle (Day)	1,437	1,257	1,338
Profitability Ratios			
Gross Profit Margin (%)	29.78	33.91	33.51
Operation Profit Margin (%)	7.41	12.29	10.42
Net Profit (%)	19.99	25.36	27.09
Return on Equity (%)	6.24	8.74	8.91
Efficiency Ratios			
Return on Asset (%)	3.56	5.33	5.75
Return on Fixed Asset (%)	19.73	26.58	29.49
Asset Turnover (Time)	0.18	0.21	0.21
Financial Policy Ratios			
Debts to Equity Ratio (Time)	0.71	0.57	0.53
Interest Coverage Ratio (Time)	8.17	8.72	5.70
Debt Service Coverage (Cash basis) (Time)	0.29	1.06	0.52
Dividend Payout Ratio (%)*	64.17	62.62	n.a.

Remarks : * 1) *The 2022 Annual General Meeting of Shareholders held on April 22, 2022 approved a dividend payment from the operations in 2021 at the rate of Baht 0.10 per share.*

2) *The Board of Directors' Meeting held on August 10, 2022 approved an interim dividend from the operation result of first six months ending June 30, 2022 at the rate of Baht 0.04 per share.*

3) *The 2023 Annual General Meeting of Shareholders held on April 21, 2023 approved a dividend payment from the operations in 2022 at the rate of Baht 0.14 per share.*

4) *The Board of Directors' Meeting held on August 9, 2023 approved an interim dividend from the operation result of first six months ending June 30, 2023 at the rate of Baht 0.05 per share.*

5. General information and Other Important Information

5.1. General Information

1) Securities Registrar :

Thailand Securities Depository Company Limited.
No. 93, Stock Exchange of Thailand Building,
Ratchadaphisek Road, Dindaeng Sub-District, Dindaeng District,
Bangkok 10400
Tel : 0-2009-9999 Fax : 0-2009-9991

2) Debentures registrar :

Bank of Ayudhya Public Company Limited.
Head Office
1222 Rama III Rd., Bang Phongphang, Yan Nawa, Bangkok 10120
Tel : 0-2296-2000

CIMB Thai Bank Public Company Limited.
Head Office
44 Langsuan Road, Lumpini, Pathum Wan,
Bangkok 10330
Tel : 0-2626-7503-4 Fax : 0-2626-7104

3) Auditor :

Ms. Pimjai Manitkajohnkit
Certified Public Accountant (Thailand) No. 4521
EY Office Limited
No. 193/136-137, 33rd Floor, Lake Rajada Office Complex,
New Rajadapisek Road, Bangkok 10110
Tel : 0-2264-0777 Fax : 0-2264-0789-90

4) Appraisal Company :

Grand Asset Advisory Co.,Ltd.
1350/279 - 283 Thairong Tower, 16th Floor,
Pattanakarn Road, Suan Luang, Bangkok 10250
Tel : 0-2719-4500 Fax : 0-2719-5070-71

5.2 Other Important Information

None

5.3 Legal Disputes

As of December 31, 2023, the Company and its subsidiaries have no legal disputes in cases that may have a negative impact on the assets of the Company and its subsidiaries that amount to more than 5 percent of shareholders' equity.

5.4 Secondary market

None

5.5 Financial institution with regular contact (only in case of debt securities offeror)

Bank of Ayudhya Public Company Limited.	:	**Head Office** 1222 Rama III Rd., Bang Phongphang, Yan Nawa, Bangkok 10120 Tel : 0-2296-200
CIMB THAI BANK PUBLIC COMPANY LIMITED	:	**Head Office** 44 Langsuan Road, Lumpini, Pathum Wan, Bangkok 10330 Tel : 0-2626-7503-4 Fax : 0-2626-7104
KASIKORNBANK PUBLIC COMPANY LIMITED	:	**Head Office** 400/22 Phahon Yothin Road, Sam Sen Nai, Phaya Thai, Bangkok 10400 Tel : 0-2837-4011 Fax : 0-2470-2216
United Overseas Bank (Thai) **Public Company Limited.**	:	**Head Office** 690 Sukhumvit Road, Khlong Tan, Khlong Toei, Bangkok 10110 Tel : 0-2343-4996-8 Fax : 0-2343-4993

Section

2

Corporate Governance

6. Corporate Governance Policy
7. Corporate Governance Structure and Significant Information Related to the Board of Directors, Sub-Committees, Executives, Employees and Others
8. Report on Key Operating Results Related to Corporate Governance
9. Internal Control and Related Party Transactions

6. Corporate Governance Policy

6.1 Overview on CG Policy and Guidelines

The Company has always aimed to develop its business based on the principle of good corporate governance, ethics and morality. Being well aware of how important they are and the preponderance of the roles and responsibilities assumed by the directors, executives and employees in light of business management, the Company therefore is not only committed to creating sustainable, added value to its shareholders, but focuses upon fair treatment to all stakeholders, as well.

The Board of Directors has set up a framework for conducting business based on the principles of good corporate governance with a resolution to establish a written "corporate governance policy" in 2003, and has continuously reviewed the policy annually.

The Company has stipulated that all directors, executives and employees must be informed of, understand and strictly adhere to the prescribed policies and code of conducts. The corporate governance policy and business ethics is presented on the Company's website "www.qh.co.th" to provide additional channels of information for all executives and employees to learn more about the instructions, rules and regulations so that they be able to take actions and eventually achieve the business goals for the benefits of all stakeholders.

6.1.1 Policy and Guidelines for the Board

(1) Independence of the Board from the management

The Board of Directors has created a corporate governance policy as a reference for the directors with clear duty. In addition, the Board of Directors has assigned duty to the management as follows:

Management duties

1. Management comprises of the CEO and selected executives who are responsible for the company's business direction and important decision making for the success of the company.
2. Management is responsible for providing business strategy and important policies as well as asking for the Board of Directors' approval.
3. The CEO is the leader with highest responsibility on the company's performance, preserving the good CG Code and attractive working environment. The CEO has an authority to follow the policy without intervention from the Board of Directors.
4. Management has a duty on the Board of Directors and shareholders. In particular, management has to report to related parties on a regular basis such as report to the Board of Directors for approval and other reports.

(2) Director Nomination Policy

The Board of Directors has assigned the Nomination and Remuneration Committee to consider the criteria and procedures for nominating qualified persons to serve as directors, as well as allow shareholders to propose the list of qualified candidates through the Nomination and Remuneration Committee. The Committee will consider the qualifications before presenting to the shareholders' meeting for further appointment resolution.

Qualifications of Directors

1. The Director must have qualifications and must not have prohibited characteristics as specified by law on Public Limited Companies Limited Companies Act, Securities and Exchange Act and other related laws.
2. Independent director and audit committee member must be fully qualified as specified in the Capital Market Supervisory Board Announcement, requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand.
3. The Director must possess knowledge, capabilities and experience in at least one of the areas that is important to the Board of Directors (i.e. finance, accounting, marketing, law, real estate management, etc.) and have high level of professional expertise.
4. The Director must have business ethics as well as other appropriate personal qualifications.
5. The Director must be able to exercise honest discretion independently from management.
6. The Director must be able to dedicate sufficient time to the company and pay attention to the operations within his/her responsibilities.
7. The nomination and appointment of directors is based on competence and the use of selection criteria with consideration to the diversity of gender, age, education history and professional experience as part of the decision.

Determination of the number of positions to be held in any of its other Board of Directors; nor has it done so pertaining to the positions to be held in other companies.

The Company has not prescribed the number of positions to be held in any of its other Board of Directors; nor has it done so pertaining to the positions to be held in other companies, because the Company is confident in each of the selected members of the Board of Directors and trusts that he/she must have carefully taken into account the matter of time constraints and the likes prior to making such important decision and that his/her work experience, knowledge, skills and competency in various disciplines must by all means be of use in terms of establishing the Company's business policy and in terms of providing solutions to problems which may arise, while simultaneously being in compliance with the corporate standards.

(3) Director Development Policy

The Board of Directors supervises each Director to understand the roles and responsibilities, nature of business and laws related to business operations, as well as supports all Directors to received trainings that enhance their skills and knowledge vital to their roles on a regular basis.

(4) Evaluation of Director Performance Policy

The Board of Directors holds an annual performance evaluation of the Board of Directors and Sub-Committees as follows:

1. The Board of Directors will conduct annual self-evaluations, both on a group and individual basis.
2. Each Sub-Committee will conduct an annual self-evaluation on a group basis.
3. The result of the Board of Directors' evaluation will be used to determine the suitability of the Board's composition.

(5) The Board of Directors Meeting Policy

5.1 The Board of Directors must meet at least 6 times per year with the date and venue set in advance to ensure that the Board of Directors' meeting has as many directors attending as possible.

5.2 The Chairman of the Board of Directors, or the person assigned by the Chairman has the authority to call the Board of Directors meeting, or if two or more directors request a meeting of the Board of Directors, the Chairman of the Board of Directors or the person assigned by the Chairman must call the meeting within 14 days from the date of request.

5.3 The Chairman of the Board of Directors may organize a Board of Directors meeting via electronic media which must comply with relevant laws.

5.4 Procedures for the Board of Directors meetings are as follows:

5.4.1 The Board of Directors holds meetings regularly with results and resolutions of the meeting clearly recorded for reference.

5.4.2 At the Board of Directors meetings, no less than half the total number of directors must be present to constitute a quorum. If the Chairman is not present at the meeting or unable to perform his duties, the vice chairman is to chair the meeting. If the Vice Chairman is not present, or unable to perform his duties, the directors who attend the meeting shall elect one among themselves to chair the meeting.

5.4.3 The Chairman of the Board of Directors act as the chair of the meeting, overseeing the scope, priority and time spent on each agenda, as well as setting the meeting agenda so that all important issues can be taken into full consideration. The Board of Directors focuses on reviewing and approving the strategies presented by the management as well as monitoring that the strategy has been implemented in accordance with the established guidelines and is under supervision of the Board.

5.4.4 The Chairman of the Board of Directors is responsible for allowing all directors to brainstorm ideas with each director having the same right to express opinion. The Chairman will process the opinions and sum up the best ideas from the meeting.

5.4.5 While the Board of Directors votes at the meeting, no less than two-thirds of the total number of directors must be present and the directors who are stakeholders in that agenda must not be in the meeting room and have no right to vote on that agenda.

(6) Director Remuneration Policy

The Board of Directors, with the approval of the Nomination and Remuneration Committee, sets and formulates compensation policies. The remuneration process is transparent, fits the responsibilities, and equals to the standards of the same business. The remuneration rate of the Board of Directors and Sub-Committees must be approved by the Shareholders' Meeting.

(7) Subsidiaries Supervision Policy

The Board of Directors has created a Subsidiaries Supervision Policy and mechanism for overseeing the policies and operations of subsidiaries and other entities in which the Company has significant investment, at the appropriate level for each business, as well as overseeing subsidiaries and other entities that the Company invests in to have the same understanding, including:

1. To have the internal control system of the subsidiaries that is appropriate and sufficiently concise and have various transactions that are according to the laws and relevant guidelines.
2. To disclose the information on financial position, performance of transactions with related parties, acquisition or disposition of assets, other important transactions, capital increase, capital reduction, dissolution of subsidiaries, etc.

6.1.2 Policy and guidelines related to shareholders and stakeholders

(1) Shareholders' rights

The Board of Directors has a policy to encourage shareholders' participation in the Company's important decision making.

1. Support of the shareholders' participation in the Company's important decision making

1.1 The rights to attend and cast votes in a shareholders' meeting so as in association with making important decisions on the topic of the Company's policy change and as an exercise of their rights to make approval (or not), for which the Board of Directors are required to request prior to giving resolutions;

1.2 The rights to elect and remove any of the directors from the position and to give approval in regard to the matter of the appointment of independent auditors;

1.3 The rights to receive share of profit;

1.4 The rights to take into account the topics of the approval of directors' remuneration and dividend payment;

1.5 The rights to propose issues under concern to be additionally included as part of the agenda during the Annual General Meeting of Shareholders in accordance with the Company's rules and regulations;

1.6 The rights to nominate a list of qualified candidates for the election of directors in accordance with the Company's rules and regulations;

1.7 The rights to submit their enquiries in advance prior to the appointed date of the Shareholders' Meeting by doing so in accordance with the Company's rules and regulations;

1.8 The rights to receive a sufficient amount of information in its suitable format and in timely manner for their consideration and decision making upon the critical matters to the Company and the shareholders;

1.9 All other rights as prescribed by law.

2. Rights to attend Shareholders' Meeting

The Company has implemented the policy to facilitate the participation of all shareholders including, both major and minor, as well as institutional shareholders, in the Company's shareholders' meeting.

In 2023, the Company held 1 Annual General Meeting of Shareholders on Friday, April 21, 2023 at 10.30 a.m. and assigned Thailand Securities Depository Co., Ltd. as a sender of invitation letter for the meeting to the shareholders on March 31, 2023. In addition, the Company also published an invitation letter for the meeting and details accompanying each agenda (both Thai and English) on the Company's website "www.qh.co.th" on March 20, 2023 in order for the shareholders to have time to study the information in advance of the meeting date.

The 2023 Annual General Meeting of Shareholders is an electronic meeting (e-AGM) to avoid the gathering of large numbers of people with high risk of spread of COVID-19 and provide convenience for shareholders to join the AGM via electronic meeting system without travelling to the meeting. Broadcast location: No.1 Q House Lumpini Building, South Sathorn Road, Thungmahamek, Sathorn, Bangkok.

The proposal of agendas for the Annual General Meeting of Shareholders, nomination of directors by minority shareholders and submission of advanced questions.

The Company has placed importance upon all shareholders so that they were provided with the opportunity to participate in the 2023 Annual General Meeting of Shareholders as follows:

- Proposing issues to be included as part of the agenda of the 2023 Annual General Meeting of Shareholders.
- Nominating a list of qualified candidates for the election of directors in the 2023 Annual General Meeting of Shareholders.
- Submitting enquiries prior to the 2023 Annual General Meeting of Shareholders.

The criteria for the aforementioned, therefore, had also been published and disseminated on the Company's website since September 30, 2022, whereby the duration of time for the additional agenda, the list of qualified candidates and the enquiries, was to be designated as from October 1, 2022 to December 31, 2022. However, there existed no information thereof having been directed towards the Company whatsoever.

Preparation of the invitation letter

The Company has prepared the invitation letter to the shareholders' meeting, in both Thai and English, in which the objectives, reasons, as well as the Board of Directors' professional opinions, were strategically included in supporting the deliberation of each of the meeting agenda in clear and the documents to the shareholders who participate in the event, in both cases of which the shareholders were to be present by themselves and which their proxies with the power of attorney were to make appearance during their absence, both cases also covering the shareholders categories of retail shareholder, juristic person and institutional shareholder.

Implementation of the Meeting

Before the meeting started, the Chairman of the meeting welcomed and opened the meeting, announcing the number and proportion of the shareholders and representatives. Before any agendas got started, the Chairman of the meeting announced the voting and score counting methods as well as the number of persons with no voting right due to relevant interests.

Rights to express opinions

This Meeting is an electronic meeting, if any shareholders have questions or opinions, they can process in 2 methods which are:

First method Sending questions via the DAP e-Shareholder Meeting system that you have registered. Shareholders can ask questions or express opinions by typing a message in the question box on the screen of the DAP e-Shareholder Meeting system and the Directors will answer the questions at the end of each agenda before entering into the voting.

Second method If shareholders wish to ask the questions by themselves, the staff will turn on the microphone for the shareholders to ask questions. If shareholders have opinions and other inquiries about the company that is not on the agenda, the Company would like to ask the shareholders to propose opinions or inquires in other agendas.

The 2023 Annual General Meeting of Shareholders proceeded with order in accordance with the regulations of the Company by agenda specified in the meeting invitation letter without adding or switching any agendas. In addition, there was no shareholder disputing the vote counting.

The company used the reliable agent to count the voting and record the score for future inspection.

Disclosure of the meeting resolution and report on the shareholders' meeting

The Company has disclosed the resolution and voting from the shareholders' meeting through the Stock Exchange of Thailand's news system on April 21, 2023.

The meeting minute has recorded the names of all Directors who attended the meeting and precise resolution with voting score in every section, indicating the number of voting for Approve, Not Approve and Non-Voting. Shareholders with no voting right due to related personal interests with the issues would be recorded as well as the shareholders and representatives' questions and the Directors and Executives' answers.

In addition, the Company has sent a copy of report on the shareholders' meeting to the Stock Exchange of Thailand and uploaded on the company's website "www.qh.co.th" on May 3, 2023 with a notification through the Stock Exchange of Thailand's news system.

(2) Equitable treatment for the shareholders

At the 2023 Annual General Meeting of Shareholders, there were 11 out of 11 Directors, consisting of 4 Independent Directors, 3 Executive Directors and 4 Non-Executive Directors. In addition, certified public accountants of the Company and law firms were invited to attend the meeting as independent representatives and intermediaries in the counting of votes. All shareholders attending the meeting had equal rights in all respects.

During the meeting, each of the agenda was properly provided with a suitable amount of time strategically allocated so as to allow for the smooth operation throughout. Not any of the additional agenda was added to the list other than the ones having initially been delivered to the shareholders in the invitation letter. The Company also encouraged shareholders to express opinions and ask questions concerned with the relevant topics. Depending upon their shareholdings, the shareholders had the rights to cast one vote per share at the meeting. Vote counting was conducted through the implementation of DAP e-Shareholder Meeting system, the summary of which was prepared with transparency and accuracy; the result was displayed on a monitor. In addition, when voting was being carried out in light of the issue of the director appointment, it was implemented on a one-at-a-time basis.

In addition, the Company has provided supports for the shareholders in regard to their exercising of the rights to vote by means of the following facilitations:

1) Submitting to the shareholders the proxy form B, including the clear instructions and steps to take in regard to the matter. As for the proxy form A and C, the Company had provided them on the Company's website "www.qh.co.th";
2) The Power of Attorney form earlier mentioned would also allow for the directions to be planned and made in advance by the shareholders as to the manner by which their proxies would give consent or not or simply abstain accordingly;
3) Proposing that two independent directors were to serve with the power of attorney on behalf of the absent shareholders who might find it inconvenient to appoint their own proxies, thus whereby the details of the aforementioned independent directors would be specified in the Power of Attorney form.

(3) Roles of stakeholders

The Board of Directors has supervised the company's operation with ethic as well as social and environment responsibility, taking into account other related parties and non-infringement. The Board of Directors has supervised policy regarding operation and responsibility to related parties under the Corporate Governance Policy. In addition, the Company has operated with responsibility to related parties as follows:

- **Employees**

  The Company recognizes the significance of employees and that they are one of the key factors to the Company's continual success and development. Therefore, the Company has taken the policy to treat and responsible for the employees as following:

  1) To provide appropriate short term employee benefits in accordance with each employee's knowledge, responsibilities, performance and corporates' profitability;
  2) To support and promote, as well as enhance knowledge and skill sets of the employees for career growth and stability;
  3) To support the participation of the employees in the Company's work direction and problem resolution;
  4) To create work environment with safety for heath, hygiene, bodies and properties of employees;
  5) To reward and punish the employees based on the righteousness, justice and honesty;

6) To operate in accordance to laws and regulations relating to labor laws and employee welfare;
7) To manage employees without unfair and wrong acts, which impact the career growth and stability of employees;
8) To treat employees on the basis of the human rights as well as individual rights.

Furthermore, the Company has allowed communication channels to provide information on these benefits for employees and that on the Company's rules and regulations, all details of which may be reached via the Company's Intranet. The Company has also provided e-mail addresses for each employee so that online correspondence become another option for both internal and external communication.

In addition, in order to learn more about challenges and problems that the employees are facing in day-to-day operations, the Company has managed to set up a suggestion box via which written statements, factual information, suggestions and complaints, etc., regarding business-related matters, may be obtained from the staff members. All information and suggestions obtained are to be taken into account by the management committee so that proper resolutions be determined at best for the benefits of all involved.

Employee welfare

- The Company has established the workplace welfare committee to improve the quality of life of the employees. The committee was assigned from employee representatives in each department of the Company to discuss and exchange information regarding employee welfare to improve employee welfare and enhance the working atmosphere;
- To provide uniforms for receptionists and sales representatives on housing projects, office building for rent projects, hotels and serviced apartment projects;
- To provide welfare of medical expense reimbursement in the case of outpatients;
- To provide life insurances, group accident insurances and group health insurances (in case of in-patients);
- To establish a provident fund as morale in return for the employees' dedication to their works;
- To place importance upon the matter of employees' welfare and health, thus providing for nursing rooms in which with professional nurses are available for consultancy and giving first-aid advice to its employees, as well as conducting annual physical checkups;
- To provide for other elements of its employee welfare system, some of which cover the benefits for their family members, such as funeral service allowances in case of the employees and family members (spouses and children); welfare of scholarships for employees' children, etc.;
- To monitor the work environments, in order to provide good hygiene for the employees during operation, such as checking the cleanliness of the drinking water station in the office space;
- In 2023, the Company and subsidiaries had no employees injured due to accident from work resulting in absence of work.

Personnel development training

In accordance with its personnel development policy for ongoing business expansion and sustainable long-term development, the Company has established a series of operational plans and training sessions for both of its executive officers and staff members. Corporate guidelines have been established to help develop proper knowledge, skill sets and competency among employees in all levels. Several initiatives were created to encourage the Company's executives and employees to understand the importance of effective use of resources, which helps to indirectly protect the environment.

In 2023, the Company has established training courses, including core courses and special courses for operational units to be provided to employees in various levels per the Company's policy as follows:

Personal Data Protection PDPA, to equip employees with knowledge and understanding of the essence of the Personal Data Protection Act 2019 and that they turn relevant knowledge into actions and develop personal data systems that comply with personal data protection laws.

Work Safety Officers - Supervisor Level, to comply with the Occupational Safety, Health, and Environmental Act of 2022 and to ensure that employees understand their roles and responsibilities, with proper knowledge and understanding, and be able to perform their duties regarding safety operations as well as properly provide supervision to prevent accidents in the workplace. This also includes risk management and prevention.

Work Safety Officers - Management Level, to comply with the Occupational Safety, Health, and Environmental Act of 2022, and ensure that management staff understand their managerial roles and responsibilities, learn how to control and supervise the work of safety officers at all levels under their management, follow up to ensure deficiencies reported and recommendations by the work safety officers or work safety board are addressed.

Strengthen Understanding of the Situation, Impacts, and Adaptation to Climate Change Measures (CLIMATE CHANGE), so that employees are aware of information and causes of the greenhouse effect and its effect on human life, carbon footprint, carbon neutrality and Net Zero, climate change and the global greenhouse gas situation around the world and in Thailand, measures for solving and reducing the greenhouse gas situation of each country in the world. The objective is also to inform employees about policy trends and the drafted Climate Change Act in Thailand.

ESG Risk Management Framework Applicable to Thai Organizations, to educate employees and let them apply the knowledge learned on ESG risk management operations to work.

Operators in Areas that Use Liquefied Petroleum Gas, to comply with ministerial regulations concerning the qualifications and training of fuel operators, 2015, inform employees of how to use liquefied petroleum gas correctly and safely, and provide knowledge in various fields regarding liquefied petroleum gas including related laws, equipment, and measures to prevent and extinguish fires from liquefied petroleum gas.

Amendment of the Land Development Act of 2000, to inform employees about the restructuring of the Bangkok city plan as related to the real estate development sector.

TFRS 9 Year 2023 (for Non-Financial Organizations), to educate employees about TFRS 9, practical issues, overview of financial instruments, financial assets, financial debt and equity, perpetual bonds, issues in financial reporting, financial asset classification, amortization of financial assets, impairments, debt classification, debt write-off, and examples of financial reporting by listed companies.

2024 DEFERRED TAX General Principles and Effects, to inform employees about general principles, including the revenue recognition principle according to the income tax payable method, methods of deferred tax per TAS 12 requirements, methods of determining the probability of taxable temporary differences to be utilized against taxable profits, uncertainty of income tax methods, reporting of deferred tax assets and liabilities in the statement of financial position, case study on recognition of deferred tax items, impact on rental contracts, debt estimation, demolition and restoration, so they can be implemented correctly.

Business Agreements and Taxes According to the Revenue Code, to educate employees about potential tax errors that may arise from business agreements, general knowledge about agreements, sale and purchase agreements, agreement for services, property rental agreements, transportation agreements, and loan agreements.

Analysis of Customers Applying for Loans in 2023, to update employees on information, conditions, and criteria for considering loan applications by the banks, so they can analyze customer transaction data and provide customers with details, accurate and complete advice on the loan application process.

Economic Conditions and the Real Estate Industry in 2023, to inform senior executives of the economic situation, investment trends in business and service sectors around the world, economic trends, investments, and recovery of the Thai real estate industry from 2021-2023, so they can utilize the data for analysis, strategy planning, product and service development in order to meet the needs of today's consumers.

Define Business Strategy to Achieve Organization Goals, to provide employees with the skills to promote motivation, to learn techniques for working together in order to assess their own goals and the goals of the organization, and to apply the knowledge and techniques gained to work effective to achieve their own goals and those of the organization.

Data Protection by Encrypting FILE EXTERNAL DRIVE, so that employees know how to safeguard data by encrypting files or external drive, in case of device losses and to prevent unauthorized persons from accessing or passing on the files to others.

Working as a Team and Collecting Common Dataset Using MICROSOFT TEAM+ONEDRIVE+ SHAREPOINT, to educate employees on approaches and processes to achieve common dataset collection by storing data in a common system to prevent data loss.

Strategy to Win the Hearts of Thai Customers, so employees understand proper words, tone of voice, communication, personality, and gestures towards customers and that they can take complaints and effectively solve immediate problems. They can also learn how to control emotions and maintain calmness to impress Thai customers.

TikTok Ads Foundation for Hospitality Business, to educate employees on how to utilize various features on TikTok platform for marketing. They can learn how to conduct marketing on TikTok platform to reach intended target audience, to present contents that meet the needs of customer groups in an interesting way, to strengthen the approach and marketing techniques that are appropriate for the brand's products or services to close more sales on the TikTok platform.

WORKSHOP RATE STRUCTURE & STRATEGY BY SEGMENT, for employees to discuss ideas, principles, and methodology of rate structuring in order to achieve targeted ADR as prescribed in the budget. They also learn the principles for setting goals regarding customer groups, revenue, setting and adjusting strategies for success according to goals, as well as assessment to determine if the results are in line with the goals.

CHINESE FOR HOTEL BUSINESS, to let employees practice their Chinese language skills in order to provide efficient service to Chinese customers.

Always a Good Time & Always Professional, so that employees are aware of the Vision & Mission, history of the organization, organizational culture, CORE VALUE under the Centre Point brand, including executives of the Centre Point hotel group. Employees can apply the knowledge gained from the training to their work, including personality improvement, suitable dress for the service industry, and to recognize the importance of providing service.

TFRS 16 Year 2023 (for Tenants), to educate employees on the principles and interesting points of TFRS 16 Year 2023 as related to lease agreements, revenue from agreements made with customers, lease agreement specification, identification of major components of lease agreements versus non-lease agreements, determining lease duration, financial reporting principles for leases agreement on tenants, post valuation of right-of-use assets, post valuation of lease agreement liabilities, financial reporting principles for sale and leaseback, and presentation and disclosure of information along with examples by listed companies.

HOTEL MANAGEMENT, so employees can share knowledge and learn about work planning, guidelines, and day-to-day hotel management in the capacity of General Manager, Resident Manager and Director of Sales.

MODERN MARKETING MANAGEMENT, to educate employees on the latest evolutions in modern marketing practices, in order to build strong brand recognition.

Strategizing and Solving Business Problems in the Digital Age, so that employees can understand the concept and important tools for analyzing business environment and recognizing problems faced by businesses, as well as understanding the characteristics that are important in designing business strategies that address problems and are suitable for growth.

GOOD TO GREAT, to provide employees with knowledge and understanding of deep listening, promote self-esteem, increase awareness of their contribution to the organization, develop themselves to achieve a full potential, and learn about tools to manage thought process and decision making.

TAT STRATEGIC DIRECTION 2024, to update employees of the information and direction of the Thai tourism industry in 2024 from the Tourism Authority of Thailand.

THA DIGITAL DAY 2023, to educate employees about strategies and knowledge of digital marketing for hotels, market conditions of inbound tourism, hotel industry performance, detailed trends, and traveler behaviors for booking flights and rooms, as well as updated sales strategies and ways to increase bookings through online channels in the present era.

Communication Psychology for Success at Work (DISC), to promote employees' self-understanding and awareness and getting to know others to achieve effective communication and relationships in order to work together effectively and create good teamwork. This equips participants with techniques for conducting themselves and working with others in accordance with each person's unique style and characteristic.

CREATE YOUR SUCCESS FROM THE INSIDE OUT, so that employees can develop their potential, possess proactive work attitude, and be ready to deal with various situations effectively. They are able to develop a Growth Mindset framework to create a better work process, a good relationship with co-workers, with affection and commitment to the organization as well as a sense of ownership. They will be ready to achieve the goal to succeed for both them and the organization.

THE SALES PRO, to provide employees with knowledge, understanding and experience in professional sales. They are able to assess sales prospects, learn how to contact customers, know how to influence decisions in situations where customers have multiple options, eliminate price disputes and present in such a way that price becomes a secondary issue, and effectively negotiate with customers.

Creating Programs to Promote Personnel Development and Workplace Environment

The Company has established programs for personnel development and workplace environment to practice hygiene and create healthy habits in the workplace. There are also programs that encourage executives and employees to gain knowledge from outside organizations and institutions to increase their skills and apply the knowledge gained to work, including:

Encouraging Employees to Receive External Training, according to the Company's policy to support employees to strengthen their skills and gain useful knowledge from outside organizations and institutions. This allows them to gain new perspectives and additional knowledge and apply the various knowledge gained to benefit the Company and increase work efficiency.

Granting Master's Degree Scholarships to Executives, to promote learning and self-development so they can achieve their maximum potential.

Initiating Internal Communication Project, as a channel for communication among the Company, Human Resources Department, executives, and employees. This provides all executives and employees with the opportunity to receive updates and new developments within the organization periodically. It also serves as a channel for the Human Resources Department to communicate various updates including Company policies, rules, regulations to executives and employees, through the Company's email and intranet systems.

Producing Work Anniversary Gifts, in accordance with the Company's policy for employees who have been with the Company for 10 years, 20 years, and 30 years as a token of appreciation for their physical and mental devotion to the Company. This helps to promote morale and encourage employees to continue performing assigned duties to their utmost ability.

Table illustrating the number of hours spent in training by employee position

Level	Average time spent in training (Hour: Person: Year)	Objectives of personnel development
Employee	7.4	To provide knowledge and various skill sets relating to business operations in practice, as well as better understanding in their roles, duties and robust corporate culture, while making best efforts at work.
Middle Management	12.2	To provide knowledge and various skill sets integral to team management and strategic planning, as well as allowing for systemic and effective implementation so as in accordance with the Company's policies.
Executive	15.6	To enable the executives to manage both operations and workforce under command in compliance with the Company's policies. The executives should also be able to become more visionary in terms of business administration and ready for the continual growth and expansion in the future.

- **Customers**

  The Company has prescribed its guidelines for treatment of customers in the Company's Code of Conduct, which is available at www.qh.co.th, and the Company has a policy to treat and responsible for customers as following:

  1) To cater customers/consumer needs with quality of products and excellent services.
  2) To completely disseminate information of products and services with righteousness and truthfulness.
  3) To provide insurance for products and service under reasonable terms.
  4) Not to deliver product and service to customer, while being aware that such products and services has defects, and damages which can harm the customers.
  5) To provide customers service mechanism not only to be convenient for the customers for any complaints but also to be fast in responding to the customers.
  6) To increase value-added to customer benefits continuously.
  7) To notify customers in advance in case of agreement for customer terms cannot be made, in order to consider altogether for resolution and damage control.

  For housing projects and condominium projects, customers who have any complaints may make a telephone contact to number 1388 during the working hours.

  For the office building project or the residential building project for rent, customers are able to directly contact the building manager or responsible persons upon premises.

- **Business partners**

  The Company and its subsidiaries believe in treating business partners with honesty, transparency and equality on the basis of fair competition for the highest collective benefits. At the same time, business partners must not act to damage the Company's reputations and must not breach laws, good morals and traditions. The purchase of products and operational procedures must be transparent and can be audited, and the business partner agreements must strictly be complied. The Company has used the Supply Chain system when ordering products to reduce steps, time and documents in the transaction allowing partners time to prepare and deliver products within agreed time frame.

- **Competitors**

  Even in the competition, the Company and its subsidiaries remain adhered to the principle of transparency, fairness and equality upon the fair competition basis to create utmost benefits as follows:

  1) Competing under fair business practice;
  2) Avoiding illegal channels to get the inside information of competitor;
  3) Not damaging competitors' reputation without truth.

- **Banks, financial institutions, holders of debentures and loan creditors**

  The Company believes in acting to banks, financial institutions, debenture holders and loan creditors with honesty, and it always repays principal and interest on a timely basis. The Company also strictly follows the terms and conditions and covenants that are specified in the lending contract.

  In addition, the Company also adheres to the rules of good corporate governance, for instance:

  - Adhering to the terms and conditions in the agreements with business partners and lenders; In the case that such agreement cannot be adhered to, the Company will consult with the counter parties and lenders at the earliest possible timeline in order to find solutions and damage prevention strategies;
  - Providing accurate and complete financial information;
  - Not demanding, accepting, or offering any dishonest advantages when contacting with the lenders;
  - Ensuring that the money obtained from the lenders shall not be used against the loan objectives.

  In the past 3 years, the Company has never made any late payment.

  In order to take responsibilities for all groups of stakeholders, the Company is ready to receive any complaints and/or opinions of all groups of stakeholders through the following channels:

  1. Contact by phone to the company's call center (1388)
  2. E-mail directly to the members of the Audit Committee (e-mail addresses can be found in the Company's website)
  3. The Company's website: "www.qh.co.th" (for after sale services, recommendations/ complaints)
  4. Submission of matters directly by hand or by post to the Corporate Secretary at the address shown below:
     Quality Houses Plc.
     No. 1, Q. House Lumpini Building, 7th Floor,
     Thungmahamek Sub-district, Sathorn District, Bangkok 10120

- **Relationship with Investors**

  The Company recognizes the importance of disclosure of information with transparency, including the Company's performance as well as significant information possibly affecting the prices of the Company's shares, by disseminating data and information through Set Community Portal or Setlink system of the Stock Exchange of Thailand and other channels to investors, analysts and related parties. In addition, the Company has disseminated the Company's information not only through its website "www.qh.co.th" but also via the telephone number 0-2677-7000.

In 2023 the Company has followed the government's policy of social distancing by presenting the Company's data to analysts, investors and fund managers through Virtual Meeting with details as follows:

- Roadshow to analysts and local fund managers as follows:
  - Virtual Analyst Meeting Annually and Quarterly totaling 4 times.
  - Virtual Analyst Meeting Business Plan 2023 totaling 1 time

(4) Supervision on the use of internal information

The Company has set a clear written policy to oversee the use of the Company's internal data for personal benefit as follows:

1. No use of the Company's internal information for personal benefit or providing any damages to the Company with intention. No distribution of the Company's internal information to customers, suppliers, service providers, competitors and outsiders, except general or public information.
2. No use of the Company's internal information for stock trading.
3. Directors and Executives have to report information regarding the Company's stock trading and holding according to the rules and regulations in the Board of Directors Meeting.
4. The Company has a policy to prohibit the Company's Directors and Executives from trading the Company's stocks 1 month ahead of a public release of the Company's financial statement in order to prevent the use of Company's internal information for personal benefit.

(5) Conflict of interest

The company has disclosed all related transactions according to the rules and treated the transactions as transactions with outsiders to avoid conflict of interest.

(6) Anti-corruption Policy

The Company has an anti-corruption policy which requires Company's personnel to strictly comply with anti-corruption laws, policies and practices, as well as Company's anti-corruption rules, regulations, and codes of conduct to build confidence in the stakeholders that the Company will conduct business with honesty, integrity, and transparency, and support anti-corruption activities.

(7) Measures against person that do not comply with policies and guidelines

Anti-corruption policies and guidelines are part of the work discipline. Directors, executives, and employees who fail to comply will be subject to investigation and disciplinary actions in accordance with the Company's regulations, Charter, and related laws, which may include termination of employment.

