



Annual Report 2022 (Form 56-1 One Report)

Land and Houses Public Company Limited

For a Better Living
แลนด์ แอนด์ เฮ้าส์
เพื่อความเป็นอยู่ที่ดีขึ้น



Contents

Financial Highlights	05
Report of the Board of Directors	06
Report of the Audit Committee	08
Report of the Risk Management and Sustainability Development Committee	10
Report of the Nomination and Compensation Committee	11

Section 1 Business Operations and Performance

01 Structure and Operations of the Group Companies	14
02 Risk Management	41
03 Driving Business for Sustainability	45
04 Management Discussion and Analysis	85
05 General Information and Other Important Information	99

Section 2 Corporate Governance

06 Corporate Governance Policy	102
07 Corporate Governance Structure and Important Information about the Committee and others	114
08 Report on Key Performance in Corporate Governance	121
09 Internal Control and Connected Transactions	130

Section 3 Financial Statement

10 Accountability Report of the Board of Directors for Financial Reporting	138
11 Independent Auditor's Report	139
12 Financial Statements	142
13 Notes of Consolidated Financial Statements	152

Attachment

Attachment 1 Board of Directors and Executives	232
---	-----

Attachment 2 Detail of Management positions in the Company, Subsidiaries, Associated and Related Companies.	240
--	-----

Changes in Shareholding Position of Directors and Executives in 2022	241
---	-----

Attachment 3 Detail of Head of Internal Audit	242
--	-----

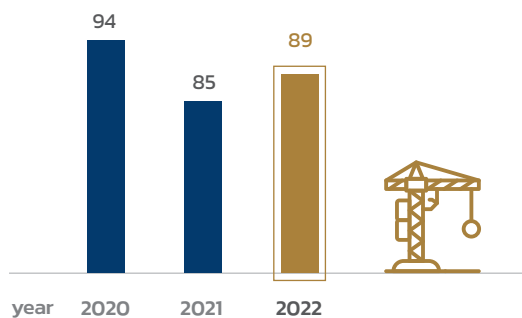
Attachment 4 Land Use for Operating Projects	243
---	-----

Awards of Pride	246
-----------------	-----



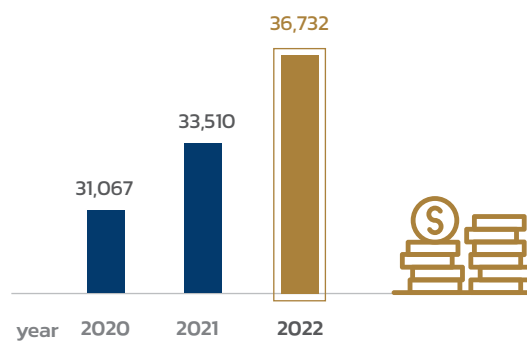
Financial Highlights

No. of Projects operating during the year



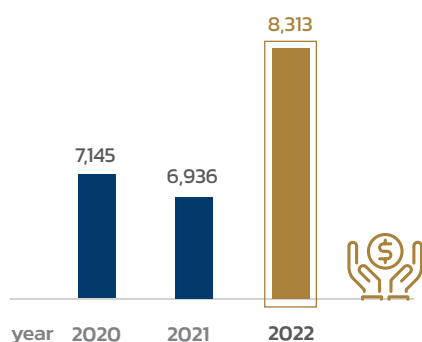
Total Revenue

(MB)

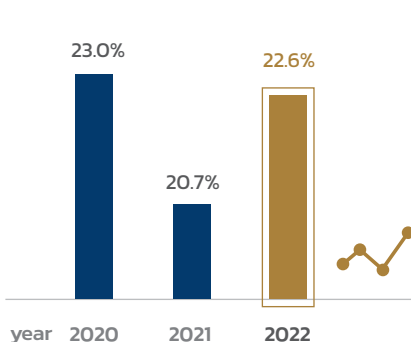


Net Profit

(MB)

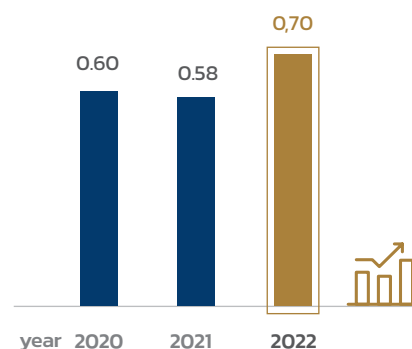


Return on Total Revenues (%)



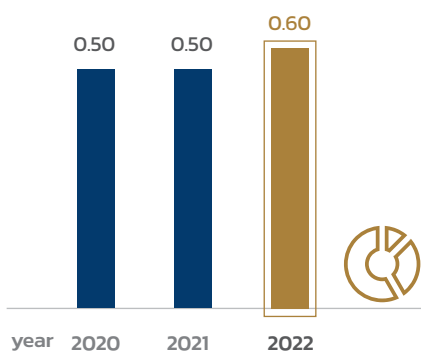
Earnings per share

(Baht)



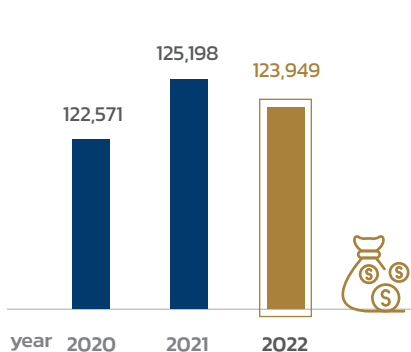
Dividend per share

(Baht)



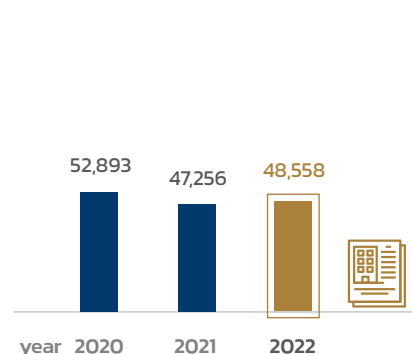
Total Assets

(MB)



Inventories

(MB)



Report of the Board of Directors

Dear Shareholders,

In 2022 the ongoing Covid-19 pandemic continued to ravage Thailand and countries across the globe. The Thai economy was under pressure from several factors, such as inflation and high household debts. The rising inflation resulted in soaring commodity prices and interest rates. However, the Covid-19 situation abated in the second half of the year, and the world saw a lower mortality rate thanks to widespread vaccination coverage in several countries. Thailand then began to relax conditions on economic activities and travel restrictions while reopening the country to welcome tourists. As a result, the number of visiting tourists reached 11 million. Both the recovery of economic activities and the tourism sector contributed to the improved Thai economy. In 2022, property developers started to launch new projects for the housing market; therefore, the number of new units for sale this year eclipsed that of last year by some 70%.

Regarding its operations in 2022, Land and Houses launched 15 new projects with a total value of 32,460 million Baht, all of which were low-rise units. As for the rental and service business overview, these businesses relied on domestic tourists in the first half of 2022. In the second half, the marked rise in foreign tourists proved a key business driver. Thanks to this group, the performance of hotels, apartments, and shopping malls in Thailand and the United States sharply improved.

Conducting business with a strong commitment to the residents' decent quality of life, Land and Houses has been developing new projects to create a better living to meet consumers' dynamic lifestyles. In 2022 its growing performance came from three core businesses. 1) Real-estate business. The Company enjoyed 30,244 million-Baht pre-sales from the residential business, a 6% rise from 2021. Single-detached houses accounted for 84%, townhouses 8%, and condominiums 8%. The Company recognized revenue from the residential unit transfer of 30,752 million Baht, a 1% increase from 2021, comprising single-detached houses at 77%, townhouses at 10%, and condominiums at 13%. 2) Recurring income from rentals and services of shopping centers, hotels, and apartments for rent, generating income of 4,845 million Baht, an increase of 168% from 2021. 3) Investment business. The realized profit sharing from investments in associated companies generated 2,911 million Baht, a 25% rise from 2021.

Below are the Company and its subsidiaries' other significant transactions during the year:

- Three series of bond issuance with a total value of 13,700 million Baht
 - No.1/2022 (1st tranche) worth 2,000 million Baht, with maturity of 2 years and a discount rate of 1.73% p.a.
 - No.1/2022 (2nd tranche) worth 4,700 million Baht, with maturity of 2 years 11 months 30 days and a fixed coupon rate of 2.26% p.a.
 - No.2/2022 (1st tranche) worth 1,600 million Baht, with maturity of 2 years 6 months 13 days and a fixed coupon rate of 3.00% p.a.
 - No.2/2022 (2nd tranche) worth 4,250 million Baht, with maturity of 2 years 11 months 28 days and a fixed coupon rate of 3.25% p.a.
 - No.3/2022 worth 1,150 million Baht, with maturity of 1 year 11 months 22 days and a discount rate of 2.66% p.a.
- The Company paid interim dividend at 0.25 Baht per share for its performance of the first six months. The Board of Directors' meeting on February 27, 2023, approved the dividend payment for the second half of 2022 at 0.35 Baht per share.

Taking "differentiation" and "sustainability" very seriously, Land and Houses built brand equity for customer recognition. Furthermore, it aimed to deliver sustainable value to all stakeholders from activities along the business value chain, from project commencement to the handover of high-quality houses to customers. The Company started with research and development, innovation, application of technology, design, material selection, construction, and services to obtain quality products and services that cater to consumers' prevailing needs.

Additionally, the Company's business is underpinned by different aspects of sustainable development, such as the environment, society, and governance. During the year, sustainability policies and guidelines have been implemented in various dimensions as follows:

In terms of the **environment**, it formulated a policy to ensure that business operations take environmental impacts into consideration. Focusing on optimal resource and energy consumption,

the Company improved processes to become environmentally friendly and minimize adverse consequences, including controlling pollution, garbage, and waste. It also consumes water and energy efficiently while abiding by environmental regulations.

Furthermore, Land and Houses' business conduct complies with national and international policies and goals on climate change and greenhouse gas (GHG) reduction. It raises awareness and understanding of climate change among employees and applicable stakeholders. In 2022 the Company initiated the disclosure of its climate change-related activities and corporate GHG emission reports, leading to identification of measures or management guidelines to lower GHG emissions. Aiming to become a low-carbon organization, Land and Houses put great efforts into securing ISO14064-1 accreditation. It is currently in process of applying to the Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) for certification. The Company expects to earn a TGO certificate by May 2023.

In the **social** aspect, the Company constantly takes care of employees' safety, occupational health, and work environment. It also engages with communities and society to overcome crises, such as establishing an LH Covid-19 CENTER taskforce to safeguard the employees' and their families' health. Throughout these years, it initiated multiple projects to alleviate the impact of Covid-19 on construction workers. Furthermore, it organized activities to support public-service organizations. For example, the #THINK Project made cloth shopping bags to sell to visiting customers and staff. All proceeds from the sales, with no expenses deducted, went to needy patients at Siriraj Hospital. The Company also launched projects to help the underprivileged, the disadvantaged, and those experiencing social hardship. It donates to various charitable organizations and offers educational scholarships to children of operational-level employees every year.