6.2 Codes of Conduct

In order for the Company to conduct business with integrity and ethics, the Board of Directors has established the requirements regarding the Codes of Conduct in writing which was announced to the Directors, executives and employees for compliance in 2002. The Board of Directors Meeting No. 6/2018 held on September 25, 2018 approved the latest revision of the Company's Code of Conduct which has been disclosed on the company's website (www.qh.co.th) and regular follow-ups on the implementation of such guidelines were conducted.

In 2023, there were no violation cases regarding the Company's business ethics.

6.3 Important changes and developments in policies, practices, and corporate governance systems over the past year

The Company has established a framework for conducting its business operations based on the principles of good corporate governance with a resolution of the Board of Directors' Meeting No. 3/2003 on March 5, 2003 to establish a written "corporate governance policy" in 2003, and designated as the duties and responsibilities of the directors, executives and all employees to be aware, understand and strictly follow the established policies and rules.

In 2018, at the Board of Directors' Meeting No. 6/2018 on September 25, 2018, the Board of Directors resolved to further update the policy in accordance with the 2017's good corporate governance principles for Listed Companies (CG Code 2017) of the Securities and Exchange Commission. This policy will emphasize on the principles for the Board of Directors, which are the leaders or the ultimate responsible persons of the organization, to apply on their business supervision in order to ensure long term performance as well as to create a sustainable value for the business.

In 2023, the Board of Directors reviewed the application of the principles of good corporate governance 2017 (CG Code 2017) according to the Company's business context at the Board of Directors' Meeting No. 9/2023 held on December 20, 2023. Overall, the Company's Board of Directors has already applied majority of the principles and for the remaining principles, the Company has recorded them in the resolution of the Board of Directors' Meeting.

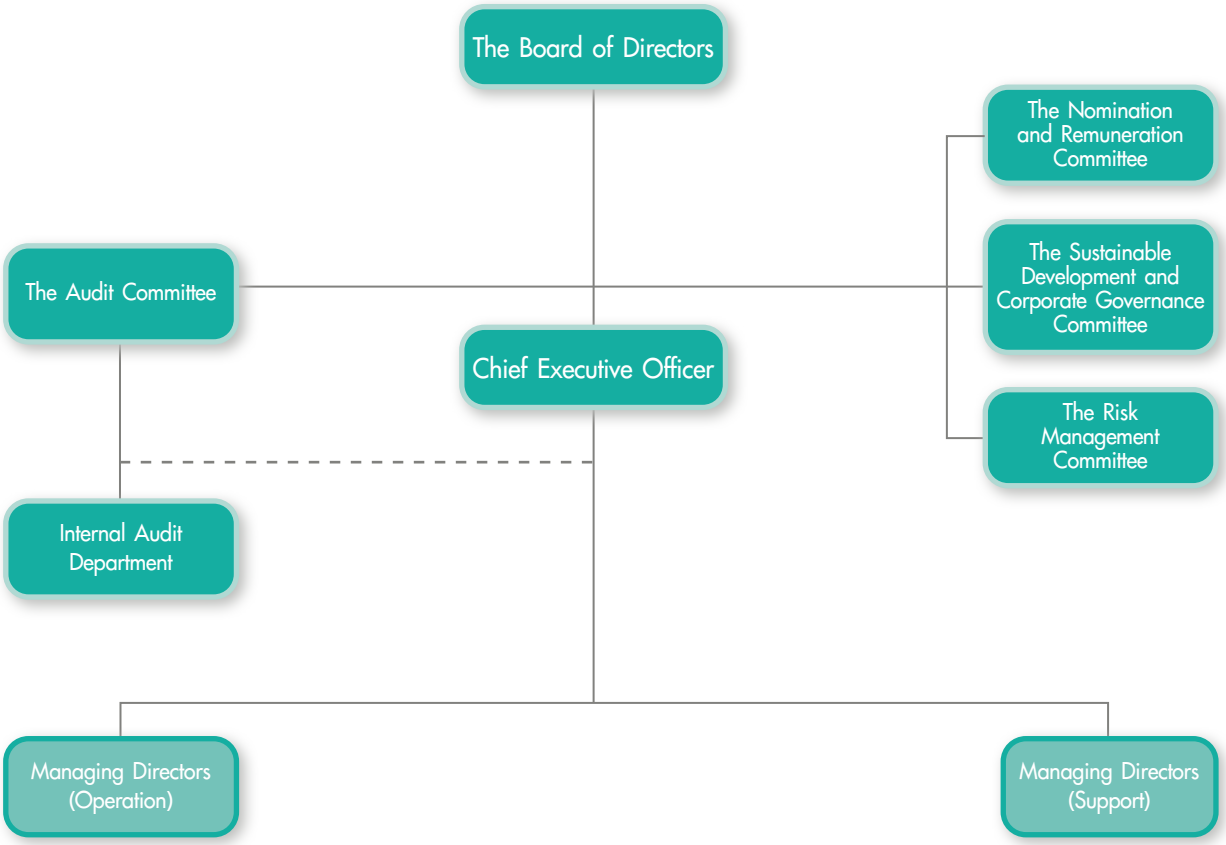
7. Corporate Governance Structure and Significant Information Related to the Board of Directors, Sub-Committees, Executives, Employees and Others

7.1. Corporate Governance Structure

The Company's management structure as follows:

1. The Board of Directors
2. 4 Sub-committees
   - 2.1 The Audit Committee
   - 2.2 The Nomination and Remuneration Committee
   - 2.3 The Sustainable Development and Corporate Governance Committee
   - 2.4 The Risk Management Committee

Management structure chart as of December 31, 2023



The name list and position of the directors in the Board of Directors and Sub-committees:

Name	Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	*The Sustainable Development and Corporate Governance Committee	The Risk Management Committee
1. Mr. Boonsom Lerdhirunwong	X /				
2. Mrs. Tipawan Chayutimanta	/	X /	/		
3. Ms. Vilasna Poonpatpibul	/	/			
4. Assoc. Prof. Dr. Narongdech Srukhosit	/	/			
5. Mr.Naporn Sunthornchitcharoen	//				
6. Mr. Adisorn Thananan-narapool	//		X //		
7. Mrs. Suwanna Bhuddhaprasart	//			X //	//
8. Mr. Achawin Asavabhokin	//				
9. Mr. Chalerm Kiettitanabumroong	///				X ///
10. Mr. Pravit Choatewattanaphun	///			///	///
11. Ms. Apinya Jarutrakulchai	///			///	///

Remark : X = Chairman / = Independent Director // = Director /// = Executive Director

* *The Board of Directors' Meeting No. 9/2023 held on December 20, 2023 resolved to approve the merger of sub-committees including the Sustainable Development Committee and the Corporate Governance Committee into one committee, to be called the "The Sustainable Development and Corporate Governance Committee", with members being those of the previous Sustainable Development Committee. The Meeting also resolved to approve the appointment of Mrs. Suwanna Bhuddhaprasart to the position of Chairman of the Sustainable Development and Corporate Governance Committee*

7.2 Information on the Board of Directors

7.2.1 The composition of the Boards of Directors

In accordance of the Company's Articles of Association. The Company's Board of Directors shall consist of not less than 5 directors but not exceeding 15 directors while at least half of the directors must have their domiciles in the Kingdom of Thailand. In addition, all members of the Board of Directors must possess legitimately suitable qualifications in compliance with the law.

In general practice, each director shall remain in the position for the term of 3 years each. According to the Company's Memorandum of Association, 1 in 3 of the total number of directors on the Board of Directors is to be retired at every Annual General Meeting. If the total number of directors cannot be wholly divided into three, the number of director closest to one-third, shall be retired.

In addition to the expiry of the general term of office, the directors shall vacate the position upon the following reasons:

(1) Death;

(2) Resignation;

(3) Disqualification or having any characteristics as prohibited by law;

(4) Termination by the shareholders' meeting resolution;

(5) Termination by the Court's order.

As of December 31, 2023, the Company's Board of Directors is comprised of 11 members as follows:

Executive Directors	3 persons
Non-executive Directors	4 persons
Independent Directors	4 persons equivalent to 36.36% of the total number of directors

7.2.2 The information on each director

The Board of Directors as of December 31, 2023, are as follows:

Name	Position	Date of Appointment
1. Mr. Boonsom Lerdhirunwong	Chairman and Independent Director	September 21, 2015
2. Mrs. Tipawan Chayutimanta	Independent Director	April 21, 2023
3. Ms. Vilasna Poonpatpibul	Independent Director	May 1, 2023
4. Assoc. Prof. Dr. Narongdech Srukhosit	Independent Director	June 27, 2023
5. Mr. Naporn Sunthornchitcharoen	Director	June 27, 2017
6. Mr. Adisorn Thananan-narapool	Director	April 9, 2003
7. Mrs. Suwanna Bhuddhaprasart	Director *	July 1, 2000
8. Mr. Achawin Asavabhokin	Director	December 26, 2017
9. Mr. Chalerm Kiettitanabumroong	Director *	February 26, 2019
10. Mr. Pravit Choatewattanaphun	Director *	April 20, 2010
11. Ms. Apinya Jarutrakulchai	Director *	August 10, 2018

Remark * *The authorized directors of the Company*

Authorized directors

As of December 31, 2023, the authorized directors of the Company are Mr. Chalerm Kiettitanabumroong, or Mrs. Suwanna Bhuddhaprasart, or Mr. Pravit Choatewattanaphun, or Ms. Apinya Jarutrakulchai. To validate a document, two out of the four shall have signatories on behalf of the company together and affix the Company seal.

7.2.3 Authorities, duties and responsibilities of the Board of Directors

1. The Board of Directors has abided by law, objective, company's rule and resolution from the shareholders' meeting with honesty and caution for the best of company's benefit.
2. The Board of Directors has specified the policy, objective, target, strategy and business direction of the company as well as allocated important resources as well as monitored and supervised management to comply with the policy. The Board of Directors has reconsidered the policy annually in order to maximize economic value and shareholders' wealth.

3. The Board of Directors has abided by code of honesty and integrity.
4. The Board of Directors has accountability to shareholders, working for the best of shareholders' benefit with transparent and reliable data distributing to investors.
5. The Board of Directors comprises of directors who have knowledge and experience relevant to the business and are enthusiastic with the company's business.
6. The Board of Directors intends to continuously operate the business.

Objective and target of the business for sustainable growth

In order to preserve sustainable growth as an objective and target of the company and to create value to the company, customers, related parties and society as well as the company's unity, the Board of Directors has set the standard as follows:

1. To set vision, mission and core value for precise company's objectives, using to create business model and communicate within the company for unity with an annual revision.
2. To set business model, creating value to the company, related parties and society taking into account:
    - Changing environment and other factors as well as encouraging employees to develop innovation and technology with appropriate application.
    - Interest of customers and related parties.
    - Readiness, expertise and competitiveness of the company.

The Board of Directors has affirmed that the company's objective and target as well as middle-term strategy and annual strategy are consistent with the company's main target, using appropriate innovation and technology as follows:

1. To supervise and revise business strategy and annual business plan with regard to the company's main objective and target, taking into account current environment, opportunity and acceptable risk. To supervise and revise the company's objective, target and strategy for the next 3-5 years for longer-term analysis with reasonable accuracy.
2. To supervise annual strategy and business plan with analysis on environment, other factors and risks affecting related parties along the value chain and the company's main target.
3. To supervise strategy, supporting new innovation and technology to increase competitiveness and meet the need of related parties on the back of responsibility to society and environment. Details of an application of innovation and technology have been released under the topic "Social Responsibility".
4. To supervise target, complying with business environment and potential by supervising both monetary and non-monetary target. To acknowledge the risk of supervising the target that could lead to unethical conduct.
5. To supervise communication of the company's objective and target through strategy and business plan within the company.
6. To supervise resource allocation and business operation as well as monitor the performance based on the company's strategy and annual business plan with a possibility of assigning a department to be responsible for monitoring the performance.

Authority of the Board of Directors

The Company's Board of Directors has authority to approve any duties in all business affairs of the Company, in compliance with the Company's business objectives, with the exception of topics defined by law that require an approval from the shareholders.

Separation of responsibility between Chairman and Chief Executive Officer

The Chairman of the Board of Directors is an independent director with different person as a CEO in order to precisely separate responsibility between supervision and regular management.

Roles and duties of Chairman and Chief Executive Officer

1. The Company's Chairman is responsible as leader of the Board of Directors, serving as Chairman of the Board of Directors' Meeting and that of the Shareholders' Meeting.
2. The Chairman, elected by the Board of Directors, presides over the meeting and ensures that various issues under concern be properly taken into consideration, and that the Board of Directors be properly focusing on the right ones in regard to the revision and approval of the strategies earlier proposed by the management team, as well as ensuring that the aforementioned strategies be implemented.
3. The CEO, appointed by the Board of Directors, serves as leader of his or her management team in ensuring the implementation of the strategies already approved while ably regulating the actions within the framework stipulated by the Board of Directors.
4. The Chairman shall visualize the Company's overview of how the directors are operating; in addition, Chairman shall inspire confidence in the Company's business operation by which the Board of Directors and/or the Committees, who are comprised of personnel of high caliber, are able to effectively work as a group; while also ensuring that all directors, executive or non-executive, be eagerly supported in their implementations both in terms of business administration and supervision.
5. The CEO is one of the executives who knows the company the best with leadership and outstanding vision, organizing the Company as a whole.
6. The Company clearly separates the roles of the CEO and the Chairman with collaborative work to support each's other responsibilities.

7.3 Information on the Sub-committees

7.3.1 Sub-committees Structure

Previously, the Company's director structure comprised five sub-committees, namely the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, the Risk Management Committee, and the Sustainable Development Committee.

Subsequently, the Board of Directors' Meeting No. 9/2023 held on December 20, 2023 resolved to approve the merger of the Sustainable Development Committee and the Corporate Governance Committee into one committee called the "Sustainable Development and Corporate Governance Committee" with committee members and term of office being those of the previous Sustainable Development Committee.

As of December 31, 2023, the Company has 4 Sub-committees to take into account its business-related matters, including:

1) The Audit Committee
2) The Nomination and Remuneration Committee
3) The Sustainable Development and Corporate Governance Committee
4) The Risk Management Committee

7.3.2 Sub-Committee

(1) The Audit Committee

The Audit Committee is comprised of 3 independent directors as of December 31, 2023 are as follow:

Name	Position
1. Mrs. Tipawan Chayutimanta	Chairman of the audit committee
2. Ms. Vilasna Poonpatpibul	Member of the audit committee
3. Assoc. Prof. Dr. Narongdech Srukhosit	Member of the audit committee

Remarks : - Mrs. Tipawan Chayutimanta is a member of audit committee with knowledge and professional experience in accounting or finance;

- Audit Committee Secretary : Mrs. Suneerat Puntarikpan

- **Scope of authorities and duties of the Audit Committee**

1. To review and comment on adequacy and effectiveness of internal control on both business and information technology as well as compliance with other relevant laws, rules and regulations such as Securities and Exchange Law, Stock Exchange's Requirements and Laws relating to the Company's business;
2. To review and ensure that the Company's financial reports have been prepared accurately and adequately;
3. To review and ensure that the Company has appropriate and effective internal control system and internal audit system with access to relevant information and allow various parties to cooperate in clarifying the information. To consider the independence of the internal audit department and approve the appointment, transfer and termination of the head of the internal audit department or any departments responsible for the internal audit;
4. To give advice to the Company on improvements, compliance with laws, rules, other relevant regulations and internal control, including risk and internal control on information technology to be efficient and effective, useful and consistent with the principles of good corporate governance and sustainable development;
5. To consider, select nominate and terminate an independent professional to act as the Company's auditor and to propose the remuneration for the position and to attend meetings with the auditor for at least twice a year with no presence of the management team;
6. To consider the matter of the compliance with laws and with the Stock Exchange of Thailand's regulations in light of connected transactions or those which may incur conflicts of interest so as to ensure that those activities were reasonably performed for utmost benefits to the Company;

7. To prepare and disclose the Audit Committee report and have it revealed as part of the Company's annual report. The Audit Committee report, which is to be signed by the Chairman of the Audit Committee, must be comprised of the following items:
   (A) Comments about the accuracy, completeness and reliability of the Company's financial statements;
   (B) Comments about the adequacy of the internal control system in the Company;
   (C) Comments about the Company's compliance with the applicable law and regulations i.e.: the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand and other laws that relate to the Company's business;
   (D) Comments about the suitability of the Company's auditors;
   (E) Comments on transactions which might incur conflict of interest;
   (F) Number of the Audit Committee meetings and the attendances of each committee member;
   (G) Comments or observations in general that the Audit Committee derived during their performing of duties under "The Charter of the Audit Committee";
   (H) Other transactions which the committee considered that the Company's shareholders and public investors should be acknowledged within the boundaries of their duties and responsibilities assigned by the Board of Directors.
8. To perform other duties assigned by the Board of Directors with the consent of the Audit Committee;

- **Composition of the Audit Committee**

The composition of the Audit Committee is as follows:

1. A member of the Audit Committee must be independent directors with the qualifications as stipulated by the SET;
2 A member of the Audit Committee must be appointed by the Company's Board of Directors or the shareholders;
3. The Audit Committee must consist of not less than 3 members with at least 1 member having knowledge or experience about accounting;
4. The Company's Board of Director is to select and appoint 1 Audit Committee member as the Chairman;
5. The vice president of the internal audit department shall be the Audit Committee's secretary by position;
6. The Audit Committee must receive information in accordance with the framework of duties and responsibilities of the Audit Committee and review the performance of the Company, including technical guidelines, knowledge or new developments in internal auditing for the continuous development of the Audit Committee's knowledge so that the performance of the Audit Committee shall be effective.

(2) Nomination and Remuneration Committee

The Nomination and Remuneration Committee is comprised of 2 independent directors as of December 31, 2023 are as follow:

Name	Position
1. Mr. Adisorn Thananan-narapool	Chairman of the Nomination and Remuneration Committee
2. Mrs. Tipawan Chayutimanta	Member of the Nomination and Remuneration Committee

- **Authorities, duties and responsibilities of the Nomination and Remuneration Committee as prescribed in the Charter**
  1. To determine procedures and criteria in nominating the Company's directors or the top management of the Company from the Managing Director position up, in alignment with the Good Corporate Governance policy;
  2. To make selection of the qualified candidates for the position of new director or search for the top management of the Company from Managing Director position up, whose names are to be proposed for the Board of Directors' executive decision;
  3. To determine procedures and criteria for fair and reasonable payments of remuneration and other fringe benefits to the Board of Directors and to other committees, the latter having been appointed by the Board of Directors, and propose the aforementioned remuneration scheme for approval during the Shareholders' meeting;
  4. To consider, recommend and determine the remuneration and other fringe benefits based upon the duties and responsibilities of the top management of the Company from the position of Managing Director up and to take into account the criteria for performance appraisal in order to determine appropriate annual compensation;
  5. To consider and review the structure and criteria relating to compensation under No. 3) and No. 4) so as to ensure that they be appropriate for the responsibilities required and the operating results of the Company, thus, in accordance with the market condition;
  6. To consider budgets for pay raises, annual bonuses, and other benefits for the Company's employees;
  7. To perform any other duties as assigned by the Board of Directors.

In 2023, the Board of Directors conducted an assessment on the Board Skill Matrix. The results of the assessment found that the Board of Directors appropriately consisted of people with knowledge, competence, experience and training in various fields related to the Company's business such as engineering, accounting, finance/banking, economics, law, marketing, and management. In addition, all 8 non-executive directors have work experience related to the real estate development business which suits the Company's business operation.

(3) The Sustainable Development and Corporate Governance Committee

The Sustainable Development and Corporate Governance Committee is comprised of 5 directors as of December 31, 2023 are as follow:

Name	Position
1. Mrs. Suwanna Bhuddhaprasart	Chairman of the Sustainable Development and Corporate Governance Committee
2. Mr. Pravit Choatewattanaphun	Member of the Sustainable Development and Corporate Governance Committee
3. Ms. Apinya Jarutrakulchai	Member of the Sustainable Development and Corporate Governance Committee
4. Mr. Adisak Srisook	Member of the Sustainable Development and Corporate Governance Committee
5. Mr. Sommart Promkunakorn	Member of the Sustainable Development and Corporate Governance Committee

- **Scope of Powers, Duties and Responsibilities of the Sustainable Development and Corporate Governance Committee**

  1.1 Corporate governance

  - Set annual review of the implementation of policies, regulations, and best practices according to the Company's business context to comply with the principles of good corporate governance (CG CODE) and sustainable development.
  - Internal evaluation using corporate governance criteria to identify issues that should be addressed.

  1.2 Sustainable development

  1.2.1 Develop and perform annual review of the:

  - Organizational sustainability management and operational goals to ensure consistency with the policies and directions of business operations or corporate strategy.
  - Important issues, prioritization, and guidelines for managing issues to respond to the needs of all stakeholders.

  1.2.2 Assess trends, opportunities, and risks that affect the sustainability of business operations both at present and those that may arise in the future (Emerging Risk).

  1.2.3 Follow up on the outcomes of sustainability management and corporate governance and communicate the results to stakeholders.

  1.3 Perform any other duties as assigned by the Board of Directors within the relevant scope of work.

(4) Risk Management Committee

The Risk Management Committee is comprised of 4 directors as of December 31, 2023 are as follow:

Name	Position
1. Mr. Chalerm Kiettitanabumroong	Chairman of the Risk Management Committee
2. Mrs. Suwanna Bhuddhaprasart	Member of the Risk Management Committee
3. Mr. Pravit Choatewattanaphun	Member of the Risk Management Committee
4. Ms. Apinya Jarutrakulchai	Member of the Risk Management Committee

- **Authorities and Duties of the Risk Management Committee**
  1. Define the scope, policies, and guidelines for managing risk that may arise in the Company's business operations.
  2. Define risk types, make assessment, and manage risks to be at acceptable levels.
  3. Monitor and evaluate risk management performance and report the results to the Board of Directors and the Audit Committee, as well as provide recommendations as appropriate.
  4. Represent the Company in communicating and conducting risk management activities with various executives, including employees and external agencies.
  5. Perform any other operations assigned by the Board of Directors with the approval of the Risk Management Committee.

7.4 Information on the Executive

7.4.1 Name and position of the Executive

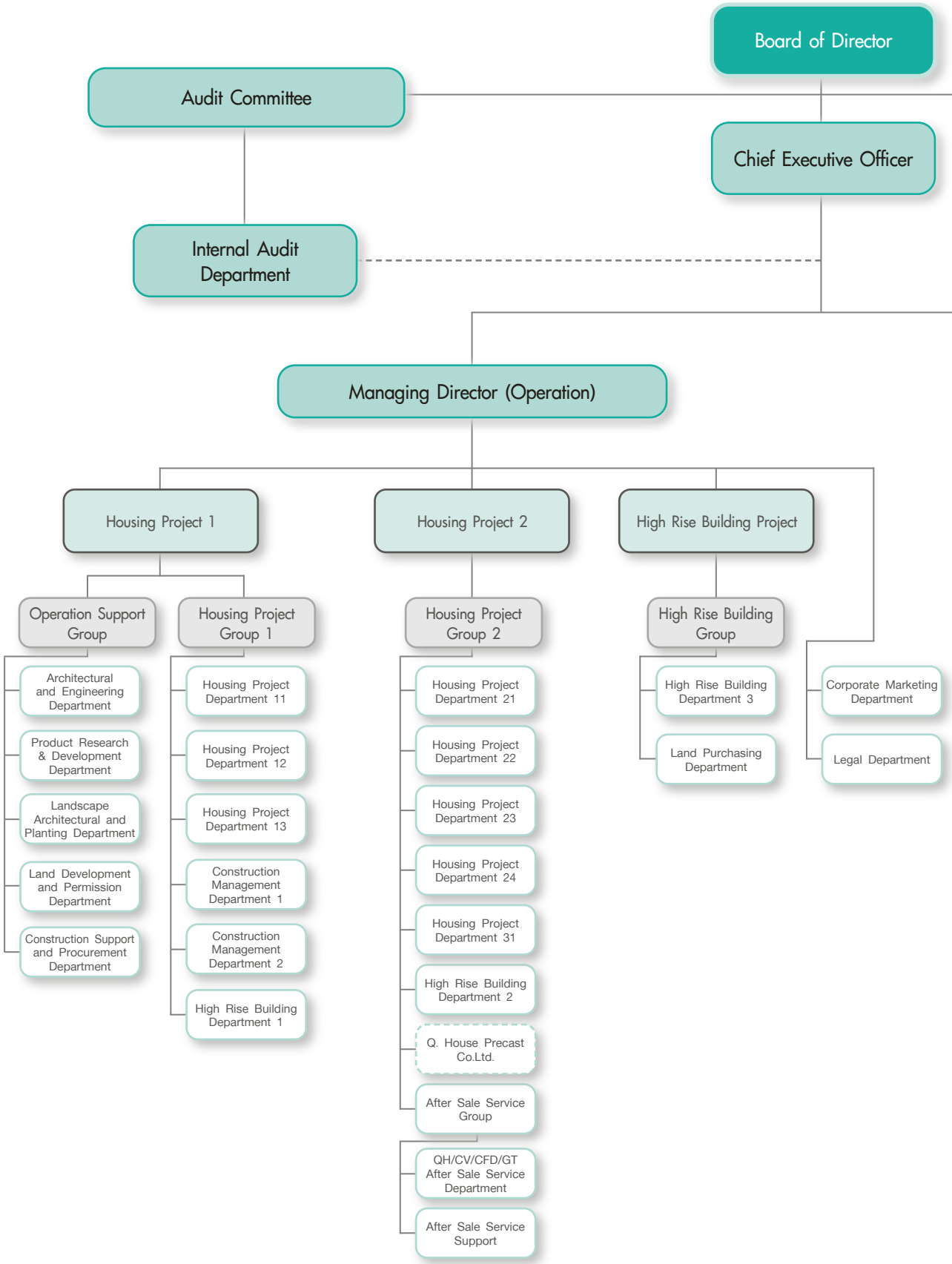
The Company's Executives as of December 31, 2023, are as follows:

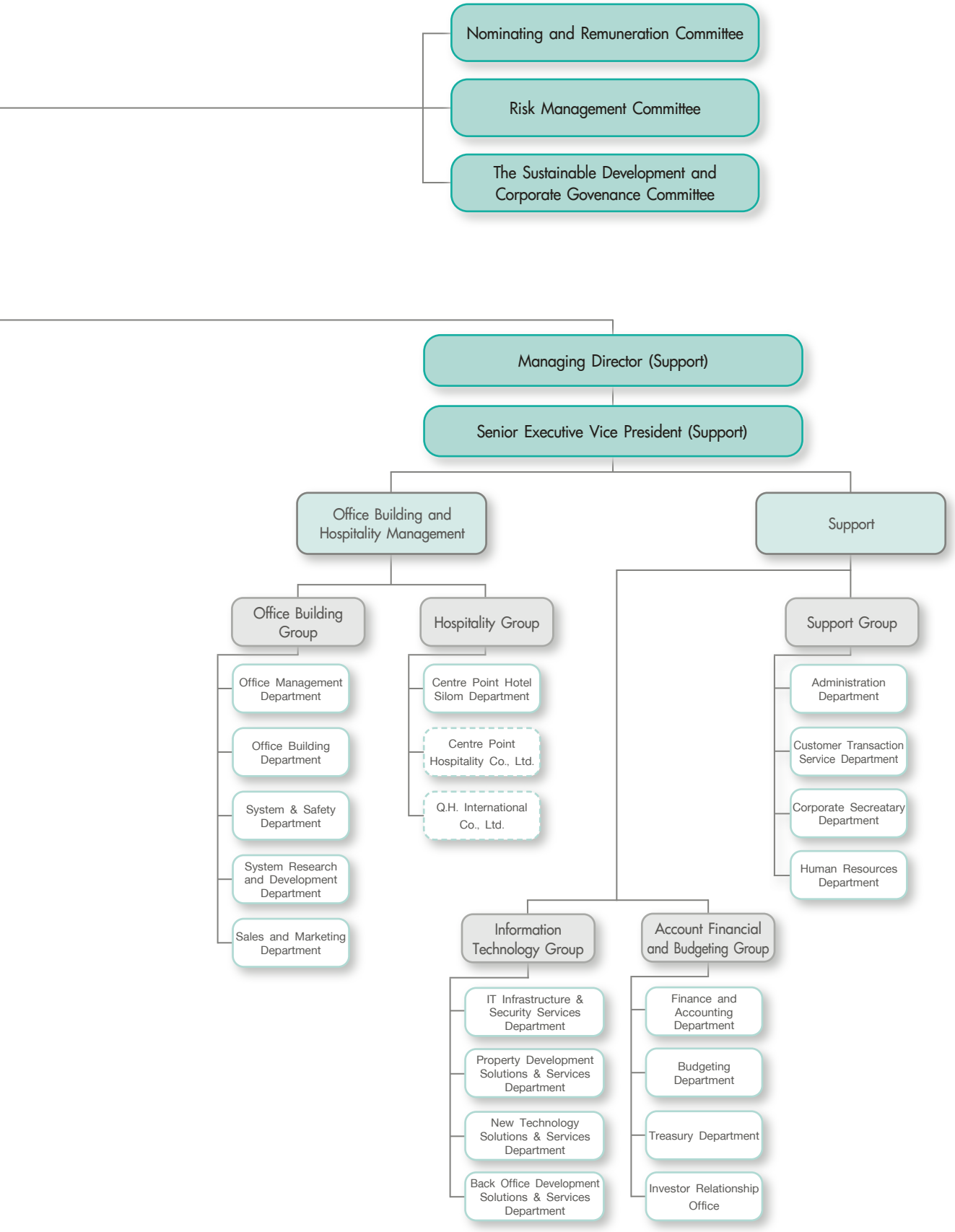
Name	Position
1. Mr. Chalerm Kiettitanabumroong	Chief Executive Officer
2. Mr. Pravit Choatewattanaphun	Managing Director
3. Ms. Apinya Jarutrakulchai	Senior Executive Vice President
4. Mr. Sommart Promkunakorn	Executive Vice President
5. Mr. Adisak Srisook	Executive Vice President
6. Ms. Chuleeporn Moonsawat [1]	Vice President, Financial and Accounting Department

Remark : [1] *Ms.Chuleeporn Moonsawat was appointed as Chief Accountant on December 8, 2022.*

"Executive" is based on the definition from an announcement of the Securities and Exchange Commission.

Organization Chart As of December 31, 2023




Nominating and Remuneration Committee
Risk Management Committee
The Sustainable Development and Corporate Govenance Committee
Managing Director (Support)
Senior Executive Vice President (Support)
Office Building and Hospitality Management
Support
Office Building Group
Hospitality Group
Support Group
Office Management Department
Office Building Department
System & Safety Department
System Research and Development Department
Sales and Marketing Department
Centre Point Hotel Silom Department
Centre Point Hospitality Co., Ltd.
Q.H. International Co., Ltd.
Administration Department
Customer Transaction Service Department
Corporate Secreatary Department
Human Resources Department
Information Technology Group
Account Financial and Budgeting Group
IT Infrastructure & Security Services Department
Property Development Solutions & Services Department
New Technology Solutions & Services Department
Back Office Development Solutions & Services Department
Finance and Accounting Department
Budgeting Department
Treasury Department
Investor Relationship Office

7.4.2 Executive Remuneration Policy

The Board of Directors oversees the establishment of an appropriate structure and remuneration as follows :

(1) The Board of Directors will consider the criteria for the evaluation of the performance of senior executives from the position of managing director and above on an annual basis. The evaluation criteria will be consistent with the interests of the Company.

(2) The Nomination and Remuneration Committee will evaluate the performance of the Company's top executive, and determine the remuneration in connection with the executive's performance and the performance of the Company, and propose to the Board of Directors for further approval. The compensation will be at the same level as other businesses in the same industry.

7.4.3 Remuneration of Executives

In 2021, 2022 and 2023, the total remuneration : salary, bonus and provident fund : of the Chief Executive Officer and the next top 4 executives and that for any person holding equivalent position as the fourth executives, including those at the level of Executive Vice President upward was Baht 46.3 million, Baht 46.0 million and Baht 51.6 million, respectively.

7.5 Information on the employees

7.5.1 Number of employees

(1) As of the end of 2021, 2022 and 2023, the Company and its Subsidiaries had 938 persons, 904 persons and 911 persons, respectively, as detailed below;

(Unit : person)

Business Line	Dec 31, 2021	Dec 31, 2022	Dec 31, 2023
1. Operation	819	788	800
2. Supports	119	116	111
Total	**938**	**904**	**911**

(2) Labor disputes in the past 3 years (Jan 1, 2021 - Dec 31, 2023)

- None -

7.5.2 Remuneration

The Company and its subsidiaries provide remuneration for employees in a fair manner according to their duties, responsibilities and annual performance appraisal. Payments include salary, annual bonus, and provident fund and other types of remuneration include training expenses, medical expenses, health & life insurance premiums and other benefits. The remuneration in 2021, 2022 and 2023 was Baht 611.1 million, Baht 639.6 million and Baht 664.3 million, respectively.

7.5.3 Provident Fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2558. The employees voluntarily contributed to the fund at the rate of 2% - 15% of basic salary, while the Group contributed to the rate of 3% - 6% of basic salary. The fund, which is managed by Land and House Fund Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules..

7.6 Other significant information

7.6.1 Corporate Secretary , Assigned person directly responsible for overseeing accounting and head of Internal Audit

(1) Corporate Secretary

The Company's Board of Directors' meeting No. 4/2016 on May 31, 2016, has resolved to appoint Ms. Apinya Jarutrakulchai as the Corporate Secretary, who has responsibility to ensure that activities performed by the Board of Directors be in compliance with relevant legislations, regulations and orders relating to the new version of Securities and Exchange Act. Details of profile and training history information appears in Attachment 1.

Duties and responsibilities of the Corporate Secretary

1) To provide basic consultancy and advice for directors in regard to legal issues and legislations, rules and regulations of the Company, including significant changes therein, so that the Board of Directors shall be able to operate smoothly with sufficient information whereby to take into account and make decisions with great care and honesty with responsibilities;
2) To prepare and compile the following documents
   - List of Directors Registration
   - The Board of Directors' Meeting: Invitation to Meeting, Minutes of the Board of Directors Meeting and Annual Reports of the Company
   - Shareholders' Meeting: Invitation to Meeting and Minutes of the Shareholders' Meeting
3) To supervise the disclosure of information and informational reports under the responsibilities of the supervisory units in light of corporate governance and ensure that they be in compliance with governmental rules and regulations;
4) To maintain reports on the interest of the directors or executives and to submit copies of the aforementioned reports to the Chairman and the Chairman of the Audit Committee for their examination within 7 days commencing from the date upon which the Company has received the documents;
5) To provide a system for keeping documents and related pieces of evidence in an accurate and verifiable manner;
6) To make business contacts and communicate with the shareholders in regard to their rights and the company-related news.

(2) The person assigned to take direct responsible for accounting supervision

The person assigned to be directly responsible for overseeing the Company's accounting is the Assistant Vice President, Finance and Accounting Department, currently Ms. Chuleeporn Moonsawat, who is an accountant with qualifications and meet the requirements for accounting in accordance with the criteria set out in the announcement of the Department of Business Development. The training history information appears in Attachment 1.

(3) Head of Internal Audit

The person assigned to be responsible for the Company's internal audit supervisor is currently Mrs. Suneerat Puntarikphan. The training history information appears in Attachment 3.

7.6.2 The Office of Investor Relations

The Company designates the Office of Investor Relations as the office responsible for disseminating important information that affects the price of the Company's securities, as well as other important information. Investors can contact the Office of Investor Relations at "www.qh.co.th" in the section "Investor Relations", sub-section "Information Inquiry" under the item "IR Contact" or by email ir@qh.co.th.

7.6.3 Remuneration for the Auditor

- **Audit Fee**

  The Company and its subsidiaries paid an audit fee to the auditor of Baht 6,070,000 in 2021 Baht 5,970,000 in 2022 and Baht 5,970,000 in 2023 respectively. The Company has not other expenses relating to the reviewing of financial statements in 2021, 2022 and 2023.

- **Non-Audit Fee**

  - None -

8. Report on Key Operating Results Related to Corporate Governance

8.1 Summary of duty performance of the Board of Directors in the past year

8.1.1 Selection development and evaluation of duty performance of the Board of Directors

(1) Independent Directors

Qualifications of Independent Directors

The independent directors have important roles in enhancing investors' confidence, imposing a balance on major shareholders' power and promoting the good corporate governance under the principle of international standard. The Company therefore defines the following requirements for its "independent directors", which is in accordance with the minimum regulations prescribed by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Below shown are the requirements:

(A) An independent director must hold no more than 1% of shares with voting rights in the Company, parent company, subsidiaries, associated companies or parties with possible conflict of interest including the shareholding of related individuals of that independent director.

(B) An independent director must not be or had not been the Company's executive directors, nor served as permanent employees, advisors on regular payroll, and authorized persons of the Company, parent company, subsidiaries, associated companies and same level subsidiaries of the parent company except when the previous association has been terminated at least for more than two years prior to the submission to request for permission from SEC.

(C) Independent directors must not be a "blood relative" or by legal registration in the nature of father, mother, husband, wife, sibling, child, son or daughter-in-law of the management, major shareholders, authorized persons, or individuals who are about to be nominated as the management or authorized persons who have control over the Company or its subsidiaries.

(D) Independent directors must not or have not had business relationship with the Company, parent company, subsidiaries, associated companies or parties with possible conflicts of interest in a way that will prevent independent judgment. Furthermore, independent directors must not be or had been major shareholders, directors that were not independent directors, or the management of any party who has a business relationship with the Company, parent company, subsidiaries, associated companies or parties with possible conflicts of interest except when the previous association has been terminated at least for more than two years prior to the submission to request for permission from SEC.

The business relationship earlier mentioned in Clause I includes transactions of normal trading business of rental or real estate for rent, transactions relating to assets or services or the giving or receiving of financial assistance in terms of loans, guarantees, using assets as loan collateral including other similar practices that can result in permit seeker or contractual partner having to take liability that must be repaid to the other party of more than 3% of net tangible asset of the permit seeker or more than Baht 20 million, whichever amount is lower. For the calculation of that loan, it is granted to use the method of calculating value of related transactions according to the Notification of the Stock Exchange of Thailand (SET) under the topic : Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transaction. However, in light of summing up the liability, it must take in all liabilities that occurred during one year prior to the starting date of the business relationship with the same individual.

(E) Independent directors must not be or had not been auditors of the Company, parent company, subsidiaries, associated companies or parties with possible conflict of interest. Independent directors must not be or had not been major shareholders, directors that are not independent directors, the management, or managing partners of auditors' company in which auditors of the Company, parent company, subsidiaries, associated companies or parties with possible conflict of interest, belong to, except when the previous association has been terminated for at least for more than two years prior to submission to request for permission from SEC.

(F) Independent directors must not be or have been servicing professionals including legal advisors and financial advisors, receiving more than Baht 2 million per annum in remuneration for the service from the Company, parent company, subsidiaries, associated companies or parties with possible conflicts of interest. If the servicing professional is a legal entity, it must include major shareholders, directors that are not independent directors, the management, or managing partners of those servicing professionals, except when the previous association was terminated for at least for more than two years prior to submission to request for permission from SEC.

(G) Independent directors must not be directors who are representative of directors of the Company, major shareholders, or shareholders that are related to major shareholders of the Company.

(H) Independent Directors do not engage in a business of the same nature as and which is significantly competitive to that of the Company, or a Subsidiary. An Independent Director is not a significant partner to a partnership or a director with involvement in the management, employees, staff, consultant with monthly salary, or, who holds more than 1% of all shares with voting rights of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a Subsidiary.

(I) Independent directors must not have other characteristics prohibiting independent judgment on the Company's operation.

After being appointed as independent directors whose characteristics meet the requirements earlier mentioned in the (A) through (I) clauses, independent directors will be assigned by the Board of Directors to make collective decisions together on business operation of the Company, parent company, subsidiaries, associated companies or same level subsidiaries of the parent company or parties with possible conflict of interest.

(2) Nomination of Directors and Top Executive

(2.1) Nomination of Directors

The Nomination and Remuneration Committee will consider the nomination of directors in accordance with the nomination policy and the qualifications of directors as presented in item 6.1.1 Policy and Guidelines for the Board (2) Director Nomination Policy and propose to the Board of Directors for consideration. The list of such directors will then be proposed to the Shareholders' Meeting for further consideration and approval.

In 2023, 4 of the Company's directors must leave their positions after completing their terms are as follow;

1.	Mr. Boonsom	Lerdhirunwong	Independent Director
2.	Mr. Adul	Viaiphat	Independent Director
3.	Mr. Naporn	Sunthornchitcharoen	Director
4.	Mr. Chalerm	Kiettitanabumroong	Director

The Company had made an announcement on its website allowing shareholders to propose a list of qualified persons to be nominated for the director positions from October 1, 2022 to December 31, 2022, however, none of the shareholders proposed a list of candidate for the director positions.

Since, Mr. Adul Vinaiphat Independent Director considered not to be nominated to be a Director for another term, therefore the Board of Directors would like to propose the Shareholders' Meeting for consideration and approval for the appointment an Independent Director, Mrs. Tipawan Chayutimanta, instead of Mr. Adul Vinaiphat also propose the Shareholders' Meeting for consideration and approval for the re-appointment of the other three directors of the Company who would be retired by rotation this year to be directors of the Company for another term,

The Nomination and Remuneration Committee has considered that all three existing directors, who are retired by rotation proposed in 2023, as well as the person who has been proposed to be Independent Director instead of Mr. Adul Vinaiphat have fully qualified as specified in the Public Limited Company Act B.E. 2535 and have knowledge, capability and business experience relating to the Company's operation. Therefore, the Nomination and Remuneration Committee would like to propose to appoint an Independent Director instead of Mr. Adul Vinaiphat and re-appoint three directors to be directors of the Company for another term.

However, the appointment of directors must be voted on by the majority of shareholders attending the meeting and casting vote.

(2.2) Nomination of Top Executive / Succession Plan

Nomination and Appointment of Top Executive

The Nomination and Remuneration Committee will determine the qualifications of the person who will hold the position of the Company's top executive in accordance with the principles of good governance, and in accordance with the scope of authority and duties of the Nomination and Remuneration Committee as defined in the Charter with details in item 7.3 on the information of Sub-Committees, under the section of the Nomination and Renumeration Committee, and propose to the Board of Directors for further consideration.

Succession plan of Chief Executive Officer, Managing Director and Senior Executive Vice President

The Company has prepared a succession plan of Chief Executive Officer, Managing Director and Senior Executive Vice President in the case that they are unable to perform their duties or has come to the end of their terms in order to reduce the risk or impact from the lack of continuity of management. Therefore, the Nomination and Remuneration Committee will select and recruit qualified persons, which outsiders or insiders can be selected for this position, to suit the situation of the Company at a particular time and propose to the Board of Directors for further approval of the appointment.

(3) Directors and Executives development

- **Training Courses for Directors and Executives**

The Company has implemented a policy whereby the directors and executives are encouraged to undergo training courses so as to enhance their work-related knowledge on continual basis such as the ones awarded by the Thai Institute of Directors (IOD) and other renowned institutes.

Below shown is the list of directors and executives who have undergone training courses in 2023:

Name of directors and executives	Training course
1. Ms. Vilasna Poonpatpibul	- Directors Certification Program (DCP) 341/2023, IOD - Advanced Audit Committee Program AACP 49/2023, IOD - Independent Director Forum "Preventing corruption in organizations: Whose role is it?", IOD
2. Assoc. Prof. Dr. Narongdech Srukhosit	- Advanced Audit Committee Program AACP 50/2023, IOD
3. Ms. Apinya Jarutrakulchai	TLCA CFO Professional Development Program • No. 4/2023 "Green Assets: Opportunities for Sustainable Development" • No. 6/2023 "What is the future of the CFO role?" • No. 7/2023 "Economic Update for CFO"

Name of directors and executives	Training course
4. Mr. Achawin Asavabhokin	- Corporate Governance Training, Center of Global Best Practices - CFO'S Orientation Course, The Stock Exchange of Thailand - TLCA CFO No. 6/2023 "What is the future of the CFO role?", Thai Listed Company Association
5. Mrs. Suwanna Bhuddhaprasart	Director Leadership Certification Program 9/2023, IOD
6. Mr. Pravit Choatewattanaphun	Define Business Strategy to Achieve Organization Goals
7. Mr. Adisak Srisook	Define Business Strategy to Achieve Organization Goals
8. Mr. Sommart Promkunakorn	Define Business Strategy to Achieve Organization Goals

- **Directors Orientation**

  The Committee has assigned the Corporate Secretary to organize the orientation session for all new committee members in which the following documents are to be provided as well:

  1) Major legislations and regulations issued by authorities;
  2) Certificates, objectives, rules and regulations of the Company;
  3) Good corporate governance policy;
  4) Director's handbook;
  5) Organization chart and the Company's business;
  6) Other necessary documents.

(4) Performance evaluation of the Board of Directors

The Board of Directors conducts self-assessment both on a group basis and individual basis at least once a year to review work performance, issues and obstacles during the past year as well as enhance the effectiveness of the work of the Board of Directors.

The Board of Directors has collectively assessed the performance of the year 2023, using 2 assessment forms, "the Board of Directors' Group Self-Assessment Form" and "the Board of Directors' Individual Self-Assessment Form". These 2 forms were prepared by the Company under the principle of corporate governance and the SET guidelines. The topics in each assessment form are listed as follows:

1. The Board of Directors' Group Self-Assessment Form comprises of following 6 main areas:
   1) Structure and qualifications of Directors
   2) Roles, duties and responsibilities of the Board of Directors
   3) Board of Directors' Meetings
   4) Performance of the Board of Directors
   5) Relationship with the Management
   6) Self-development of directors and development of executives
2. The Board of Directors' Individual Self-Assessment Form comprises of following 3 main areas:
   1) Structure and qualifications of Directors
   2) Board of Directors' Meetings
   3) Roles, duties and responsibilities of the Board of Directors

Process of performance evaluation of the Board of Directors as a group and an individual

The Company Secretary Department will submit the 2 forms of performance evaluation of the Board of Directors to all directors to evaluate the annual performance. After the assessment was completed, the form is returned to the Secretary of the Corporate Governance Committee, who collects the evaluation score of each member, and concludes the Board of Directors' assessment results, then reports to the Corporate Governance Committee for acknowledgement, so that the Chairman of the Corporate Governance will report the evaluation results to the Board of Directors. The criteria of performance evaluation grade are as follows:

Greater than	85% =	Excellent
Greater than	75% =	Very Good
Greater than	65% =	Good
Greater than	50% =	Fair
Equal or Lower than	50% =	Need Improvement

The results of the assessment of the Board of Directors as a group and an individual in 2023 as follows :

- The results of the assessment of the Board of Directors as a group was considered Excellent.
- The results of the assessment of the Board of Directors as an individual was considered Excellent.

(5) Performance evaluation of the Sub-committees

(5.1) Self - Assessment of the Audit Committee

The Audit Committee has collectively conducted self-assessment as a group for the year 2023, using the "Audit Committee's Self-Assessment Form" prepared by the company under the principle of corporate governance and the SET guidelines. There were 5 main areas having been taken into account as follows:

- Composition of Audit Committee;
- Training and human resources;
- Meeting;
- Audit Committee's activities;
- Relationship with the Internal Audit Director, auditor and the management.

The self-assessment result has revealed that the Audit Committee performed their duties well and met all requirements under the Audit Committee's charter in accordance.

(5.2) Self-assessment of the Nomination and Remuneration Committee as a group

The Nomination and Remuneration Committee has evaluated self-performance as a group in 2023, based on "The Nomination and Remuneration Committee Self-Assessment Form" prepared by the company under the principle of good corporate governance and the SET guidelines. There were 4 main areas having been taken into account as follows:

1. Structure and qualifications of the Nomination and Remuneration Committee
2. The Nomination and Remuneration Committee's meetings
3. Roles, duties and responsibilities of the Nomination and Remuneration Committee
4. Others

(5.3) Self-assessment of the Corporate Governance Committee as a group

The Corporate Governance Committee has evaluated self-performance as a group in 2023, based on "The Corporate Governance Committee Self-Assessment Form" prepared by the company under the principle of corporate governance and the SET guidelines. There were 3 main areas having been taken into account as follows:

1. Structure and qualifications of the Corporate Governance Committee
2. Roles, duties and responsibilities of the Corporate Governance Committee
3. The Corporate Governance Committee's meetings

(5.4) Self-assessment of the Risk Management Committee as a group

The Risk Management Committee has evaluated self-performance as a group in 2023, based on "The Risk Management Committee Self-Assessment Form" prepared by the company under the principle of good corporate governance and the SET guidelines. There were 3 main areas having been taken into account as follows:

1. Structure and qualifications of the Risk Management Committee
2. Roles, duties and responsibilities of the Risk Management Committee
3. The Risk Management Committee's meetings

(5.5) Self-assessment of the Sustainable Development Committee as a group

The Sustainable Development Committee has evaluated self-performance as a group in 2023, based on "The Sustainable Development Committee Self-Assessment Form" prepared by the company under the principle of good corporate governance and the SET guidelines. There were 3 main areas having been taken into account as follows:

1. Structure and qualifications of the Risk Management Committee
2. Roles, duties and responsibilities of the Risk Management Committee
3. The Risk Management Committee's meetings

Process of performance evaluation of the Sub-committee

Each sub-committee's secretary shall submit the performance evaluation form of the committee to individual committee member for annual performance evaluation assessment. After the assessment is completed, the form shall be returned to the secretary of each sub-committee, who collects the evaluation score of each committee member, and concludes the committee's assessment results, then reports to each sub-committee for acknowledgement. Afterwards, the Corporate Governance Committee secretary shall gather the evaluation score of each sub-committee, summarize and report to the Corporate Governance Committee. Therefore, the Chairman of the Corporate Governance Committee shall report the performance evaluation results in the next Board of Directors' Meeting.

The criteria of performance evaluation grade are as follows :

Greater than	85%	= Excellent
Greater than	75%	= Very Good
Greater than	65%	= Good
Greater than	50%	= Fair
Equal or Lower than	50%	= Need Improvement

The results of the assessment of the Sub-committee in 2023 as follows :

The Sub-committee	The results of the assessment
1. The Audit Committee	Excellent
2. The Nomination and Remuneration Committee	Excellent
3. The Corporate Governance Committee	Excellent
4. The Risk Management Committee	Very Good
5. The Sustainable Development Committee	Excellent

Performance evaluation for the Chief Executive Officer

The Nomination and Remuneration Committee shall conduct performance evaluation for the Chief Executive Officer, as well as taking into account the matter of remuneration, and then have the instrument submitted to the Board of Directors for the latter's approval once a year based upon the following key issues:

1. Finance
2. Customer
3. Internal business operation of the company
4. Learning and human resources development

8.1.2 Meeting attendance and remuneration payment to the Board of Directors

(1) Board of Directors' Meeting

The Company has convened the Board of Directors' meeting so as to approve the vision, strategies, goals, policies, business plans and budgets of the Company, as well as to follow up on the management team's administrative operations and ensure that the Company's goals and business plans are incessantly achieved. The company has scheduled meetings in advance throughout the year.

The Board of Directors held 9 meetings in 2023. The corporate secretary will dispatch an invitation letter to the meeting together with meeting agendas and all relevant documents to the directors 7 days in advance, in order that the directors had enough time to study the data/information prior to participating in the meeting, whereupon all directors would be able to independently express their professional opinions while not being subject to any person's will or that of a group of persons. Minutes of each of those meetings, including directors' opinions, will be recorded clearly in writing.

And held 1 Annual General Meeting of Shareholders on April 21, 2023. (e-AGM).

The detail of the Board of Directors' Meeting on 2023 are as follows:

Name	Position	Meeting attendance / Total number of attendances			
		Board of Directors' Meeting		Annual General Meeting of Shareholders	
		Times	%	Times	%
1. Mr. Boonsom Lerdhirunwong	Chairman and Independent Director	9/9	100	1/1	100
2. Mrs. Tipawan Chayutimanta	Independent Director	6/6*	100	-	-
Mr. Adul Vinaiphat	Independent Director	3/3*	100	1/1	100
3. Ms. Vilasna Poonpatpibul	Independent Director	6/6*	100	-	-
Mr. Suri Buakhom	Independent Director	3/3*	100	1/1	100
4. Assoc. Prof. Dr. Narongdech Srukhosit	Independent Director	4/4*	100	-	-
Mr. Rachai Wattanakasaem	Independent Director	3/3*	100	1/1	100
5. Mr. Naporn Sunthornchitcharoen	Director	9/9	100	1/1	100
6. Mr. Adisorn Thananan-narapool	Director	9/9	100	1/1	100
7. Mrs. Suwanna Bhuddhaprasart	Director	9/9	100	1/1	100
8. Mr. Achawin Asavabhokin	Director	9/9	100	1/1	100
9. Mr. Chalerm Kiettitanabumroong	Director	9/9	100	1/1	100
10. Mr. Pravit Choatewattanaphun	Director	9/9	100	1/1	100
11. Ms. Apinya Jarutrakulchai	Director	9/9	100	1/1	100

Remark : *(1) Mr. Rachai Wattanakasaem and Mr. Suri Buakhom, Independent Director, indicated their intention to resign from the Company's Board of Directors due to retirement as per the criteria for holding a position of director and independent director of the Company, effective from May 1, 2023 onwards.*

(2) Mr. Adul Vinaiphat, Independent Director, had completed his term and did not wish to renew his position at the 2023 Annual General Meeting of Shareholders held on April 21, 2023.

(3) Mrs. Tipawan Chayutimanta has been approved to be appointed as an Independent Director instead of Mr. Adul Vinaiphat. According to the resolution of the 2013 Annual General Meeting of Shareholders held on April 21, 2023.
And she has been approved to be appointed as a Chairman of the Audit Committee. According to the resolution of the Board of Directors' Meeting No. 3/2023 held on April 21, 2023, effective from May 1, 2023 onwards.

(4) Miss Vilasna Poonpatpibul has been approved to be appointed as an audit committee member. According to the resolution of the Board of Directors' Meeting No. 3/2023 held on April 21, 2023, replacing the vacant position of Mr. Suri Buakhom, effective from May 1, 2023 onwards.

(5) Assoc. Prof. Dr. Narongdech Srukhosit has been approved to be appointed as an audit committee member. According to the resolution of the Board of Directors' Meeting No. 5/2023 held on June 27, 2023 replacing the vacant position of Mr. Rachai Wattanakasaem, effective from June 27, 2023 onwards.

Meetings of non-executive directors

Non-executive directors meet, without the presence of management, to discuss various important issues. In 2023 there was one meeting held on November 8, 2023 (while one meeting was held in 2022 on December 20, 2022) and the important meeting agenda items were reported to the Board of Directors' meeting. Management was requested to consider those important items for their further actions as deemed appropriate.

(2) Remuneration of the Board of Directors

The Nomination and Remuneration Committee shall take into account the remuneration scheme for directors based upon their responsibilities and performance, the Company's business type and the size of the business, market situations including competition, by ensuring that it be established at a suitable level and the incentives be good enough to attract and retain the talent pool of superior quality.

The Nomination and Remuneration Committee shall prescribe how the remuneration scheme should be and the type, the method of payment, and the suitable amount of such payment, all of which then shall be proposed to the Board of Directors for their consideration and approval, and to the shareholders during the Annual General Shareholders' Meeting for their approval. The package shall be disclosed to the public as well.

1. Monthly Remuneration and Meeting Allowance

- **Monthly Remuneration**

  This type of payment is made payable to the Company's directors on monthly basis whether or not there be directors' meeting.

- **Meeting Allowance**

  This type of payment is made payable to non-executive directors for each of the meetings they attend; note that payment shall be made to those who participate in the meeting only in order to reward those who take part in meetings on regular basis.

  During the 2023 Annual General Meeting of Shareholders held on April 21, 2023 a resolution has approved the Remuneration and Meeting Allowance effective from May 2023 onwards, in the amount of not exceeding Baht 12 million the details are as follows :

Position	Monthly Compensation Board of Directors (Per Month)	Meeting Allowance (Per Meeting)			
		The Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Corporate Governance Committee
Chairman	50,000	38,000	38,000	38,000	38,000
Directors	40,000	30,000	30,000	30,000	30,000
Executive director	40,000	-	-	-	-

Remark : In any case, the executive directors of the Company shall not receive the Meeting fee.

In 2023, the Company paid the directors' monthly remuneration and meeting allowance in total amount of Baht 8.6 million.

2. Directors' bonus

The 2023 Annual General Meeting of Shareholders held on April 21, 2023 had a resolution to approve the directors' bonus for the year 2022 to all directors in total amount not exceeding Baht 13 million.

In 2023, the Company paid the directors' bonus for the year 2022 to all directors in total amount of Baht 13 million

Details of remuneration categories are shown as follows:

(Unit : Thousand Baht)

Name	Position	Monthly Remuneration	Meeting Allowance				Total of monthly remuneration and meeting allowance	Bonus[1]	Other
		The Board of Directors	The Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Corporate Governance Committee			
1. Mr. Boonsom Lerdhirunwong	Chairman and Independent Director	600.0	342.0	-	-	-	942.0	1,444.4	-
2. Mrs. Tipawan Chayutimanta *	Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	333.3	180.0	190.0	90.0	-	793.3	-	-
3. Ms. Vilasna Poonpatpibul *	Independent Director, Member of the Audit Committee	320.0	180.0	150.0	-	-	650.0	-	-
4. Assoc. Prof. Dr. Narongdech Srukhosit *	Independent Director, Member of the Audit Committee	245.3	120.0	90.0	-	-	455.3	-	-
Mr. Adul Vinaiphat *	Independent Director, Chairman of the Nomination and Remuneration Committee, Chairman of the Sustainable Development Committee and Member of the Audit Committee	148.0	90.0	30.0	76.0	-	344.0	1,155.6	-
Mr. Rachai Wattanakasaem *	Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	160.0	90.0	38.0	60.0	-	348.0	1,155.6	-
Mr. Suri Buakhom *	Independent Director, Chairman of the Corporate Governance Committee and Member of the Audit Committee	160.0	90.0	30.0	-	38.0	318.0	1,155.6	-
5. Mr. Naporn Sunthornchitcharoen	Director	480.0	270.0	-	-	-	750.0	1,155.6	-
6. Mr. Adisorn Thananan-narapool	Director and Chairman of the Nomination and Remuneration Committee	480.0	270.0	-	174.0	-	924.0	1,155.6	-
7. Mrs. Suwanna Bhuddhaprasart	Director, Chairman of the Sustainable Development and Corporate Governance Committee and Member of the Risk Management Committee	480.0	270.0	-	-	136.0	886.0	1,155.6	-
8. Mr. Achawin Asavabhokin	Director	480.0	270.0	-	-	-	750.0	1,155.6	-
9. Mr. Chalerm Kiettitanabumroong	Director and Chairman of the Risk Management Committee	480.0	-	-	-	-	750.0	1,155.6	-

(Unit : Thousand Baht)

Name	Position	Monthly Remuneration	Meeting Allowance				Total	Bonus[1]	Other
		The Board of Directors	The Board of Directors	The Audit Committee	The Nomination and Remuneration Committee	The Corporate Governance Committee			
10. Mr. Pravit Choatewattanaphun	Director, Member of the Risk Management Committee and Member of the Sustainable Development and Corporate Governance Committee	480.0	-	-	-	-	480.0	1,155.6	-
11. Ms. Apinya Jarutrakulchai	Director, Member of the Sustainable Development and Corporate Governance Committee and Member of the Risk Management Committee	480.0	-	-	-	-	480.0	1,155.6	-
Total		**5,326.6**	**2,172.0**	**528.0**	**400.0**	**174.0**	**8,600.6**	**13,000.0**	**-**

Remarks: (1) Bonus according to the information was the compensation paid in the previous year as approved by the Annual General Meeting of Shareholders.

* *(1) Mr. Rachai Wattanakasaem and Mr. Suri Buakhom, , Independent Director, indicated their intention to resign from the Company's Board of Directors due to retirement as per the criteria for holding a position of director and independent director of the Company, effective from May 1, 2023 onwards.*

(2) Mr. Adul Vinaiphat, Independent Director, had completed his term and did not wish to renew his position at the 2023 Annual General Meeting of Shareholders held on April 21, 2023.

(3) Mrs. Tipawan Chayutimanta has been approved to be appointed as an Independent Director instead of Mr. Adul Vinaiphat. According to the resolution of the 2013 Annual General Meeting of Shareholders held on April 21, 2023. And she has been approved to be appointed as a Chairman of the Audit Committee. According to the resolution of the Board of Directors' meeting No. 3/2023 held on April 21, 2023, effective from May 1, 2023 onwards.

(4) Ms. Vilasna Poonpatpibul has been approved to be appointed as an audit committee member. According to the resolution of the Board of Directors' Meeting No. 3/2023 held on April 21, 2023, replacing the vacant position of Mr. Suri Buakhom, effective from May 1, 2023 onwards.

(5) Assoc. Prof. Dr. Narongdech Srukhosit has been approved to be appointed as an audit committee member. According to the resolution of the Board of Directors' Meeting No. 5/2023 on June 27, 2023, replacing the vacant position of Mr. Rachai Wattanakasaem, effective from June 27, 2023 onwards.

8.1.3 Governance of Subsidiaries

The Company's directors shall approve the establishment of vision, strategies, policies, business plan and budget of the Company to be used as frameworks or goals of the management for operation to achieve the result prescribed by the Company's Board of Directors. All of the approvals by the Company's Board of Directors include the subsidiaries and associated companies as appropriate in management. The detail of the Corporate Governance Policy of Subsidiaries presented on Section 6.1.1 Policy and Guidelines for the Board (7) Subsidiaries Supervision Policy.

8.1.4 Monitoring of compliance with the corporate governance policy and guidelines

(1) Prevention of conflicts of interest

The Audit Committee regularly reviews connected or related transactions to ensure that the conditions for the transactions serve the best interest of the Company by treating them as though they were ones being conducted with outsiders on an "arm's length basis". The Audit Committee also supervises the Company and ensures that the latter proceed and disclose relevant information of these related transactions completely and in compliance with official regulations prescribed by the authorities as per details shown in Connected Transactions section.

The Company has organized the corporate structure of the Company, its subsidiaries, associated companies, and related companies to avoid potential conflicts of interest.

(2) Use of inside information to seek benefits

The Company has the policy to control the use of the Company's internal data for personal benefits by prohibiting the directors and/or executives to use the Company's data for personal benefits. Disclosed details of the use of internal information policy in Topic 6.1.2 Policy and guidelines related to shareholders and stakeholders (4) Supervision on the use of internal information.

In case directors and/or executives has breached the law and caused damage to the Company and the third parties, the Company shall cooperate and coordinate with the regulatory authorities to take legal actions.

In 2023, no use of the Company's internal information for stock trading from the Company's Directors and Executives.

The Company has prepared and distributed documents to provide knowledge to the Board of Directors, Executives and Employees about Prevention of conflicts of interest and Use of inside information to seek benefits via Email and Intranet on October 5, 2023 to communicate and remind the recipients on the matter. Hundred percent of the Directors, Executives and Employees have received the communication.

(3) Anti-corruption action

The Board of Directors approved "the Anti-Bribery and Corruption Policy and Measures", was specified as the duties and responsibilities of the directors, executives and all employees which should be acknowledged, understood and strictly conformed to the policy and code of practice.

The Anti-Bribery and Corruption Policy

- **Resolutions and policies of the Board of Directors regarding business operations not related to corruption and scope of operations**

  According to the Board of Directors' Meeting No. 1/2015 held on February 24, 2015, the Board of Directors approved the Anti-Bribery and Corruption Policy by including in "the Corporate Governance Policy" and "Business Ethics" of the Company.

  The Board of Directors meeting No.1/2016 held on February 26, 2016 approved "the Anti-Bribery and Corruption Policy and Measures" separately from "the Corporate Governance Policy" and "Business Ethics" of the Company. The Company presented this policy and code of practice including "the Corporate Governance Policy" and "Business Ethics" on the Company's website. This shall increase the channels for the executives and employees to acknowledge the code of practice and implement effectively. All stakeholders are also to know the intention and determination of the Company in developing the Company and the nation to be free from corruption onwards.

  In addition, the Board of Director has approved the "Anti-Corruption Policy" with latest update according to the resolution from the Board of Director Meeting No. 2/2022 on March 24, 2022.

  The measures and guidelines on Anti-Bribery and Corruption cover the following operation of the Company:

  1. The Company has conducted bribery and corruption risk assessment and set out the measures that match the risks and comply with internal control system;
  2. The Company has defined the operational process that is adequate for implementation according to the policy which can prevent bribery and corruption in business operation;
  3. The Company has provided orientation and training to the personnel in order to let them realize and understand the policies, measures and procedures on anti-bribery and corruption;
  4. The Company has established an internal control system in order to ensure the efficiency and effectiveness of the Anti-Bribery and Corruption Policy that covers the process of financial and accounting data collection, as well as other processes involving the Company's operation;
  5. The Company has conducted the reporting, monitoring and reviewing of the Anti-Bribery and Corruption Policy compliance, with a proper process to ensure that the policy is complete, adequate and up-to-date;
  6. The Company has provided secure communication channels for its employees and all stakeholders, in order to request for suggestion, report the suspected behaviors, recommend or file complaints about bribery and corruption, with the right protection measure for aforementioned people;

7. The Company has provided the communication of the Anti-Bribery and Corruption Policy both internally and externally, in order to let all stakeholders learn more about the policy, including the notification to subsidiaries, associates and other companies under the Company's control, as well as the business representatives, to adopt the Anti-Bribery and corruption policy of the Company;

- **Participation in Thai Private Sector Collective Action Coalition Against Corruption**

The Company has emphasized and promoted honest and transparent business operation, as well as strict compliance with the law. In addition, the Company realizes that apart from negative impacts on business operation, reputation and image of the Company, briberies and corruptions are also the obstacles for sustainable growth of the Company.

The Board of Directors of the Company resolved that the Company must show its intention to participate in Thai Private Sector Collective Action Coalition Against Corruption and the Chairman of the committee of Thai Private Sector Collective Action Coalition Against Corruption acknowledged our participation in the project on December 26, 2014.

To be in accordance with and meet the Company's anti-corruption objective, the Company completed and submitted the "Self-Evaluation Tool for Countering Bribery" form to be certified as a member of Thai Private Sector Collective Action Coalition Against Corruption.

On March 9, 2017 the council of Thai Private Sector Collective Action Coalition Against Corruption's resolved that "Quality Houses Public Company Limited" is a certified member. The certification has a validity period of 3 years from the date of certification resolution.

On October 5, 2022 the Company has been renewed the "Certification of Membership of Thai Private Sector Collective Action Coalition Against Corruption" for 3 years (the second time).

Implementation

- **Business Risk Assessment**

The Company shall assess the risks in various transactions of the Company that may contain procedures or processes that constitute corruption by reviewing the Company's corruption risk management policy at least once a year, as well as reviewing the existing risk management measures in order to be appropriate to prevent or reduce the risk to an acceptable level.

- **Guidelines for Anti-Bribery and Corruption**

The Company has the following guidelines for anti-bribery and corruption:

1. Political Aid

1.1 The Company remains in its politically neutral state, with no supports for any political party in particular;

1.2 In the event that the Company may have an intent to provide political support in the name of democracy, such action shall not fail to comply with the laws related to the issue; nor shall the Company be doing so in expectation of being provided with special treatment. Company procedures in light of the matter must be strictly observed;

1.3 Employees are free to participate in political activities under the Thai Constitutional laws, the Company's property or anything including tools, equipment, etc., belonging to the Company, shall not be cited to strategically produce satisfactorily political results or benefits; in addition, good care must be taken to ensure that no miscomprehension be made in regard to the Company's non-partisan, good principle.

2. Donation for Charity

2.1 The Company has a policy on donation for charity both in terms of financial support and others such as donation of goods, participating in various activities, etc., so as in remaining adhered to its ethical framework of social responsibility;

2.2 Employees must take precautions and ensure that donations for charity not be directed towards corruptive behaviors such as bribery and the likes, and that their good deeds be done with transparency and in compliance with the laws;

2.3 The Company's money or property must be spent or used in light of donation for charity 'only' in the Company's name, typically for the good of such establishments as foundation, public charity organization, temple, hospital or other social benefit organizations, all of which must also be in possession of official certificate and verifiable in entity; implementations are to be made according to the Company's rules and regulations.

3. Monetary Support

3.1 Being a sponsor may be a public relations instruments rightfully adopted by the Company;

3.2 Employee must ensure with good care that, in case of donation, it be made strictly for charity purpose in order that the Company's sponsorship shall not be misused as another means of avoiding being labeled as giving bribes, and so that actions have been taken with transparency in accordance with the laws;

3.3 Employee must ensure with good care that the Company's money or property spent or used in providing supports for certain projects be credited to the Company's name only, and that the aforementioned actions must have been taken strictly for the benefits of the Company's reputation and positive brand image, etc.

4. Gifts / presents, service fees and other expenses

4.1 Directors, Executives and Employees shall not accept or ask for gifts or other benefits from trading partners, contractors, advisors and other related parties in all situations that could lead to unfair decision making or conflict of interests.

4.2 Directors, Executives and Employees shall avoid giving or accepting gifts or benefits from trading partners and related parties, except gifts for traditional festivals with reasonable prices unrelated to bonding or decision making. In addition, giving or accepting gifts with transparency and formal are acceptable.

4.3 Directors, Executives and Employees shall avoid giving or accepting unusual reception from related parties.

- **Employees' Communication and Training**
  1. Provide orientation and training on anti-corruption policies and measures to directors, employees, and executives at least once a year.
  2. Encourage directors and executives to be involved in educating employees to set a good example of operating in compliance with anti-corruption policies and measures.

- **Monitoring and Evaluation**

  To ensure that anti-corruption policies and measures are implemented thoroughly throughout the organization and have clear oversight, the Company has set out the responsibilities of the management as follows :
  - Provide internal control mechanisms and systems that support the implementation of anti-corruption policies and measures.
  - Present urgent issues regarding corruption (if any) to the Audit Committee and the Board of Directors.
  - Regularly report the results of the audit in accordance with anti-corruption policies and measures to the Audit Committee and the Board of Directors.
  - Encourage subordinates at all levels to recognize the importance of complying with anti-corruption policies and measures.

- **Operating process after receiving clues / complaints**
  1. The Audit Committee sends the clues / complaints to an Internal Audit Department for preliminary inspection. Any intimidate activities leading to damages would be a disciplinary offense.
  2. If the clues / complaints in No.1 are real, an Internal Audit Department will direct the clues / complaints to related departments, and the process will be monitored by an Internal Audit Department and presented to the Audit Committee for consideration.

- **Protection of whistleblower or complainant**

  Whistleblower or complainant, including the company's employees, customers and sub-contractors or other related parties, shall be protected by law or the company's regulation.

(4) Whistleblowing

The Company has instated that superiors in each and every level within the organization take actions on ensuring that their subordinates be informed, understand and comply with the Company's business ethics, rules and regulations stipulated in the articles of association, the corporate governance, as well as a series of legislations and legal codes. In addition, employees must not ignore any corruption-related activities. Any intimidate activities leading to damages would be a disciplinary offense. The Company has established guidelines for deliberation and interrogation with transparency and verifiability in light of complaints and such.

In order for all stakeholders are to be treated equally and in fairness, the Company has established a series of channels through which petitions and complaints, as well as suggestions and feedbacks, may be directed in the event that - from the Company's business operations or to its employees' possible misconducts related with suspicious behaviors deemed bribery and corruption.

In the year 2023, there was no complaint of fraud and corruption.
The petitioners can submit the clues and complaints including related evidences by following channel:
e-mail : auditcommittee@qh.co.th
By Post : Quality Houses Public Company Limited.
No.1 Q House Lumpini Building, Floor 7, South Sathorn Rd.,
Tungmahamek, Sathorn, Bangkok 10120

Such the Company's email and address could be found on the Company's website

(5) Report of stake holding of directors

At the Board of Directors' Meeting No.6/2009 convened on June 25, 2009, the Board of Directors has approved the criteria and procedures of reporting interest with respect to its directors and executives, whereby they are required to disclose all information relating to their interests (stakeholding), those belonging to their Connected Transactions, and then have it all submitted to the Company, as shown below:

1) Directors and executives must report their stake holding and/or that of their Connected Transactions, to the Company by utilizing the form of reporting as prescribed by the Company;
2) Directors and executives must report under 1) as follows:
   - Within 30 days after the date of appointment;
   - Within 30 days upon change of data in the latest report;
3) The person who is required to report under 1) must submit a written report to the Corporate Secretary within 3 working days from the date of report preparation;
4) The Corporate Secretary shall submit a copy of the report of stake holding under 3) to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 working days from the date the Company has received the document.