Regarding **governance**, Land and Houses adheres to the code of good governance: integrity, transparency, independence, social and job responsibility, and fairness. In 2022 it prepared to join the CAC anti-corruption network in compliance with the Board of Directors' resolution. In March 2023, it has recently

announced the intention to join the CAC and implemented related policies and measures to fight corruption.

In 2022 the Company garnered three awards, which confirmed its success in various fields. **The BCI Asia Top 10 Developers Award 2022** was a prestigious award given to environmentally conscious real-estate developers that are influential in construction industry development for three projects: Mantana Ratchaphruek-Nakhon In Project, Chaiyaphruek Bangna Km.15 Project, and Prueklada Ratchaphruek-345. **Plaque of Honor for Pollution Source Control that Passes the Wastewater Management Assessment Criteria (Gold Level)** was given to companies that best complied with environmental laws (Gold Level) in fiscal year 2022. Our two projects receiving this award were Mantana Srinakarin-Bangna Project and Mantana 2 Bangna km.7 Project. **The Credence Award** from TerraBKK was given to the Company as a brand that best set a quality standard and fulfilled customers' dreams.

On behalf of the Board of Directors and management, I would like to express my sincere appreciation to all shareholders and stakeholders for your trust and continued support. Land and Houses will strive to become a leading real-estate developer in Thailand, adhering to the "For A Better Living" concept to gain customers' trust and acceptance. The Company will drive sustainable business under good governance and social and environmental responsibility while valuing all stakeholders, whether employees, customers, partners, shareholders, financial institutions, communities, society, or government agencies. It aims to make a difference and foster sustainability for businesses and organizations. This will eventually establish brand equity that stays at the top of all stakeholders' minds.

Sincerely yours,



Mr. Naporn Sunthornchitcharoen
Chairman of the Board of Directors

Report of the Audit Committee

Dear Shareholders,

Land and Houses Plc's Audit Committee is made up of three independent directors that are qualified and experienced in the fields of finance and accounting, law, and management. All are qualified by the rules defined by SEC and the Capital Market Supervisory Board, and none is an executive or employee of the Company. The list and attendance of the committee of 2022 appear below.

Name	Position	Attendance / total meetings
Mr. Pakhawat Kovithvathanaphong	Chairman	6 / 6
Mr. Piphob Veraphong	Member	6 / 6
Mr. Bundit Pitaksit	Member	6 / 6

In assisting the Board of Directors' supervision of corporate governance, the committee executed its Board-assigned duties under company regulations in compliance with the Audit Committee Charter by leveraging due competency, prudence, and freedom in the best interests of the stakeholders. The committee regularly reported its performance and advice for the Board's acknowledgment. This year it held a total of six meetings with the external auditor, Internal Audit and System Development, and management. Below are highlights of its performance this year.

1. Review of quarterly and annual financial statements

The committee reviewed the Company's quarterly and annual financial statements with the external auditor, Internal Audit and System Development department, and management every quarter to discuss the integrity of the statements, the external auditor's opinions, suitability of account recording, information disclosure that were factual, complete, and adequate, and the external auditor's freedom to ensure that the preparation of financial statements complied with legal requirements and generally accepted accounting principles.

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

2. Review of the internal-control system and review of Internal Audit and System Development's departmental plans

The committee consistently reviewed and monitored internal-control and internal-audit systems by assigning the external auditor and Internal Audit and System Development to report their findings every quarter for sufficient management. It also reviewed and approved the annual plans of Internal Audit and System Development.

The committee acknowledged the findings presented by Internal Audit and System Development throughout the year, on which it commented and provided guidance for resolutions for management's corrective actions. It also presented deficiencies to the Board so that management could learn and jointly identify problem resolutions. This year, however, the committee detected no significant deficiency in internal control, a view reflected by the external auditor. The committee also approved the 2023 departmental plans of Internal Audit and System Development.

3. Review of risk management system adequacy

The committee and the Risk Management and Sustainable Development Committee reviewed risk management, plans, and guidelines for risk management against the principle defined in the Risk Management Policy to ease potential impacts on the Company to its risk appetite. It was the committee's view that the Company commanded a suitable and adequate risk management system for its business circumstances.

4. Review of compliance with applicable business laws

The committee provided oversight of the Company's compliance with laws and requirements of SET, SEC, and applicable business laws by assigning Internal Audit and System Development to report laws, regulations, and intelligence issued by related agencies and to review and monitor key litigation involving Land and Houses Plc every quarter. This year, however, the committee detected no significant incident where the Company had breached the law or regulations on its business, thus ensuring that the Company had engaged in no significant non-compliance with business laws.

5. Selection of the external auditor and consideration of audit fees

On the Company's selection of the external auditor together with their audit fees, the committee reviewed performance of past years, competency, freedom, and suitable compensation. This year it tabled for the Board's consideration EY Office Co., Ltd. for its external audit. The 2022 AGM duly approved this recommendation.

6. Review of related-party transactions or transactions with potential conflicts of interest

The committee supervised the Company's compliance with applicable public notifications and regulations on engagement in transactions or any perceived acquisition or disposal of assets or transactions of related parties under the requirements of SET and SEC. It also supervised the Company's complete and adequate disclosure of transaction engagement with related parties. This year the Company disclosed complete details about its connected transactions with parties or companies with potential conflicts of interest and commented that all Land and Houses Plc's related-party transactions were regular commercial transactions conducted at arm's length.

7. Significance of corporate governance

Urging the Company to value the application of the corporate governance code and best practices, the committee relentlessly advocated corporate governance practices under the CG Code. This year it assigned management to assess and summarize the Company's non-compliance items with the CGR requirements for the Board's consideration. The Board duly reviewed these items and approved amendment to some of the Company's current practices for better alignment. As for the remaining items, management is to take them up for future consideration.

8. Conducting a self-assessment of the Audit Committee

The committee conducted self-assessment to review integrity under the defined scope of its own charter and apply assessment findings to future performance improvement. This year the committee conducted self-assessment at its meeting No. 5/2022 on December 22. The assessment yielded an "Excellent" grade.

9. Meeting of the independent directors in the absence of management

On December 15, 2022, the committee held a meeting with the external auditor in the absence of the Executive Committee and management to gather information about the external auditor's work conditions, share views, acknowledge observations and key advice, and acknowledge a revised accounting standard. These will be tabled for the Board's consideration and review.

In summary, the Audit Committee exercised due competency and prudence in the best interests of all stakeholders and concurred that the Company had indeed valued shareholders' and all sectors' interests. The Company managed to comply with the Corporate Governance Policy. Finally, the Audit Committee detected no significant deficiency in Land and Houses Plc's operations.

Yours sincerely,



Mr. Pakhawat Kovithvathanaphong
Chairman of the Audit Committee

February 27, 2023

Report of the Risk Management and Sustainability Development Committee

Dear Shareholders,

Land and Houses Public Company Limited emphasized the importance of the enterprise risk management along with sustainability development under the supervision of the Risk and Sustainability Development Committee. In 2022, the Committee held two meetings, with all members attending all meetings. In addition, in some agendas, the executive management was also invited to attend the meeting as deemed appropriate. The significant tasks performed during the year could be summarized as follows:

1. Monitored on a regular basis on key risk factors covering all four areas including 1) Strategic Risk 2) Operational Risk 3) Financial Risk and 4) Compliance Risk by holding a meeting with the Audit Committee, as defined in the Company's Risk Management Plan, to exchange views and provide essential recommendations, enabling the Company to develop its risk management sustainably and efficiently in line with and suitable for its business operations.

2. Monitored and supervised the implementation of the sustainable development of the organization with a focus on sustainability key issues. Set sustainability management policies and goals covering Environment, Social & Governance Dimensions (ESG) to create sustainability development of the Company in accordance with the sustainable development guidelines of relevant regulatory bodies and in line with material sustainability issues of the Company. To this end, the Company emphasized on reducing the use of resources, increasing the use of renewable energy, and promoting the development of product and service innovation. In 2022, being greatly aware of the climate change caused by the global warming, the Committee monitored and

supervised the working group for the preparation of the Carbon Footprint of Organization (CFO) report in accordance with the accreditation standards by Thailand Greenhouse Gas Management Organization (Public Organization) and ISO 14064-1 international standards.

3. With the enforcement of the PDPA (Personal Data Protection Act), personal data protection was the prime focus in 2022 for the committee, including development of a plan to review work activities of various business units to evaluate knowledge and understanding of the law, awareness of the importance of data collection, storage, utilization and disclosure of personal data, work process rehearsal and simulation of cases on breach of the act.

4. Following the SET guidelines for performance self-assessment for future improvement, the Risk Management and Sustainable Development Committee conducted the 2022 self-assessment on its own performance, with the outcome considered to be of an 'excellent' level.

From the aforementioned operations, the Committee is confident that the Company's risk management and sustainability development is relentless, efficient and in accordance with principles and practices for good corporate governance, enabling the Company to achieve its predetermined goals and make the utmost benefits for all shareholders and stakeholders appropriately.

Yours sincerely,



Mr. Bundit Pitaksit

Chairman of the Risk Management
and Sustainability Development Committee

Report of the Nomination and Compensation Committee

Dear Shareholders,

In 2022, the Nomination and Compensation Committee comprises two directors, both of whom are independent directors namely;

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

The Nomination and Compensation Committee has performed its duties and responsibilities, which was defined in the Charter of the Nomination and Compensation Committee, as assigned by the Board of Directors.

In 2022, the Nomination and Compensation Committee held 2 meetings in total to consider various agendas and proposed the report of meeting together with comments and recommendations to the Board of Directors' Meetings as follows;

1. To review and amend the Charter of the Nomination and Compensation Committee.
2. To nominate qualified person as the company's directors replacing those who resigned.
3. To nominate qualified person as the company's directors replacing those who retired by rotation.

4. To consider and allocate the amount of bonus for the 2021's operation to directors.
5. To determine and fix the remuneration budget for the year 2022 to directors.
6. To consider and allocate remuneration and meeting allowance for the year 2022 to each director and member of committees.
7. To consider and review the report of the Nomination and Compensation Committee in order to publish in the Company's annual report (56-1 One report).
8. To review a salary increase and bonus payment to the Chairman of the Executive Committee.
9. To consider and review the Self-Assessment of the Nomination and Compensation Committee for the year 2022.

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

Yours sincerely,



Mr. Piphob Veraphong
Chairman of the Nomination and
Compensation Committee

Section 1

Business Operations and Performance

Structure and Operations of the Group Companies	14
Risk Management	41
Driving Business for Sustainability	45
Management Discussion and Analysis	85
General Information and Other Important Information	99





1. Structure and Operations of the Group Companies



1.1 Policy and Business Overview

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

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

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

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

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

The Company has invested in 5 associated companies which comprises

- (1) 2 associated companies engaging in real estate development business, namely Land and Houses Property Fund II and Quality House Public Company Limited
- (2) 2 associated companies engaging in business related to real estate business, namely Quality Construction Products Plc, which produces and sells aerated concrete used in construction and Home Product Centers Plc which operates retail business related to home products and services.
- (3) 1 associated company engaging in other business, namely LH Financial Group Plc., a holding company whose subsidiaries operate businesses in banking, fund management companies, securities companies, and advisory companies.