Report of Changes in Shareholding of the Directors/Executives as of December 31, 2023

Name	Position	Dec 31, 2022		Change in 2023		Dec 31, 2023	
		Number of shares	Portion (%)	Acquired (shares)	Disposed (shares)	Number of shares	Portion (%)
1. Mr. Boonsom Lerdhirunwong	Chairman and Independent Director	-	-	-	-	-	-
2. Mrs. Tipawan Chayutimanta	Independent Director, Chairman of the Audit Committee and Member of the Nomination and Remuneration Committee	-	-	-	-	-	-
3. Assoc. Prof. Dr. Narongdech Srukhosit	Independent Director, Member of the Audit Committee	-	-	-	-	-	-
4. Ms. Vilasna Poonpatpibul	Independent Director, and Member of the Audit Committee	-	-	-	-	-	-
5. Mr. Naporn Sunthornchitcharoen	Director	100,000	0.00093	-	-	100,000	0.00093
6. Mr. Adisorn Thananan-narapool	Director and Member of the Nomination and Remuneration Committee	1,101	0.00001	-	-	1,101	0.00001
7. Mrs. Suwanna Bhuddhaprasart	Director, Chairman of the Sustainable Development and Corporate Governance Committee, and Member of the Risk Management Committee	7,013,754	0.06546	-	-	7,013,754	0.06546
8. Mr. Achawin Asavabhokin	Director	-	-	-	-	-	-
9. Mr. Chalerm Kiettitanabumroong	Director, Chief Executive Officer and Chairman of the Risk Management Committee	-	-	-	-	-	-
Mrs. Wipha Kiettitanabumroong	Spouse	136,500	0.00127	-	-	136,500	0.00127
10. Mr. Pravit Choatewattanaphun	Director, Managing Director, Member of Risk Management Committee and Member of Sustainable Development Committee	-	-	-	-	-	-
11. Ms. Apinya Jarutrakulchai	Director, Senior Executive Vice President, Member of the Sustainable Development and Corporate Governance Committee and Member of the Risk Management Committee	-	-	-	-	-	-
12. Mr. Adisak Srisook	Executive Vice President and Member of the Sustainable Development and Corporate Governance Committee	33	0.00000	-	-	33	0.00000
13. Mr. Sommart Promkunakorn	Executive Vice President and Member of the Sustainable Development and Corporate Governance Committee	-	-	-	-	-	-
Total		**7,251,388**	**0.06767**	**-**	**-**	**7,251,388**	**0.06767**

8.2 Report on the results of duty performance of the Audit Committee

8.2.1 Number of the Audit Committee's meetings and the attendance of each member

Number of meeting attendances of each committee member in 2023 are shown as follows:

Name	Position	Meeting attendance / total number of meetings (times)
1. Mrs. Tipawan Chayutimanta	Chairman of the Audit Committee	5/5*
2. Ms. Vilasna Poonpatpibul	Member of the Audit Committee	5/5*
3. Assoc. Prof. Dr. Narongdech Srukhosit	Member of the Audit Committee	3/3*
Mr. Rachai Wattanakasaem	Chairman of Audit Committee	1/1*
Mr. Suri Buakhom	Member of Audit Committee	1/1*
Mr. Adul Vinaiphat	Member of Audit Committee	1/1*

Remarks : *(1) Mr. Rachai Wattanakasaem and Mr. Suri Buakhom , Independent Directors, indicated their intention to resign from the Company's Board of Directors due to retirement as per the criteria for holding a position of director and independent director of the Company, effective from May 1, 2023 onwards.*

(2) Mr. Adul Vinaiphat, Independent Director, had completed his term and did not wish to renew his position at the 2023 Annual General Meeting of Shareholders held on April 21, 2023.

(3) Mrs. Tipawan Chayutimanta was approved and appointed as an Independent Director of the Company by the resolution of the 2023 Annual General Meeting of Shareholders held on April 21, 2023, in replacement for Mr. Adul Vinaiphat and was approved and appointed as a Chairman of the Audit Committee by the resolution of the Board of Directors' Meeting No. 3/2023 held on April 21, 2023, effective from May 1, 2023 onwards

(4) Miss Vilasna Poonpatpibul was approved and appointed as an Independent Director and Member of the Audit Committee by the resolution of the Board of Directors' Meeting No. 3/2023 held on April 21, 2023, in replacement for the vacant position of Mr. Suri Buakhom, effective from May 1, 2023 onwards.

(5) Assoc. Prof. Dr. Narongdech Srukhosit was approved and appointed as an Independent Director and Member of the Audit Committee by the resolution of the Board of Directors' Meeting No. 5/2023 held on June 27, 2023, in replacement for the vacant position of Mr. Rachai Wattanakasaem, effective from June 27, 2023 onwards.

The Audit Committee has convened 4 meetings in 2023 with the Company's auditors without the presence of the Company's management team.

8.2.2 Describe the results of duty performance of the Audit Committee

Details of the results of duty performance of the Audit Committee are reported in page 7

8.3 Report on the results of duty performance of the other Sub-committee

8.3.1 Number of the Sub-committee's meetings and the attendance of each sub-committee member

Number of meeting attendances of each Sub-committee member in 2023 are shown as follows:

Name	Meeting attendance (Times)			
	The Nomination and Remuneration Committee	The Corporate Governane Committee	The Risk Management Committee	The Sustainable Development Committee
1. Mr. Adul Vinaiphat	2/2*			2/2*
2. Mrs. Tipawan Chayutimanta	3/3*			
3. Mr. Adisorn Thananan-narapool	5/5*			
4. Mr. Rachai Wattanakasaem	2/2*			
5. Mr. Suri Buakhom		1/1*		
6. Mrs. Suwanna Bhuddhaprasart		4/4	2/2	5/5
7. Ms. Apinya Jarutrakulchai		4/4	2/2	5/5
8. Mr. Chalerm Kiettitanabumroong			2/2	
9. Mr. Pravit Choatewattanaphun			2/2	5/5
10. Mr. Adisak Srisook				5/5
11. Mr. Sommart Promkunakorn				5/5
12. Mrs. Rachada Leetrakul				5/5

*Remarks : * (1) Mr. Rachai Wattanakasaem and Mr. Suri Buakhom, Independent Director, indicated their intention to resign from the Company's Board of Directors due to retirement as per the criteria for holding a position of director and independent director of the Company, effective from May 1, 2023 onwards.*

(2) Mr. Adul Vinaiphat, Independent Director, had completed his term and did not wish to renew his position at the 2023 Annual General Meeting of Shareholders held on April 21, 2023.

(3) Mrs. Tipawan Chayutimanta has been approved to be appointed as an Independent Director instead of Mr. Adul Vinaiphat . According to the resolution of the 2013 Annual General Meeting of Shareholders held on April 21, 2023. And she has been approved to be appointed as a Chairman of the Audit Committee. According to the resolution of the Board of Directors' meeting No. 3/2023 held on April 21, 2023, effective from May 1, 2023 onwards.

(4) Mr. Adisorn has been approved to be appointed as a Chairman of the Nomination and Remuneration Committee. According to the resolution of the Board of Directors' meeting No. 3/2023 held on April 21, 2023.

(5) Assoc. Prof. Dr. Narongdech Srukhosit has been approved to be appointed as an audit committee member. According to the resolution of the Board of Directors' Meeting No. 5/2023 held on June 27, 2023, replacing the vacant position of Mr. Rachai Wattanakasaem, effective from June 27, 2023 onwards.

8.3.2 Describe the results of duty performance of the Sub-committee

Details of the results of duty performance of the Nomination and Remuneration Committee are reported in page 10

Details of the results of duty performance of the Corporate Governance Committee are reported in page 11

Details of the results of duty performance of the Sustainable Development Committee are reported in page 13

Details of the results of duty performance of the Risk Management Committee are reported in page 15

9. Internal Control and Related Party Transactions

9.1 Internal Control

At the Company's Board of Directors' Meeting No.1/2024 held on February 27, 2024, all four independent directors, including three Audit Committee members, attended the meeting. The Board of Directors evaluated the internal control system using the "Internal Control Sufficiency Evaluation Form," available on the SEC website. They reviewed and raised questions on certain issues to management, in order to evaluate the Company's internal control system in five disciplines including;

1. Internal Control Environment
2. Risk Assessment
3. Operational Control
4. Information and Communication
5. Monitoring Activities

The Board of Directors determined that the Company's internal control system is sufficient and appropriate. The Company has sufficient personnel to effectively implement the system, with internal control system established to supervise and monitor business operations of the subsidiaries to prevent the Company's resources or those of the subsidiaries from being misused by members of the Board of Directors or executives, including conducting transactions with potential conflict of interest and with related parties. As for internal control in other subjects, the Board of Directors opined that the control was sufficient.

The independent directors and members of the Audit Committee had the same opinion with the Board of Directors.

The details of the 5 disciplines are summarized below;

1. Internal Control Environment

The management team and employees have proven optimistic and in possession of positive attitudes rightfully in favor of the internal control criteria. The management team have placed the importance upon business ethics and integrity; therefore, in the event that there stood a breach of the codes of conduct, thus affecting the elements of business ethics and integrity, the incidents were to be treated with fairness and transparency in response to the given circumstances and in accordance with the audit report on the case-by-case basis.

In general, the Company's internal control system has been found suitable and efficient in favor of its implementation as a whole as exemplified in the following examples:

- The Board of Directors have managed to ensure that the Company has a set of well-defined business goals, all of which are assessable and practically utilized as guidelines for performance appraisal and business conducts by both the management team and employees at operational level;
- The Board of Directors have managed to ensure that the Company prescribes the duties and responsibilities of both the committees and executive officers in compliance with the law and the charter;

- The Board of Directors have proven knowledgeable in the Company's business operations and in possession of expertise of use accordingly, or at least resourceful enough to solicit professional pieces of advice and opinions by specialists with no difficulty. In addition, the Board of Directors are comprised of independent directors of note with knowledge, competency, trustworthiness and are able to independently operate as well;
- The Company has provided for an instrument of the organizational chart which is proven of great use to the Management team/executive officers' tasks in terms of both effectiveness and efficiency;
- Duties and responsibilities have been determined and assigned properly while authority has been addressed in strictly legitimate manner, which allows for operations to have been as optimally carried out within the organization as possible, i.e. among the Board of Directors, executive officers and management team, as well as the employees at operational level;
- The Company has reviewed its operational goals to ensure that they are properly and prudently prescribed in addition to a well-defined paradigm of performance appraisal process, incentive scheme, as well as disciplinary actions upon tardiness and ineffectiveness when and where necessary, all of which are to be communicated and made known to the employees and their superiors (including executive officers and management team);
- The Company has defined and established the Code of Conduct in writing to be properly observed by both management team and employees, as well as monitored their observance accordingly. This includes prohibiting the aforementioned groups from acquitting in such manner that may cause conflicts of interest with the Company's businesses, as well as preventing from any of corruptive behaviors and misconducts, with which failure to comply shall be addressed in form of disciplinary actions;
- The Company has established a written Anti-Corruption Policy to be used as a guideline, operations process for the operational personnel's adoption to be in alignment with anti-corruption measures. It also acts as a communication tool for both inside and outside of the Company for all stakeholders to acknowledge the serious stance the Company has taken on anti-corruption.
- The Company has prescribed the rules and regulations, as well as policies, all in writing, in dealing with risk-prone transactions including financial, procurement and administrative ones, etc., in aims at preventing corruptions and damages that could have incurred;
- The Company has managed to provide the operation control and monitor systems for those in charge, including the Internal Audit Department, the latter of which retains autonomy in auditing and reporting directly to the Audit Committee, whose duties include making inspection in accordance with business risk priority, covering critical work processes within the Company and its subsidiaries.

The Audit Committee has independently oversaw the internal audit function, approved the annual audit plans, acknowledged the audit results, provided guidance on how to strengthen internal control system in order to prevent or mitigate potential risks, and guidelines on how to effectively report and follow up on improvements following the internal audit. In 2023, no material internal control deficiencies have been found.

2. Risk Assessment

The Company has placed the importance upon the issue of risk management and thus established "the Risk Management Committee" in association with the comprehensive risk categories so as to evaluate and follow up both the overview and the details of risk management plans pertaining to each individual unit within the Company on regular basis. In addition, the Company has managed to ensure that the systems of risk management report must be implemented in proper and timely manner. The Company's executives have evaluated the situations and risks and analyzed the incidents which may have had impacts on, and caused damage to, the Company. In response, the Company has prescribed the preventive and corrective measures against those risks while assiduously monitored and followed up with the incidents attributed to the risk factors, as well as implemented the measures in aims at reducing the risks accordingly. Furthermore, the Risk Management Committee has approved and initiated communications of risk management policy with the executive officers/management team and all staff members for their acknowledgement and actions to such an extent that it will have become a part of the organization as a whole. The Risk Management Committee also reports the performance on a regular basis to the Audit Committee.

The Company has proven to be in compliance with generally certified accounting standards, which is of good use to its business operations. In regard to this matter, the Company has specified a list of essential items of financial transactions by taking into account such important factors as users of those financial transactions, transaction size and business trends.

The Company's financial report reflects upon how its business operations and activities have been implemented in practice whereby a complete list of financial transactions are revealed, as well as the rights and obligations to be honored by the Company, all of which are accurately and completely manifested.

3. Operational Control

Supervising the management's operations is important for gaining trust from the Company and its shareholders that the direction set by management has been accepted and executed by all employees including :

- The Company uses key performance indicators (KPI) as a planning and controlling tool.
- The Company has clearly defined, in writing, the scope of authority and monetary approval limit of each level of management. This is specified in the Company's policy for payment authorization.
- The Company has segregated applicable duties into 3 parts as follows:
  (1) Approval duty
  (2) Record keeping duty
  (3) Asset control duty

This is to create check and balance mechanism.

- Control measures on the safety of technology system includes Personal Identifiable Information, which grants access control by user level and by scope of responsibilities, together with several control mechanism related to usage rights of various programs applicable for the duties of employees in each level.
- In case of business transactions being carried out with the related parties, the Company has established a set of concise measures in light of monitoring and ensuring that the aforementioned activities must be performed in compliance with the processes prescribed by the authorities while being strictly treated as a case of normal transactions conducted with external parties, thus upon the so-called arm's length basis for the Company's highest benefits;
- In the event that business transactions with the related parties are to be approved in such manner that they shall become bound with the Company on a long term basis, the Company has managed to audit and monitor on regular basis as to whether or not the terms and conditions upon which both or all parties have been agreed are being strictly observed;
- In the event that the Company has made investments in subsidiaries or associated companies, the Company shall ensure that their performances must be analyzed and evaluated on a regular basis;
- The Company has established controlling measures in light of its business operations to ensure compliance with the related laws to reduce operational risks and preserve the Company's great name and reputation.

4. Information and Communication

The Company has continuously developed and improved its Information Technology systems in order to support the company's operations, increase work efficiency, reduce manual work, have better control, as well as improve compliance with government regulations.

The Company's information technology systems support multi-company operations with payment control that is consistent with budget plans and approval authority. All receivable and payable systems are connected, from the front office to the financial accounting systems, which allows for efficient, accurate, and timely work process that can be audited in all steps. Reports are automatically sent to executives, relevant employees, merchants, and contractors, with SMS alert capability to ensure smooth and timely operations. In addition, the system also supports human resources management through employee's self-service system.

In addition, the Company has emphasized the importance of adhering to the Personal Data Protection Act by having a system for obtaining consent to collect, use, and disclose personal data from customers and related parties, and improving IT Policy in accordance with the Act, as well as improving the work system and working methods to increase the security of access to personal data and increase the internal control processes to access such information more securely, such as restricting rights, hiding some data, and discontinuing certain data collections.

As for the data access security controls, systems are connected to the central login system, which will automatically disable the account when the employee resigns and utilize one-time passwords in critical work systems where the system will send an SMS message to the number that was declared with the human resource department.

Data Backup is carried out in 3 aspects:

1. Back up data daily on another device.
2. Back up data on external media and store it daily in a safe place outside the organization.
3. Automatically send data to the backup center every 30 minutes and perform checks on the latest data sent to the backup center by automatically sending an email back to the responsible person

Pertaining to a variety of applications including Executive Information System (EIS), Extranet, Intranet, as well as the organization's main applications, they are to be replicated and transferred to a Data Backup Center on daily basis. Additionally, the 'disaster recovery' backup program must be tested at Data Backup Center 1 times a year

5. Monitoring Activities

The Company has monitored the internal control system in use and conducted an evaluation accordingly. In addition, performance appraisal has also been carried out whereby practice guidelines are prescribed while the internal control system is monitored on a continual basis. This constitutes part of the normal business operation of the management team, supervisors and those involved in the process.

Furthermore, the Company has also evaluated the result of internal audit performed by the internal audit department, which is an independent department. The results are reported to the Audit Committee directly.

In the event that there are incidents or doubts in which gross misconduct, acts against the law or any other irregularities have been committed, which could significantly affect the Company's reputation and financial status, the executives/management team would report the Board of Directors immediately, as well as properly provide corrective measures for the Board of Directors/the Audit Committee for their further consideration.

In 2023, the Audit Committee has convened six meetings to take into account, follow up on the financial status and operational results on a regular basis and make significant recommendations which had impacts on the "organization and executive officers" periodically, while simultaneously monitor and ensure that the corporate goals would be attained. The internal control system would be continually reviewed and improved promptly in response to the ever-changing situations.

Furthermore, the Company's auditor, EY Office Company Limited, represented by Ms. Pimjai Manitkajohnkit, who served as the auditor for the financial statements for the year 2023, had no opinion on a note in the Auditor's Report that the Company had any defects related to the issue of internal control system.

The Audit Committee has directed the Internal Audit Department to operate independently, impartially and ethically, and approved Mrs. Suneerat Puntarikpan as acting head of the Internal Audit Department of the Company since July 16, 2021 due to her eligibility, accounting knowledge, her experience in internal audit operations, including information technology systems, and her understanding of the Company's operational activities. In addition, she also underwent anti-corruption training.

The consideration of appointment, withdrawing and transfer of the Head of Internal Audit will require an approval from the Audit Committee.

9.2 Connected Transactions

9.2.1 Connected transaction with persons with potential conflicts

The Company and its subsidiaries conducted a number of connected transactions with persons with potential conflicts in the past year (please consider with notes in the financial statement). The Company's and its subsidiaries connected transactions details are summarized below:

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
1) Land and Houses Fund Management Co., Ltd.					
- QH and LH are the shareholders of LH Financial Group Plc. ("LHFG"), holding 13.74% and 21.88% of the total shares,respectively and in turn, the LHBANK is holding 99.99%	Renting the office space in Q. House Sathorn Building				The Audit Committee expressed that such rental and service fees of the aforementioned office building's rental space were deemed reasonable to do the transaction with fair market price, compared to its peers with similar size.
	- Revenue from rental and service fee	9.49	10.12	11.98	
	- Deposit from rental and service fee	1.98	1.98	2.38	
	- Account receivables	0.16	0.16	0.21	
2) Land and Houses Bank Plc. ("LHBANK")					
- QH and LH are the shareholders of LH Financial Group Plc. ("LHFG"), holding 13.74% and 21.88% of the total shares, respectively. Meanwhile, LHFG is the shareholder of Land and Houses Bank Plc. (LHBANK), holding 99.99% of the total shares.	(A) Bank transaction:				Bank transaction
	- Bank deposit	2,721.78	1,181.38	707.79	The Audit Committee expressed that the opening of each type of bank accounts, rates of interest income and normal bank charges were normal and implemented in the same manner as other persons or companies as has been generally announced.
	- Interest income	3.97	3.77	1.91	
	- Bank charge	1.30	1.19	1.16	
- The joint Directors is Mr. Naporn Sunthornchitcharoen.	(B) Leasing of space in Q. House Asoke Building.				
	- Revenue from rental and service fees.	0.56	-	-	
	- Deposit for rental and service fees.	0.15	-	-	
Remark: Below shown are the subsidiaries, with both direct and indirect shareholdings: Q.H. Management Co., Ltd., Q.H. International Co., Ltd., The Confidence Co., Ltd., Casa Ville Co., Ltd., Q.House Precast Co., Ltd., Casa Ville (Petchburi 2553) Co., Ltd., Casa Ville (Rayong 2553) Co., Ltd., Casa Ville (Chonburi 2554) Co., Ltd., Casa Ville (Prachuabkhirikhan 2554) Co., Ltd., Property Host Co., Ltd., Gusto Village Co., Ltd. and Centre Point Hospitality Co., Ltd.	(C) Leasing of space in Q. House Sathorn Building.				
	- Revenue from rental and service fees	30.38	31.42	36.46	Rental of spaces in office buildings
	- Receivables (rental and service fees)	0.35	0.47	0.56	The Audit Committee expressed the rates of rentals and service fees of spaces for rent were reasonable and thus suitable for entering into transaction. In addition, the fees were found comparable to other operators with similar size of spaces, thus constituting those of fair market value as well.
	- Deposit for rental and service fee	6.55	7.48	7.48	

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
2) Land and Houses Bank Plc. ("LHBANK") (Cont.)					
					Sales promotion expenses incurred from the activities related to customers who bought properties The Audit Committee expressed that the transactions of sales promotion expenses incurred from the activities related to customers who bought properties and had repaid principal and interest expenses, which is in accordance with the ordinary course of business as usual and also found to be in the approximate value to that of other sales promotion campaigns given to other real-estate customers. Thus, it was deemed proper and reasonable to carry out the aforementioned transactions
3) Home Products Center Public Company Limited ("HMPRO")					
- LH is the major joint shareholder of QH and HMPRO, holding 24.98% and 30.23% respectively. - QH is the major shareholder of HMPRO, holding 19.87%. - The joint directors are Mr. Boonsom Lerdhirunwong, Mrs. Suwanna Bhuddhaprasart, Mr. Naporn Sunthornchitcharoen and Mr. Achawin Asavabhokin	Purchasing products and services. - Value of purchased products and services. - Other payables.	8.95 0.95	13.60 1.87	21.18 3.32	The Audit expressed that such transaction was deemed reasonable and based on the principle of fair market value. In addition, QH and its subsidiaries are entitled to opt for products and construction materials from other companies in the event that the rivals' offers are found more reasonably priced.

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
4) Quality Construction Products Public Company Limited ("Q-CON")					
- The major joint shareholder is LH, holding shares of both QH and Q-CON at the ratio of 24.98% and 21.16% respectively. - The joint director is Mr. Naporn Sunthornchitcharoen.	Purchasing products. - Value of purchased products and services. - Trade payables Remark: QH and its subsidiaries (Q.H. International Co., Ltd.) held 25.78% and 1.45% of the total shares in Q-CON (as of Dec 31, 2009) respectively. On Feb 23, 2010, QH and its subsidiary had entered into business agreement upon the shares of Q-CON with SCG Construction Products Co., Ltd., the latter of whose shares were being held in total of 100% by Siam Cement Plc. The entire amount of payment was implemented and all shares were transferred on Feb 24, 2010. In addition, on Mar 2, 2010, QH had signed the Product Sales Agreement with Q-CON, with the terms of Agreement being the period of 3 years. QH also agreed to purchase light-weight bricks at the minimum quantity and for the prices as prescribed in the aforementioned instrument, the obligation being incorporated as part of the terms and conditions of the Q-CON Share Agreement.	28.93 6.23	41.55 9.97	85.15 14.23	The Audit Committee expressed that it was justifiable to enter into the aforementioned transactions since it was in accordance with the terms and conditions stipulated under the Q-CON Share Agreement. Both QH and its subsidiaries also benefited from the profit obtained from selling Q-CON shares. Meanwhile, both QH and its subsidiaries were still utilizing a larger number of light-weight bricks in construction of housing projects than contractually prescribed by the product sales agreement. In addition, the price range of the products appeared relatively similar to the fair market value at that time. Upon completion of the contractual period, QH and its subsidiary would be entitled to make purchase of the same products from other companies that might make more attractive offers in terms of pricing.
5) L&H Management Company Limited ("LHM")					
- The major joint shareholder is LH, holding shares of both QH and LH Mall & Hotel Company Limited ("LHMH") at the ratio of 24.98% and 99.99% respectively. LHMH holds 99.98% of LHM. - The joint director is Mrs. Suwanna Bhuddhaprasart and Mr. Achawin Asavabhokin	Advance payment. - Other training receivable	0.04	-	-	The Audit Committee expressed that it was reasonable to enter into the aforementioned transactions at justifiable market price.

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
6) Quality Houses Leasehold Property Fund ("QHPF")					
- QH is the major shareholder of QHPF, holding 25.66% of total shares.	(A) Long-term leasehold right. QH gives the leasehold right for land and building, as well as other relevant equipment of Q. House Ploenchit Project for 30 years (Dec 8. 2006 - Dec 7, 2036), for which QH received the rental fee of Baht 819 million in full.				The Audit Committee expressed that the distribution and/or giving of the leasehold right for land, building and the related equipment of the 2 projects, namely, Q.House Ploenchit and Q.House Lumpini, to QHPF have been carried out in accordance with the resolution of the Board of Directors' Meeting No.10/2006 convened on Oct 19, 2006. The transaction was carried out at fair market value whereby the Company has already made price comparison with that being offered by each prospective buyer and thus has selected the bidder who has offered the best proposals, as well as most attractive terms and conditions, including the highest return to the Company . The Audit Committee has taken into account the reports submitted at that time by 2 independent appraisers, as well. Therefore, the Audit Committee has come to draw the conclusion that the aforementioned transaction was justifiable with the fair market value that also covered the rental fee rates and service fees payable to QHPF.
	- Advance received from leasehold right	405.75	378.61	351.46	
	- Rental revenue	27.15	27.15	27.15	
	(B) QH and QHI (QH holding 99.99% shares) were hired to manage 3 office buildings for rent, including Q. House Lumpini, Q. House Ploenchit and Wave Place.				
	- Management fees	56.42	56.38	56.78	
	- Other receivables.	4.98	5.04	16.39	
	(C) QH rented office spaces from Q.House Lumpini Building				
	- Space rental fee	33.01	32.71	33.12	
	- Other payables	0.16	0.19	0.21	
	- Deposit for rental and service fees	7.55	7.55	7.55	
	Notes : The estimated value of Q. House Ploenchit ("PJ") and the Q. House Lumpini ("LU") reported at that time by 2 independent appraisers were as follows: Unit : Million Baht PJ / LU / Total CBRE 838 5,566 6,404 BKKAP 800 5,240 6,040 - CB Richard Ellis (Thailand) Co., Ltd. ("CBRE"). - Bangkok Property Appraisal Co., Ltd. ("BKKAP")				

<table>
<tr><th rowspan="2">Relationship
As at 31 Dec 23</th><th rowspan="2">Nature of Transaction</th><th colspan="3">Value (Baht million)</th><th rowspan="2">Opinion of the Audit Committee</th></tr>
<tr><th>31 Dec 21</th><th>31 Dec 22</th><th>31 Dec 23</th></tr>
<tr><td colspan="6">7) Quality Houses Hotel and Residence Freehold and Leasehold Property Fund (“QHHR”)</td></tr>
<tr><td>- QH had sold the assets used in the operation of the Centre Point Hotel Projects in Pratunam, Sukhumvit 10 and Chidlom (“assets”), and proceeded to enable QHHR to enter into the property lease agreement for Centre Point Hotel Chidlom. Accordingly, QH received payment in total of Baht 3,342 million as consideration. In addition, on Jul 18, 2012, the Company had made investment in QHHR for 31.33%, that is, 105.28 million units of QHHR at the unit price of Baht 10, amounting to Baht 1,053 million. The Centre Point Hospitality Co., Ltd. (“CPH”) (QH holding 99.99% shares) has leased the property from QHHR for its hotel business</td><td>(A) Hotel leasing
CPH has taken a lease and sublease of properties from QHHR for its hotel business, which included the Centre Point Hotel projects at Pratunam, Sukhumvit 10 and Chidlom.
- Rental fees
- Other service revenue
- Accrued rental fees
- Other receivables.
(B) QH guaranteed the minimum rental income for QHHR from selling the assets to QHHR and CPH to make a lease agreement for such assets for the period of 3 years from the date on which QHHR invested in the asset at the amount not exceeding Baht 837 Million.

On Jul 19, 2015, the aforementioned agreement of minimum guarantee for rental fees was terminated, and QH had completely paid such rental fees.

<u>Remark</u> : The estimated value of the Centre Point Hotel Pratunam (“CP1”), the Centre Point Hotel Sukhumvit 10 (“CP2”) and the Centre Point Hotel Chidlom (“CP3”) reported at that time by the 2 independent appraisers were as follows:
Unit : Million Baht
CP1 CP2 CP3 Total
GAA 1,144 1,549 725 3,418
TAP 1,204 1,700 724 3,628
- Grand Asset Advisory CO., Ltd. (“GAA”).
- TAP Valuation Co., Ltd. (“TAP”)</td><td>

91.93
-
234.18
5.28</td><td>

137.24
-
235.65
5.28</td><td>

251.19
4.17
132.79
10.32</td><td>The Audit Committee expressed that the distribution of properties together with fixture and related equipment and/or providing for leasehold right and/or transferring of leasehold right over the properties to QHHR was implemented in accordance with the resolution of the Board of Directors’ Meeting No. 4/2012 dated Jun 19, 2012, thus approving the Company and its subsidiary to distribute the real estate property, fixture and the related equipment and/or to give the leasehold right and/or to transfer the leasehold right of real estate property for the following (three) hotel operated by the Company: Centre Point Hotel Pratunam, Centre Point Hotel Sukhumvit 10 and Centre Point Hotel Chidlom.
In addition, these transactions were also collectively deemed reasonable and conducted within a fair price range due to the fact that QH had already taken into account the price comparison of quotations and the offers made by each and every one of the prospective buyers, and thus selected the bidder who offered the best proposals, terms and conditions, including the highest return to the Company. Furthermore, the appraisal reports produced at that time by 2 independent appraisers were also taken into account by QH. Consequently, the Audit Committee was of the opinion that, during such period, the transactions were deemed reasonable and conducted within a fair price range.</td></tr>
</table>

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
8) Land and Houses Freehold and Leasehold Property Fund ("LHPF")					
Joint major shareholders are LH, holding 24.98% of QH shares and holding 26.96% of LHPF shares.	Below shown are the detailed accounts of lease agreements and building management contract produced by QH and QHI ("QH" holding 99.99% shares):				The Audit Committee expressed that it was deemed justifiable to enter into the aforementioned transactions and thus beneficial to the commerce of residential buildings for rent of QH and/or its subsidiaries as in business as usual, whereby QH and its subsidiaries would benefit from revenues generated by their services in building (project) management and brokerage in regard to all of the aforementioned projects.
	(A) Centre Point Sukhumvit-Thonglor Service Apartment Project.				
	1. Property management				
	- Building management income	1.84	5.52	7.45	
	- Other receivables	0.97	1.92	1.23	
	- Other payables	-	-	0.03	
	2. Personnel fees				
	- Service revenue	2.09	2.60	2.12	
	3. Project management and administration contract				
	- Service revenue	1.99	2.06	2.06	
	- Account receivables	0.02	-	-	
	(B) Centre Point Residence Promphong Residential Building for rent.				
	- Building management income	2.55	2.60	2.68	
	- Personnel service revenue	1.08	1.23	1.05	
	- Other receivables	0.22	0.11	0.06	
	(C) L & H Villa Sathorn House for Rent Project				
	- Building management income	2.42	2.47	2.55	
	- Personnel service revenue	0.99	1.14	0.98	
	- Other receivables	0.21	0.10	0.06	
9) Harbour View Corporation ("HVC")					
- Q.H. International Co., Ltd. ("QHI") (QH holding 99.99% shares) holds 99% shares of Q.H. International (BVI) Co., Ltd. ("QHI (BVI)"), while QHI (BVI) holds 14.15% of HVC shares.	(A) Loan provision				The Audit Committee expressed that the provision and guarantee of loans for HVC was justifiable in accordance with the proportion of shareholding.
	- Loans	75.31	77.90	77.15	
	- Accrued interest	1.43	1.48	1.47	
	(B) Loan guarantee. QH has served as the loan guarantor for HVC in proportion with shareholding in QHI (BVI) (21%), amounting to US$ 1.3 million from the year 1997 to present. However, due to an increment in capital by HVC for the benefits of its current shareholders whereas QHI (BVI) has not made purchase thereof, the proportion of shareholding has been decreased to the current proportion of 14.15% while burden of guarantee remains unchanged. Such burden is also subjected to fluctuation depending upon HVC's ability to make repayment of both principal and interest accordingly. During 2017, HVC had already paid back both principal and interest owned to financial institutions and the Company withdrew such guarantees.				

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
10) The Mandarin Hotel Plc.					
- Ms. Piengchai Harnpanich is the major shareholder of The Mandarin Hotel Public Company Limited, holding 34.69% shares, as well as serving in the positions of Chairman of the Board, CEO and Managing Director - Ms. Piengchai Harnpanich is the mother of Mr. Anant Asavabhokhin, who is the major shareholder of LH. Whereas, LH is a major shareholder of QH. - The joint directors is Mrs. Suwanna Bhuddhaprasart	Q.H. International Co., Ltd. ("QHI") (QH holding 99.99% shares) has entered into building management contract. - Project management fee - Other receivables	 0.37 0.20	 3.23 1.10	 7.25 2.03	The Audit Committee expressed that it was deemed justifiable to enter into the aforementioned transactions and thus beneficial to the Company's operations in regard to the business as usual. The Company and its subsidiaries would benefit from income generated in light of the service charges obtained from the hotel customers. In addition, all these activities are most likely to be of use in terms of enhancing corporate brand awareness of "The Mandarin Hotel Public Company Limited".
11) Land and Houses Securities Public Company Limited					
- QH and LH are the shareholders of LH Financial Group Plc. ("LHFG"), holding 13.74% and 21.88% of the total shares, respectively. In addition, LHFG is the shareholder of Land and Houses Securities Public Company Limited, holding 99.90% shares.	Renting the office space in Q. House Sathorn Building - Revenue from rental and service fees - Receivables from rental and service fees - Deposit for rental and service fees	 9.01 0.17 1.68	 9.16 0.22 1.68	 9.56 0.22 1.68	The Audit Committee expressed that such rental and service fees of the aforementioned office building's rental space were deemed reasonable to do the transaction with fair market price, compared to its peers with similar size.
12) LH Financial Group Public Company Limited ("LHFG")					
- Both QH and LH is shareholders of LH Financial Group Public Company Limited, "LHFG", holding 13.74% and 21.88%, respectively. - The joint Directors are Mr. Naporn Sunthornchitcharoen	LHFG was granted leasing right of Q.House Sathorn transferred from one company which was effective since Jan 1, 2020. - Revenue from rental and service fees - Deposit for rental and service fees - Account receivables	 7.18 1.63 0.04	 7.45 1.65 0.08	 7.96 1.65 0.12	The Audit Committee expressed that such rental and service fees of the aforementioned office building's rental space were deemed reasonable to do the transaction with fair market price, compared to its peers with similar size.