Policy on dividing operations of the Company, subsidiaries and associated Companies

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

- (1) The Company, its 10 subsidiaries and 2 associated companies engage in real estate development business, shopping mall business and hotel business.
- (2) 2 associated companies engage in business related to real estate development such as construction material manufacturing business and building materials retail business.
- (3) 1 associated company operates as a holding company of which subsidiaries operate in banking business, fund management companies, securities companies, and the advisory company.

Policy on investing in the subsidiaries and associated companies

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

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

1.1.2 Major changes and development

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

The Company faced the financial difficulties during 1998-1999 as a result of the economic crisis and the change of the foreign exchange rate to float freely. The Company completed its debt restructuring in 1999 with the injection of the capital by existing shareholders and a new shareholder, namely the Government of Singapore Investment Corporation (GIC).

From year 2017 to August 26, 2022 which is the latest Registration Book Closing Date, the Company has significant changes and development with regard to the shareholding structures and capital increase as follows :

Shareholder	% of shareholding					
	Aug. 2017	Aug. 2018	Aug. 2019	Aug. 2020	Aug. 2021	Aug. 2022
1. Mr. Anant Asvabhokin's Group						
1.1 Mr. Anant Asvabhokin	23.93	23.93	23.93	23.93	23.93	23.93
1.2 Mayland Co.,Ltd *	5.66	5.67	5.67	5.67	5.67	5.67
1.3 Ms. Piangjai Hampanij **	1.13	1.13	1.13	1.13	1.13	1.13
Total. Mr. Anant Asvabhokin's Group	30.72	30.73	30.73	30.73	30.73	30.73
2. GIC Private Limited	16.17	8.01	8.01	1.27	-	-
3. Others	53.11	61.26	61.26	68.00	69.27	69.27
Total	100.00	100.00	100.00	100.00	100.00	100.00
Paid-up capital (million Baht)	11,949.7	11,949.7	11,949.7	11,949.7	11,949.7	11,949.7

Remark : * 100% owned by Mr. Achanan Asavabhokin, Mr. Anant 's son, and other related companies

** Mr. Anant Asavabhokin's mother

1.1.3 Use of the proceeds from the issuance of debentures

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

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

-None-

1.1.5 General Information

1. Name : Land & Houses Public Company Limited
2. Nature of Business : Develop real estate for sale
3. Head Office Location : 1 Q. House Lumpini Building 37-38th Fl., South Sathon Road, Thung Mahamek, Sathon Bangkok 10120
4. Company registration number : 0107535000249
5. Telephone : +66 2343 8900
6. Fax : +66 2230 8133
7. Website : www.lh.co.th
8. Total number of shares issued : 11,949,713,176 ordinary shares at par value of Baht 1 as of December 31, 2022 and paid up

1.2 Nature of Business

1.2.1 Revenue structure

Product	Operated by	% Shareholding by the Company	2020		2021		2022	
			million Baht	%	million Baht	%	million Baht	%
1. Real Estate Development	LH, LHNE, LA, LM, SN	-, 100, 100, 55, 100						
Revenue from single detached home			21,186	68.2	24,141	72.1	23,675	64.5
Revenue from townhouse			3,502	11.3	3,459	10.3	2,971	8.1
Revenue from condominium			2,794	9.0	2,661	7.9	4,105	11.2
Revenue from vacant land			43	0.1	200	0.6	-	0.0
Total revenue from Real Estate Development			27,525	88.6	30,461	90.9	30,751	83.7
2. Revenue from Rental and Services	LHP, LHMH, LH USA	60, 100, 100	2,417	7.8	1,809	5.4	4,845	13.2
3. Profit from sale of Rental Properties	LH USA, LHMH	100, 100	405	1.3	-	0.0	-	0.0
4. Other Income			720	2.3	1,240	3.7	1,136	3.1
5. Total Revenue 1 - 4			31,067	100.0	33,510	100.0	36,732	100.0
6. Share of profit from investment in associated companies			2,588	8.3	2,333	7.0	2,911	7.9
Total Revenue 5+6			33,655	108.3	35,843	107.0	39,643	107.9

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

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

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

1.2.2 Products and Services



(1) Product or Service Characteristics

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

The projects that the Group Companies develop for sale to customers will be in form of pre-built model which consists of single detached house, and townhouse. The Company will complete the construction of the house before selling to customers, so when customers are interested to buy, they can pay the reservation fee and a certain amount of the contract advance. After that, the customers will pay the rest of the house price to the Company, then the Company will therefore transfer the house and land to the customer. As for residential condominium which needs a long construction period, the Company will make customers to reserve the units and pay the down payment in installments about 10-25% of the total value. The rest will be paid on the day of ownership transfer when the condominium is completed.

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

The Pre-built house construction enables the customers who buy the houses in the project to transfer the ownership immediately after the booking and the ownership can be transferred within 7 days. As for the condominium project, the Company will transfer the ownership when the customers have fully paid the amount of price, thus the Company has no outstanding payments from customers.

Projects currently in operation with the backlog to transfer (as at December 31, 2022)

No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (units)	Size of Project's Land (Rai)	Sales /Rental area (Rai/ Sq.m.)	Total Investment In the project (Million Baht)	Progress in construction	Total sale value of the project (Million Baht)	Amount of Unit sold (units)	Amount of Unit transferred (units)	
Land and Houses Public Company Limited													
1	2004	074-Chaiyapruet Chiang Mai	Chiang Mai - Maejo road km. 4.5, Tambon Nong Chom, Amphoe San Sai, Chiang Mai	DH	321	65	64	330	327	99.0%	522	302	302
2	2001	075-Nantawan Chiang Mai	Chiang Mai - Maejo road km. 4.5, Tambon Nong Chom, Amphoe San Sai, Chiang Mai	DH	87	41	30	382	317	83.0%	659	79	79
3	2004	107-Chonlada Chiang Mai	Moo 4, Chiang Mai - Maejo road, Tambon Nong Han, Amphoe San Sai, Chiang Mai	DH	327	109	70	741	723	97.6%	1,122	317	317
4	2005	140-Siwaalee Klong Chol Chiang Mai	Khlong Chonprathan road, Moo 2, Tambon Mae Hia, Amphoe Mueang Chiang Mai, Chiang Mai	DH	294	82	55	710	697	98.1%	1,163	291	291
5	2013	188-Vilaggio Bangna	Bangna-Trad road, ABAC, Tambon Bang Bo, Amphoe Bang Bo, Samut Prakan	DH,TH	1,016	153	82	2,156	2,007	93.1%	3,126	963	963
6	2016	203-Nantawan Serene Lake - Chiang Mai	Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	DH	98	69	32	1,113	817	73.4%	2,008	36	36
7	2019	223-Mantana Westgate	Kanchanapisek ring road, Tambon Bang Rak Yai, Amphoe Bang Bua Thong, Nonthaburi	DH	293	94	58	3,118	2,005	64.3%	4,466	272	270
8	2013	224-The Bangkok Sathorn	South Sathon road, Khwaeng Yan Nawa, Khet Sathon, Bangkok	CD	476	5	40,747	5,005	5,005	100.0%	8,346	468	468
9	2011	229-Siwaalee Sankampaeng Chiang Mai	Chiang Mai-San Kamphaeng road, Moo 3, Tambon San Klang, Amphoe San Kamphaeng, Chiang Mai	DH	309	86	55	944	840	89.0%	1,863	246	244
10	2016	240-Vilaggio Pinklao - Salaya	Samret Phatthana road, Tambon Sala Klang, Amphoe Bang Krui, Nonthaburi	DH,TH	944	163	104	2,353	2,043	86.8%	4,043	937	934
11	2012	243-Siwaalee Mittraphap Road Nakhon Ratchasima	Mittraphap road, Tambon kokkruad, Amphoe Mueang, Nakhon Ratchasima	DH	379	97	63	1,152	1,137	98.7%	2,206	376	373
12	2014	246-Siwaalee Maliwan Road	Maliwan road, Tambon Ban Thum, Amphoe Mueang, Khon Kaen	DH	305	97	63	1,236	895	72.4%	1,744	243	236
13	2018	249-Vilaggio Rangsit Khlong 2	Liap Khlong Song road, Tambon Khlong Song, Amphoe Khlong Luang, Pathum Thani	DH,SEMI	483	87	55	1,534	1,204	78.5%	2,143	438	436
14	2016	253-Nantawan Udon Thani	Asian Highway road, 12 , Tambon Mak Khaeng Amphoe Mueang, Udon Thani	DH	82	38	23	707	585	82.7%	1,015	46	44
15	2013	254-Siwaalee - Udon Thani	Mittraphap road, Tambon Kut Sa, Amphoe Mueang, Udon Thani	DH	316	82	50	1,121	1,105	98.6%	1,750	270	260
16	2013	258-North 3	51 Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	110	104	94.9%	169	60	60
17	2013	259-North 4	52 Chiang Mai 700 Years Sompoch road, Tambon Suthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	120	106	88.4%	185	69	68
18	2013	260-North 5	53 Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphur Mueang, Chiang Mai	CD	69	2	2,664	120	107	89.1%	173	58	57
19	2017	261-North 6	54 Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	121	115	95.0%	186	44	43
20	2014	266-Siwaalee Sriyeng Chiang Rai	209/11 Moo 3, Tambon Rop Wiang, Amphoe Mueang, Chiang Rai	DH	216	57	37	741	726	97.9%	952	138	137
21	2565	272-Mantana Motorway Korat	Liang Mueang (bypass) road, Tambon Nongkratum, Amphoe Mueang, Nakhon Ratchasima	DH	352	100	63	1,782	658	36.9%	2,652	38	29
22	2015	286-Siwaalee Maha Sarakhtham	Maha Sarakhtham-Kosum Phisai-208 road, Tambon Tha Song Khon, Amphoe Mueang Maha Sarakhtham, Maha Sarakhtham	DH	323	85	54	1,081	1,038	96.0%	1,610	248	239
23	2015	288-Ladawan Rama 2	Rama 2 road, Khwaeng Samae Dam, Khet Bang Khun Thian, Bangkok	DH	105	69	42	3,790	3,787	99.9%	5,444	105	103