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
13) Land and Houses Advisory Co., Ltd.					
- QH and LH are the shareholders of LH Financial Group Plc. ("LHFG"), holding 13.74% and 21.88% of the total shares, respectively. In addition, LHFG is the shareholder of Land and Houses Securities Public Company Limited, holding 99.90% shares whereas Land and Houses Securities Public Company Limited are currently holding 99.99% shares of Land and Houses Advisory Co., Ltd.	Renting the office space in Q.House Sathorn Building				The Audit Committee expressed that such rental and service fees of the aforementioned office building's rental space were deemed reasonable to do the transaction with fair market price, compared to its peers with similar size.
	- Revenue from rental and service fees	0.22	0.22	0.22	
	- Deposit for rental and service fees	0.05	0.05	0.05	
14) LH Mall & Hotel Co., Ltd. (previously) "Pacific Real Estate Co., Ltd." ("LHMH")					
The joint major shareholders are as follows: - Land and Houses Plc. ("LH") holding shares of QH and LH Mall & Hotel Co., Ltd at 24.98% and 99.99% respectively. - The joint directors and connected parties are Mr. Naporn Sunthornchitcharoen and Mrs. Suwanna Bhuddhaprasart	Q.H. International Co., Ltd. ("QHI") (QH holds 99.99% shares) was contracted to manage the commercial area (Q.House Lumpini				The Audit Committee expressed that such transaction was deemed reasonable with fair market price.
	- Account receivables	-	-	-	
	- Account receivables	0.01	-	-	
15) Siam Retail Development Company Limited					
- Ms. Piengchai Harnpanich and Mr. Anant Asavabhokhin are the major shareholders of Siam Retail Development Company Limtited, holding with total of 27.00% shares. Ms. Piengchai Harnpanich is also company's Director. - Ms. Piengchai Harnpanich is the mother of Mr. Anant Asavabhokhin, who is the major shareholder of LH. Whereas, LH is a major shareholder of QH.	- QH services for system including system consultation, VPN and DRC system of Centre Point Hotel Terminal 21 Korat by Siam Retail Development Company Limited for 3 years, Jan 1, 2021 - Dec 31, 2023				The Audit Committee expressed that such transaction was deemed reasonable with fair market price.
	- Other Revenue	0.44	0.44	0.44	
	- Other receivables	-	0.04	0.04	
	- QH services for management and hotel business management of Centre Point Hotel, Terminal 21 at Korat and Siam Retail Development Company Limited for Sep 1, 2022 - Dec 31, 2022.				
	- Human resources management fee	-	0.89	-	
	- Q.H. International Co., Ltd. ("QHI") (QH holds 99.99% shares) was contracted to be an advisor to Siam Retail Development Company Limited to manage Centre Point Terminal 21 Korat for over 3 years, Jan 1, 2021 - Dec 31, 2023.				
	- Building management fee	0.71	1.81	2.11	
	- Other receivables	0.25	0.43	0.46	

Relationship As at 31 Dec 23	Nature of Transaction	Value (Baht million)			Opinion of the Audit Committee
		31 Dec 21	31 Dec 22	31 Dec 23	
15) Siam Retail Development Company Limited (Cont)					
	- Casa Ville (Chonburi 2554) Co., Ltd. Casa Ville Co., Ltd. (CSV) holds 99.99% stake and QH holds 99.99% stake in CSV, services for customer provider to Centre Point Prime Pattaya for 1 year, Aug 1, 2021 - July 31, 2022.				
	- Other service fees	0.05	0.02	-	
	- Other payables	0.04	-	-	
	- Casa Ville (Chonburi 2554) Co., Ltd. Casa Ville Co., Ltd. (CSV) holds 99.99% stake and QH holds 99.99% stake in CSV, services for management and hotel business management of Centre Point Hotel, Terminal 21 at Korat and Siam Retail Development Company Limited for Sep 1, 2022 - Jul 31, 2023				
	- Human resources management fee	-	0.47	0.88	

9.2 Connected Transactions

9.2.1 Connected transaction with persons with potential conflicts

The Company and its subsidiaries conducted a number of connected transactions with persons with potential conflicts in the past year (please consider with notes in the financial statement). The Company's and its subsidiaries connected transactions details are summarized below:

Opinions of the Audit Committee on Parties with Mutual Benefits and Connected Transactions

According to the Audit Committee, the structure of shareholding between the Company, its subsidiaries, associated companies and related companies does not have any conflict of interest between the Company, directors and executives of the Company; nor does the aforementioned paradigm necessarily entail any incident of nominee shares.

The Audit Committee has undergone a series of deliberation and come to conclude in favor that the connected transactions currently taking place between the Company and the parties/persons with potential conflicts as legally defined by the Announcement of the Securities and Exchange Commission (Ref: Gor. Jor.17/2008) on the Definition in the Announcement of the Issuance and Proposal of Securities dated December 15, 2008, have been conducted at fair market value. In addition, the Audit Committee and the Company shall jointly monitor and supervise the aforementioned operations (connected transactions) which may occur in the future as well as ensuring that they be carried out at fair market value while simultaneously disclosing the types and value of those connected transactions under the announcements and regulations of the Securities and Exchange Commission.

9.2.2 Measures or Procedures for Approving the Connected Transactions

Prior to entering into any connected transactions, an official procedure is to be undergone whereby petitions for approval are submitted to the Audit Committee as to whether or not they be deemed suitable and in compliance with the law governing securities and stock exchange, regulations, announcements, orders or requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Audit Committee shall cite the aforementioned topic and provide its collectively professional opinion during the Board of Directors' meeting or the shareholders' meeting for their consideration and approval, provided that parties with potential conflicts of interest or stakeholders of such connected transactions be not entitled to cast their votes in order to pass the resolution accordingly.

9.2.3 Policies and Possibilities of Future Connected Transactions

The Company and its subsidiaries have a policy to continue the connected transactions as those at present and in the future depending upon the suitability and necessities for the business operations. In addition, a number of terms and conditions shall be prescribed in accordance with the nature of normal business operation which can be compared with the market prices. Alternatively, should the reference to market price be unavailable, the Company and its subsidiaries are to apply the cost prices plus the gross profits. Each and every connected transactions shall be proposed to the Audit Committee for its consideration and approval to ensure that they be in accordance with the law governing securities and stock exchange, regulations, announcements, orders or requirements of the Stock Exchange of Thailand and the Office of Securities and Exchange Commission, as well as in compliance with the requirements on the disclosure of data of related transactions and acquisition or disposal of major assets of the Company or its subsidiaries.

In addition, should any of the connected transactions carried out by the Company or its subsidiaries with parties with conflict of interest or potential conflict of interest ever take place, the Company and its subsidiaries are to submit the aforementioned to the Audit Committee for its collectively professional opinion on the reasons, necessities and suitability of such commercial activities. In the event that the Audit Committee may be in possession of no specific expertise or knowledge of such potential transactions, the Company and its subsidiaries shall provide an independent expert or auditor of the Company and its subsidiaries accordingly so that professional opinions as well as all related data and information be presented to the Audit Committee for its consideration, whereupon the latter shall in turn make submission thereof to the Board of Directors and/or shareholders, during the Board of Directors' meeting and/or the shareholders' meeting for their consideration on case-by-case basis. The Company and its subsidiaries shall disclose the connected transaction in the Annual Report and Notes to the Financial Statements audited by the auditor of the Company and its subsidiaries.

9.2.4 Reasons that parties with potential conflict of interest hold more than 10% of the total shares in the subsidiaries or the associated companies and that the Company may have had the major shareholders who could become competitors

Quality Houses Public Company Limited has organized the structure of shareholding between the Company, its subsidiaries, associated companies and related companies to prevent any conflict of interest (between the Company, directors and executives of the Company). The Company shall not allow for the structure of shareholding or management of the group companies that include nominative-shares scheme. However, a party which might incur conflict of interest is Land and Houses Plc., the major shareholder of the Company holding 24.98% of the total shares (as of December 31, 2023) due to the following reasons:

- Land and Houses Public Company Limited operates the businesses in real estate development for sales and rent which are of the same nature of business as the Company's;
- Mr. Naporn Sunthornchitcharoen holds the position of Chairman of the Board of Directors and Chairman of the Executive Committee and Mr. Achawin Asavabhokin holds the position of Director and Senior Executive Vice President in Land and Houses Public Company Limited. Both are directors of Quality Houses Public Company Limited, in the capacity of a representative from Land and Houses Public Company Limited which is a major shareholder of the Company, from a total of 11 directors.
- Land and Houses Public Company Limited holds 30.23% in Home Products Center Public Company Limited (as of December 31, 2023) which is more than 10% and the Company holds 19.87% (as of December 31, 2023) in the affiliated company. The reason for holding such shares is to co-invest in the affiliated company since establishment in 1995. In the beginning, Q.H. International Company Limited (QH holding 99.99% shares) held shares in the affiliated company of 30%, then in 2001, the Company bought shares of the affiliated company from Q.H. International Company Limited which held 27%. This is to support businesses relating to construction and interior decorative and to be held as a long term investment.

  In order to prevent or minimize the conflict of interest which might incur from the fact that Land and Houses Public Company Limited is the major shareholder of the Company and that the executive director and directors of Land and Houses Public Company Limited are also joint directors of the Company, the following guidelines have been set:

  1. The structure of shareholders of the Company includes the group of shareholders who are institutional investors and/or funds, all of which hold a total number of shares more than that being held by Land and Houses Public Company Limited; therefore, in case of any conflict of interest or potential conflict of interest which might cause any damages to the interest of shareholders, the aforementioned group of institutional investors and/or funds shall be able to cast their votes during the General Shareholders' Meeting in aims at preventing the incidents;
  2. The structure of Company's Board of Directors has a check-and-balance mechanism from independent directors. Currently, more than half of Company's Board of Directors are independent directors and executive directors from the Company,
  3. Directors representing the major shareholder does not have the right to vote on transactions with potential conflict of interests with the major shareholder,

4. The Internal Audit Department reports directly to the Audit Committee and not the management; therefore, the Audit Committee has direct overseeing capabilities in transactions with potential conflict of interests,
5. The Company's executives can independently manage and make decisions on all matters. Moreover, there are no directors, executive committee members, executives or employees of Land and Houses Public Company Limited in the aforementioned group of executives; therefore, business is operated independently from each other,
6. Regarding the possibility of any connected transactions of the Company or its subsidiaries with parties with conflict of interest or potential conflict of interest to be occurring in the future, the Company and its subsidiaries shall request in advance for consideration and professional opinion from the Audit Committee, all of whose members are to be independent directors, so as to address the situation in terms of necessities and suitability of such transactions accordingly. In the event that the Audit Committee has no sufficient expertise thereof, the Company and its subsidiaries shall provide an independent expert or auditor of the Company and its subsidiaries so that professional opinions on the related data and information shall be given in turn to the Audit Committee for the latter's further consideration. This practice will also include any transactions that are critical to or have high impact on the Company's businesses.

Section

3

Financial Statements

Independent Auditor's Report

To the Shareholders of Quality Houses Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Quality 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 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 Quality 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 Quality Houses Public Company Limited and its subsidiaries and of Quality 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 for each matter are described below.

Recognition of revenue from sales of real estate

The Group has disclosed its accounting policy relating to recognition of revenue from sales of real estate in Note 4.1 to the financial statements. Revenue from sales of real estate is the most significant account in the statements of comprehensive income and it is a key performance indicator to which the management and the users of the financial statements pay particular attention. In addition, the Group has a number of property development projects for sale and a large number of property sales agreements. I therefore addressed the occurrence of revenue and relevance to the business of revenue recognition as a key audit matter.

I examined the recognition of revenue from sales of real estate of the Group by:

- Assessing and testing the Group's IT systems and its 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 and house sale agreements or condominium sale agreements to assess whether recognition of revenue from sales 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 revenue from sale of real estate transactions throughout the period, particularly for accounting entries made through journal vouchers.

Provision for loss on diminution in value of land and construction in progress and land and project development costs

The Group presented details of land and construction in progress, land and project development costs and provision for loss on diminution in value of projects in Notes 9 and 16 to the financial statements. In determining the loss on diminution in value of land and construction in progress and land and project development costs, management had to exercise judgement with respect to the nature of the project, the economic situation and the competitive environment in the market. There is thus a risk with respect to the amount of provision for land and construction in progress and land and project development costs.

I gained an understanding and assessed the method and assumptions that the management used in determination of provision for diminution in value of real estate project by

- Gaining an understanding of the basis used in determining the provision for diminution in value of land and construction in progress and land and project development costs, and reviewing the consistency of the use of such basis, and the rationale for the recognition of specific provisions.
- Comparing data on project holding periods and movements in real estate project unit sales and reviewing the gross profit margins of projects in which units were sold during the current year to identify projects with indicators of lower than normal unit turnover.
- Comparing cash receipts from sales transactions after the date of the financial statements with the cost of land and construction in progress and land and project development costs.
- Comparing the net book value of land and construction in progress and land and project development costs with the expected net realisable values from sales of units in the projects.

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.

Pimjai Manitkajohnkit
Certified Public Accountant (Thailand) No. 4521

EY Office Limited
Bangkok: 27 February 2024

Statement of financial position

Quality 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
Assets					
Current assets					
Cash and cash equivalents	*6, 7*	1,347,699,498	1,530,297,808	341,654,403	520,900,434
Trade and other receivables	*6, 8*	94,315,689	42,287,234	21,544,470	9,211,686
Land and construction in progress	*9*	20,312,125,654	19,267,038,283	11,161,000,459	11,416,768,387
Advance for construction work		2,530,565	3,119,699	1,530,565	1,530,565
Advance for construction material		41,736,846	50,559,079	33,321,137	42,044,226
Assets recognised in respect of cost to obtain contracts with customers	*10*	10,088,683	10,088,683	10,088,683	10,088,683
Other current assets		64,834,292	70,611,504	5,852,976	5,683,704
Total current assets		21,873,331,227	20,974,002,290	11,574,992,693	12,006,227,685
Non-current assets					
Investments in subsidiaries	*11*	-	-	8,194,722,008	7,883,001,444
Investments in associates	*12*	11,694,620,476	11,590,217,419	11,694,620,476	11,590,217,419
Long-term loans to and interest receivables - related parties	*6*	-	-	6,733,440,040	6,668,431,678
Investment properties	*13*	464,431,982	471,663,829	464,431,982	471,663,829
Property, plant and equipment	*14*	1,435,121,035	1,532,779,524	185,852,808	202,344,843
Right-of-use assets	*15*	633,523,024	816,701,956	158,768,004	209,527,823
Land and project development costs	*16*	6,386,150,639	7,409,944,426	2,164,588,445	2,130,530,341
Deposits for lease of land and building		10,800,000	6,800,000	10,800,000	6,800,000
Deposits for purchase of land		87,097,300	15,279,600	-	-
Deferred tax assets	*27*	830,335,207	789,763,304	216,667,408	216,488,344
Other non-current assets	*6*	26,685,151	18,682,005	18,564,993	10,747,122
Total non-current assets		21,568,764,814	22,651,832,063	29,842,456,164	29,389,752,843
Total assets		43,442,096,041	43,625,834,353	41,417,448,857	41,395,980,528

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Quality 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
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	*17*	497,218,562	1,000,000,000	497,218,562	1,000,000,000
Trade and other payables	*6, 18*	690,707,049	672,901,356	445,879,512	434,456,063
Current portion of long-term loans	*19*	561,612,412	1,919,141,340	561,612,412	1,919,141,340
Current portion of unsecured debentures	*20*	5,229,109,579	-	5,229,109,579	-
Current portion of lease liabilities	*6, 15*	174,002,972	164,056,480	37,933,465	32,764,822
Income tax payable		79,890,941	132,509,766	51,344,823	82,914,209
Short-term provisions	*22*	688,507,929	663,262,166	368,067,178	350,248,215
Advance received from customers		96,636,612	116,518,204	64,759,350	96,640,193
Deposits for rental and service	*6*	32,261,410	36,668,831	26,960,883	30,537,502
Retention guarantees		271,942,899	239,554,718	122,427,882	110,455,971
Current portion of rental income received in advance	*6*	27,224,000	27,224,000	27,224,000	27,224,000
Other current liabilities	*6*	451,953,490	510,087,477	163,067,048	155,579,981
Total current liabilities		8,801,067,855	5,481,924,338	7,595,604,694	4,239,962,296
Non-current liabilities					
Long-term loans, net of current portion	*19*	561,612,412	1,122,370,023	561,612,412	1,122,370,023
Unsecured debentures, net of current portion	*20*	4,135,729,284	7,381,295,569	4,135,729,284	7,381,295,569
Lease liabilites, net of current portion	*6, 15*	571,746,511	737,006,138	161,817,561	191,007,681
Provision for long-term employee benefits	*21*	259,853,349	280,658,600	161,089,330	181,490,088
Long-term provisions	*22*	374,322,105	397,422,300	63,983,795	54,857,910
Rental income received in advance, net of current portion	*6*	324,231,922	351,381,428	324,231,922	351,381,428
Deferred tax liabilities	*27*	152,744	160,424	-	-
Deferred compensatory damage income	*34*	40,850,000	40,850,000	40,850,000	40,850,000
Total non-current liabilities		6,268,498,327	10,311,144,482	5,449,314,304	9,323,252,699
Total liabilities		15,069,566,182	15,793,068,820	13,044,918,998	13,563,214,995

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Quality 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
Shareholders' equity					
Share capital					
Registered					
10,714,426,091 ordinary shares of Baht 1 each		10,714,426,091	10,714,426,091	10,714,426,091	10,714,426,091
Issued and fully paid-up					
10,714,381,645 ordinary shares of Baht 1 each		10,714,381,645	10,714,381,645	10,714,381,645	10,714,381,645
Share premium		379,246,114	379,246,114	379,246,114	379,246,114
Retained earnings					
Appropriated - statutory reserve	*23*	1,071,442,609	1,071,442,609	1,071,442,609	1,071,442,609
Unappropriated		17,335,441,214	16,629,668,226	17,335,441,214	16,629,668,226
Other components of shareholders' equity		(1,127,981,723)	(961,973,061)	(1,127,981,723)	(961,973,061)
Total shareholders' equity		28,372,529,859	27,832,765,533	28,372,529,859	27,832,765,533
Total liabilities and shareholders' equity		43,442,096,041	43,625,834,353	41,417,448,857	41,395,980,528

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

Quality 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
Profit or loss:					
Revenues					
Revenue from sales of real estate	*6, 24*	7,619,274,561	8,226,938,382	4,320,735,849	5,350,610,016
Revenue from hotel operations	*24*	1,214,862,669	716,953,659	248,229,784	154,137,203
Revenue from office rental operations	*6, 24*	134,078,408	282,235,081	134,078,408	282,235,081
Other income					
Income from forfeiture of booking and down payments		1,189,441	1,937,293	699,791	1,290,347
Others	*6*	267,597,858	216,850,876	117,994,265	110,146,536
Total revenues		9,237,002,937	9,444,915,291	4,821,738,097	5,898,419,183
Expenses					
Cost of real estate sold	*6*	5,185,974,367	5,490,579,676	2,828,139,504	3,501,079,385
Cost of hotel operations	*6*	715,993,267	495,915,807	119,329,011	104,827,030
Cost of office rental operations	*6*	60,566,875	110,885,393	60,566,875	110,885,393
Selling expenses		583,385,186	493,722,900	273,865,905	309,793,388
Administrative expenses	*6*	1,487,529,064	1,500,715,834	826,105,115	849,014,736
Total expenses		8,033,448,759	8,091,819,610	4,108,006,410	4,875,599,932
Profit from operating activities		1,203,554,178	1,353,095,681	713,731,687	1,022,819,251
Share of profit from investments in subsidiaries	*11*	-	-	306,645,667	111,363,209
Share of profit from investments in associates	*12*	1,753,258,049	1,585,987,389	1,753,258,049	1,585,987,389
Interest income	*6*	3,387,652	3,986,239	178,975,926	186,067,180
Finance cost	*6, 25*	(237,508,690)	(259,258,832)	(274,569,693)	(282,718,282)
Profit before income tax expenses		2,722,691,189	2,683,810,477	2,678,041,636	2,623,518,747
Income tax expenses	*27*	(220,067,447)	(288,279,716)	(175,417,894)	(227,987,986)
Profit for the year		2,502,623,742	2,395,530,761	2,502,623,742	2,395,530,761
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Share of other comprehensive income of associates - net of income tax	*12, 27*	33,879,519	(59,417,387)	33,879,519	(59,417,387)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		33,879,519	(59,417,387)	33,879,519	(59,417,387)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Share of other comprehensive income of associates - net of income tax	*12, 27*	(417,713,445)	(309,946,557)	(417,713,445)	(309,946,557)
Actuarial gains - net of income tax	*21, 27*	27,992,881	-	22,917,984	-
Share of other comprehensive income of subsidiaries - net of income tax	*11, 27*	-	-	5,074,897	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(389,720,564)	(309,946,557)	(389,720,564)	(309,946,557)
Other comprehensive income for the year		(355,841,045)	(369,363,944)	(355,841,045)	(369,363,944)
Total comprehensive income for the year		2,146,782,697	2,026,166,817	2,146,782,697	2,026,166,817
Earnings per share:	*28*				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.23	0.22	0.23	0.22

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

Quality Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

		Consolidated financial statements							
						Other components of equity			
						Other comprehensive income			
				Retained earnings					
	Note	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Surplus on changes in value of financial assets	Share of other comprehensive income of associates	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 1 January 2022		10,714,381,645	379,246,114	1,071,442,609	15,414,637,161	1,294	(594,544,164)	(594,542,870)	26,985,164,659
Investment in equity instruments derecognised of associate during the year		-	-	-	(1,933,753)	-	1,933,753	1,933,753	-
Profit for the year		-	-	-	2,395,530,761	-	-	-	2,395,530,761
Other comprehensive income for the year		-	-	-	-	-	(369,363,944)	(369,363,944)	(369,363,944)
Total comprehensive income for the year		-	-	-	2,395,530,761	-	(369,363,944)	(369,363,944)	2,026,166,817
Dividend payment	*31*	-	-	-	(1,178,565,943)	-	-	-	(1,178,565,943)
Balance as at 31 December 2022		10,714,381,645	379,246,114	1,071,442,609	16,629,668,226	1,294	(961,974,355)	(961,973,061)	27,832,765,533
Balance as at 1 January 2023		10,714,381,645	379,246,114	1,071,442,609	16,629,668,226	1,294	(961,974,355)	(961,973,061)	27,832,765,533
Investment in equity instruments derecognised of associate during the year		-	-	-	(217,825,264)	-	217,825,264	217,825,264	-
Profit for the year		-	-	-	2,502,623,742	-	-	-	2,502,623,742
Other comprehensive income for the year		-	-	-	27,992,881	-	(383,833,926)	(383,833,926)	(355,841,045)
Total comprehensive income for the year		-	-	-	2,530,616,623	-	(383,833,926)	(383,833,926)	2,146,782,697
Dividend payment	*31*	-	-	-	(1,607,018,371)	-	-	-	(1,607,018,371)
Balance as at 31 December 2023		10,714,381,645	379,246,114	1,071,442,609	17,335,441,214	1,294	(1,127,983,017)	(1,127,981,723)	28,372,529,859

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

Quality Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

		Separate financial statements							
						Other components of equity			
						Other comprehensive income			
		Issued and		Retained earnings		Surplus on	Share of other	Total other	Total
		paid-up		Appropriated		changes in value	comprehensive income	components of	shareholders'
	Note	share capital	Share premium	- statutory reserve	Unappropriated	of financial assets	of associates	shareholders' equity	equity
Balance as at 1 January 2022		10,714,381,645	379,246,114	1,071,442,609	15,414,637,161	1,294	(594,544,164)	(594,542,870)	26,985,164,659
Investment in equity instruments derecognised of associate during the year		-	-	-	(1,933,753)	-	1,933,753	1,933,753	-
Profit for the year		-	-	-	2,395,530,761	-	-	-	2,395,530,761
Other comprehensive income for the year		-	-	-	-	-	(369,363,944)	(369,363,944)	(369,363,944)
Total comprehensive income for the year		-	-	-	2,395,530,761	-	(369,363,944)	(369,363,944)	2,026,166,817
Dividend payment	*31*	-	-	-	(1,178,565,943)	-	-	-	(1,178,565,943)
Balance as at 31 December 2022		10,714,381,645	379,246,114	1,071,442,609	16,629,668,226	1,294	(961,974,355)	(961,973,061)	27,832,765,533
Balance as at 1 January 2023		10,714,381,645	379,246,114	1,071,442,609	16,629,668,226	1,294	(961,974,355)	(961,973,061)	27,832,765,533
Investment in equity instruments derecognised of associate during the year		-	-	-	(217,825,264)	-	217,825,264	217,825,264	-
Profit for the year		-	-	-	2,502,623,742	-	-	-	2,502,623,742
Other comprehensive income for the year		-	-	-	27,992,881	-	(383,833,926)	(383,833,926)	(355,841,045)
Total comprehensive income for the year		-	-	-	2,530,616,623	-	(383,833,926)	(383,833,926)	2,146,782,697
Dividend payment	*31*	-	-	-	(1,607,018,371)	-	-	-	(1,607,018,371)
Balance as at 31 December 2023		10,714,381,645	379,246,114	1,071,442,609	17,335,441,214	1,294	(1,127,983,017)	(1,127,981,723)	28,372,529,859

The accompanying notes are an integral part of the financial statements.

Statement of cash flows

Quality 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
Cash flows from operating activities				
Profit before tax	2,722,691,189	2,683,810,477	2,678,041,636	2,623,518,747
Adjustments to reconcile profit before tax to net cash				
provided by (paid from) operating activities:				
Decrease in land and construction in progress as a result				
of transfer to cost of sales	5,113,238,504	5,402,588,024	2,737,792,812	3,406,154,267
Depreciation	149,734,623	183,959,727	49,895,921	90,492,256
Depreciation of right-of-use assets	170,931,431	178,438,581	38,512,318	46,414,397
Allowance for expected credit losses	1,164,145	538,798	369,334	60,853
Unrealised exchange gains	1,167,044	(3,428,556)	-	-
Share of profit from investments in subsidiaries	-	-	(306,645,667)	(111,363,209)
Share of profit from investments in associates	(1,753,258,049)	(1,585,987,389)	(1,753,258,049)	(1,585,987,389)
Income from forfeiture of booking and down payments	(1,189,441)	(1,937,293)	(699,791)	(1,290,347)
Interest income	(3,387,652)	(3,986,239)	(178,975,926)	(186,067,180)
Gain on sales of equipment	(6,460,149)	(75,473)	(2,456,213)	(54,317)
Provision for loss arising from litigations	36,260,081	107,521,107	28,382,822	29,784,394
Reversal of provision for loss arising from litigations	-	(34,229,812)	-	(20,562)
Provision for loss on diminution in value of projects	106,281,697	82,595,085	-	28,264,641
Reversal of provision for loss on diminution in value of projects	(64,747,438)	(50,217,388)	(14,058,667)	(8,793,471)
Provision for housing repairment	61,273,271	65,785,161	36,927,569	42,155,248
Provision for long-term employee benefits	24,265,561	24,107,474	15,426,755	15,521,110
Transfer deferred financial fees to finance cost	4,713,542	4,536,940	4,713,542	4,536,940
Interest expenses	187,997,731	206,407,812	250,414,934	259,455,099
Interest expenses from lease liabilities	30,570,079	35,711,181	8,210,513	9,009,665
Income from rental fees waived	-	(54,900,000)	-	-
Profit from operating activities before changes in				
operating assets and liabilities	6,781,246,169	7,241,238,217	3,592,593,843	4,661,791,142
Decrease (increase) in operating assets				
Trade and other receivables	(54,359,644)	(13,522,742)	(12,702,118)	(2,604,156)
Land and construction in progress	(3,378,944,846)	(2,195,784,765)	(2,100,332,395)	(1,641,743,400)
Advance for construction work	589,134	(589,134)	-	-
Advance for construction material	8,822,233	13,420,986	8,723,089	12,776,114
Other current assets	25,879,002	9,902,469	(169,272)	1,434,057
Land and project development costs	(1,640,155,905)	(2,267,705,961)	(320,469,327)	(825,571,791)
Deposits for lease of land and building	(4,000,000)	6,800,000	(4,000,000)	6,800,000
Deposits for purchase of land	(87,097,300)	(15,279,600)	-	19,604,000
Other non-current assets	(8,003,146)	12,275,712	(7,817,871)	(165,050)

The accompanying notes are an integral part of the financial statements.

Statement of cash flows (continued)

Quality 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
Increase (decrease) in operating liabilities				
Trade and other payables	14,002,103	126,598,200	7,619,860	60,168,980
Advance received from customers	(45,841,657)	28,437,579	(58,330,558)	26,008,576
Deposits for rental and service	(4,407,421)	(36,542,004)	(3,576,619)	(35,980,299)
Retention guarantees	32,388,181	9,734,990	11,971,911	(393,449)
Other current liabilities	(94,161,495)	31,267,470	(11,621,539)	10,204,260
Cash paid for litigation compensation	(59,360,276)	(2,596,544)	(19,256,937)	(2,415,235)
Paid for long-term employee benefits	(10,079,712)	(8,917,390)	(7,180,033)	(7,810,723)
Cash flows from operating activities	1,476,515,420	2,938,737,483	1,075,452,034	2,282,103,026
Cash paid for income tax	(340,365,864)	(298,556,089)	(212,895,840)	(227,809,165)
Net cash flows from operating activities	1,136,149,556	2,640,181,394	862,556,194	2,054,293,861
Cash flows from investing activities				
Dividends received from associates	1,265,021,066	1,150,478,300	1,265,021,066	1,150,478,300
(Increase) decrease in long-term loans to related party	-	-	(65,000,000)	1,171,000,000
Interest income	3,387,652	3,986,239	178,967,564	186,327,308
Increase in property, plant and equipment - net of disposals	(17,383,493)	(114,763,463)	(2,715,181)	(3,227,224)
Net cash flows from investing activities	1,251,025,225	1,039,701,076	1,376,273,449	2,504,578,384
Cash flows from financing activities				
Increase (decrease) in short-term loan from financial institutions	(500,000,000)	1,000,000,000	(500,000,000)	1,000,000,000
Cash received from long-term loans	-	1,500,000,000	-	1,500,000,000
Repayment of long-term loans	(1,919,141,340)	(1,600,000,000)	(1,919,141,340)	(1,600,000,000)
Cash received from issuance of debentures	1,912,460,500	2,868,121,597	1,912,460,500	2,868,121,597
Cash paid for redemption of debentures	-	(7,500,000,000)	-	(7,500,000,000)
Dividend paid	(1,607,018,371)	(1,178,565,943)	(1,607,018,371)	(1,178,565,943)
Cash paid for financial fees	(2,311,200)	(6,794,835)	(2,311,200)	(6,794,835)
Cash paid for interest expenses	(259,126,322)	(337,066,503)	(261,080,129)	(337,600,269)
Cash paid for lease liabilities	(194,636,358)	(101,496,138)	(40,985,134)	(42,005,015)
Net cash flows used in financing activities	(2,569,773,091)	(5,355,801,822)	(2,418,075,674)	(5,296,844,465)
Net decrease in cash and cash equivalents	(182,598,310)	(1,675,919,352)	(179,246,031)	(737,972,220)
Cash and cash equivalents at beginning of year	1,530,297,808	3,206,217,160	520,900,434	1,258,872,654
Cash and cash equivalents at end of year (Note 7)	1,347,699,498	1,530,297,808	341,654,403	520,900,434
Supplemental cash flows information				
Non-cash transactions				
Transfer of land and project development costs to land and construction in progress	2,688,745,231	2,348,904,758	295,927,162	1,263,647,632
Transfer of deposit for purchase of land to land and project development costs	15,279,600	47,837,100	-	28,233,100
Interest expenses recorded as cost of projects	141,685,996	139,421,730	81,222,599	86,908,208
Actuarial gains - net of income tax	27,992,881	-	27,992,881	-
Decrease in share of other comprehensive income of associates - net of income tax	(383,833,926)	(369,363,944)	(383,833,926)	(369,363,944)
Increase in investment property due to new lease agreement	21,000,645	-	21,000,645	-
Increase in right-of-use assets due to new lease agreements	3,411,558	23,111,694	3,411,558	14,527,952
Decrease in right-of-use assets due to lease modification	(15,659,059)	-	(15,659,059)	-

The accompanying notes are an integral part of the financial statements.

1. General information

Quality Houses Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the property development. The registered office of the Company is at 7th Floor, Q. House Lumpini Building, No. 1 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 Profession 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 Quality Houses Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries"):

Subsidiary companies	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			%	%
Casa Ville Co., Ltd.	Real estate development	Thailand	100	100
Q.H. International Co., Ltd.	Managing of building	Thailand	100	100
Property Host Co., Ltd.	Lease of land	Thailand	100	100
Centre Point Hospitality Co., Ltd.	Hotel operations	Thailand	100	100
The Confidence Co., Ltd.*	Real estate development	Thailand	-	-
Q.H. Management Co., Ltd. (19% held through The Confidence Co., Ltd.)	Managing of public utilities of real estate business and land owner	Thailand	81	81
Q.H. International (BVI) Co., Ltd.**	Holding company	British Virgin Island	-	-

Subsidiary companies	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			%	%
Casa Ville (Rayong 2553) Co., Ltd.*	Real estate development	Thailand	-	-
Casa Ville (Petchburi 2553) Co., Ltd.*	Real estate development	Thailand	-	-
Q. House Precast Co., Ltd.*	Manufacture and distribution of precast concrete	Thailand	-	-
Gusto Village Co., Ltd.*	Real estate development	Thailand	-	-
Casa Ville (Chonburi 2554) Co., Ltd.*	Real estate development and hotel operations	Thailand	-	-
Casa Ville (Prachuapkhirikhan 2554) Co., Ltd.*	Real estate development	Thailand	-	-

* 100% held through Casa Ville Co., Ltd.

** 100% held through Q.H. International Co., Ltd.

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) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.

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 and interpretations 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 standard.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

(a) 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 "Advance received from customers" in the statement of financial position.

(b) Revenue from hotel operations

Revenue from hotel operations, mainly comprises room revenues, food and beverage sales and revenue from auxiliary activities. Room sales are recognised over time as the services are provided when the rooms 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 invoiced value, excluding value added tax, of goods supplied and services rendered after deducting discounts.

(c) Revenue from office rental

Rental of units in office buildings are recognised on an accrual basis over the period of contracts.

(d) 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).

(e) Dividends

Dividends are recognised when the right to receive the dividends is established.

(f) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and are recognised on an accrual basis.

4.2 Cost of real estate sold

In determining the cost 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 sold on the basis of the salable area and to residential condominium units sold on the basis of the salable area weighted to the selling price of the unit, and then recognised as costs in profit or loss concurrently with revenue from sales.

Development costs are stated at cost, consisting of cost of land, design fees, utilities, construction and related interest. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

The Group provided promotional items such as furniture and decoration items to customers without any charge when the customers register a transfer of a house or a condominium unit. The management of the Group has determined that these items are the Company's major commitment and considered part of a house or a condominium unit to be transferred to the customers in accordance with the contract. Therefore, the costs of these items must be recorded under cost of real estate sold.

Selling expenses associated with the project sales, such as specific business tax and ownership 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, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Land and construction in progress/Land and project development cost

Land and construction in progress/Land and project development cost are stated at cost less provision for loss on diminution in value of projects. The details of cost calculation are as follows:

Land - Cost of land using the weighted average method, calculating it separately for each project.

Construction in progress - Construction in progress and project development costs consist of the cost of construction, public utility costs and interest capitalised to cost of projects by records cost of construction and public utilities based on the actual cost incurred.

4.5 Cost to obtain contracts with customers

The Group recognises a commission paid to obtain a customer contract as an asset and amortises it to expenses on a systematic 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 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 15 - 60 years. Depreciation of the investment properties is included in determining income.

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.

4.8 Property, plant and equipment and 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 a straight-line basis over the following estimated useful lives:

Land improvement	10 years
Leasehold improvement	5 - 20 years
Buildings and building improvement	5 - 60 years
Equipment and operating equipment	5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

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.

4.9 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.

4.9.1 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.

a) 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	30 years
Buildings and building improvement	3 - 30 years
Motor vehicles	10 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.

Right-of-use assets which are classified as investment properties are presented as part of investment properties in the statement of financial position.

b) 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.

c) 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.

4.9.2 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.

4.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset 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.

Capitalisation rates are calculated based on the weighted average of the interest expenses incurring during the year on loans for development of projects.

4.11 Deferred financial fees

Financial expenses related to borrowings that are typically incurred on or before signing facility agreements and before actual draw down of the loans are recorded as deferred financial fees. A portion of deferred financial fees proportionate to the amount of the loan facility already drawn is presented as a deduction against the related loan account and amortised using the effective interest rate method over the term of the loans.

The amortisation of deferred financial fees is included in determining income.

4.12 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.

4.13 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.

4.14 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the investment properties, property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. 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 obtains from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment 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.

4.15 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 their 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 they must make to employees upon retirement under labour 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 benefit plans are recognised immediately in other comprehensive income.

4.16 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.

4.17 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 they recognise 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.

At each reporting date, 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.

4.18 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 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 fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

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.

4.19 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 observable 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:

Provision for diminution in value of land and construction in progress and land and project development costs

The Group records provision for diminution in value of land and construction in progress and land and project development costs when there have been significant or prolonged declines in the fair value below their cost. The management determines the devaluation of land and construction in progress and land and project development costs based on their net realisable value. The determination of such devaluation requires management to make subjective judgements and estimates.

Litigation

The Group has contingent liabilities as a result of litigation. The management has exercised judgement to assess of the results of the litigation and recorded certain provision as at the end of reporting period. However, actual results could differ from the estimates.