No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (units)	Size of Project's Land (Rai)	Sales /Rental area (Rai/ Sq.m.)	Total Investment in the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (units)	Amount of Unit transferred (units)
									Total funded (Million Baht)	% of work completed			
24	2018	292-Villaggio Phet Kasem Sai 4	Phuttha Sakhon 2 road, Tambon Suan Luang, Amphoe Krathum Baen, Samut Sakhon	DH, SEMI, TH	405	48	28	875	798	91.2%	1,321	389	388
25	2014	293-The Room Charoenkrung 30	Charoen krung road, Khwaeng Bang Rak, Khet Bang Rak, Bangkok	CD	214	2	13,316	1,481	1,481	100.0%	2,348	203	202
26	2019	304-Mantana Serene Lake Chiang Mai	Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	DH	78	47	22	673	579	86.0%	1,323	62	60
27	2016	318-The Bangkok Thonglor	Sukhumvit 55 road, Khwaeng Khlong Tan Nuea, Khet Vadhana, Bangkok	CD	148	2	11,893	2,415	2,413	99.9%	3,560	67	66
28	2019	323- Indy WESTGATE	Liap Khlong Bang Phai road, Bang Rak Phatthana, Amphoe Bang Bua Thong, Nonthaburi	TH	353	36	22	830	747	90.0%	1,169	206	200
29	2019	324-Chaivaphruek Ram Intra - Chatu Chot	Kanchanaphisek frontage road, Khwaeng Sam Wa Tawan Tok, Khet Khlong Sam Wa, Bangkok	DH	398	99	63	2,032	1,452	71.4%	2,908	365	360
30	2020	329- Siwalee Srinagarindra Rom Klao	6 Yaek 2, Khwaeng Min Buri, Khet Min Buri, Bangkok	DH	260	70	41	1,287	1,071	83.2%	1,800	199	197
31	2017	333-Indy Bang Yai (2)	Thoet Phra Kiat road, Tambon Bang Mae Nang, Amphoe Bang Yai, Nonthaburi	TH	207	18	11	413	372	90.2%	598	203	203
32	2020	337-anya westgate	Tambon Bang Rak Phatthana, Amphoe Bang Bua Thong, Nonthaburi	SEMI	164	32	18	683	590	86.4%	979	65	63
33	2018	338- Villaggio San Sai - Chiang Mai	289, Moo 3, Tambon San Na Meng, Amphoe San Sai, Chiang Mai	DH, TH	246	32	20	567	493	87.0%	810	123	120
34	2020	339-Chaivaphruek Westgate	98 Moo 4, Sai Bueang Bua-Klong Prapa Road, Tambon Bang Mae Nang, Amphoe Bang Yai, Nonthaburi	DH	129	31	19	519	440	84.8%	752	127	127
35	2565	341- Villaggio 2- Ayuthaya	63 Moo 7 Ban Krot, Amphoe Bang Pa-in, Ayuthaya	DH, TH	332	56	34	987	524	53.1%	1,447	24	21
36	2021	342- Inizio 4 Pinklao-Wongwaen	Alchanya Phatthana road, Tambon Sala Klang, Amphoe Bang Kruai, Nonthaburi	SEMI	158	26	16	525	507	96.4%	756	122	114
37	2020	344-Mantana San Sai Chiang Mai	242 Moo 5, Chiang Mai-Doi Saket road, Tambon San Na Meng, Amphoe San Sai, Chiang Mai	DH	122	41	26	839	537	64.0%	1,255	28	24
38	2018	345-The Room Sukhumvit 38	Soi Sukhumvit38, Sukhumvit road, Khwaeng Phra Khanong, Khet Khlong Toei, Bangkok	CD	229	2	14,436	2,170	2,157	99.4%	3,157	26	24
39	2018	346-Indy 2 Srinakarin	Srinakarin road, Tambon Bang Mueang, Amphoe Mueang Samut Prakan, Samut Prakan	TH	445	46	27	1,043	921	88.3%	1,471	442	442
40	2018	347- The Room Phayathai	567, Si Ayuthaya road, Khwaeng Thanon Phaya Thai, Khet Ratchathewi, Bangkok	CD	437	3	20,078	2,368	2,368	100.0%	3,534	224	216
41	2021	349-Villaggio 2 Srinakarin Bangna	Bua Nakarin road, Tambon Bang Kaeo, Amphoe Bang Phli, Samut Prakan	DH, TH	399	69	39	1,355	1,008	74.4%	1,926	196	195
42	2022	354-Villaggio Bangyai	Klong Thanon road, Tambon Ban Mai, Amphoe Bangyai, Nonthaburi	DH, SEMI	453	92	51	1,516	745	49.1%	2,140	79	74
43	2018	357-The Key MRT Phetkasem 48	234 Phet Kasem road, Khwaeng Bang Wa, Khet Phasi Charoen, Bangkok	CD	639	4	20,115	1,525	1,524	99.9%	2,226	365	354
44	2022	362-Mantana 2 Motorway- New Krungthepkretha	Phatthana Chonnabot 4 road, Khwaeng Khlong Song Ton Nun, Khet Lat Kra-bang, Bangkok	DH	128	32	20	774	594	76.7%	1,086	30	28
45	2019	369-The Key Rama 3	Rama 3 road, Khwaeng Bang Khlo, Khet Bang Kho Laem, Bangkok	CD	454	3	18,179	1,336	1,333	99.8%	2,066	453	450
46	2020	370- Indy Srinagarindra - Phraeksa	Tambon Thai Ban Mai, Amphoe Mueang Samut Prakan, Samut Prakan	TH	286	28	17	675	592	87.7%	942	281	281
47	2021	372-Mantana Ratchaphruek - Nakhonin	Talingchang-Suphanburi road, Bang Len, Amphoe Bang Yai, Nonthaburi	DH	346	99	61	2,749	1,849	67.2%	4,071	88	84

No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (units)	Size of Project's Land (Rai)	Sales /Rental area (Rai/ Sq.m.)	Total Investment In the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (units)	Amount of Unit transferred (units)
									Total funded invested (Million Baht)	% of work completed			
48	2021	375- Villaggio Suksawat Prachauthit	929 Moo 10, Tambon Nai Khlong Bang Pla Kot, Amphoe Phra Samut Chedi, Samut Prakan	DH,TH	482	73	44	1,326	836	63.1%	1,877	159	157
49	2021	376-Chaiyaphruek Bangna km 15	Bang Na - Trat 15 Road, Tambon Bang Chalong, Amphoe Bang Phli, Samut Prakan	DH	329	87	54	2,313	1,733	74.9%	3,329	162	149
50	2022	379- NANTAWAN RAMA 9 New Krungthepkreetha	Krung Thep Kritha Road, Khwaeng/Khet Saphan Sung, Bangkok	DH	136	69	43	3,309	2,028	61.3%	5,058	56	41
51	2021	383- Pueklada Ratchaphruek-345	345 road, Tambon Lahan, Amphoe Bang Bua Thong, Nonthaburi	DH	376	86	55	1,610	1,098	68.2%	2,170	133	130
52	2022	384- inizio Bangna	298 Moo 8 Tambon Bang Bo, Amphoe Bang Bo, Samut Prakan	SEMI	382	64	39	1,259	833	66.2%	1,799	42	39
53	2022	390-inizio Ratchaphruek-Rattanaibet	63 Soi Tha It 15 Tambon Tha It, Amphoe Pak Kret, Nonthaburi	SEMI	74	13	8	289	272	94.1%	414	33	31
54	2022	391- Nantawan Pinklao - Kanchana	Kachanaphisek Road, Khwaeng Bang Ramat, Khet Taling Chan, Bangkok	DH	179	97	61	4,017	1,868	46.5%	6,098	27	22
			Total DH, TH, SEMI		13,117 units	2,964	1,840 Rai	57,455	50,356	88%	85,989	8,986	8,843
			Total CD		2,873 units	28	149,420 Sq.m.	16,770	16,845	100%	25,950	2,037	2,008
L.H. Muang Mai Company Limited													
55	2011	300-88 Land and Houses	88 Chao Fah road, Tambon Chalong, Amphoe Mueang Phuket, Phuket	DH	63	15	9	245	237	97%	420	62	62
56	2012	301-88 L&H Hillside	Moo 5, Chao Fah road, Tambon, Chalong, Amphoe Mueang Phuket, Phuket	DH	100	52	30	524	485	92%	1,279	85	83
57	2012	302- inizio Koh Keaw	Moo 4, Tambon Ko Kaew, Amphoe Mueang Phuket, Phuket	DH	128	27	18	345	341	99%	600	121	121
58	2013	303-88 L&H Koh Keaw	88/11, Moo 5, Thep Krasatri road, Tambon Ko Kaew, Amphoe Mueang Phuket, Phuket	DH	182	54	32	850	699	82%	1,450	142	136
59	2020	401-Siwalee Rasada	Pracha Uthit 1 road, Tambon Ratsada, Amphoe Mueang Phuket, Phuket	DH	192	84	45	1,900	336	18%	2,730	36	34
			Total DH		665 units	232	134 Rai	3,864	2,097	54%	6,479	446	436
Land and Houses Northeast Company Limited													
60	2020	407-Sivalee 3 Ayutthaya	Ayothaya road, Tambon Khlong Suan Phlu, Amphoe Phra Nakhon Si Ayutthaya, Phra Nakhon Si Ayutthaya	DH	70	18	10	300	298	99.2%	454	69	69
61	2020	408-Villaggio Srinakarin	Sap Phathana road, Tambon Bang Mueang, Amphoe Mueang Samut Prakan, Samut Prakan	DH ,TH	346	48	30	1,102	956	86.8%	1,587	189	187
62	2022	410- inizio Suksawat Prachauthit	926/141 Moo 10 Pracha Samakki road, Tambon Nai Klong Bangplakot, Amphoe, Phra Samut Chedi, Samut Prakan	SEMI	196	33	20	572	381	66.7%	820	31	27
63	2022	411-CHAIYAPRUEK Ayutthaya	99/72 Moo 7 Tambon Klong Suan Phlu, Amphoe Phra Nakhon Si Ayutthaya, Phra Nakhon Si Ayutthaya	DH	73	21	13	438	266	60.9%	626	8	6
64	2022	416-VIVE Rama 9	38 Krung Thep Kritha road, Khwaeng Thap Chang, Khet Saphan Sung, Bangkok	DH	75	25	15	1,211	1,014	83.7%	2,038	65	40