6. Related party transactions

6.1 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 financial statements		Separate financial statements		Transfer pricing policy
	2023	2022	2023	2022	
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Interest income	-	-	177	184	2.51% to 3.01% per annum (2022: 2.41% to 2.81% per annum)
Material cost	-	-	167	127	Market price
Interest expense	-	-	2	1	2.80% to 3.00%
Transactions with associates					
Goods and service cost	21	14	12	8	Market price
Rental expenses	284	170	33	33	Contract value
Building management income	57	56	14	27	Contract value
Office rental income	72	66	72	66	Contract value
Other service income	5	-	5	-	Contract value
Interest income	2	4	1	2	0.15% to 1.90% per annum (2022: 0.15% to 0.60% per annum)
Dividend income	1,265	1,150	1,265	1,150	As declared
Bank fees	1	1	1	1	Market price
Transactions with related companies					
Material cost	85	42	45	25	Market price
Building management income	25	19	3	3	Contract value
Office rental income	22	19	22	19	Contract value
Other service income	4	5	-	-	Contract value

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deposits at financial institution (shown under cash and cash equivalents)				
Associate				
Land and Houses Bank Plc.	707,792	1,181,379	225,671	396,901
Trade and other receivables - related parties (Note 8)				
Trade accounts receivable - related parties				
Associates	677	548	677	548
Related companies (Common directors or common shareholders)	437	387	433	387
Total trade accounts receivable - related parties	1,114	935	1,110	935
Other receivables - related parties				
Subsidiaries	-	-	92	244
Associates	26,706	10,319	6,488	2,015
Related companies (Common directors or common shareholders)	3,882	3,705	70	60
Total other receivables - related parties	30,588	14,024	6,650	2,319
Total	31,702	14,959	7,760	3,254
Deposits for rental and service - related parties (shown under other non-current assets)				
Associate	7,551	7,550	7,551	7,550
Trade and other payables - related parties (Note 18)				
Trade accounts payable - related parties				
Subsidiary	-	-	50,067	45,402
Related company (Common directors or common shareholders)	14,234	9,967	8,517	5,769
Total trade accounts payables - related parties	14,234	9,967	58,584	51,171
Other payables - related parties				
Subsidiary	-	-	222	83
Associates	3,530	2,059	2,128	985
Related company (Common directors or common shareholders)	28	-	-	-
Total other payables - related parties	3,558	2,059	2,350	1,068
Total	17,792	12,026	60,934	52,239
Deposits for rental and service - related parties				
Associates	9,131	9,131	9,131	9,131
Related companies (Common directors or common shareholders)	4,115	3,714	4,115	3,714
Total	13,246	12,845	13,246	12,845

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accrued expenses - related party (shown under other current liabilities)				
Associate	132,791	235,651	-	-
Total	132,791	235,651	-	-
Rental income received in advance - related party				
Associate (Note 6.3)				
Current portion	27,224	27,224	27,224	27,224
Non-current portion	324,232	351,381	324,232	351,381
Total	351,456	378,605	351,456	378,605
Lease liabilities - related parties				
Associates				
Lease payments	760,733	961,280	183,133	231,680
Less: Deferred interested	(57,896)	(89,255)	(19,295)	(28,653)
Total	702,837	872,025	163,838	203,027
Less: Current portion	(159,642)	(154,015)	(24,925)	(24,015)
Lease liabilities - net of current portion	543,195	718,010	138,913	179,012

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Interest policy
	2023	2022	2023	2022	(% p.a.)
Long-term loans to and interest receivables - related parties					
Subsidiary					
Casa Ville Co., Ltd.	-	-	6,733,440	6,668,432	2.51% to 2.81% (2022: 2.51% to 2.81%)
Related party					
Harbour View Corporation	78,615	79,382	-	-	LIBOR+3.00%, 4.00% and 8.00% (2022: LIBOR+3.00%, 4.00% and 8.00%)
Total	78,615	79,382	6,733,440	6,668,432	
Less: Allowance for expected credit losses	(78,615)	(79,382)	-	-	
Net	-	-	6,733,440	6,668,432	

Loans to related parties and loan from related party

As at 31 December 2023 and 2022, the balance of loans between the Company and those related companies and the movement are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	1 January 2023	Increase	Decrease	31 December 2023
Long-term loans to and interest receivables - related party				
Related party				
Harbour View Corporation	79,382	-	(767)	78,615
Less: Allowance for expected credit losses	(79,382)	-	767	(78,615)
Net	-	-	-	-

(Unit: Thousand Baht)

	Separate financial statements			
	1 January 2023	Increase	Decrease	31 December 2023
Long-term loans to and interest receivables - related party				
Subsidiary				
Casa Ville Co., Ltd.	6,668,432	962,118	(897,110)	6,733,440
Short-term loan from and interest receivables - related party				
Subsidiary				
Q.H. International Co., Ltd.	-	513,976	(513,976)	-

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.

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2023	2022
Short-term employee benefits	60	57
Post-employment benefits	1	1
Total	61	58

6.2 The Group has the following long-term agreements with property funds in which it or its related companies hold investment units.

(Unit: Million Baht)

	Counterparty	Contract amount 2023	Contract amount 2022
a) Agreement to lease immovable properties - Q. House Ploenchit Project	Quality Houses Leasehold Property Fund	819	819
b) Agreement relating to the lease and sublease of building and assets - Centre Point Hotel Pratunam, Sukhumvit 10 and Chidlom	Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	456*	456*

* Contract amount is not included variable rental fee.

During the year 2022, a subsidiary was waived from rental fees totaling Baht 55 million for building and assets - Centre Point Hotel Pratunam, Sukhumvit 10 and Chidlom, for the rental period from 1 January 2022 to 31 May 2022 by Quality Houses Hotel and Residence Freehold and Leasehold Property Fund. The waiver is in accordance with the conditions specified in the lease and sublease agreement. The subsidiary recorded such rental waived in the statement of income.

6.3 On 21 November 2006, the Company entered into an agreement to lease immovable properties of Q.House Ploenchit project to Quality Houses Leasehold Property Fund, whereby the Company agreed to lease land, building and other related equipment to the Fund and in return received 30 years' rental for the land, building, public utilities and other related equipment of the project totaling Baht 819 million. The Company recorded this rental fees as "Rental income received in advance" in the statements of financial position, and it will be recognised as income on a straight line over the period of the lease contract.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash	11,551	3,547	8,078	1,872
Bank deposits	1,336,148	1,526,751	333,576	519,028
Total	1,347,699	1,530,298	341,654	520,900

As at 31 December 2023, bank deposits in current accounts, saving accounts and fixed deposits carried interests between 0.15% and 1.90% per annum (2022: between 0.15% and 0.60% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade accounts receivable - related parties (Note 6)				
Aged of receivables				
Up to 3 months	1,114	935	1,110	935
Total trade accounts receivable - related parties	1,114	935	1,110	935
Trade accounts receivable - unrelated parties				
Aged of receivables				
Up to 3 months	60,337	21,548	13,294	4,699
3 - 6 months	12	486	-	5
6 - 12 months	3	217	-	-
Over 12 months	1,304	2,146	-	9
Total trade accounts receivable - unrelated parties	61,656	24,397	13,294	4,713
Less: Allowance for expected credit losses	(3,106)	(1,958)	(527)	(158)
Total trade accounts receivable - unrelated parties, net	58,550	22,439	12,767	4,555
Total trade accounts receivable - net	59,664	23,374	13,877	5,490
Other receivables				
Other receivables - related parties (Note 6)	30,588	14,024	6,650	2,319
Other receivables - unrelated parties	4,064	4,889	1,017	1,403
Total other receivables	34,652	18,913	7,667	3,722
Total trade and other receivables - net	94,316	42,287	21,544	9,212

Set out below is the movement in the allowance for expected credit losses of trade receivables.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	1,958	1,873	158	155
Provision for expected credit losses	1,164	539	369	61
Amount written off	(16)	(454)	-	(58)
Ending balance	3,106	1,958	527	158

9. Land and construction in progress

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Construction material	34,382	26,426	-	-
Land	8,794,912	8,621,522	4,934,150	5,708,777
Interest cost	1,065,559	1,104,501	519,761	530,649
Construction under development	10,950,884	10,006,666	5,756,602	5,240,914
Total	20,845,737	19,759,115	11,210,513	11,480,340
Less: Provision for loss on diminution in value of projects	(533,611)	(492,077)	(49,513)	(63,572)
Land and construction in progress - net	20,312,126	19,267,038	11,161,000	11,416,768

During the current year, the Group included borrowing costs of Baht 132 million as cost of "Land and construction in progress" (the Company only: Baht 72 million) (2022: Baht 116 million, the Company only: Baht 80 million). These were determined by applying a capitalisation rate of 1.3% (the Company only: 0.7%) (2022: 1.0%, the Company only: 0.7%).

The Company mortgaged certain plots of land and construction in progress of subsidiaries with net book values as at 31 December 2022 amounting to Baht 1,284 million as collateral under the long-term loan agreement of the Company (2023: Nil).

Movements in the provision for loss on diminution in value of projects during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	492,077	514,029	63,572	44,100
Additional provision during the year	106,282	28,265	-	28,265
Provision reversal according to revenue recognition during the year	(64,748)	(50,217)	(14,059)	(8,793)
Ending balance	533,611	492,077	49,513	63,572

During the current year, the Group had appraised the fair value of the Group's land and construction in progress for low turnover projects, using the market approach and/or the hypothetical development method. The Group recorded the provision for loss on diminution in value of projects amounting to Baht 106 million (the Company only: Nil).

Additional information of the Group's projects.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Total estimated sales value of projects on hand of which contracts have been signed	100,184	110,674	49,775	58,234
Total value of contracts signed according to the letters reserving plots of land and structures thereon	63,024	73,182	28,324	34,494
Percentage of total estimated sales value of projects	63%	66%	57%	59%
Total value of contracts signed according to the letters reserving plots of land and structures thereon not yet recognised as income	352	485	263	325

10. Assets recognised in respect of cost to obtain contracts with customers

(Unit: Thousand Baht)

	Consolidated and separate financial statement	
	2023	2022
Balance at beginning of year	10,089	10,522
Amortise	-	(433)
Balance at end of year	10,089	10,089

11. Investments in subsidiaries

11.1 Details of investments in subsidiaries as presented in separate financial statements are as follows.

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Paid-up capital		Shareholding		Cost		Carrying amounts based on equity method	
	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)				
Casa Ville Co., Ltd.	3,000,000	3,000,000	100	100	2,999,999	2,999,999	7,919,449	7,772,098
Q.H. International Co., Ltd.	25,000	25,000	100	100	25,000	25,000	347,732	279,279
Property Host Co., Ltd.	5,000	5,000	100	100	5,000	5,000	4,179	4,237
Centre Point Hospitality Co., Ltd.	5,000	5,000	100	100	4,999	4,999	(104,699)	(201,023)
The Confidence Co., Ltd.*	1,000,000	1,000,000	-	-	-	-	-	-
Q.H. Management Co., Ltd. (and 19% held through The Confidence Co., Ltd.)	110,000	110,000	81	81	88,635	88,635	28,031	28,410
Q.H. International (BVI) Co., Ltd.**	30,796	30,796	-	-	-	-	-	-
Casa Ville (Rayong 2553) Co. Ltd.*	5,000	5,000	-	-	-	-	-	-
Casa Ville (Petchburi 2553) Co. Ltd.*	5,000	5,000	-	-	-	-	-	-
Q.House Precast Co., Ltd.*	5,000	5,000	-	-	-	-	-	-
Gusto Village Co., Ltd.*	500,000	500,000	-	-	-	-	-	-
Casa Ville (Chonburi 2554) Co., Ltd.*	3,005,000	3,005,000	-	-	-	-	-	-
Casa Ville (Prachuapkhirikhan 2554) Co., Ltd.*	5,000	5,000	-	-	-	-	-	-
Total					3,123,633	3,123,633	8,194,722	7,883,001

* 100% held through Casa Ville Co., Ltd.

** 100% held through Q.H. International Co., Ltd.

11.2 Share of comprehensive income

During the year, the Company has summarised its share of profit (loss) from investments in subsidiaries in separate financial statement as follows.

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	Share of profit (loss) from investments in subsidiaries		Share of other comprehensive income of subsidiaries	
	2023	2022	2023	2022
Casa Ville Co., Ltd.	138,446	50,605	8,905	-
Q.H. International Co., Ltd.	68,726	25,976	(273)	-
Property Host Co., Ltd.	(58)	(132)	-	-
Centre Point Hospitality Co., Ltd.	99,911	35,219	(3,557)	-
Q.H. Management Co., Ltd.	(379)	(305)	-	-
Total	306,646	111,363	5,075	-

12. Investments in associates

12.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated and separate financial statements					
			Shareholding		Cost		Carrying amounts based on equity method	
			2023	2022	2023	2022	2023	2022
			(%)	(%)				
Quality Houses Leasehold Property Fund [1]	Investment in immovable properties	Thailand	26	26	2,017,695	2,017,695	1,114,400	1,152,132
Quality Houses Hotel and Residence Freehold and Leasehold Property Fund [2]	Investment in immovable properties	Thailand	31	31	1,052,800	1,052,800	345,387	339,137
Home Product Center Plc.	Trading	Thailand	20	20	759,959	759,959	5,294,549	5,033,687
LH Financial Group Plc. (held 100% in Land and Houses Bank Plc.)	Holding company	Thailand	14*	14*	2,849,800	2,849,800	4,940,284	5,065,261
Total					6,680,254	6,680,254	11,694,620	11,590,217

[1] Carrying amounts are based on the equity method, and presented net of unrealised gain on sales of buildings and transfers of leasehold rights to land by Q. House Lumpini project to the Fund.

[2] Carrying amounts are based on the equity method, and presented net of unrealised gains on sales of properties of Centre Point Hotel Pratunam and Centre Point Hotel Sukhumvit 10, and the transfer of leasehold rights to the building of Centre Point Hotel Chidlom to the Fund.

* The management determined that the Company has significant influence over LH Financial Group Plc. even though the Company holds less than 20% of its shares. This is because the Company has influence via key representative on the Board of Director of that company.

12.2 Share of comprehensive income and dividend received

During the years, the Company has summarised its share of profit (loss) from investments in associates as follows.

(Unit: Thousand Baht)

Company's name	Consolidated and separate financial statements			
	Share of profit from investments in associates		Share of other comprehensive income of associates	
	2023	2022	2023	2022
Quality Houses Leasehold Property Fund	120,151	120,237	-	-
Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	65,207	13,581	-	-
Home Product Center Plc.	1,279,912	1,235,279	29	854
LH Financial Group Plc.	287,988	216,890	(383,863)	(370,218)
Total	1,753,258	1,585,987	(383,834)	(369,364)

During the years, the Company received dividends from associates as follows.

(Unit: Thousand Baht)

Company's name	Dividend received during the years	
	2023	2022
Quality Houses Leasehold Property Fund	157,883	149,294
Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	58,957	5,264
Home Product Center Plc.	1,019,079	966,818
LH Financial Group Plc.	29,102	29,102
Total	1,265,021	1,150,478

12.3 Fair value 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	Fair values as at 31 December	
	2023	2022
Quality Houses Leasehold Property Fund	1,155	1,922
Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	647	626
Home Product Center Plc.	30,311	40,241
LH Financial Group Plc.	2,881	3,550
Total	34,994	46,339

12.4 Summarised significant financial information of associates

Summarised information about financial position

(Unit: Million Baht)

	Quality Houses Leasehold Property Fund		Quality Houses Hotel and Residence Freehold and Leasehold Property Fund		Home Product Center Plc.		LH Financial Group Plc.	
	2023	2022	2023	2022	2023	2022	2023	2022
Total assets	9,015	9,577	4,392	4,475	69,048	65,185	323,323	301,556
Total liabilities	920	933	139	41	43,489	40,939	287,362	264,686
Net assets	8,095	8,644	4,253	4,434	25,559	24,246	35,961	36,870
Shareholding percentage (%)	26	26	31	31	20	20	14	14
Share of net assets	2,077	2,218	1,333	1,389	5,079	4,818	4,940	5,065
Unrealised (gain) loss on revaluation of investments	186	35	(251)	(253)	-	-	-	-
Unrecognised gain on sales of assets	(523)	(523)	(601)	(601)	-	-	-	-
Record depreciation and amortisation of assets	(625)	(578)	(136)	(196)	-	-	-	-
Goodwill	-	-	-	-	216	216	-	-
Carrying amounts of associates based on equity method	1,115	1,152	345	339	5,295	5,034	4,940	5,065

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December							
	Quality Houses Leasehold Property Fund		Quality Houses Hotel and Residence Freehold and Leasehold Property Fund		Home Product Center Plc.		LH Financial Group Plc.	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	1,021	1,007	268	149	72,822	69,389	13,673	10,857
Profit (loss)	66	267	7	(169)	6,442	6,217	2,096	1,579
Other comprehensive income	-	-	-	-	-	4	(2,794)	(2,695)
Total comprehensive income	-	-	-	-	6,442	6,221	(698)	(1,116)

Home Product Center Public Company Limited

On 27 February 2024, the meeting of the Board of Directors of Home Product Center Plc. passed the resolution to propose to Annual General Meeting of the shareholders for approval of dividend payment from operating results from July 2023 to December 2023. The dividend will be paid by cash at the rate of Baht 0.22 per share or in the total amount not exceeding Baht 2,893.27 million. The payment of cash dividend shall be made within 8 May 2024. However, the meeting of the Board of Directors of Home Product Center Plc. held on 29 August 2023 has the resolution to approve interim dividend payment to the shareholders as cash dividend of Baht 0.18 per share. The interim dividend was paid on 27 September 2023. As a result, total dividend per share for the year 2023 is Baht 0.40 per share.

LH Financial Group Public Company Limited

On 23 February 2024, the meeting of the Board of Directors of LH Financial Group Public Company Limited passed the resolution to propose to Annual General Meeting of the shareholders for approval of dividend payment from its operating results for the year 2023. The dividend will be paid by cash at the rate of Baht 0.03 per share, totally Baht 636 million. The payment of cash dividend shall be made on 17 May 2024.

13. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2023	2022
Office building for rent		
Cost	1,442,203	1,421,203
Less: Accumulated depreciation	(944,336)	(910,025)
Less: Allowance for diminution in value	(33,435)	(39,514)
Net book value - net	464,432	471,664

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2023	2022
Net book value at beginning of year	471,664	527,483
Additions	21,000	-
Depreciation charged	(28,232)	(55,819)
Net book value at end of year	464,432	471,664

As at 31 December 2023, the net book value of outstanding rental income received in advance from lessee is Baht 351 million (2022: Baht 379 million), and the fair value of the investment properties has been determined based on valuations performed by an accredited independent valuer was Baht 790 million (2022: Baht 852 million). The fair value has been determined using the income approach. Key assumptions used in the valuation are yield rate, inflation rate, long-term vacancy rate and long-term growth in rental rates which has been determined based on rental information of tenants of building.

On 23 May 1990, the company entered into agreements to lease land and develop building at Q House Asoke for a period of 30 years. At the termination date of the agreements, the Company agreed to transfer all rights in property development to the lessor without any compensation or burden. The lease agreement expired and the Company registered the transfer of ownership of the building to the lessor on 1 December 2022.

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land and land improvement	Leasehold improvement	Buildings and building improvement	Equipment and operating equipment	Motor Vehicles	Assets under installation	Total
Cost							
1 January 2022	518,149	505,889	970,735	848,129	61,275	2,737	2,906,914
Additions	-	108	665	11,596	290	103,908	116,567
Transfer in (out)	-	-	83,806	22,839	-	(106,645)	-
Disposals/write-off	-	(742)	-	(13,051)	-	-	(13,793)
31 December 2022	518,149	505,255	1,055,206	869,513	61,565	-	3,009,688
Additions	-	255	644	22,144	402	461	23,906
Disposals/write-off	-	-	-	(12,463)	(25,095)	-	(37,558)
31 December 2023	518,149	505,510	1,055,850	879,194	36,872	461	2,996,036
Accumulated depreciation							
1 January 2022	6,236	465,121	156,913	596,446	54,340	-	1,279,056
Depreciation for the year	-	26,219	37,780	61,491	2,651	-	128,141
Depreciation on disposals/ write-off	-	(705)	-	(11,457)	-	-	(12,162)
31 December 2022	6,236	490,635	194,693	646,480	56,991	-	1,395,035
Depreciation for the year	-	14,399	41,153	63,428	2,523	-	121,503
Depreciation on disposals/ write-off	-	-	-	(12,402)	(25,094)	-	(37,496)
31 December 2023	6,236	505,034	235,846	697,506	34,420	-	1,479,042
Allowance for impairment loss							
1 January 2022	81,873	-	-	-	-	-	81,873
31 December 2022	81,873	-	-	-	-	-	81,873
31 December 2023	81,873	-	-	-	-	-	81,873
Net book value							
31 December 2022	430,040	14,620	860,513	223,033	4,574	-	1,532,780
31 December 2023	430,040	476	820,004	181,688	2,452	461	1,435,121

Depreciation for the year

2022 (Baht 107 million included in cost of operations, and the balance in administrative expenses)	128,141
2023 (Baht 103 million included in cost of operations, and the balance in administrative expenses)	121,503

(Unit: Thousand Baht)

	Separate financial statements						
	Land and land improvement	Leasehold improvement	Buildings and building improvement	Equipment and operating equipment	Motor Vehicles	Assets under installation	Total
Cost							
1 January 2022	255,664	493,328	27,645	290,364	27,217	-	1,094,218
Additions	-	-	-	3,352	-	-	3,352
Disposals/write-off	-	(742)	-	(8,793)	-	-	(9,535)
31 December 2022	255,664	492,586	27,645	284,923	27,217	-	1,088,035
Additions	-	-	-	5,061	-	131	5,192
Disposals/write-off	-	-	-	(6,825)	(7,818)	-	(14,643)
31 December 2023	255,664	492,586	27,645	283,159	19,399	131	1,078,584
Accumulated depreciation							
1 January 2022	4,557	452,961	22,083	276,406	22,601	-	778,608
Depreciation for the year	-	26,063	876	6,079	1,655	-	34,673
Depreciation on disposals/ write-off	-	(705)	-	(8,759)	-	-	(9,464)
31 December 2022	4,557	478,319	22,959	273,726	24,256	-	803,817
Depreciation for the year	-	14,266	876	4,964	1,558	-	21,664
Depreciation on disposals/ write-off	-	-	-	(6,805)	(7,818)	-	(14,623)
31 December 2023	4,557	492,585	23,835	271,885	17,996	-	810,858
Allowance for impairment loss							
1 January 2022	81,873	-	-	-	-	-	81,873
31 December 2022	81,873	-	-	-	-	-	81,873
31 December 2023	81,873	-	-	-	-	-	81,873
Net book value							
31 December 2022	169,234	14,267	4,686	11,197	2,961	-	202,345
31 December 2023	169,234	1	3,810	11,274	1,403	131	185,853

Depreciation for the year	
2022 (Baht 28 million included in cost of operations, and the balance in administrative expenses)	34,673
2023 (Baht 15 million included in cost of operations, and the balance in administrative expenses)	21,664

As at 31 December 2023, certain plant and equipment items of the Group were fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 567 million (the Company only: Baht 287 million) (2022: Baht 474 million, the Company only: Baht 294 million).

15. Lease

The Group as a lessee

The Group entered into lease contracts for various items of land, buildings, motor vehicles and equipments used in its operations. Land and buildings leases have lease terms of approximately 30 years, while motor vehicles and equipments leases have lease terms of generally between 1 and 5 years.

15.1 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				Separate financial statements			
	Land and land improvement	Buildings and building improvement	Motor vehicles	Total	Land and land improvement	Buildings and building improvement	Motor vehicles	Total
1 January 2022	759,163	212,866	-	972,029	28,548	212,866	-	241,414
Additions	-	-	23,112	23,112	-	-	14,528	14,528
Depreciation for the year	(150,134)	(27,467)	(838)	(178,439)	(18,442)	(27,467)	(505)	(46,414)
31 December 2022	609,029	185,399	22,274	816,702	10,106	185,399	14,023	209,528
Additions	-	-	3,412	3,412	-	-	3,412	3,412
Adjustment of right of use assets due to amending contract	-	(15,659)	-	(15,659)	-	(15,659)	-	(15,659)
Depreciation for the year	(141,797)	(26,809)	(2,326)	(170,932)	(10,106)	(26,809)	(1,598)	(38,513)
31 December 2023	467,232	142,931	23,360	633,523	-	142,931	15,837	158,768

15.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Lease payments	806,614	993,555	221,238	254,528
Less: Deferred interest expense	(60,864)	(92,492)	(21,487)	(30,755)
Total	745,750	901,063	199,751	223,773
Less: Current portion	(174,003)	(164,057)	(37,933)	(32,765)
Lease liabilities - net of current portion	571,747	737,006	161,818	191,008

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Balance at beginning of year	901,063	998,636	223,773	242,240
Additions	24,412	23,112	24,412	14,528
Decrease	(15,659)	-	(15,659)	-
Accretion of interest	30,570	35,711	8,211	9,010
Repayments	(194,636)	(101,496)	(40,986)	(42,005)
Rental fee waived	-	(54,900)	-	-
Balance at end of year	745,750	901,063	199,751	223,773

15.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	170,932	178,439	38,513	46,414
Interest expense on lease liabilities	30,570	35,711	8,211	9,010
Expense relating to short-term leases	43,368	16,702	35,750	6,894
Expense relating to leases of low-value assets	233	245	28	41
Expense relating to variable lease payments that do not depend on an index or a rate	99,187	40,139	-	-

A subsidiary has lease contracts for building that contains variable payments based on operation. The lease term is 3 years.

15.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 295 million (the Company only: Baht 70 million) (2022: Baht 127 million, the Company only: Baht 48 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.

16. Land and project development costs

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Land	5,887,934	6,745,272	1,787,658	1,860,878
Interest cost	202,569	221,598	187,918	189,890
Construction under development	517,594	665,020	334,393	225,143
Total	6,608,097	7,631,890	2,309,969	2,275,911
Less: Provision for loss on diminution in value of projects	(221,946)	(221,946)	(145,381)	(145,381)
Land and project development costs - net	6,386,151	7,409,944	2,164,588	2,130,530

During the current year, the Group included borrowing costs of Baht 10 million as cost of "Land and project development costs" (the Company only: Baht 9 million) (2022: Baht 23 million, the Company only: Baht 7 million). These were determined by applying a capitalisation rate of 1.3% (the Company only: 0.7%) (2022: 1.0%, the Company only: 0.7%).

The Company mortgaged certain plots of land and project development costs of subsidiaries with net book values as at 31 December 2022 amounting to Baht 1,493 million as collateral under the long-term loan agreement of the Company (2023: Nil).

Movements in the provision for loss on diminution in value of projects during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	221,946	167,616	145,381	145,381
Additional provision during the year	-	54,330	-	-
Ending balance	221,946	221,946	145,381	145,381

17. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		Consolidated and separate financial statements	
	2023	2022	2023	2022
	(% p.a.)	(% p.a.)		
Promissory note	-	2.20	-	1,000,000
Bill of exchange	2.80	-	500,000	-
Less: Deferred interest			(2,781)	-
Bill of exchange - net			497,219	-
Total short-term loans from financial institutions			497,219	1,000,000

18. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade accounts payable - related parties (Note 6)	14,234	9,967	58,584	51,171
Trade accounts payable - unrelated parties	552,392	498,955	318,965	294,698
Other payables - related parties (Note 6)	3,558	2,059	2,350	1,068
Other payables - unrelated parties	76,371	121,571	21,829	47,170
Accrued interest	44,152	40,349	44,152	40,349
Total trade and other payables	690,707	672,901	445,880	434,456

19. Long-term loans

(Unit: Thousand Baht)

Loan	Interest rate (% p.a.)	Repayment schedule	Consolidated and separate financial statements 2023	2022
1	MLR - 2.25	Repayment quarterly installments as from March 2021 to November 2023[a]	-	1,544,141
2	3.20	Repayment semi-annual installments as from July 2023 to January 2026	1,125,000	1,500,000
Total			1,125,000	3,044,141
Less: Unamortised portion of deferred transaction costs			(1,775)	(2,630)
Less: Current portion			(561,612)	(1,919,141)
Long-term loans - net of current portion			561,613	(1,122,370)

MLR : Minimum Lending Rate

a) : Also subject to mandatory prepayment in inverse order of maturity upon the ownership transfer of property sales units.

Movement of the long-term loans account during the year ended 31 December 2023 are summarised below:

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Beginning balance	3,044,141
Less: Repayment	(1,919,141)
Less: Unamortised portion of deferred transaction costs	(1,775)
Ending balance	1,123,225

The long-term loans is secured by the mortgage of part of the land and construction in progress and land and project development costs of subsidiaries, as discussed in Notes 9 and 16.

The loans agreement contains several covenants which, among other things, requires the Company to maintain debt-to-equity ratio at a rate not exceeding 2:1.

20. Unsecured debentures

Type of debenture	Interest rate	Age	Maturity date	Consolidated and separate financial statements			
				Number of debenture (Unit)		Amount (Thousand Baht)	
				2023	2022	2023	2022
Unsubordinated and unsecured debentures							
- No. 1/2021	Fixed rate of 2.50% p.a.	3 years	3 March 2024	3,000,000	3,000,000	3,000,000	3,000,000
- No. 2/2021	Fixed rate of 1.76% p.a.	3 years	8 June 2024	1,500,000	1,500,000	1,500,000	1,500,000
- No. 1/2022	Fixed rate of 2.78% p.a.	3 years	5 May 2025	1,000,000	1,000,000	1,000,000	1,000,000
- No. 2/2022 (1)	Fixed rate of 3.06% p.a.	2 years	22 November 2024	730,000	730,000	730,000	730,000
- No. 2/2022 (2)	Fixed rate of 3.38% p.a.	3 years	21 November 2025	720,000	720,000	720,000	720,000
- No. 3/2022	Fixed rate of 3.33% p.a.	3 years	11 December 2025	550,000	550,000	550,000	550,000
- No. 1/2023	Fixed rate of 3.32% p.a.	2 years 9 months	18 December 2025	1,000,000	-	1,000,000	-
- No. 2/2023	Fixed rate of 3.43% p.a.	3 years	25 April 2026	1,000,000	-	1,000,000	-
Total debentures - at face value				9,500,000	7,500,000	9,500,000	7,500,000
Less: Unamortised portion of deferred transaction costs						(4,182)	(5,730)
Less: Discount on debentures						(130,979)	(112,974)
Debentures - net						9,364,839	7,381,296
Less: Current portion of debentures						(5,229,110)	-
Debentures - net of current portion						4,135,729	7,381,296

Movements in debentures accounts during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2023	2022
Beginning balance	7,500,000	12,000,000
Add: Issuance of debentures during the year	2,000,000	3,000,000
Less: Redemption of debentures during the year	-	(7,500,000)
Ending balance	9,500,000	7,500,000

All of unsecured debentures include covenants and restrictions. These pertain to, among other things, dividend payment and the maintenance of certain financial ratios.

21. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, is as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Provision for long-term employee benefits at beginning of year	280,659	265,469	181,490	173,780
Included in profit or loss:				
Current service cost	20,226	20,325	12,827	13,077
Interest cost	4,039	3,782	2,600	2,444
Included in other comprehensive income:				
Actuarial (profit) losses arising from				
Financial assumption changes	(37,509)	-	(22,243)	-
Experience adjustments	2,518	-	(6,405)	-
Benefits paid during the year	(10,080)	(8,917)	(7,180)	(7,811)
Provision for long-term employee benefits at end of year	259,853	280,659	161,089	181,490

As at 31 December 2023, the Group expected to pay Baht 5 million of long-term employee benefits during the next year (the Company only: Baht 5 million) (2022: Baht 10 million, the Company only: Baht 7 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit was 10 years (the Company only: 10 years) (2022: 12 years, the Company only: 12 years).

Significant actuarial assumptions are summarised below.

	Consolidated and separate financial statements	
	2023	2022
	(% p.a.)	(% p.a.)
Discount rate	2.8	1.5
Salary increase rate	5.0	5.0
Turnover rate	0 - 25.0	0 - 25.0

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: Thousand Baht)

	As at 31 December 2023					
	Discount rate		Salary increase rate		Turnover rate	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%	Increase 10%	Decrease 10%
Consolidated financial statements	(12,550)	13,503	13,145	(12,353)	(6,634)	7,093
Separate financial statements	(7,431)	7,987	7,775	(7,315)	(3,834)	4,086

(Unit: Thousand Baht)

	As at 31 December 2022					
	Discount rate		Salary increase rate		Turnover rate	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%	Increase 10%	Decrease 10%
Consolidated financial statements	(14,231)	15,368	17,491	(16,283)	(10,556)	8,924
Separate financial statements	(8,782)	9,468	10,848	(10,117)	(6,323)	5,270

22. Provisions

(Unit: Thousand Baht)

	Consolidated financial statements				
	Provision for public utility maintenance	Provision for housing repairment	Compensation for Housing Estate Juristic Persons	Litigations	Total
As at 1 January 2022	250,106	248,427	131,778	326,728	957,039
Increase during the year	33,692	65,785	18,260	107,521	225,258
Utilised	(26,723)	(35,709)	(20,611)	(2,597)	(85,640)
Reversed during the year	-	-	(1,743)	(34,230)	(35,973)
As at 31 December 2022	257,075	278,503	127,684	397,422	1,060,684
Increase during the year	30,148	61,273	14,652	36,260	142,333
Utilised	(37,742)	(27,357)	(15,728)	(59,360)	(140,187)
As at 31 December 2023	249,481	312,419	126,608	374,322	1,062,830

(Unit: Thousand Baht)

	Consolidated financial statements				
	Provision for public utility maintenance	Provision for housing repairment	Compensation for Housing Estate Juristic Persons	Litigations	Total
2023					
Current	249,481	312,419	126,608	-	688,508
Non-current	-	-	-	374,322	374,322
	249,481	312,419	126,608	374,322	1,062,830
2022					
Current	257,075	278,503	127,684	-	663,262
Non-current	-	-	-	397,422	397,422
	257,075	278,503	127,684	397,422	1,060,684

(Unit: Thousand Baht)

	Separate financial statements				
	Provision for public utility maintenance	Provision for housing repairment	Compensation for Housing Estate Juristic Persons	Litigations	Total
As at 1 January 2022	121,978	132,399	65,183	27,509	347,069
Increase during the year	21,495	42,155	12,826	29,784	106,260
Utilised	(15,485)	(22,398)	(7,786)	(2,415)	(48,084)
Reversed during the year	-	-	(119)	(20)	(139)
As at 31 December 2022	127,988	152,156	70,104	54,858	405,106
Increase during the year	17,279	36,928	9,652	28,383	92,242
Utilised	(25,501)	(17,368)	(3,171)	(19,257)	(65,297)
As at 31 December 2023	119,766	171,716	76,585	63,984	432,051
2023					
Current	119,766	171,716	76,585	-	368,067
Non-current	-	-	-	63,984	63,984
	119,766	171,716	76,585	63,984	432,051
2022					
Current	127,988	152,156	70,104	-	350,248
Non-current	-	-	-	54,858	54,858
	127,988	152,156	70,104	54,858	405,106

Provision for public utilities maintenance/housing repairment

In estimating the Group's provision for public utilities maintenance/housing repairment, the management considers historical data and/or currently available information about the costs of various types of repairment work.

Compensation for Housing Estate Juristic Persons

The Group estimates the compensation for Housing Estate Juristic Persons using the rate specified by the law and regulations and the budgeted of public utilities as a basis for the calculation.

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

24. Revenue from contracts with customers

24.1 Disaggregated revenue information

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Type of goods or service:				
Revenue from sales of real estate	7,619,275	8,226,938	4,320,736	5,350,610
Revenue from hotel operations	1,214,863	716,954	248,230	154,137
Other service income	28,424	48,210	28,424	48,210
Other income	234,554	190,791	93,470	91,256
Total revenue from contracts with customers	9,097,116	9,182,893	4,690,860	5,644,213
Timing of revenue recognition:				
Recognise revenue at a point in time	7,654,625	8,251,968	4,323,845	5,355,387
Recognise revenue over time	1,442,491	930,925	367,015	288,826
Total revenue from contracts with customers	9,097,116	9,182,893	4,690,860	5,644,213

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 29 relating to the segment information:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Revenue from external customers	9,097,116	9,182,893	4,690,860	5,644,213
Inter-segment revenue	325,704	480,532	-	-
	9,422,820	9,663,425	4,690,860	5,644,213
Adjustments and eliminations	(325,704)	(480,532)	-	-
Total revenue from contracts with customers	9,097,116	9,182,893	4,690,860	5,644,213

24.2 Revenue recognised in relation to contract balances

During the current year, amounts of Baht 61 million (the Company only: Baht 51 million) (2022: Baht 22 million, the Company only: Baht 14 million) that were included in advances received from customers at the beginning of the year were recognised as revenue.