No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (units)	Size of Project's Land (Rai)	Sales /Rental area (Rai/ Sq.m.)	Total Investment in the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (units)	Amount of Unit transferred (units)
									Total funded (Million Baht)	% of work completed			
65	2022	417-MANTANA 100+ Bangkokthian Chaitalae Road	Bangkhunthian Chai Thalee road, Khwaeng Tha Kham, Khet Bang Khun Thian, Bangkok	DH	85	48	29	947	415	43.9%	1,428	13	10
66	2022	419-Vilaggio Rangsit-Klong 4	89/265 Moo 2, Tambon Khlong Si, Amphoe Khlong Luang, Pathum	DH, TH	263	40	25	772	493	63.9%	1,115	38	33
			Total DH, TH, SEMI		1,108 units	232	141 Rai	5,340	3,823	72%	8,069	413	372
LH Asset Company Limited													
67	2014	016-Inizio Chiang Mai	111/339, Moo 12, Tambon San Kamphaeng, Amphoe San Kamphaeng, Chiang Mai	DH	336	78	52	894	609	68.2%	1,316	186	184
68	2020	023-Mantana Phet Kasem - Sai 4	Phutha sakorn road, Tambon Suan Luang, Amphoe Krathum Baen, Samut Sakhon	DH	228	57	35	1,146	963	84.1%	1,642	152	150
69	2019	024-Indy Ayutthaya	168/3 Moo 7, Tambon Ban Krot, Amphoe Bang Pa-in, Phra Nakhon Si Ayutthaya	TH	230	23	14	452	420	92.9%	626	196	195
70	2022	025-PRUEKLADA Ramindra Expressway-Chatuchot	Nong Raheang Road, Khwaeng Sam Wa Tawan Tok, Khet Khlong Sam Wa, Bangkok	DH	204	51	31	1,071	600	56.1%	1,532	15	13
71	2021	027-Indy2 Bangna - Ramkhamhaeng 2	Soi Ramkhamhaeng 2, Khwaeng Dok Mai, Khet Prawet, Bangkok	TH	489	49	29	1,341	1,114	83.1%	2,024	488	486
72	2020	028-Siwalae Phet Kasem 69	Liap Khlong Phasi Charoen Fang Tai road, Khwaeng Nong Khaem, Khet Nong Khaem, Bangkok	DH	82	36	21	638	605	94.8%	935	82	80
73	2021	029-Anya Ratchaphruek Nakhonin	Bang Kruai - Sai Noi road, Tambon Bang Len, Amphoe Bang Yai, Nonthaburi	SEMI	250	51	28	1,273	1,262	99.2%	1,825	215	209
74	2565	030-MANTANA Bangna km15	456 Moo 3 Debaratha road, Tambon Bang Chalong, Amphoe Bang Phli, Samut Prakan	DH	243	90	57	2,489	1,239.22	49.8%	3,782	30	3
			Total DH, TH, SEMI		2,062 units	436	268 Rai	9,304	6,814	73%	13,682	1,364	1,320
Siam Tanee Property Company Limited													
75	2020	007-anyu Phet Kasem Sai 4	Phutha Sakorn road, Tambon Suan Luang, Amphoe Krathum Baen, Samut Sakhon	SEMI	260	45	27	862	622	72.2%	1,242	79	78
			Total SEMI		260	45	27	862	622	72%	1,242	79	78
			Grand Total DH ,TH, SEMI		17,212 units	3,909	2,411 Rai	76,825	63,712	83%	115,461	11,288	11,049
			Grand Total CD		2,873 units	28	149,420 Sq.m.	16,770	16,845	100%	25,950	2,037	2,008

DH = Detached House TH = Town House CD = Condominium SEMI = Semi Detached House

Closeout Projects in 2022

No.	Start Year	Project Name	Location	Type of Project	Numbers of unit (units)	Size of Project's Land (Rai)	Sales /Rental area (Rai/ Sq.m.)	Total Investment In the project (Million Baht)	Progress in construction		Total sale value of the project (Million Baht)	Amount of Unit sold (units)	Amount of Unit transferred (units)
									Total funded invested (Million Baht)	% of work completed			
Land and Houses Public Company Limited													
1	2019	120-Nantawan-Ramintra Phaholyothin 50	Thepharak road, Khwaeng Tha Raeng, Khet Bang Khen, Bangkok	DH	205	98	59	2,830	2,829	100.0%	4,850	205	205
2	2012	205-Ladawan Ratchaphruek Pinklao	Ratchaphruek road, Khwaeng Bang Ramat, Khet Taling Chan, Bangkok	DH	234	215	130	7,120	7,120	100.0%	14,295	234	234
3	2019	206-VIVE Rattanathibet - Ratchapruek	Rattanathibet road, Tambon Bang Rak Noi, Amphoe Mueang Nonthaburi, Nonthaburi	DH	34	20	12	564	564	100.0%	992	34	34
4	2012	245-INIZIO Maliwan Khon Kaen	Maliwan road, Tambon Ban Thum, Amphoe Mueang, Khon Kaen	DH	340	74	49	798	798	100.0%	1,343	340	340
5	2019	316-Vilaggio Bangna Thepa Rak	Bangplee-Tamru road, Bangplee Yai, Bangplee, Samut Prakan	DH, SEMI	342	63	39	1,017	1,017	100.0%	1,641	342	342
6	2018	353- Mantana Phutthamonthon Sai 2	Bang Waek road, Khwaeng Bang Phai, Khet Bang Khae, Bangkok	DH	146	73	47	1,421	1,421	100.0%	2,243	146	146
7	2020	358-Maritana Motorway - New Krungthepkreetha	Phatthana Chornabot 4, Khwaeng Khlong Song Ton Nun, Khet Lat Krabang, Bangkok	DH	177	48	30	1,058	1,058	100.0%	1,550	177	177
8	2021	373-Indy5 Bangna km 7	Tambon Bang Kaeo, Amphoe Bang Phli, Samut Prakan	TH	81	10	5	240	240	100.0%	359	81	81
9	2019	230-Vilaggio Prachauthit 90	Prachauthit road-Ban Khlong Suan, Tambon Ban Khlong Suan, Amphoe Phra Samut Chedi, Samut Prakan	DH, SEMI	351	58	38	793	793	100.0%	1,487	351	351
10	2013	257-North 2	51 Chiang Mai 700 Years Sompoch ring road, Tambon Suthep, Amphoe Mueang, Chiang Mai	CD	69	2	2,664	102	102	100.0%	166	69	69
11	2018	321- Ease 2 Rama 2	Rama 2 road, Soi 54, Khwaeng Samae Dam, Khet Bang Khun Thian, Bangkok	CD	329	4	11,563	615	615	100.0%	889	329	329
12	2018	328-Vilaggio Ko Rian	Tambon Ko Rian, Amphoe Phra Nakhon Si Ayutthaya, Phra Nakhon Si Ayutthaya	DH,TH	296	50	31	658	658	100.0%	1,066	296	296
13	2020	336-Nantawan Rama 9 Sinagarindra	Krung Thep Krittha Road, Khwaeng Thap Chang, Khet Saphan Sung, Bangkok	DH	88	45	27	2,338	2,338	100.0%	3,829	88	88
14	2019	343-VIVE Ekkamai Ramintra	Yothin Phatthana Road, Khwaeng Nawamin, Khet Bueng Kum, Bangkok	DH	48	17	10	1,472	1,472	100.0%	2,018	48	48
15	2020	378-Maritana Bangna-Wongwaen	Soi Ramkhamhaeng 2, Khwaeng Dok Mai, Khet Prawet, Bangkok	DH	261	96	57	2,022	2,022	100.0%	3,971	261	261
LH Asset Company Limited													
1	2019	022-Vilaggio Sinakarin - Bangna	Buanakarin road, Tambon Bang Kaeo, Amphoe Bang Phli, Samut Prakan	DH,TH	304	51	29	847	847	100.0%	1,437	304	304
			Grand Total DH, TH, SEMI		2,907 Units	919	565 Rai	23,178	23,177	100.0%	41,081	2,907	2,907
			Grand Total CD		398 Units	6.34	14,227 Sq.m.	717	717	100.0%	1,055	398	398

DH = Detached House TH = Town House CD = Condominium SEMI = Semi Detached House L = Land

(2) Market and Competition

Marketing policy and characteristics

Competitive strategies

Land and Houses's operating strategies for all low-rise housing projects remains relying on the pre-built housing policy. Concerning condominium projects for year 2022, no new project was launched; sales were generated only from ongoing projects through ownership transfer. Nevertheless, condominium projects differed from low-rise housing projects in that, to reduce construction operation risk, all units must be booked before construction begins. To elaborate, they must be wholly completed before ownership transfer. This strategy not only gives consumers lead time for financial planning, but also enables them to make down payments, in turn easing their loan application with commercial banks.

FY 2022, such strategy garnered excellent customer responses. For some projects, demand exceeded the number of constructed houses, for which the Company adjusted its strategies through pre-booking and requiring that pre-booked houses must be completed in three months. All these houses must pass quality control by Land and Houses's standard before ownership transfer.

The pre-built strategy has been the Company's flagship strategy for years, enhancing not only competitiveness but also customers' confidence. The strategy bolsters work planning and operation by all units while boosting cost control, quality control, marketing, and sales operation as well as most effectively catering to customers' needs.

In implementing this strategy, the Company continually values customers' demand research on house functions, house and project styles, and customers' lifestyles to best cater to customers' and family members' lifestyles, particularly the New Normal under shifting residential and behavioral conditions.

The Company's major strategic operation relies on the philosophy of product and service quality as well as personnel quality. Recognizing operation under assorted risk and achievement of sustainability development in its marketing and sales operations, the Company grew its market by expanding its customer base and markets in new locations. This year it completed furnished houses for sale in its various projects, which will be scaled up as a premium product for other sectors of the market base. In its operations, the Company values development of residential living and innovations to cater to higher-quality residential

requirements, notably

- **Innovative "Breathable Houses" with AirPlus Square**, centering on an indoor ventilation system which enables indoor air to regularly circulate and flow, integrated with a system to prevent PM2.5 particulates from entering the houses. This is the Company's new standard for single detached houses and semi-detached residential projects. It has also defined plans to scale up the idea in condominium and townhome projects.
- **Integration of Smart Home and Home Automation** as a single application for ease of use and improved living conditions.
- **Priority for the elderly**: The Company's new designs cater to the elderly's needs and provide a common area to ready them for their physical limitations.
- **Development of work systems** to ease customers, including
 - Introduction of QR Codes for its houses, which aid customers' understanding of application details, maintenance of internal instruments, key home components, and key project and other data.
- **Development of financial systems**, including
 - QR Code Credit
 - QR Payment, Payment Gateway, QR Cross Bank.
- **Development of a house inspection system** through an application.
- **Development of the iDesign system**, which gives customers access to customized residence decoration designs through an application.
- **Optimized personnel performance**, for which the Company has relentlessly developed an IT program for agility and speed to address requirements for sale, construction, service, and internal units for more efficient and speedier operations.
- **The Company has applied the Service Design concept** to sales development, thus aiding analysis and understanding of customers' in-depth needs.
- **Regarding facilitation of project** customers moving into project residences, the Company has introduced a relocation service by moving experts under a "No more worries about moving into new homes" concept.
- **Development of the IT2BT system** to evaluate customers' satisfaction after ownership transfers.