24.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2023, revenue totaling Baht 352 million (the Company only: Baht 263 million) (2022: Baht 485 million, the Company only: Baht 325 million) is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied). The Group expects to satisfy these performance obligations within 1 year.

25. Finance cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Interest expenses on borrowings	187,998	206,408	250,415	259,455
Interest expenses on lease liabilities	30,570	35,711	8,211	9,010
Other fees	18,941	17,140	15,944	14,253
Total	237,509	259,259	274,570	282,718

26. Expenses by nature

Significant expenses classified by nature are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Purchase of land and payment of construction during the year	5,039,084	4,535,440	2,521,267	2,534,721
Changes in land and construction in progress	(1,045,088)	720,200	255,768	439,850
Changes in land and project development costs	1,023,793	64,113	(34,058)	403,320
Salaries and wages and other employee benefits	659,104	663,717	399,361	429,401
Depreciation	320,666	362,398	88,408	136,907

27. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge	267,645	342,988	181,326	245,637
Deferred tax:				
Adjustment in respect of deferred tax of previous year	-	(83)	-	-
Relating to origination and reversal of temporary differences	(47,578)	(54,625)	(5,908)	(17,649)
Income tax expense reported in the statement of comprehensive income	220,067	288,280	175,418	227,988

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 financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax on actuarial gains	6,998	-	5,729	-
Deferred tax on share of other comprehensive income of subsidiaries	-	-	1,269	-
Deferred tax on share of other comprehensive income of associates	(35,494)	(33,375)	(35,494)	(33,375)
	(28,496)	(33,375)	(28,496)	(33,375)

The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit before tax	2,722,691	2,683,810	2,678,042	2,623,519
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	544,538	536,762	535,608	524,704
Effects of:				
Change in value of investments accounted for the equity method	(92,564)	(83,356)	(159,052)	(109,435)
Exempt income and non-deductible expenses	(231,835)	(164,964)	(201,127)	(187,251)
Additional expenses deduction allowed	(72)	(157)	(11)	(30)
Others	-	(5)	-	-
Total	(324,471)	(248,482)	(360,190)	(296,716)
Income tax expense reported in the statement of comprehensive income	220,067	288,280	175,418	227,988

The components of deferred tax assets (liabilities) are as follows.

(Unit: Thousand Baht)

	Statement of financial position			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets (liabilities)				
Provision for loss on diminution in value of projects	171,742	167,148	67,953	70,764
Allowance for diminution in value of investment properties	6,687	7,903	6,687	7,903
Allowance for impairment of property, plant and equipment	16,374	16,374	16,374	16,374
Provision for long-term employee benefits	51,699	54,805	32,218	36,298
Provision for public utility maintenance	49,896	51,083	23,953	25,598
Provision for housing repairment	62,484	55,233	34,343	30,431
Provision for contingent liabilities arising from litigations	74,864	79,484	12,797	10,972
Borrowing cost of projects	177,766	174,959	16,517	15,010
Recognition of installment income	7,156	8,739	-	-
Cost to obtain contracts with customers	(2,018)	(2,018)	(2,018)	(2,018)
Accumulated depreciation of investment properties	(3,208)	(5,078)	(3,208)	(5,078)
Income from rental of land	(153)	(160)	-	-
Unutilised tax losses	193,673	165,244	-	-
Leases	10,656	3,629	4,007	3,620
Others	12,564	12,258	7,044	6,614
Deferred tax assets - net	830,182	789,603	216,667	216,488
Reflected in the statements of financial position as follows:				
Deferred tax assets	830,335	789,763	216,667	216,488
Deferred tax liabilities	(153)	(160)	-	-
Deferred tax assets - net	830,182	789,603	216,667	216,488

As at 31 December 2023, the Group had deductible temporary differences totaling Baht 56 million (the Company only: Nil) (2022: Baht 467 million, the Company only: Nil). No deferred tax assets had been recognised on these amounts as the Group considered that the temporary differences will not be utilised in the future.

28. 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.

	For the year ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit for the year (Thousand Baht)	2,502,624	2,395,531	2,502,624	2,395,531
Weighted average number of ordinary shares (Thousand shares)	10,714,382	10,714,382	10,714,382	10,714,382
Basic earnings per share (Baht per share)	0.23	0.22	0.23	0.22

29. 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.

For management purposes, the Group are organised into business units based on its products and services and have four reportable segments as follows.

- Real estate business segment which consists of sales of land and houses and condominium units.
- Hotel business segment relates to service of residential buildings.
- Rental business segment relates to rental of office buildings.
- Others segment which consists of providing management services for buildings and investing business.

The chief operating decision maker monitors the operating results of the 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. However, the Group's income taxes are managed on a Group basis and are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

(Unit: Million Baht)

	For the year ended 31 December 2023							
	Real estate business							
	Sales of land and houses	Sales of condominium units	Hotel business	Rental business	Other business	Total reportable segments	Other transactions and eliminations	Consolidated
Revenue from external customers	6,720	899	1,215	134	115	9,083	-	9,083
Inter-segment revenue	290	-	2	-	34	326	(326)	-
Interest income	1	-	1	-	1	3	-	3
Finance cost	(104)	(83)	(25)	-	(6)	(218)	-	(218)
Depreciation and amortisation	(17)	-	(243)	(55)	(6)	(321)	-	(321)
Provision for loss on diminution in value of projects	(16)	(90)	-	-	-	(106)	-	(106)
Reversal of provision for loss on diminution in value of projects	31	34	-	-	-	65	-	65
Segment profit (loss)	1,216	(216)	115	69	87	1,271	-	1,271
Other income								2
Administrative expenses								(289)
Share of profit from investments in associates								1,753
Finance cost								(14)
Income tax expenses								(220)
Profit for the year								2,503
Segment total assets								
Investments in associates accounted for the equity method	-	-	345	1,115	10,235	11,695	-	11,695
Additions to non-current assets other than financial instruments and deferred tax assets	1,755	-	19	-	4	1,778	-	1,778

(Unit: Million Baht)

	For the year ended 31 December 2022							
	Real estate business							
	Sales of land and houses	Sales of condominium units	Hotel business	Rental business	Other business	Total reportable segments	Other transactions and eliminations	Consolidated
Revenue from external customers	7,457	770	717	282	79	9,305	-	9,305
Inter-segment revenue	460	-	-	-	21	481	(481)	-
Interest income	2	-	-	-	2	4	-	4
Finance cost	(103)	(109)	(29)	-	(1)	(242)	-	(242)
Depreciation and amortisation	(17)	-	(257)	(83)	(5)	(362)	-	(362)
Provision for loss on diminution in value of projects	(28)	(55)	-	-	-	(83)	-	(83)
Reversal of provision for loss on diminution in value of projects	28	22	-	-	-	50	-	50
Segment profit (loss)	1,276	(120)	(26)	155	47	1,332	-	1,332
Other income								3
Administrative expenses								(229)
Share of profit from investments in associates								1,586
Finance cost								(8)
Income tax expenses								(288)
Profit for the year								2,396
Segment total assets								
Investments in associates accounted for the equity method	-	-	339	1,152	10,099	11,590	-	11,590
Additions to non-current assets other than financial instruments and deferred tax assets	2,339	-	115	-	25	2,479	-	2,479

The following table presents segment assets of the Group's operating segments as at 31 December 2023 and 2022.

(Unit: Million Baht)

	Real estate business							
	Sales of land and houses	Sales of condominium units	Hotel business	Rental business	Other business	Total reportable segments	Unallocated assets	Consolidated
Segment assets								
As at 31 December 2023	24,496	9,719	1,662	510	-	36,387	7,055	43,442
As at 31 December 2022	22,775	10,609	1,953	513	-	35,850	7,776	43,626

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

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.

30. Provident fund

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2558. The employees voluntarily contributed to the fund at the rate of 2% - 15% of basic salary, while the Group contributed to the rate of 3% - 6% of basic salary. The fund, which is managed by Land and House Fund Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 20 million (the Company only: Baht 12 million) (2022: Baht 20 million, the Company only: Baht 13 million) were recognised as expenses.

31. Dividends paid

Dividends declared in 2023 and 2022 consist of the following:

	Approved by	Total dividends	Dividend per share	Paid on
		(Thousand Baht)	(Baht)	
Year 2023				
Interim dividend for the operating results of six-month period ended 30 June 2023	Board of Directors' Meeting of he Company on 9 August 2023	535,648	0.05	7 September 2023
Dividend for the operating results of six-month period ended 31 December 2022	Annual General Meeting of the Shareholders on 21 April 2023	1,071,370	0.10	18 May 2023
Total dividend paid		1,607,018	0.15	

	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)	Paid on
Year 2022				
Interim dividend for the operating results of six-month period ended 30 June 2022	Board of Directors' Meeting of the Company on 10 August 2022	428,569	0.04	8 September 2022
Dividend for the operating results of six-month period ended 31 December 2021	Annual General Meeting of the Shareholders on 22 April 2022	749,997	0.07	18 May 2022
Total dividend paid		1,178,566	0.11	

32. Commitments and contingent liabilities

The Group has the following outstanding commitments and contingent liabilities.

32.1 The Group has the following outstanding commitments in respect of agreements to purchase of land and construction of projects.

(Unit: Million Baht)

	As at 31 December	
	2023	2022
Construction contracts	919	754
Agreements to purchase land for development of future projects	784	138

32.2 As at 31 December 2023, the Group has entered into several lease agreements to lease motor vehicles and equipment, with a terms of generally 1 year (2022: 1 year).

The Group had future minimum lease payments required under those operating leases contracts as follows.

(Unit: Million Baht)

	As at 31 December	
	2023	2022
Payable:		
in up to 1 year	5	6

32.3 As at 31 December 2023, the Group had commitments in respect of various service commitments totaling Baht 28 million (2022: Baht 27 million)

32.4 As at 31 December 2023, the Group had servitude over land of approximately 55 rai (2022: 53 rai) of which the cost is included in the cost of projects.

33. Bank guarantees

There were 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 as follows.

(Unit: Million Baht)

	As at 31 December	
	2023	2022
Letters of guarantee for arrangement and maintenance of public utilities	1,888	2,012
Letters of guarantee for electricity usage	7	12
Other letters of guarantee	47	47
Total	1,942	2,071

34. Litigations

34.1 Between 2016 and 2023, various customers sued the Company and its subsidiaries for compensatory damages from purchase of land and houses of their projects, as at 31 December 2023, totaling Baht 1,494 million (2022: Baht 1,492 million). The lawsuits are currently in the judicial process. For reasons of prudence, the Company and its subsidiaries have set aside provisions totaling Baht 346 million (2022: Baht 371 million), which the Company and its subsidiaries deemed appropriate.

34.2 In 2017, the Company was filed as a defendant by a construction contractor company, plaintiff, for breach of hire of work agreement, with the plaintiff demanding outstanding payment and compensatory damages as at 31 December 2023, totaling Baht 135 million (2022: Baht 135 million). In October 2019, the Court of First Instance dismissed the case and rendered a judgement ordering that plaintiff pay the compensatory damages arising from the counterclaim of Baht 77 million together with interest.

The Company demanded that the bank, as an issuer of the letter of guarantees, settle the payment on behalf of the plaintiff in accordance with the judgement of the Court and subsequently received the amount of Baht 41 million in May 2020 in accordance with the facilities stated in the letter of guarantee. The amount received was presented as “Deferred compensatory damage income” in the statement of financial position and will be recognised in profit or loss when the lawsuit is finalised.

In October 2022, the Court of Appeal overturned the prior judgement and ordered the Company to pay the outstanding payment and retention to the plaintiff. After offsetting the debt with the plaintiff's obligation to pay the compensatory damages, the Company was required to pay an additional amount of Baht 3 million together with interest and return the letter of guarantee to the plaintiff.

The Company is preparing for the next judicial process. However, the Company does not expect any material impact on the Company's financial statements.

34.3 Between 2018 and 2023, Housing Estate Juristic Persons sued the Company and its subsidiaries as a defendant/co-defendant for a breach of agreement under the Land Development Act B.E. 2543, demanding compensatory damages of the Company and its subsidiaries, as at 31 December 2023, totaling Baht 710 million (2022: Baht 544 million). The lawsuits are currently in the judicial process. For reasons of prudence, the Company and its subsidiaries have set aside provision of Baht 28 million (2022: Baht 26 million) for the loss arising from these litigations, which the Company and its subsidiaries deemed to be an appropriate amount.

34.4 As of 31 December 2023, the complainant filed a lawsuit against the Nonthaburi Provincial Land Allocation Committee (the respondent) in the Central Administrative Court, regarding their permission for land allocation of the Company. The Company was involved in a lawsuit as an interpleader.

The Company believes that it has fully complied with the permits issued by the Land Allocation Committee of Nonthaburi Province. Consequently, the Company has not recognised any potential damages arising from this lawsuit in the financial statements.

35. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were disclosed at fair value using different levels of inputs as follows.

(Unit: Million Baht)

	Consolidated and separate financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investments in associates	34,994	-	-	34,994
Investment properties	-	-	790	790
Liability for which fair value are disclosed				
Unsecured debentures	-	9,358	-	9,358

(Unit: Million Baht)

	Consolidated and separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investments in associates	46,339	-	-	46,339
Investment properties	-	-	852	852
Liability for which fair value are disclosed				
Unsecured debentures	-	7,357	-	7,357

36. Financial instruments

36.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, accounts receivable, loans to, investments, deposits, accounts payable, retention guarantees, short-term loans, long-term loans, lease liabilities and debentures. The financial risks associated with these financial instruments and how they are managed in described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans to and deposit with banks. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade accounts receivable

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 accounts are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. 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 product type and customer type. 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 are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Executive Committee. 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.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, short-term loans, debentures and long-term borrowings. 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)

	As at 31 December 2023					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing	Total	Interest rate
						(% p.a.)
Financial assets						
Cash and cash equivalents	300	-	844	204	1,348	0.15 - 1.90
Trade and other receivables	-	-	-	94	94	-
Deposits of lease of land and building	-	-	-	11	11	-
Financial liabilities						
Short-term loans from financial institutions	497	-	-	-	497	2.80
Trade and other payables	-	-	-	691	691	-
Long-term loans	562	561	-	-	1,123	3.20
Deposits for rental and service	-	-	-	32	32	-
Retention guarantees	-	-	-	272	272	-
Unsecured debentures	5,229	4,136	-	-	9,365	1.76 - 3.43

(Unit: Million Baht)

	As at 31 December 2022					
	Fixed interest rates					
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing	Total	Interest rate
						(% p.a.)
Financial assets						
Cash and cash equivalents	-	-	1,366	164	1,530	0.15 - 0.60
Trade and other receivables	-	-	-	42	42	-
Deposits of lease of land and building	-	-	-	7	7	-
Financial liabilities						
Short-term loans from financial institutions	1,000	-	-	-	1,000	2.20
Trade and other payables	-	-	-	673	673	-
Long-term loans	375	1,123	1,544	-	3,042	MLR - 2.25, 3.20
Deposits for rental and service	-	-	-	37	37	-
Retention guarantees	-	-	-	240	240	-
Unsecured debentures	-	7,381	-	-	7,381	1.76 - 3.38

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 from affected as at 31 December 2023 and 2022.

	2023		2022	
Currency	Increase (decrease)	Effect on profit before tax	Increase (decrease)	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Baht	-	-	0.40	6,177
	-	-	(0.40)	(6,177)

Foreign currency risk

As at 31 December 2023 and 2022, the Group had no material financial instruments which denominated in foreign currency.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of short-term loan from financial institutions, trade and other payables, lease liabilities, long-term loans, deposits for rental and services, retention guarantees and unsecured debentures. Approximately 59% of the Group's debt will mature in less than one year at 31 December 2023 (2022: 31%) (the Company only: 59%, 2022: 29%) 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.

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:

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loan from financial institution	-	500	-	-	500
Trade and other payables	-	691	-	-	691
Lease liabilities	-	199	584	25	808
Long-term loans	-	563	562	-	1,125
Deposits for rental and services	32	-	-	-	32
Retention guarantees	272	-	-	-	272
Unsecured debentures	-	5,230	4,270	-	9,500
Total non-derivatives	304	7,183	5,416	25	12,928

(Unit: Million Baht)

	Consolidated financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loan from financial institution	-	1,000	-	-	1,000
Trade and other payables	-	673	-	-	673
Lease liabilities	-	195	736	63	994
Long-term loans	-	1,919	1,125	-	3,044
Deposits for rental and services	37	-	-	-	37
Retention guarantees	240	-	-	-	240
Unsecured debentures	-	-	7,500	-	7,500
Total non-derivatives	277	3,787	9,361	63	13,488

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loan from financial institution	-	500	-	-	500
Trade and other payables	-	446	-	-	446
Lease liabilities	-	45	152	25	222
Long-term loan	-	563	562	-	1,125
Deposits for rental and services	27	-	-	-	27
Retention guarantees	122	-	-	-	122
Unsecured debentures	-	5,230	4,270	-	9,500
Total non-derivatives	149	6,784	4,984	25	11,942

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives					
Short-term loan from financial institution	-	1,000	-	-	1,000
Trade and other payables	-	434	-	-	434
Lease liabilities	-	41	151	63	255
Long-term loans	-	1,919	1,125	-	3,044
Deposits for rental and services	31	-	-	-	31
Retention guarantees	110	-	-	-	110
Unsecured debentures	-	-	7,500	-	7,500
Total non-derivatives	141	3,394	8,776	63	12,374

36.2 Fair values of financial instruments

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows.

a) For financial assets and liabilities which have short-term maturity, including cash and cash at financial institutions, accounts receivable, accounts payable, deposits, retention guarantees and short-term loans, their carrying amounts in the statement of financial position approximate their fair value.

b) For fixed rate debentures and long-term loans, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.

Since the majority of the Group's financial instruments bear floating interest rates, their fair value except unsecured debentures are not expected to be materially different from the amounts presented in the statement of financial position. The estimated fair value of unsecured debentures, in comparison with the related amounts carried in the statement of financial position, is as follows.

(Unit: Million Baht)

	As at 31 December 2023		As at 31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liability				
Unsecured debentures	9,365	9,358	7,381	7,357

During the current year, there were no transfers within the fair value hierarchy.

37. Capital management

The primary objective of the Company'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 periods.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.53:1 (2022: 0.57:1) and the Company's was 0.46:1 (2022: 0.49:1).

38. Event after reporting period

On 27 February 2024, the meeting of the Company's Board of Directors passed a resolution to propose to the annual general meeting of the Company's shareholders for an approval of a dividend payment from the operating results of the year 2023 at a rate of Baht 0.15 per share or a total of approximately Baht 1,607 million. The Company had made payment of an interim dividend of Baht 0.05 per share to its shareholders on 7 September 2023, remained a final dividend of Baht 0.10 per share or a total of approximately Baht 1,071 million, which will be paid on16 May 2024.

39. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2024.

Attachment

Attachment 1 Details of Directors, Executives, Controlling Persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision and the Company's Secretary

Attachment 2 Details of the Directors of Subsidiaries

Attachment 3 Details of the Head of the Internal Audit

Attachment 4 Assets for Business Undertaking and Details of Asset Appraisal

Attachment 5 Corporate Governance Policy and Code of Conduct

Attachment 6 Report of the Audit Committee

Attachment 1

1. Details of Directors, Executives, Controlling Persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision and the Company's secretary

1.1 Details of Directors, Executive, Controlling Persons, the person assigned to take the highest responsibility in Accounting and Finance and the Company's secretary

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
1. Mr. Boonsom Lerdhirunwong - Independent Director - Chairman of the Board of Directors Directorship 8 years (Sep 21, 2015-Present)	70	**Education** - Ph.D. of Civil Engineering, INSA Toulouse, France - Master Degree of Civil Engineering, Chulalongkorn University - Bachelor Degree of Civil Engineering, Chulalongkorn University **Training** Thai Institute of Directors Association (IOD) Training Course 2022 - Advanced Audit Committee Program (AACP) 2019 - Board Matters and Trends (BMT) - Ethical Leaderships Program (ELP) 2016 - Anti-Corruption : The Practical Guide (ACPG) 2014 - Role of Chairman Program (RCP) 2013 - Successful Formulation & Execution of Strategy (SFE) 2012 - Directors Certification Program (DCP) - Financial Statement for Directors (FSD) - Audit Committee Program (ACP) - Monitoring Fraud Risk Management (MFM) - Monitoring of the Quality of Financial Reporting (MFR) - Monitoring the Internal Audit Function (MIA) - Monitoring the System of Internal Control and Risk (MIR)	None	-	**Listed companies**		
					2015-Present	- Independent Director - Chairman of the Board of Directors	Quality Houses Plc.
					2014-Present	- Independent Director - Chairman of the Audit Committee	Home Product Center Plc.
					Other organization / institution		
					2010-Present	- Director - Chairman of Executive Directors of Building and Infrastructure Committee	The Thai Red Cross Society
					2015-2021	- President	Shinawatra University
					2015-2018	- Chairman of the Board Directors	Thailand institute of Nuclear Technology

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
1. Mr. Boonsom Lerdhirunwong (Cont.)		IOD Forum 2018 - Digital Transformation : A Must for All Companies 2017 - The Role of Chairman in Leading Strategic Risk Oversight Update COSO Enterprise Risk Management : Integrating with Strategy and Performance 2016 - Corporate Governance VS Corporate Performance : Duty or Choice? Others 2014 - Corporate Governance: Effectiveness and Accountability in the Boardroom, Kellogg School of Management, Northwestern University 2013 - Certificate in Top Executives in the Energy Academy Program (Class of 3rd) 2006 - Diploma, National Defense College, the Joint State-Private Sector Course (Class of 19th)					
2. Mrs. Tipawan Chayutimanta - Independent Director - Chairman of the Audit Committee - Member of the Nomination and Remuneration Committee Directorship 8 Months (Apr 21, 2023-Present)	66	**Education** - Master Degree of Business Administration (MBA), Kasetsart University - Bachelor Degree of Accounting, Thammasat University **Training** Thai Institute of Directors Association (IOD) 2020 - IT Governance and Cyber Resilience Program (ITG) 2019 - Directors Certification Program (DCP) Others - Senior Executive Program by London Business School, United Kingdom - Anti - Money Laundering by UD Internal Revenue Services - Development of Management Skills and Leaderships Program by National Graduate Institutes for Policy Studies (GRIPS), Japan - International Taxation Course by Japan International Cooperation Agency (JICA), Japan	None	-	**Listed companies**		
					May 2023-Present	- Chairman of the Audit Committee - Member of the Nomination and Remuneration Committee	Quality Houses Plc.
					Apr 2023-Present	- Independent Director	
					2018-Present	- Independent Director - Member of the Audit Committee - Member of the Nomination and Remuneration Committee	Delta Electronics (Thailand) Public Co., Ltd.
					Non-listed companies		
					2019-Present	- Chairman	S REIT Management Co., Ltd.
						- Chairman of the Audit Committee - Independent Director	Jane Kongklai Co., Ltd.

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
2. Mrs. Tipawan Chayutimanta (Cont.)		Others - Transfer Pricing by Australian Taxation Office, Australia - The Civil Service Executive Development Program, (Class of 82nd) - Accounting and Taxation by Federation of Accounting Professions					
3. Ms. Vilasna Poonpatpibul - Independent Director - Member of the Audit Committee Directorship 7 months (May 1, 2023-Present)	50	**Education** - Master Degree of Electrical Engineering (EE), Industrial Engineering and Engineering Management (IEEM), Standford University, USA - Bachelor Degree of Computer Engineering, (First Class Honors), King Mongkut's Institute of Mongkut's Institute of Technology Ladkrabang **Training** Thai Institute of Directors Association (IOD) 2023 - Advance Audit Committee Program (AACP 49/2023) - Directors Certification Program (DCP 341/2023) - Independent Director Forum "Preventing corruption in organizations: Whose role is it?" Others 2023 - Audit Committee Member, Ernst & Young Corporate Services Limited	None	-	**Listed company**		
					May 2023-Present	- Independent Director - Member of the Audit Committee	Quality Houses Plc.
					Non-listed companies		
					2017-Present	- Partner and Business Strategy Consultant	Full of Reasons Co., Ltd.
					2004-Present	- Managing Director	Vilasna & Company Co., Ltd.

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
4. Assoc. Prof. Dr. Narongdech Srukhosit - Independent Director - Member of the Audit Committee Directorship 6 Months (Jun 27, 2023-Present)	45	**Education** - Ph.D. of Laws, University of Edinburgh, UK - Master Degree of Laws (LL.M.), University of Cambridge, UK - Bachelor Degree of Laws (LL.B.) (First Class Honors), Chulalongkorn University **Training** Thai Institute of Directors Association (IOD) 2023 - Advance Audit Committee Program (AACP 50/2023) 2022 - Financial Statement for Director (FSD 45/2022) - Directors Certification Program	None	-	**Listed companies**		
					May 2023-Present	- Independent Director - Member of the Audit Committee Member	Quality Houses Plc.
					Dec 2023-Present	- Member of the Audit Committee Member	PTT Public Company Limited
					2021-Present	- Independent Director	
					2021-Nov 2023	- Member of the Corporate Governance and Sustainability Committee - Member of the Enterprise Risk Management Committee	
					Non-listed companies		
					2021-Present	- Director	Patanadej (2019) Company Limited
					2016-Present	- Director	C&C International Venture Company Limited
					Other organization / institution		
					2022-Present	- Member (legal expert)	Committee of Complaints Management, Office of the Prime Minister
						- Member (legal expert)	Promotion and Development for Digital Economy and Society Committee
					2019-Present	- Counsel (Administrative Law) - Director, Committee of Evaluation of University Executive Performance	The Stock Exchange of Thailand Suan Dusit University Council
						- Member, Subcommittee of Law	Neighbouring Countries Economic Development Cooperation Agency
					2018-Present	- Member, Subcommittee on Appeal Screening	Accounting Professions Governance Committee, Department of Business Development, Ministry of Commerce
						- Member, Subcommittee on the Regulatory Screening Relating to Political Parties	The Election Commission of Thailand
					2001-Present	- Tenured Lecturer (Chairman of Public Law Division), Faculty of Law	Chulalongkorn University

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
5. Mr. Naporn Sunthornchitcharoen - Director Directorship 6 years (Jun 27, 2017-Present)	65	**Education** - Master Degree of Business Administration (MBA), Thammasat University - Bachelor Degree (Civil Engineering), Chiangmai University **Training** Thai Institute of Directors Association (IOD) 2011 - Financial Institutions Governance Program (FGP) 2/2011 2005 - Directors Certification Program (DCP) 53/2005 2004 - Directors Accreditation Program (DAP) 25/2004 Other - National Defense College Class of 2006 - 2022 Real Estate and Urban Development Training Courses Class 1 (Real Engineer CMU) / Chiang Mai University Alumni Association	None	100,000 shares (0.00093%)	**Listed companies**		
					2017-Present	- Director	Quality Houses Plc.
						- Chairman of the Board of Directors	Land & Houses Plc.
						- Chairman of the Executive Board	
					2013-Aug 2017	- Director	
						- Executive Director	
						- Managing Director (Operations)	
					2023-Present	- Chairman of the Nomination and Remuneration Committee	Home Product Center Plc.
					2015-2023	- Member of the Nomination and Remuneration Committee	
					2001-Present	- Director	
						- Executive Director	
					2011-Present	- Director	LH Financial Group Plc.
					Sep2018-Mar2019	- Member of the Nomination and Remuneration Committee	
					2011-Jul 2018	- Member of the Nomination and Remuneration Committee	
					2011-Jun 2017	- Executive Director	
					1994-Present	- Director	Quality Construction Products Plc.
					Non-listed companies		
					2012-Present	- Director	Land and Houses U.S.A., Inc.
					2005-Present	- Director	Land and Houses Bank Plc.
						- Executive Director	
					2005-2018	- Member of the Nomination and Remuneration Committee	
					2004-Present	- Director	LH Asset Co., Ltd.
					2003-Present	- Director	LH Real Estate Co., Ltd.
					2002-Present	- Director	Land & Houses Property Fund 2
					2000-Present	- Director	Land & Houses Property Fund 1

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
5. Mr. Naporn Sunthornchitcharoen (Cont.)					**Non-listed companies**		
					1995-Present	- Director	Land & Houses Northeast Co., Ltd.
						- Director	Land & Houses North Co., Ltd.
						- Director	LH Muang Mai Co., Ltd.
					1993-Present	- Director	Siam Tanee Real Estate Co., Ltd.
					1990-Present	- Director	Siam Tanee Property Co., Ltd.
					1987-Present	- Director	Atlantic Real Estate Co., Ltd.
					1986-Present	- Director	LH Mall & Hotel Co., Ltd.
					2013-May 2023	- Director	Land and Houses Securities Plc.
					2005-2018	- Director	Phuket Future Plan Co., Ltd.
					2005-2017	- Director	Double Three Co., Ltd.
6. Mr. Adisorn Thananan-narapool - Director - Member of the Nomination and Remuneration Committee - Chairman of the Nomination and Remuneration Committee Directorship 20 years (Apr 9, 2003-Present)	69	**Education** - Stanford Executive Program (SEP), Graduate School of Business, Standford University - Master Degree of Business Administration (MBA), Thammasat University - Bachelor Degree of Accounting, Thammasat University **Training** Thai Institute of Directors Association (IOD) 2004 - Directors Certification Program (DCP) - Directors Accreditation Program (DAP) Other - Capital Market Academy (CMA 2)	None	1,101 shares (0.00001%)	**Listed companies**		
					Apr 2023-Present	- Chairman of the Nomination and Remuneration Committee	Quality Houses Plc.
					2003-Present	- Director	
					Mar2018-Apr2023	- Member of the Nomination and Remuneration Committee	
					2013-2021	- Director - Managing Director	Land and Houses Plc.
					Non-listed companies		
					2013-2021	- Director	Land and Houses U.S.A., Inc.
					2005-2021	- Director	L&H Property Co., Ltd.
					2004-2021	- Director	LH Asset Co., Ltd.
						- Director	LH Realestate Co., Ltd.
					2002-2021	- Director	Land and Houses Property Fund II
					2001-2021	- Director	LH Muang Mai Co., Ltd.
					1991-2021	- Director	LH Mall & Hotel Co., Ltd.

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
7. **Mrs. Suwanna Bhuddhaprasart** - Director - Chairman of the Sustainable Development and Corporate Governance Committee - Member of the Risk Management Committee Directorship 23 years (Jul 1, 2000-Present)	68	**Education** - Master Degree of Business Administration, (MBA), Chulalongkorn University - Bachelor Degree of Accounting, Chulalongkorn University **Training** Thai Institute of Directors Association (IOD) 2023 - Director Leadership Certification Program (DLCP 9/2023) 2011 - Financial Institutions Governance Program (FGP) 2007 - Directors Certification Program (DCP) 2004 - Directors Accreditation Program (DAP)	None	7,013,754 shares (0.06546%)	**Listed companies**		
					Dec 2023-Present	- Chairman of the Sustainable Development and Corporate	Quality Houses Plc.
					2011-Present	- Member of the Corporate Governance Committee	
					2000-Present	- Director	
					May2023-Dec 2023	- Chairman of the Sustainable Development Committee Chairman of the Corporate Governance Committee	
					2011-Dec 2023	- Member of the Corporate Governance Committee	
					Sep 2022-May2023	- Member of the Sustainable Development Committee	
					Feb 2022-Present	- Chairperson	Mandarin Hotel Plc.
					2018-Present	- Executive Director	
					2021-Feb 2022	- Vice Chairperson	
					2003-Present	- Director	Home Product Center Plc.
					Non-listed companies		
					Jun 2023-May 2024	- Consultant (contract 1 year)	Land and Houses Fund Management Co., Ltd.
					Mar 2021-May 2023	- Chairman of Executive Committee	
					Aug 2017-May2023	- Director	
					2017-Present	- Director	LH Mall & Hotel Co., Ltd.
					2016-Present	- Director	LH Mall & Hotel Co., Ltd.
						- Chief Executive Officer	
						- Director	L&H Retail Management Co., Ltd.
						- Director	Gusto Village Co., Ltd.
						- Director	Casa Ville (Rayong 2553) Co., Ltd.
						- Director	Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.
						- Director	Casa Ville (Petchburi 2553) Co., Ltd.
					2013-Present	- Director	Property Host Co., Ltd.
						- Director	Casa Ville (Chonburi 2554) Co., Ltd.

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
7. Mrs. Suwanna Bhuddhaprasart (Cont.)					**Non-listed companies**		
					2012-Present	- Director	Center Point Hospitality Co., Ltd.
						- Director	L&H Hotel Management Co., Ltd.
					2010-Present	- Director	Q. House Precast Co., Ltd.
					2008-Present	- Director	L&H Management Co., Ltd.
					2003-Present	- Director	Casa Ville Co., Ltd.
						- Director	Q.H. Management Co., Ltd.
					2000-Present	- Director	Q.H. International Co., Ltd.
						- Director	The Confidence Co., Ltd.
8. Mr. Achawin Asavabhokin - Director Directorship 6 years (Dec 26, 2017-Present)	48	**Education** - Bachelor Degree of Finance, University of Pennsylvania, U.S.A. - Bachelor Degree of Industrial engineering, University of Pennsylvania, U.S.A. **Training** Thai Institute of Directors Association (IOD) 2014 - Directors Certification Program (DCP) Others 2023 - Corporate Governance Training, Center of Global Best Practices - CFO'S Orientation Course, The Stock Exchange of Thailand - TLCA CFO Professional Development Program 2023, Thai Listed Company Association - TLCA CFO No. 6/2023 "What is the future of the CFO role?", Thai Listed Company Association 2022 - Fund Manager Refresher, Association of Investment Management Companies	None	-	**Listed companies**		
					2017-Present	- Director	Quality Houses Plc.
					2023-Present	- Chief Finance Officer	Land and Houses Plc.
					2018-Present	- Director	
					2014-Present	- Director	Home Product Center Plc.
					Non-listed company		
					2023-Present	- Director	LH Mall & Hotel Co., Ltd.
					2018-2023	- Senior Executive Vice President	SCB Asset Management Co., Ltd.
						- Chief Marketing Officer	
					2011-2018	- Executive Vice President, Product & Foreign Fixed Income Group	

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
9. **Mr. Chalerm Kiettitanabumroong** - Director - Chief Executive Officer - Chairman of the Risk Management Committee - Chairman of the Executive Committee Directorship 4 years (Feb 26, 2019-Present)	71	**Education** - Master Degree of Business Administration (MBA), Chulalongkorn University - Bachelor Degree of Civil Engineering, Chulalongkorn University **Training** Thai Institute of Directors Association (IOD) 2005 - Directors Certification Program (DCP) Class 54/2005 - Director Diploma Examination Class 16/2005	None	136,500 shares (0.0013%) (Held by spouse)	**Listed company**		
					2019-Present	- Director	Quality Houses Plc.
						- Chief Executive Officer	
						- Chairman of the Risk Management Committee	
						- Chairman of the Executive Committee	
					2017-Dec 2018	- Director	Land and Houses Plc.
						- Executive Director	
						- President (Operation)	
					2014-Dec 2018	- Risk Management and Sustainable Development Director	
					2013-Aug 2017	- Director	
						- Senior Executive Vice President & Chief Operation Officer	
					2011-Dec 2018	- Director	
					Non-listed companies		
					2005-Dec 2018	- Director	Phuket Future Plan Co., Ltd.
						- Director	Double Three Co., Ltd.
					2004-Dec 2018	- Director	LH Realestate Co., Ltd.
						- Director	LH Asset Co., Ltd.
					2001-Dec 2018	- Director	LH Muang Mai Co., Ltd.