Land and Houses Plc. currently differentiates its products by brand, with a primary focus on prices and customer groups, equipped with careful consideration of marketing mix and segmentation. This has worked out well for its business in catering to

customers' needs for each sector. Below are consideration factors:

- **Project location:** The Company has emphasized the importance of project location choices that meet customers' requirements for each sector-transport, access to utility systems, and amenities around each project. Its locations are found around Bangkok and periphery to meet the residential needs of each as well as structural characteristics and consumers' residential needs. To elaborate, such needs are tied to geographic and demographic characteristics, meaning primarily tied to their former residential areas or occupational and status of local inhabitants. Residential projects also rely heavily on segmentation to enhance opportunities for and catering to the needs of various customer groups. The Company also investigates matters to sustain future operations, notably by studying various potential locations and buying land plots for its Land Bank for future project development. This move gives itself an edge in land costs while paving the way for its own competitiveness and high rates of return. At present, the Company commands multiple plots of land near electric and underground train stations.
- **House or product designs:** Since the needs of consumer groups for each price band or each brand differ, the Company continually values proactive consumer group behavioral research on project residents and visitors, potential buyers, and buyers of other projects. The research findings find their applications in product development or customers' needs for greater satisfaction in various ways. The Company's current house designs have seen periodic evolution of designs and models in the market, most consisting of breathable homes with the AirPlus Square innovation, which have created product differentiation in the market.
- **Pricing policy:** The Company's strategy of pre-building houses before sale has afforded itself a competitive advantage of accurately determining true costs, which affects exact product sales pricing and align with the state of competition. It sets its sales prices in line with market conditions of each location and each period. It has no policy of setting prices for bargaining, which could lead to disadvantages and unfair treatment of customers.
- **Product quality:** The Company values work standards in each stage of its operations, particularly construction work. The Company has set operating standards in each stage of its

work, as to deliver product quality to customers, including

- Landfilling standard, soil structure analysis and specification of landfilling soils in projects
- Public utilities standard, embracing construction standards and inspection stages, with an explicit focus on criteria of orderly procedures and inspection
- Product design and material choice standard, for which the Company's emphasis is on high product quality
- Procedural construction standard, for which individual stages of construction work and inspection must pass the predetermined criteria that the Company has set. For example, there must be an inspection process to ensure that the construction works follow the construction blueprint. In addition, the Company set clear construction policy requiring that "Every house must pass quality control (QC) at the Company's accepted good standard level" before delivery to customers
- In project development, apart from the house itself, the Company takes seriously the project environment, ranging from project layout, with emphasis not only on sales acreage but on living requirements, choice of durable materials for project utilities work, to the choice of amenities in line with living conditions
- Safety of residences, meaning the Company's emphasis on stewardship of project conditions so that they make for livable communities. It has laid down a foundation for project management and maintenance of utility systems before delivery to housing estate juristic persons of each project so that projects and communities may be livable for years to come.

Customers' characteristics and target groups

Land and Houses Plc.'s residential projects have reached various locations in Bangkok Metropolis and periphery as well as other regions, namely Chiang Mai, Khon Kaen, Nakhon Ratchasima, Maha Sarakham, Udon Thani, and Phuket, under the "Baan Sabai Prebuilt before Sale" ready-as-residence strategy. The Company strives for standards on house and project quality as well as sound and standard inspection, which have enabled it to effectively penetrate its target groups under customers' needs for each price band.

Market expansion in every price range (segmentation) enables the Company to cater more to customers' needs while broadening

marketing opportunities for new target groups, thus raising sales revenue. Even so, the Company has expanded its residential market by pursuing new users and enlarging projects in Bangkok and periphery as well as the provinces while recognizing the significance of product quality. It also values after-sale service, regarded as its forte, and recognizes the need to look after residents' everyday matters, notably residential safety and living conditions as well as facilitation for using the call center and the internet to notify it about assorted problems. Public utility plans ensure quality systems before delivery, and Land and Houses Plc. ensures clear formation of housing estate juristic persons.

In 2022, the Company relentlessly expanded its customer groups by developing new products for every price band (segmentation). To elaborate, it has initiated display furnished houses for sale, which are now found in its various projects. This strategy will be continually expanded.

As for sales management, it has relentlessly developed a CRM (Customer Relationship Management) system together with a CEM (Customer Emotional Management) system to aid sales, marketing, and customer satisfaction efforts, thus giving it an insight into customer groups' true needs and command ongoing activities with customer groups. As a result, more than 30 percent of its customer groups are residents, relatives, or siblings, an upside for low-cost operations.

Distribution and distribution channels

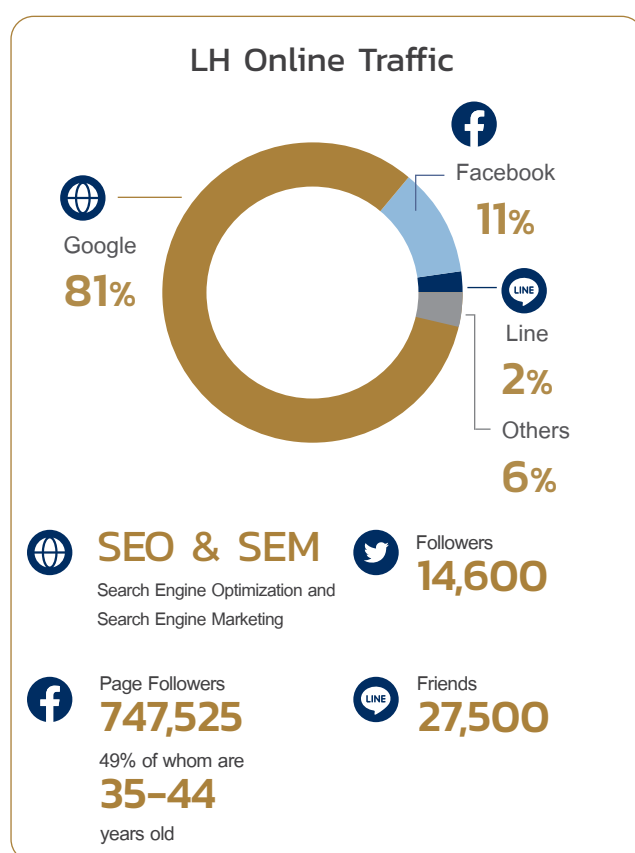
The Company leverages distribution channels through project sales offices located at diverse locations in Bangkok and periphery. It relies on target customer group access via public relations and advertisements through assorted media, particularly development of internet-based systems.

- Sales promotion through news and intelligence: Valuing consumers' access to project data, the Company focuses on online communication, the No. 1 media among consumers searching for residences. This year the top three means for project visitors and bookers were from the mainstream media shown in the table below.

Media	Visiting customers (%)	Booking customers (%)
Internet	63%	60%
Billboards	27%	14%
Friends / relatives	16%	22%
Others	8%	14%

Remarks: Customers can provide more than one answer.

- Online media operated by Land and Houses Plc. in 2022 fall into the following key groups:



Industry Market and Competition

Housing Market in 2022

Regarding the overall housing market in 2022, judging from the number of registered houses only in housing projects, the total number of newly registered houses in housing projects was 64,057 units, an increase of 5.1% from 2021, which saw a total of 60,977 units registered.

Comparative data of newly registered housing units
by type of operation during 2020-2022

				Unit : units
Type	2020	2021	2022	1995*
Self-building	21,427	19,860	21,296	32,118
% Change	6.5	-7.3	7.2	
Housing Project	90,613	60,977	64,057	146,735
% Change	-8.1	-32.7	5.1	
Total	112,040	80,837	85,353	178,853
% Change	-5.6	-27.8	5.6	4.4

Source: Government Housing Bank

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

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

For the newly registered houses, only in housing projects, in 2022 versus 2021, the changes classified by specific housing type are as follows:

- Single detached houses: In 2022 a total of 11,320 units, an increase of 7.0% from 2021 with a total of 10,582 units.
- Duplexes: In 2022 a total of 3,307 units, an increase of 6.4% from 2021 with a total of 3,107 units.
- Townhouses and commercial buildings: In 2022 a total of 12,026 units, a decrease of 11.2% from 2021 with a total of 13,540 units.
- Condominiums: In 2022, a total of 37,404 units, an increase of 10.8% from 2021 with a total of 33,748 units.

Comparative data of newly registered residences
by type during 2020-2022

				Unit : units
Newly Registered Residences by Type	2020	2021	2022	1995*
Single detached houses	10,736	10,582	11,320	20,793
% change	-20.8	-1.4	7.0	16.4
Duplexes	2,536	3,107	3,307	938
% change	-16.1	22.5	6.4	336.3
Townhouses and Commercial Buildings	16,424	13,540	12,026	58,093
% change	-22.8	-17.6	-11.2	16.0
Condominiums	60,917	33,748	37,404	66,911
% change	0.3	-44.6	10.8	-1.5
Total	90,613	60,977	64,057	146,735
% change	-8.1	-32.7	5.1	7.8

Source: Government Housing Bank

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

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

Condominium Market in 2022

The residential market for condominiums in Bangkok and Periphery in 2022, according to the real-estate information center, Government Housing Bank, and Agency for Real-Estate Affairs (AREA), are detailed in Table 1 and summarized below:

- Condominium units with transferred ownership from juristic persons totaled 50,255 units with a total value of 174,752 million Baht, an increase of 5.6% from the number of units in 2021 and an increase of 3.7% from the value in 2021.

Table 1: Data on condominium units with transferred ownership, operated by juristic persons in Bangkok and Periphery during 2019-2022

	2019	2020	2021	2022
Number of units	73,675	74,710	47,607	50,255
% Change	-2.0	1.4	-36.3	5.6
Value : million Baht	223,393	221,022	168,524	174,752
% Change	-5.1	-1.1	-23.8	3.7

Source: Real Estate Information Center, Government Housing Bank

The new projects launched in 2022 are detailed in Table 2 and summarized below:

- The number of new projects launched in 2022 totaled 89, a 36.9% increase from 2021 with 65 projects. Of this, the number of units commanded total sales of 53,778 units, a 129.4% increase from last year's 23,445 units. The total value of the new projects launched in 2022 was 141,760 million Baht, a 51.8% increase from 2021 with a total value equivalent to 93,402 million Baht.
- As for the sales generated by the new projects in 2022, about 46.2% were accounted for by the newly launched projects, compared with 2021, which boasted only 33.4%. Compared with the first year of Covid-19 in 2019, the sales rate from new projects accounted for 48.6%.

Table 2: Condominium units sold in Bangkok and Periphery during 2019-2022

	2019	2020	2021	2022
New Projects				
Number of Projects	144	70	65	89
% Change	-14.8	-51.4	-7.1	36.9
Number of Units	66,367	25,906	23,445	53,778
% Change	-10.8	-61.0	-9.5	129.4
Value: Million Baht	245,551	71,679	93,402	141,760
% Change	-27.4	-70.8	30.3	51.8
Number of Units Sold from New Projects				
Number of Units	32,253	9,484	7,825	24,861
Percentage of total units	48.6	36.6	33.4	46.2

Source: Survey by AREA

The supply of condominiums in Bangkok and Periphery remaining for sale at the end of 2022 totaled 85,675 units, comparable to 2021. The remaining units by price level are summarized in Table 3:

- Price range below 2.0 million Baht, a total of 31,682 units remaining for sale, representing 37.0%.
- Price range between 2.0-5.0 million Baht, a total of 41,477 units remaining for sale, representing 48.4%.
- Price range between 5-10 million Baht, a total of 8,197 units remaining for sale, representing 9.6%.
- Price range between 10-20 million Baht, a total of 2,500 units remaining for sale, representing 2.9%.
- Price range of 20 million Baht or more, a total of 1,819 units remaining for sale, representing 2.1%.