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
10. Mr. Pravit Choatewattanaphun - Director - Managing Director - Member of the Risk Management Committee - Member of the Sustainable Development Committee Directorship 13 Years (Apr 20, 2010-Present)	66	**Education** - Master Degree of Business Administration (MBA), Thammasart University - Bachelor Degree of Civil Engineering, Chiang Mai University **Training** Thai Institute of Directors Association (IOD) 2016 - How to Develop Risk Management (HRP) 2011 - Directors Certification Program (DCP)	None	-	**Listed company**		
					2023-Present	- Member of the Sustainable Development and Corporate Governance Committee	Quality Houses Plc.
					2018-Present	- Managing Director	
					2016-Present	- Member of the Risk Management Committee	
					2010-Present	- Director	
					2016-2018	- Senior Executive Vice President	
					Non-listed companies		
					2016-Present	- Director	Gusto Village Co., Ltd.
						- Director	The Confidence Co., Ltd.
						- Director	Center Point Hospitality Co., Ltd.
						- Director	Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.
						- Director	Casa Ville (Rayong 2553) Co., Ltd.
						- Director	Casa Ville (Chonburi 2554) Co., Ltd.
					2011-Present	- Director	Property Host Co., Ltd.
					2010-Present	- Director	Q. House Precast Co., Ltd.
					2010-Present	- Director	Casa Ville (Petchburi 2553) Co., Ltd.
					2005-Present	- Director	Q.H. International Co., Ltd.
						- Director	Casa Ville Co., Ltd.
					2003-Present	- Director	Q.H. Management Co., Ltd.
11. Ms. Apinya Jarutrakulchai - Director - Member of the Risk Management Committee - Member of the Corporate Governance Committee - Member of the Sustainable Development Committee - Senior Executive Vice President - Company Secretary - CFO	61	**Education** - Master Degree of Business Administration (MBA), National Institute of Development Administration (NIDA) - Bachelor Degree of Business Administration, University of the Thai Chamber Commerce **Training** Thai Institute of Directors Association (IOD) 2016 - Directors Accreditation Program (DAP) - How to Develop Risk Management (HRP) Other - Fundamentals for Corporate Secretaries (FCS), TLCA - Strategic CFO in Capital Markets (Class of 1st), The Stock Exchange of Thailand (SET)	None	-	**Listed company**		
					2023-Present	- Member of the Sustainable Development and Corporate Governance Committee	Quality Houses Plc.
					10 Aug 2018-Present	- Director	
					1 Jun 2016-Present	- Company Secretary	
					1 May 2016-Present	- Senior Executive Vice President	
						- Chief Financial Officer	
					2015-Present	- Member of the Risk Management Committee	
					2022-2023	- Member of the Sustainable Development Committee	
					2015-2023	- Member of the Corporate Governance Committee	
					2015-2016	- Executive Vice President	

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
11. Ms. Apinya Jarutrakulchai (Cont.) Directorship 4 Years (Aug 10, 2018-Present)		Continuing Professional Development - TLCA CFO Professional Development Program 2023 • No.4/2023 "Green Assets: Opportunities for Sustainable Development" • No.6/2023 "What is the future of the CFO role?" • No.72023 "Economic Update for CFO (2nd)" - TLCA CFO Professional Development Program 2022 • No.2/2022 "Economic Update for CFO" • No.3/2022 "PDPA for Accounting and Finance" • No.6/2022 "Roles of CFO in the field of corporate sustainability" - TLCA CFO Professional Development Program 2021 • No.4/2021 "How finance leaders are adapting within the new normal" • No.6/2021 "ESG Integration in Sustainable Investing" • No.8/2021 "The modern CFO : Driving Digital Transformation of the Finance and Accounting"			**Non-listed companies**		
					Jul 2018-Present	- Director	Q.H.International Co., Ltd.
					2016-Present	- Director	Gusto Village Co., Ltd.
						- Director	The Confidence Co., Ltd.
						- Director	Center Point Hospitality Co., Ltd.
						- Director	Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.
						- Director	Casa Ville (Rayong 2553) Co., Ltd.
						- Director	Casa Ville (Chonburi 2554) Co., Ltd.
						- Director	Q.House Precast Co., Ltd.
						- Director	Casa Ville (Petchburi 2553) Co., Ltd.
						- Director	Casa Ville Co., Ltd.
						- Director	Q.H. Management Co., Ltd.

Remarks :

1. *No director or executive has a criminal record in the past 10 years in connection with:*
   1) *Being convicted of a criminal offense or in the process of being prosecuted for a criminal offense, except for an offense arising from a traffic violation, misdemeanor, or other offenses of similar nature.*
   2) *Being sentenced to bankruptcy or asset protection.*
   3) *Being an executive or controlling person in a company and partnership that has been sentenced to bankruptcy or asset protection.*
2. *The Company Secretary has performed the duties prescribed in Section 89/15 and Section 89/16 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008), which came into force on August 31, 2008, with responsibility, caution, and honesty, in accordance with the law, the Company's objectives, Articles of Association, the Board of Directors resolutions, as well as the resolutions of the shareholders' meeting. The legal duties of the Company Secretary are discussed in Section 7.6 Other Important Information Section 7.6.1 Company Secretary.*

1.2 Details of the executives

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
1. **Mr. Adisak Srisook** - Executive Vice President	58	**Education** - Bachelor of Engineering (Civil), King Mongkut's University of Technology Thonburi	None	33 shares (0.00000%)	2016-Present	- Executive Vice President	Quality Houses Plc.
					2013-2016	- Senior Vice President	
					2008-2013	- Vice President	
					2016-Present	- Director	The Confidence Co., Ltd.
						- Director	Casa Ville Co., Ltd.
						- Director	Casa Ville (Chonburi 2554) Co., Ltd.
						- Director	Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.
						- Director	Casa Ville (Petchburi 2553) Co., Ltd.
						- Director	Gusto Village Co., Ltd.
						- Director	Q.H. Management Co., Ltd.
						- Director	Casa Ville (Rayong 2553) Co., Ltd.
						- Director	Q. House Precast Co., Ltd.
2. **Mr. Sommart Promkunakorn** - Executive Vice President	56	**Education** - Bachelor of Engineering, Chiang Mai University - MBA, Chulalongkorn University	None	-	2015-Present	- Executive Vice President	Quality Houses Plc.
					2016-Present	- Director	The Confidence Co., Ltd.
					2014	- Senior Vice President, Residential Zone	
					2013	- Senior Vice President, Product Research and Development Department	
					2012-2013	- Vice President, Product Research and Development Department	
					2016-Present	- Director	Casa Ville Co., Ltd.
						- Director	Casa Ville (Chonburi 2554) Co., Ltd.
						- Director	Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.
						- Director	Casa Ville (Petchburi 2553) Co., Ltd.
						- Director	Gusto Village Co., Ltd.
						- Director	Casa Ville (Rayong 2553) Co., Ltd.
						- Director	Q.H. Management Co., Ltd.
					2014-Present	- Director	Q. House Precast Co., Ltd.

1.3 Detail of the person assigned to take direct responsibility for accounting supervision

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
1. Ms. Chuleeporn Moonsawat - Assistant Vice President, Finance and Accounting	43	**Education** - Bachelor of Accountancy, Payap University **2023** - Financial Statement Analysis - CPD (Accounting) 5 hours - 2024 Deferred Tax general principles Impact on the lease agreement Estimating liabilities, demolition and restoration - CPD (Accounting) 7 hours) - Complete information on taxes - CPD (Accounting) 6.3 hours - Thai Financial Reporting Standard for Non-Publicly Accountable Entities (Revised) - CPD (Accounting) 6.3 hours **2022** - Financial Statement Analysis - CPD (Accounting) 7 hours - Cash Flow - CPD (Accounting) 7 hours - Accounting Standard for Property, Plant and Equipment - CPD (Accounting) 6 hours - Income, Difference between accounting and tax - CPD (Accounting) 5 hours **2021** - Cash Flow - CPD 7 hours - Ethics and TFRS for NPAEs - CPD 7 hours - TFRS for NPAEs (Part 2) - CPD 7 hours	**None**	-	Apr 2021-Present	Assistant Vice President, Finance and Accounting Department	Quality Houses Plc
					Mar 2016-Feb 2021	Assistant Director of Accounting	Project Planning Service Plc.

2. Details of Directors and Executives in Subsidiaries, Joint Ventures and Related Companies

2.1 Positoning of Directors and Executives in Subsidiaries

The Board of Directors and Executives	Company	Subsidiaries											
	QH	QHI	CFD	CSV	QHI (BVI)	QHM	QHP	CVP	CVR	GT	CVC	PH	CVH	CPH
1. Mr. Boonsom Lerdhirunwong	X													
2. Mrs. Tipawan Chayutimanta	/													
3. Ms. Vilasna Poonpatpibul	/													
4. Assc. Prof. Dr. Narongdech Srukhosit	/													
5. Mr. Naporn Sunthornchitcharoen	/													
6. Mr. Adisorn Thananan-narapool	/													
7. Mr. Achawin Asavabhokin	/													
8. Mr. Anant Asavabokhin		/												
9. Mrs. Suwanna Bhuddhaprasart	/	/	/	/	/	/	/	/	/	/	/	/	/	/
10. Mr. Chalerm Kiettitanabumroong	//													
11. Mr. Pravit Choatewattanaphun	//	/	/	/	/	/	/	/	/	/	/	/	/	/
12. Ms. Apinya Jarutrakulchai	//	/	/	/	/	/	/	/	/	/	/		/	/
13. Mr. Adisak Srisook	///		/	/		/	/	/	/	/	/		/	
14. Mr. Sommart Promkunakorn	///		/	/		/	/	/	/	/	/		/	

Remark : X = Chairman / = Director // = Executive Director /// = Executive

QH = Quality Houses Plc.
QHI = Q.H.International Co., Ltd.
CFD = The Confidence Co., Ltd.
CSV = Casa Ville Co., Ltd.
QHI (BVI) = QH International (BVI) Co., Ltd.
QHM = Q.H. Management Co., Ltd.
QHP = Q.House Precast Co., Ltd.
CVP = Casa Ville (Petchburi 2553) Co., Ltd.
CVR = Casa Ville (Rayong 2553) Co., Ltd.
GT = Gusto Village Co., Ltd.
CVC = Casa Ville (Chonburi 2554) Co., Ltd.
PH = Property Host Co., Ltd.
CVH = Casa Ville (Prachuabkhirikhan 2554) Co., Ltd.
CPH = Center Point Hospitality Co., Ltd.

2.2 Positoning of Directors and Executives in Joint Ventures and Related Companies

The Board of Directors and Executive	Company	Associated Companies			Related Companies					
	QH	HMPRO	LH-Bank	LHFG	HVC	LHMH	LHM	LH	LHFUND	LHP
1. Mr. Boonsom Lerdhirunwong	X	/								
2. Mrs. Tipawan Chayutimanta	/									
3. Ms. Vilasna Poonpatpibul	/									
4. Assc. Prof. Dr. Narongdech Srukhosit	/									
5. Mr. Naporn Sunthornchitcharoen	/	/	/	/		/		//		
6. Mr. Adisorn Thananan-narapool	/									
7. Mr. Achawin Asavabhokin	/	/						//		
8. Mr. Anant Asavabokhin		X								
9. Mrs. Suwanna Bhuddhaprasart	/	/				//	/			/
10. Mr. Chalerm Kiettitanabumroong	//									
11. Mr. Pravit Choatewattanaphun	//									
12. Ms. Apinya Jarutrakulchai	//									
13. Mr. Adisak Srisook	///									
14. Mr. Sommart Promkunakorn	///									

Remark : X = Chairman / = Director // = Executive Director /// = Executive

HMPRO = Home Product Center Plc.
HVC = Harbour View Corporation
LHMH = LH Mall & Hotel Co., Ltd.
LH-Bank = Land and Houses Bank Plc.
LH = Land and Houses Plc.
LHP = L&H Property Co., Ltd.
LHFG = LH Financial Group Plc.
LHM = L&H Management Co., Ltd.
LHFUND = Land and Houses Fund Management Co., Ltd.

Attachment 2
Detail of the Directors of Subsidiaries

Company	Quality Houses Plc.	Subsidiaries
The Board of Directors and Executives		Casa Ville Co., Ltd.
1. Mr. Boonsom Lerdhirunwong	X	
2. Mrs. Tipawan Chayutimanta	/	
3. Ms. Vilasna Poonpatpibul	/	
4. Assoc. Prof. Dr. Narongdech Srukhosit	/	
5. Mr. Naporn Sunthornchitcharoen	/	
6. Mr. Adisorn Thananan-narapool	/	
7. Mr. Achawin Asavabhokin	/	
8. Mrs. Suwanna Bhuddhaprasart	/	/
9. Mr. Chalerm Kiettitanabumroong	//	
10. Mr. Pravit Choatewattanaphun	//	/
11. Ms. Apinya Jarutrakulchai	//	/
12. Mr. Adisak Srisook	///	/
13. Mr. Sommart Promkunakorn	///	/

Remark : 1. X = Chairman / = Director // = Executive Director /// = Executive

2. Subsidiary means any significant subsidiary with characteristics such as earning more than 10% of the total revenues in the consolidated Statement of comprehensive income for the year ended 31 December 2023

Attachment 3
Detail of the Heads of the Internal Audit

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
1. **Mrs. Suneerat Puntarikpan** - Senior Assistant Vice President and Acting Vice President of Internal Audit	58	**Education** - Bachelor Degree of Accounting, Ramkhamhaeng University **Training** **2023** - Economic Conditions and the Real Estate Industry in 2023 - Data Protection by Encrypting FILE EXTERNAL DRIVE - ESG Risk Management Framework Applicable to Thai Organizations - Strengthen Understanding of the Situation, Impacts, and Adaptation to Climate Change Measures (CLIMATE CHANGE) **2022** - Construction work and Quality Control - Marketing and Sales - Personal Data Protection Laws for internal auditing - Personal Data Protection Act and Intellectual Property Law	None	11,666 Shares (0.0001%)	2023 - Present	Senior Assistant Vice President and Acting Vice President of Internal Audit	Quality Houses Plc.
					2021 - 2023	Assistant Vice President and Acting Vice President of Internal Audit	
					2007 - 2021	Assistant Vice President	
					2005 - 2006	Internal Audit Specialist	
					2002 - 2005	Information Technology - Internal Audit	

Name - Position	Age (Years)	Education / Training	Family relationship with director and management	Shareholding (As at 31 Dec 2023)	Working Experience in the 5 preceding years		
					Period	Position	Company
1. **Mrs. Suneerat Puntarikpan** (cont.)		**2021** - Road to Certify with THAI CAC Topics: How to get CAC Acceptance and Special Discussion on the Role of Audit Committees in apply for certification. - Road to Certify with THAI CAC Topics CAC Certification Process and Special Discussion on Employment of Government Employees Conflict of Interest and the law to know. - Construction and Quality Control System - Advertising law by the Legal Department - Advertising law by Office of the consumer protection board (OCPB) **2020** - Training on how to assess the risks of the department according to Privacy Protection Act (PDPA) - Change Management - Privacy Protection Act, B.E. 2019 (PDPA)					

Attachment 4
Assets for Business Undertaking and Details of Asset Appraisal

Attachment 4 Asset for business undertaking and details of asset appraisal

Asset for business undertaking of the Company and its subsidiaries as of December 31, 2023 as follow :

1. Property, plant and equipment , Investment properties and Right-of-use assets

1.1 Hotel business

Project and Location	Project description	Project Area (Rai-Ngan-Sq.w.)	Net Book Value (Million Baht)	Owned by	Obligation
1. Centre Point Hotel Silom Charoenkrung Rd., Bangrak, BKK.	Residential buildings for rent 27-storey building Construction area 30,066 Sq.m. Rental area 13,933 Sq.m.	7-1-1	3	1 year lease, the remaining lease term is approximately 0.5 years	-
2. Centre Point Prime Hotel Pattaya Naklua, Bang Lamung, Chonburi[1/]	Residential buildings for rent 29-storey building Construction area 34,544 Sq.m. Rental area 15,611 Sq.m.	6-1-91	1,090	Subsidiary	-

Remark : [1/] On February 1, 2018, the Company's subsidiary transferred the asset class from land and project development costs to land, buildings and equipment due to the change in usage purpose from real estate sales business to hotel business.

1.2 Office Building for Rent Business

Project and Location	Project description	Project Area (Rai-Ngan-Sq.w.)	Net Book Value (Million Baht)	Owned by	Obligation
1. Q.House Sathorn South Sathorn Rd. BKK.	Office building for rent 20-storey building Construction area 27,829 Sq.m. Rental area 13,454 Sq.m.	2-3-56	21 (Investment property Baht 21 million)	Lease for 30 years, the remaining lease term is approximately 2 year.	-
2. Q.House Ploenjit [1/] Ploenchit Rd., Pathumwan, BKK.	Office building for rent 18-storey building Construction area 22,341 Sq.m. Rental area 10,880 Sq.m.	1-1-63	443 (Investment property) Baht 443 million)	Quality Houses	-

Remark : [1/] On December 8, 2006, the Company gave Right-of-use assets, buildings and lands and related equipment of Q House Ploenjit, Quality House Leasehold Property Fund for the period of 30 years.

1.3 Real estate for sales and other central business

Office equipment and appliances used in the operation of the house sale projects along with lands and other common areas in the Company and its subsidiaries had a net book value of Baht 342 million as of December 31, 2023.

2. Land and construction in progress and Land and project development costs

2.1 Land and construction in progress (As of December 31, 2023)

- **Land and Houses for sales**

Projects' Name	Sales Area (Rai-Ngan-Sq.w.)	Net Book Value (Million Baht)	Owned by	Obligation
1. Q.House Villa Nakorn Ping	1-0-16	51	QH	-
2. Prukpirom New Ratchaphruk	35-1-46	801	QH	-
3. Prukpirom Pinklao (1)	4-0-81	61	QH	-
4. Prukpirom Pinklao (Lake Zone)	0-1-94	3	QH	-
5. Laddarom Chatuchot 15	32-2-47	659	Subsidiary	-
6. Laddarom New Ratchaphruk	29-0-14	475	Subsidiary	-
7. Laddarom Phuttamonthon Sai 1-Bang Khae	11-3-47	312	QH	-
8. Laddarom Wong Wean-Ramintra	8-1-66	194	QH	-
9. Laddarom Tiwanon	4-3-2	180	QH	-
10. Laddarom Elegance City Hall	13-1-21	179	QH	-
11. Laddarom Elegance Outer Ring Road-Sathorn	1-3-25	53	QH	-
12. Vararom New Ratchaphruk	37-3-83	591	Subsidiary	-
13. Vararom Watcharapol-Permsin	29-0-25	530	QH	-
14. Vararom Suksawat 76	20-3-21	435	Subsidiary	-
15. Laddarom Phutta Monthon Sai 3	9-3-14	244	Subsidiary	-
16. Vararom Premium Kaewnawarat	26-3-85	199	QH	-
17. Vararom Premium Kawila	2-3-77	106	QH	-
18. Casa Premium Ratchaphruk-Chaengwattana	9-0-14	282	Subsidiary	-
19. Casa Premium Ratchaphruk-Phraram 5	2-2-1	91	Subsidiary	-
20. Casa Premium Phraram 2	0-2-76	30	Subsidiary	-
21. Casa Legend Phraram 5-Ratchaphruk	5-0-61	196	Subsidiary	-
22. Casa Legend Ban Bueng	1-1-62	42	Subsidiary	-
23. Casa Grand Sriracha	12-2-35	248	Subsidiary	-
24. Casa Grand Sukhaphiban 5	0-3-16	33	Subsidiary	-
25. Casa Grand On nut-Outer Ring Road	0-1-56	18	Subsidiary	-
26. Casa Presto Don Mueang-Song Prapha	9-1-71	289	QH	-
27. Casa Presto Pracha Uthit 90	9-3-63	213	Subsidiary	-
28. Casa Ville Wong Wean-Ramintra	36-2-11	486	Subsidiary	-
29. Casa Ville Pinklao-Wong Wean	22-1-33	325	QH	-
30. Casa Ville Wongwaen Chatu Chot	9-1-33	227	QH	-

Projects' Name	Sales Area (Rai-Ngan-Sq.w.)	Net Book Value (Million Baht)	Owned by	Obligation
31. Casa Ville Ramkamhaeng-Outer Ring Road 2	6-3-38	155	QH	-
32. Casa Ville Ban Bueng	13-2-28	155	Subsidiary	-
33. Casa Ville Pinklao- Sirat	1-1-81	42	Subsidiary	-
34. Casa Ville Pracha Uthit 90	0-2-53	23	Subsidiary	-
35. Casa Ville Rayong	0-0-50	2	Subsidiary	-
36. Casa Ville Don Mueang - Song Prapha	0-3-100	0	QH	-
37. Casa Waterside Phraram 5	1-3-14	80	Subsidiary	-
38. Q Prime Sukhumvit 77	8-1-33	498	QH	-
39. Q District @MRT Yaek Romklao	44-2-20	758	Subsidiary	-
40. Q District Chaiyaphruk - Ratchaphruk	21-3-8	426	QH	-
41. Q District Suksawat 78	20-2-30	366	Subsidiary	-
42. Q District Bangna-King Kaew	13-1-41	345	QH	-
43. Q District West Gate	11-1-94	341	QH	-
44. Q District Suksawat 76	15-2-85	315	QH	-
45. Q District Suksawat-Wongwaen Phraram 3	0-2-15	16	QH	-
46. Casa City Ratchaphruk-Phraram 5	7-2-53	261	Subsidiary	-
47. Casa City Sukhumvit-Samut Prakan	6-0-57	260	Subsidiary	-
48. Casa City Watcharapol Permsin 2	9-2-18	240	QH	-
49. Casa City Phraram 5 - Pinklao	3-3-58	145	QH	-
50. Casa City Ramkamhaeng-Misteen	2-3-24	114	QH	-
51. Casa City Don Mueang - Song Prapha	3-0-75	110	QH	-
52. Casa City King Kaew-Suvarnabhumi	1-2 46	75	QH	-
53. Casa City Don Mueang - Si Saman	1-0-19	44	Subsidiary	-
54. Casa City Pracha Uthit 90	0-0-27	6	Subsidiary	-
55. The Trust Suvarnbhumi-Teparak	0-1-25	10	Subsidiary	-
56. Gusto Petkasem 69 - Kanjanapisek	4-0-69	157	QH	-
57. Gusto King Kaew-Suvarnabhumi	4-0-1	133	Subsidiary	-
58. Gusto Suksawat - Pracha Uthit	6-1-65	132	QH	-
59. Gusto Wongwean-Phraram 5	0-0-64	8	Subsidiary	-
60. Purchased House	0-2-64	17	QH	-
61. Purchased House	1-0-12	45	Subsidiary	-

- **Residential condominium units for sales**

Projects' Name	Project description	Sales Area (Sq.m.)	Net Book Value (Million Baht)	Owned by	Obligation
1. Q Condo Sukhumvit	40-storey building Area 3-1-70 Rai, 273 rooms	34,170	4,491	QH	-
2. Q Seaside Hua Hin	1 building of 7-storey building 6 buildings of 4-storey building And villa 2 Unit Area 7-1-20 Rai, 207 rooms	11,308	786	Subsidiary	-
3. Casa Condo Sriracha A	8-storey building Area 1-0-49 Rai, 49 rooms	2,450	63	Subsidiary	-
4. Casa Condo Sriracha B	8-storey building Area 1-1-88 Rai, 49 rooms	2,450	96	Subsidiary	-
5. Casa Condo Sriracha C	8-storey building Area 1-1-80 Rai, 42 rooms	2,333	42	Subsidiary	-
6. Casa Condo @MRT T-Junction Bangyai	39-storey building Area 3-1-12 Rai, 847 rooms	22,721	355	Subsidiary	-
7. Casa Condo @ CMU 2	3 buildings of 4-storey building Area 1-2-7 Rai, 67 rooms	2,023	2	Subsidiary	-
8. CASA Condo Chang Puak	2 buildings of 8-storey building Area 3-0-3 Rai, 280 rooms	10,813	7	QH	-
9. The Trust Condo at BTS Erawan	30-storey building Area 7-2-84 Rai, 1,570 rooms	44,690	987	Subsidiary	-
10. The Trust Condo Amata - Chonburi	3 buildings of 8-storey building Area 5-0-4 Rai, 518 rooms	14,713	179	Subsidiary	-
11. The Trust Condo Ngamwongwan	32-storey building Area 4-3-59 Rai, 1,280 rooms	37,711	71	Subsidiary	-
12. The Trust Condo Nakornpathom	2 buildings of 8-storey building Area 5-2-43 Rai, 405 rooms	11,628	41	Subsidiary	-
13. The Trust Condo Hua Hin	4 buildings of 7-storey building Area 8-3-48 Rai, 671 rooms	24,685	29	Subsidiary	-
14. The Point Condo Laem Chabang	4 buildings of 8-storey building Area 5-1-77 Rai, 683 rooms	18,100	222	Subsidiary	-
15. The Point Condo Rangsit-Klong 6	2 buildings of 8-storey building Area 7-0-32 Rai, 821 rooms	21,624	109	Subsidiary	-

2.2 Land and project development costs (As of December 31, 2023)

- **Land and Houses for sales**

Projects' Name	Project Area (Rai-Ngan-Sq.w.)	Net Book Value (Million Baht)	Owned by	Obligation
1. Q Ultra Cha-Am	4-0-84	20	Subsidiary	-
2. Laddarom Phuttamonthon Sai 3	97-3-87.7	635	QH	-
3. Laddarom Wong Wean - Ramintra 2	66-3-38.1	469	Subsidiary	-
4. Vararom Ratchaphruk - Rattanathibet	26-1-22	216	QH	-
5. Casa Ville Teparak - Thanasit	125-2-7.8	629	QH	-
6. Casa Ville New Ratchaphruk	74-1-2	649	Subsidiary	-
7. Casa Ville Teparak - Thanasit 2	37-1-46.2	150	Subsidiary	-
8. Casa Seaside Pranburi	74-0-20	282	Subsidiary	-
9. Q District Ratchaphruk 346	68-1-52	421	Subsidiary	-
10. Q District Ratchaphruk - Rattanathibet	35-2-3	357	QH	-
11. Q District Tiwanon - Rangsit	32-2-48.5	253	Subsidiary	-
12. Casa City Wong Wean Ramintra	10-0-63	126	QH	-
13. Casa City Prapratom Jedie	13-2-57	114	Subsidiary	-
14. Casa City Watcharapol-Permsin (Commercial Building)	4-0-22.3	111	QH	-
15. The Trust Ville Rangsit Khlong 6	91-2-74	275	Subsidiary	-
16. Gusto Suksawat 78	8-0-33	37	QH	-
17. Vacant land, Mae Rim District	5-0-97	13	QH	-

- **Residential condominium units for sales**

Projects' Name	Project description	Sales Area (Sq.m.)	Net Book Value (Million Baht)	Owned by	Obligation
1. Q House Condo Klangwieng Chiangrai	NA	NA	36	QH	-
2. Casa Condo Kanchanaphisek Chan Thong - Iam	NA	NA	383	Subsidiary	-
3. Casa Condo Bangyai B	NA	NA	230	Subsidiary	-
4. Casa Condo @CMU 3	NA	NA	31	QH	-
5. The Trust Condo Rattanathibet	NA	NA	303	Subsidiary	-
6. The Trust Condo Samut Prakan phase 2	NA	NA	303	Subsidiary	-
7. The Trust Condo Samut Prakan 2	NA	NA	204	Subsidiary	-
8. The Trust Condo Nakornpathom 2	NA	NA	73	Subsidiary	-
9. The Trust Condo Dolphin Bay	NA	NA	33	Subsidiary	-
10. Group Casa Condo Sriracha Club	NA	NA	33	Subsidiary	-

3. Leasehold rights

3.1 Short-term lease of the hotel

1. Centre Point Hotel Silom

Contract Date	July 19, 2023
Contract Parties	Between Rajapark Development Co., Ltd. (Lessor) and Quality Houses Plc. (Lessee)
Lease Description	Lease agreement for partial of the building located at 1522 Charoenkrung Road, divided into 1st floor and 6th to 27th floors
Contract Period	1 year, since July 20, 2023.
Remaining Rental Period (As of December 31, 2023)	6 months 19 days
Duties or Obligations of the Company under the Contract	- The lessor leases partial of the building located at 1522 Charoenkrung Road to the Company to operate a room rental business with lease rate as prescribed in the agreement. - The Company must insure the subleased property against fire with an insurance company approved by Rajapark Development Company Limited and insured amount and conditions as prescribed in the agreement. - The Company must take care of and maintain the subleased property and is responsible for the maintenance expenses. - When the sublease period expires or the agreement terminates, the Company must hand over the subleased property back to the lessor in good conditions free from any obligations. - Should the Company wish to continue leasing the property after the end of the lease period, the Company must notify the lessor of its intention in writing at least 30 (thirty) days prior to the end of the lease period.

2. Centre Point Hotel Pratunam, Centre Point Hotel Sukhumvit 10 and Centre Point Hotel Chidlom

Contract Date	July 19 , 2012
Contract Parties	Between Quality Houses Hotel and Residence Freehold and Leasehold Property Fund (Lessor) and Center Point Hospitality Co., Ltd. (Lessee) (Subsidiary)
Lease Description	Lease and sublease contracts for 3 hotels with details as follows: - **Center Point Pratunam Hotel** is a 28-storey hotel building including fixtures, furniture, systems and various equipment on the area of 1 Rai, 2 Ngan, and 25 sq.w., located at 6 Soi Somprasong 3, Petchaburi Road, PhayaThai Subdistrict, Ratchathewi District, Bangkok - **Center Point Sukhumvit 10 hotel** is a hotel and residential buildings for rent consisting of 2 buildings, with 28-storey and 5-storey respectively, as well as fixtures, furniture, systems and various equipment on the area of 2 Rai, 2 Ngan, 32 sq.w., located at 39 Soi Sukhumvit 10, Klongtoey Subdistrict, Khlong Toei District, Bangkok

	- **Centre Point Chidlom Hotel** is a 24-storey hotel building with fixtures, furniture, systems and various equipment on the area of 1 Rai, 34 sq.w., located at 60 Soi Tonson (Langsuan Road, Soi 1), Lumpini Subdistrict, Pathum Wan District, Bangkok
Contract Period	3 years according to the contract renewal, since July 20, 2021 to July 19 , 2024.
Remaining Rental Period (As of December 31, 2023)	6 months 19 days
Duties or Obligations of the Company under the Contract	- The lessee is responsible for the maintenance, repair, or any action on the leased and subleased properties, as necessary, in order for the leased property and subleased property to function as a hotel and serviced apartment. Such expenses are be considered as part of the operating expenses of the budget approved by QHHR or as set out in this lease and sublease agreement. - Throughout the lease period, the lessee agrees to process, prepare and deliver documents to QHHR within the specified time such as monthly/quarterly/annual income statements. In the event that QHHR is sued and is demanded liability or payment of any amount due to the discrepancies in tenant information provided and submitted to QHHR, the lessee shall release such liability without delay. - The lessee agrees to submit an operating budget. and the project's annual capital expenditure budget to QHHR within the deadline set out in the lease and sublease agreements. - The lessee agrees not to incur any debt or obligations except debt or obligations arising from or for the purpose of the lease or sublease. The lessee also agrees to maintain the debt to equity ratio of the lessee at a rate not exceeding 2 to 1, calculating only the debt which is a loan from a financial institution, excluding loans from shareholders. - The lessee shall not incur any obligations over the leased and subleased property. - The lessee agrees to provide and maintain various licenses important to the operation of hotel and service apartments for the duration of this contract.

3.2 Long-term leasehold rights agreement of office building for rent.

Q. House Sathorn

Contract Date	August 25, 1992
Contract Parties	Between Thammabundit Co., Ltd. (Lessor) and Quality Houses Plc. (Lessee)
Lease Description	Land lease agreement with an area of 2 Rai 3 Ngan 56 sq.w. Located on South Sathorn Road, Sathorn, Bangkok. Lease agreements for buildings on such land
Contract Period	28 years from January 1, 1994, and can be renewed for another 2 years in the event that the Company wishes to extend the lease for a total contract period of 30 years. Renew the agreement for an additional 2 years from January 1, 2024 to December 31, 2025.
Remaining Rental Period (As of December 31, 2023)	2 years
Duties or Obligations of the Company under the Contract	- The Company leases the land with the aim of constructing high-rise buildings for rent and service. The Company will construct buildings and structures on the leased land. The ownership of the buildings and structures will be held by the lessor, while the ownership of the systems, tools, and equipment will be held by the Company and will be transferred to the lessor when the lease expires. - The lessor allows the Company to lease the buildings along with the structures and allows the Company to sublease the properties to other persons. - The Company pays the rent for the land and buildings and a security deposit against damages according to the conditions specified in the contract - The Company may sublease the leased property to another person under the duties and obligations of this contract. - The Company can use leasehold rights under this contract as collateral for loan application with the financial institutions for spending on building construction in this project. - The Company shall maintain the leased buildings throughout the lease period at the expense of the Company throughout the life of the agreement, the Company must obtain insurance per the conditions prescribed in the agreement. - Objective for renewing the agreement is to give tenants in the building time to find new rental space and to move assets out completely by 2025 so that the Company can return the properties to the landowner as specified in the memorandum of understanding.

4. Guarantee burden (As of December 31, 2023)

None

5. Investment policy in subsidiaries and associated companies

The Company has a policy of investing in subsidiaries and associated companies in the businesses that promote and are related to the company's core business operations, taking into account the appropriate rate of return depending on the type of each business. For the management policy, the Company will give the subsidiaries and associated companies the freedom to operate the business, with the interests of shareholders as the main priority. In addition, the Company will consider sending representatives, including a number of agents to join the management of the subsidiaries and to be a director in the associated companies as appropriate on a case-by-case basis.

In this regard, the Company can summarize its investments in subsidiaries and associates of the Company as of December 31, 2023 as follows:

- **investments in subsidiaries (Direct investment company)**

Company's name	Nature of business	Shareholding (%)	Cost (Million Baht)
Q.H. International Co., Ltd.	Managing of building	100	25
Casa Ville Co., Ltd.	Real estate development	100	3,000
Q.H. Management Co., Ltd. (19% held throug The Confidence Co., Ltd.)	Managing of public utilities of real estate business and land owner (does not conduct any businesses, as the business of infrastructure management and after sales service has been transferred to the Company and its subsidiaries)	81	89
Property Host Co., Ltd.	Lease of land	100	5
Centre Point Hospitality Co., Ltd.	Hotel operations	100	5

- **investments in subsidiaries (The company invests through a subsidiaries)**

Company's name	Nature of business	Shareholding (%)	Cost (Million Baht)
The Confidence Co., Ltd. (100% held through Casa Ville Co., Ltd.)	Real estate development	100	1,000
Casa Ville (Rayong 2553) Co., Ltd. (100% held through Casa Ville Co., Ltd.)	Real estate development	100	5
Casa Ville (Petchburi 2553) Co., Ltd. (100% held through Casa Ville Co., Ltd.)	Real estate development	100	5
Q. House Precast Co., Ltd. (100% held through Casa Ville Co., Ltd.)	Manufacture and distribution of precast concrete	100	5
Q.H. International (BVI) Co., Ltd. (100% held through Q.H. International Co., Ltd.)	Holding company	100	31
Gusto Village Co., Ltd. (100% held through Casa Ville Co., Ltd.)	Real estate development	100	500
Casa Ville (Chonburi 2554) Co., Ltd. (100% held through Casa Ville Co., Ltd.)	Real estate development and hotel operations	100	3,005
Casa Ville (Prachuabkhirikhan 2554) Co., Ltd. (100% held through Casa Ville Co., Ltd.)	Real estate development	100	5

- **Investments in associates**

Company's name	Nature of business	Shareholding (%)	Cost (Million Baht)	Carrying amounts based on equity method (Million Baht)
Home Product Center Plc.	Trading	19.87	760	5,295
LH Financial Group Plc.	Holding company	13.74	2,850	4,940
Quality Houses Leasehold Property Fund	Invest in real estate in the type of office building for rent	25.66	2,017	1,115
Quality Houses Hotel and Residence Freehold and Leasehold Property Fund	Invest in real estate in the type of hotels and serviced apartments	31.33	1,053	345

For investments in other companies with losses, including Harbour View Corporation, the Company has a policy to provide financial assistance in the form of loans and/or guarantees according to the Company's shareholding proportion, as well as to closely monitor and supervise the operations.

Attachment 5
Corporate Governance Policy and Code of Conduct

Corporate Governance Policy and Code of Conduct full version that the Company has prepared has disclosed details on the Company's website www.qh.co.th

Attachment 6
Report of the Audit Committee

Details of the results of duty performance of the Audit Committee are reported in page 7

Quality Houses Public Company Limited

Floor 7, Q House Lumpini Building, No. 1, South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120
Tel : 0-2343-8888, 0-2677-7000 www.qh.co.th