Table 3: Supply of residential condominiums remaining at the year-end in Bangkok and Periphery, classified by price range

Price Range	2019	2020	2021	2022	% ratio in 2022
< 1 million Baht	7,491	8,333	7,247	6,086	7.1
1.0 - 2.0 million Baht	24,645	28,607	24,434	25,596	29.9
2.01 - 3.0 million Baht	29,526	26,722	25,073	25,588	29.9
3.01 - 5.0 million Baht	15,938	12,760	14,317	15,889	18.5
5.01 - 10.0 million Baht	11,642	9,998	10,098	8,197	9.6
10.01 - 20 million Baht	3,012	2,861	2,489	2,500	2.9
> 20 million Baht	1,628	1,560	1,655	1,819	2.1
Total	93,882	90,841	85,313	85,675	100

Source: Survey by AREA

The residential market in 2022 changed because of the following key factors:

- The economic growth in 2022 outgrew that of 2021 with a growth rate of 2.6% (the growth rate in the first quarter = 2.3%, the second quarter = 2.5%, the third quarter = 4.5%, and the fourth quarter = 1.4%) against 2021, which commanded a growth rate of 1.5%.
- Inflation in 2022 averaged 6.08% versus 2021, which boasted an average inflation rate of 1.23%. The inflation rate rose to 7.86% in August 2022.
- Interest rates in 2022, when the economy was still affected by the spread of Covid-19, risen inflation and adjustments in the interest rates of other countries forced the Monetary Policy Committee (MPC) to raise the policy interest rates three times by 0.25% each in 2022 from the previous level of 0.50% to 1.25% in November 2022. The adjustment in policy interest rates pushed various commercial banks to adjust their interest rates, according to the Real Estate Information Center (REIC). The average interest rates of six commercial banks changed over time as follows:
 - The minimum lending rate (MLR) during the 1st - 3rd quarters averaged 5.43% and rose to 5.49% in September, 5.66% in October, and 5.86% in December. The minimum retail rate (MRR) during the 1st - 3rd quarters averaged 6.06% and was adjusted to 6.11% in September and 6.21% in December.
 - The unlocking of the loan-to-value ratio (LTV) under the Bank of Thailand's mortgage loan supervision policy, still effective since 2021, played a part in easing mortgage loan applications. However, the spread of Covid-19 affected employment and reduced income for certain groups of customers, causing them to miss credit approval.
 - The Brent crude oil price in 2022 increased sharply from 2021. The average price in 2022 was USD 99.23 per barrel, an increase from 2021, which saw an average price of USD 70.85 per barrel, an increase of 40.1%. In 2022 the price was at its highest of USD 133.18 per barrel (in March 2022) and its lowest at USD 75.31 per barrel (in January 2022), while the price in 2021 peaked at USD 85.76 per barrel (in October 2021) and reached its lowest at USD 50.37 per barrel

(in January 2021). This caused higher domestic retail oil prices and drove inflation.

- Construction material prices in 2022 increased from 2021 by 5.7%. The index of steel building materials increased 8.4%, concrete products increased 5.0%, and cement products increased 6.4%.

The Company's Performance Results in 2022

The highlights of the performance of Land and Houses Plc. in 2022 are as follows:

- In 2022 the Company launched 15 new projects with a total project value of 32,460 million Baht, all of which were low-rise products, compared with the original plan of 15 projects with a total project value of 29,520 million Baht.
- In 2022 the Company invested about 4,400 million Baht in purchasing land for the development of residential projects for sale.
- Proportion of the Company's pre-sales in 2022 by product type were listed below:

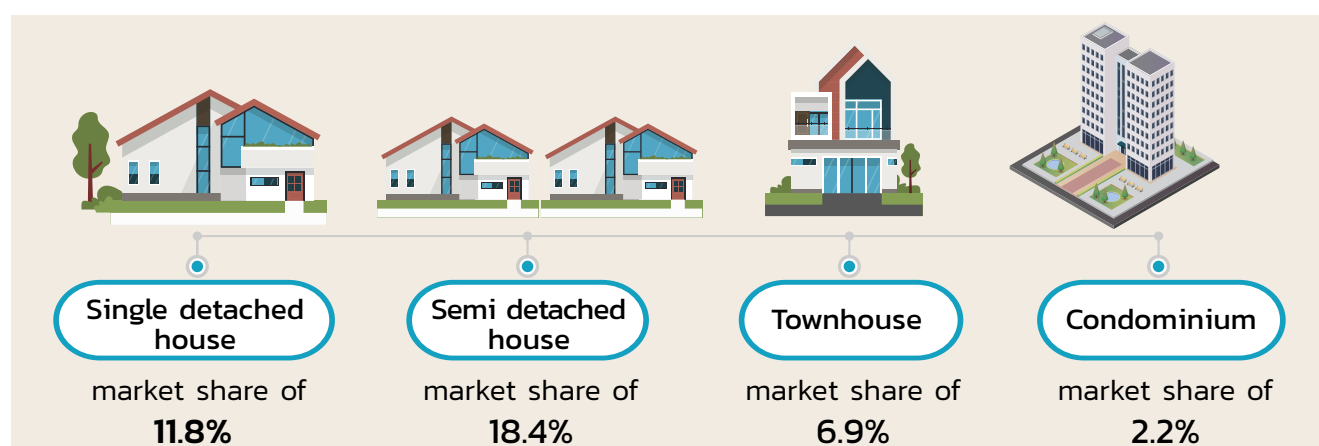
Type of Residences	Pre-Sales Proportion
Single Detached Houses	84%
Townhouses	8%
Condominiums	8%
Total	100%
Bangkok and Periphery	90%
Provincial	10%

- In 2022 low-rise housing products include single detached houses, semi-detached houses, and townhouses, which are the main products that generated sales. The proportion of pre-sales of low-rise houses and condominiums was 92:8.
- When classified by area, Bangkok and Periphery remained the main areas that generated sales. The proportion of pre-sales of projects in Bangkok and Periphery to pre-sales of projects in other provinces was 90:10.
- The proportion of house prices valued at higher than 10 million Baht accounted for about 54% of sales.

Number of Projects Operated during 2022-2023

	2022	2023*e
Number of projects at the beginning of the year	74	70
Bangkok and Periphery	44	41
Provincial	30	29
New projects launched during the year	15	17
Bangkok and Periphery	12	13
Provincial	3	4
Total Value (Million Baht)	32,460	34,960

- As of the beginning of 2022, the Company had a total of 74 projects, 44 of which were in Bangkok and Periphery and 30 were in the provinces. It boasted 15 newly operating projects with a total project value of 32,460 million Baht, including 89 operating projects in 2022, where 19 of the projects closed out during the year.
- The Company's market share in 2022, for only the projects in Bangkok and Periphery (ownership transfer amount versus the number of newly registered houses) categorized by type of housing, was as follows:



Details of New Projects Launched in 2023

Project	Type	Size of project (Rai)	Total units	Average price per unit (MB)	Total project value (MB)	Launch in Quarter
1. Chaiyaprupek 1 Serene Lake	Single detached	4.1	10	9.8	98	Q1
2. Chaiyaprupek 2 Serene Lake	Single detached	4.1	9	10.4	94	
3. Chaiyaprupek 3 Serene Lake	Single detached	10.1	20	10.2	203	
4. inizio Srinakarin	Semi detached	27.1	176	5.5	970	Q 2
5. Mantana Kanchana-Bangbon 5	Single detached	97.8	200	17.0	3,400	
6. Chaiyaprupek Chaengwattana	Single detached	74.5	233	11.7	2,730	
7. VIVE Krungthepkretha	Single detached	19.4	49	41.8	2,050	Q 3
8. VIVE Bangna Km.13	Single detached	40.4	95	33.2	3,150	
9. The Key Srinakarin	Condominium	12.3	805	8.1	6,500	
10. Chaiyaprupek Prannok-Sai 2	Single detached	25.7	56	19.3	1,080	Q 4
11. Villaggio 3 Srinakarin - Bangna	Total	66.3	358	5.6	2,010	
	Single detached	51.4	204	7.1	1,450	
	Townhouse	14.9	154	3.6	560	
12. Chaiyaprupek Rangsit-Klong 4	Single detached	99.6	324	11.4	3,700	Q 4
13. Chaiyaprupek Petchkasem 69	Single detached	94.3	219	12.8	2,800	
14. Chaiyaprupek Bangna km.13	Single detached	53.7	170	13.5	2,300	
15. Prueklada Pinklao-Salaya	Single detached	36.7	142	7.2	1,025	Q 4
16. Mantana Motorway-Rama 9	Single detached	22.6	52	15.4	800	
17. Mantana Maliwan-Khon Kaen	Single detached	66.7	182	11.3	2,050	
Total		755.4	3,100	11.3	34,960	

- At the end of 2022, 70 projects were carried forward to 2023 with a total value of over 56,300 million Baht
 - 62 were low-rise projects worth 47,983 million Baht
 - 8 were condominium projects worth 8,375 million Baht
- The Company issued debentures worth 13,700 million Baht with maturity of 2-3 years and an average interest rate of 2.61% per year. At the end of 2022, the Company incurred a net interest-bearing debt of about 49,837 million Baht, with:
 - Net debt to equity ratio of 95%
 - Average financial cost of 2.24%
- The Company invested 3,700 million Baht in properties for rent through LHMH and LH USA, consisting of:
 - Development of Terminal 21 Rama 3 with 350 million Baht
 - Development of hotel and apartment businesses with 3,350 million Baht
- LHMH launched two new projects known as Grande Centre Point Space Pattaya and Terminal 21 Rama 3 in the 3rd quarter and 4th quarter respectively.

Operation of Real-Estate Business for Rent / Lease

The Company operates real estate for rent in Thailand and the United States through LH Mall and Hotel Co., Ltd. (LHMH) and L&H Property Co., Ltd. for businesses operated in Thailand and Land and Houses U.S.A., Inc. (LH USA) for those operated in the United States. This consists of shopping malls, hotels, apartments, and office space for lease.

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

Projects in Thailand

No.	Project	Development value (MB)	Ownership	Type	Location	Expected year for commercial operation
1.	Grande Centre Point Ploenchit	1,500	LHPF-II	Hotel	Bangkok	Operating
2.	Grande Centre Point Ratchadamri	2,800	LHHOTEL	Hotel	Bangkok	Operating
3.	Grande Centre Point Terminal 21	2,000	LHHOTEL	Hotel	Bangkok	Operating
4.	Grande Centre Point Sukhumvit 55	2,000	LHHOTEL	Hotel	Bangkok	Operating
5.	Terminal 21 Pattaya	3,300	LHMH	Shopping Mall	Pattaya	Operating
6.	Grande Centre Point Pattaya	1,600	LHMH	Hotel	Pattaya	Operating
7.	Grande Centre Point Space Pattaya	3,400	LHMH	Hotel	Pattaya	Operating
8.	Terminal 21 Rama 3	4,500	LHMH	Shopping Mall	Bangkok	Operating
9.	Grande Centre Point Surawong	2,300	LHMH	Hotel	Bangkok	4 th Quarter of 2023
10.	Grande Centre Point Lumpini	4,800	LHMH	Mixed-use	Bangkok	4 th Quarter of 2024
11.	Grande Centre Point Ratchadamri 2	4,600	LHMH	Hotel	Bangkok	4 th Quarter of 2026
Total Project Development Value		32,800				

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

Projects in the United States

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

Residential Trends in 2023 and Action Plans

The housing market in 2023, with consideration of housing projects and the condominium market, shows likely growth of 12-15% from 2022 and is expected to grow in all markets, both low-rise and high-rise. The condominium market, which had slowed down since 2020, is expected to grow steadily from 2022. Key factors that affect the housing market, both positively and negatively, in 2023 are summed up below:

- The Thai economy in 2023 is expected to grow from 2022. The Office of the National Economic and Social Development Council (NESDC) has forecast economic growth of 3.8-4.0% in 2022 and economic growth of no less than 3.8% in 2023, in line with various institutions. The main driving force is domestic spending, which is made up of consumption, investment, and tourism.
- Interest rates for housing loan are expected to increase from 2022, in line with the direction of policy interest rate adjustments. Interest rates throughout 2023 are expected to grow 0.75% per year. The interest rate adjustment by the Monetary Policy Committee (MPC) must take into account changes that occur both within and outside the country. However, the determination of interest rates for housing loans of commercial banks are fixed for two or three years, as in the past year. In 2023 commercial banks are expected to switch to floating interest rates if fixed interest rates are reduced to only a year and if the bank's consideration for granting credit to entrepreneurs (Pre-Finance) and housing loans for retailers (Post-Finance) remain strict.
- Inflation is expected to decrease from 2022, with a projection of 3.0% in 2023 against the average of 6.08% in 2022.
- Construction costs and construction material costs are expected to increase from 2022, with an estimated 3-5% increase in 2023. However, the expected rise in the costs of construction materials will be comparable to that in 2022.
- The Bank of Thailand's LTV policy to revoke the relaxed measures will be a negative factor for loan applications of retail customers who are not first homeowners, which may result in higher credit rejection rates of commercial banks.
- Land for low-rise project development will face increased competition among entrepreneurs, which would hike prices. However, land for high-rise project development would tend to stabilize or decrease mildly.
- Low-rise housing prices tend to remain stable. However, condominiums are likely to face a price decrease due to available supply absorption.

(3) Procurements of Products or Services

Nature of product acquisition

1. Product design

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

In addition, in terms of operation, Virtual Reality (VR) assist in examination, design, and inspection at the precast factory before proceeding with construction to avoid mistakes and maximize the efficiency when the product is delivered to the customer. The Company also engages in research by asking customers' opinions about product and service satisfaction to be used proactively as part of the design process to support and prepare future house designs. In addition, house designs used in project development for a certain period of time or at a specified level of the amount of construction undergo re-design to always be modern and suitable for its service period.

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

2. Production and procurement

Production and Production Policy

Land and Houses has a policy to produce and increase its production capacity of housing for sale in line with customers' demand. This means that if customers' demand increases, the Company can hike production capacity by hiring additional contractors. However, the Company has a set of policies to control the quality of the contractors to ensure that its construction is of good quality and of uniform standards.

- 1) The Company has established construction standards by specifying the construction procedures and the selection of construction materials, where each step is inspected to strictly meet specified standards.
- 2) The Company regularly organizes training in construction methods by the Company's standards for contractors, as well as
- 3) The Company allocates a supervisor for each project to control and inspect the quality work of contractors.

Procurement of construction materials

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

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

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

- Construction materials: The procurement of raw materials for construction falls into two parts:
 - The Company purchases some construction materials directly. Roughly 40% of the construction value is purchased in this fashion.
 - The Company allows hired contractors to procure some materials with a fair processing fee included.

In addition, due to ongoing orders, the Company has maintained a good relationship with the raw-material suppliers. Therefore, raw materials can be procured for the required quantity without any shortage. Most raw materials are purchased locally, and the Company has to date distributed purchases of raw materials from different suppliers to prevent monopoly.

(4) Assets used in business operation

Key categories of assets

The key categories of assets used in Company and its subsidiaries' business operations as at December 31, 2022 comprise

- (1) Inventory of 48,558 million Baht comprises

	Value (million Baht)	Obligations
Land	29,310	Mortgaged as collateral for bank loans of 6,490 million Baht
Land Improvement	2,333	
Construction in progress	11,390	
Deferred interest cost	1,806	
Public Utilities expense	3,750	
Houses held for sales	244	
Total	48,833	
<u>less</u> allowance for diminution in project value	(275)	
Balance	48,558	

(2) Property, plant and equipment - net of 1,955 million Baht comprises

Item	Location	Net Book Value (million Baht)	Ownership characteristics	Obligations
Hotels and land in USA	USA	1,017	Owner	Secured Loan
Sale office at site & land	at all projects	192	Owner	-none-
Office equipment	Head office and at all projects	62	Owner	-none-
Office and Club furnishing	at all projects	367	Owner	-none-
Vehicles	Head Office and at all projects	21	Owner	-none-
Other assets	Head Office and at all projects	135	Owner	-none-
Assets under construction	at all projects	161	Owner	-none-
Total		1,955		

(3) Right-of-use assets of 19,572 million Baht consists of

Company	Project name	Location / Term	Net Book Value (million Baht)	Obligations
LHMH	Grande Centre Point Hotel and Terminal 21 shopping center, Pattaya	Pattaya / Lease term 26 years	4,782	Mortgaged as collateral for the bank loan
LHMH	Terminal 21 Rama 3 shopping center	Rama 3 / Lease term 31 years	3,638	Mortgaged as collateral for the bank loan
LHMH	Grande Centre Point Space Hotel	Pattaya / Lease term 29 years	2,735	Mortgaged as collateral for the bank loan
LHMH	Leasehold under construction	Bangkok / Lease term 30-36 years	5,089	Partially mortgaged as collateral for the bank loan
LHMH	Right-of-use over 3 hotels	Bangkok / Term 3-6 years	2,986	-none-
LHP	Right-of-use over 1 hotel	Bangkok / Term 2 years	101	-none-
LH and LHMH	Right-of-use over office building and others	Bangkok, Term 3-7 years	241	-none-

Remark: LH = Land and Houses Pcl.

LHMH = LH Mall and Hotel Co., Ltd.

LHP= L&H Property Co., Ltd.

(4) Investment Properties

As at December 31, 2022, net book value of investment properties is 11,984 million Baht. The properties include 2 apartments for rent and 1 hotel in California, USA and 1 apartment in Oregon, USA, and vacant land.

Company	Location	Net Book Value (million Baht)	Ownership	Obligations
LH USA	California and Oregon, USA	11,772	Owner	Partially mortgaged as collateral for the bank loan
LH	Bangkok	212	Owner	-

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

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

Land use for operating projects

(Please see details in Attachment 4)

(5) Outstanding of Backlogs

As at December 31, 2022, the Company and its subsidiaries have 60 housing and condominium projects which have already been booked and waiting to be transferred the ownership as detailed follows :

Type	No. of projects	Value (million Baht)
Condominium	9	188
Single detached house & Townhouse	51	3,505
Total	60	3,693

1.3 Company Group Structure

1.3.1. Company Group structure

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

Company Group and Shareholding Structure (as of December 31, 2022)



Remark :

- L&H Property Co., Ltd. is a joint venture with 40% stake owned by the Government of Singapore Investment.
- LH Muang Mai Co., Ltd. is a joint company with 45% stake owned by Mr.Pittaya Tantipiriyakul's Group.
- Asia Asset Advisory Co., Ltd. ceased to be the subsidiary of the Company as the Board of Directors' Meetings of Asia Asset Advisory Co., Ltd. approved the dissolution of business on 23 June 2022 given no business operation.

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

Company Name	Address	Telephone	Fax	Type of Business	Authorized Share Capital	% Direct and Indirect Ownership
1 Land and Houses U.S.A., Inc.	17485 Monterey Road Suite 308 Morgan Hill, CA 95037 USA	408 796 7337	-	Property Investment	40 million common shares of USD 1 each	100.00
2 Atlantic Real Estate Co., Ltd.	1 Q. House Lumpini Building, 37 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	0.15 million common shares of Baht 100 each	100.00
3 Land and Houses North Co., Ltd.	319 Moo 4, Thumbon NongJom, Amphoe Sansai, Chiangmai, Thailand 50210	0 5349 8911-3	0 5335 4349	Property Development	0.5 million common shares of Baht 100 each	100.00
4 Siam Tanee Property Co., Ltd.	1 Q. House Lumpini Building, 37 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1 million common shares of Baht 100 each	100.00
5 LH Asset Co., Ltd.	1 Q. House Lumpini Building, 37 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1 million common shares of Baht 100 each	100.00
6 LH Real Estate Co., Ltd.	1 Q. House Lumpini Building, 37 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	0.58 million common shares of Baht 100 each	100.00
7 Land and Houses Northeast Co., Ltd.	1 Q. House Lumpini Building, 37 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1.5 million common shares of Baht 100 each	100.00
8 Siam Tanee Real Estate Co., Ltd.	1 Q. House Lumpini Building, 37 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8900	0 2230 8131	Property Development	1.75 million common shares of Baht 50 each	100.00
9 LH Mall and Hotel Co., Ltd.	1 Q. House Lumpini Building, 15 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhmh.co.th	0 2343 8899	0 2343 8890	Property Development	20 million common shares of Baht 100 each	99.99
10 L&H Hotel Management Co., Ltd.	1 Q. House Lumpini Building, 15 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Hotel	1 million common shares of Baht 10 each	99.99
11 L&H Management Co., Ltd.	1 Q. House Lumpini Building, 15 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Management	0.01 million common shares of Baht 10 each	99.98
12 L&H Retail Management Co., Ltd.	1 Q. House Lumpini Building, 15 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Retail	0.01 million common shares of Baht 10 each	99.97
13 L&H Property Co., Ltd.	1 Q. House Lumpini Building, 15 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2343 8899	0 2343 8890	Property Development	26 million common shares of Baht 5 each	60.00

Company Name	Address	Telephone	Fax	Type of Business	Authorized Share Capital	% Direct and Indirect Ownership
14 LH Muang Mai Co., Ltd.	9/9 Moo 6 Thepkasatree, Tumbon Ratsada, Aumphoe Muang, Phuket, Thailand 83000	0 7638 1150-3	0 7638 1112	Property Development	90 million common shares of Baht 10 each	55.00
15 Land and Houses Property and Loan Fund-II	15 th , 17 th Floor Sindhorn Building Tower III, 130-132 Wireless Road, Bangkok, Thailand 10330	0 2688 7777	0 2688 7700	Property Fund	148.6 million units of Baht 10 each	49.99
16 Home Product Center Plc.	31 Prachachuen Road, Bangkhen, Muang, Nonthaburi, Thailand 11000 Website : www.homepro.co.th	0 2832 1000	0 2832 1234	Trading of Construction Material	13,151.2 million common shares of Baht 1 each	30.23
17 Land and Houses Freehold and Leasehold Property Fund	1 Q. House Lumpini Building, 14 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 www.lhpf-pf.com	0 2286 3484 0 2679 2155	0 2286 3585 0 2679 2150	Property Fund	330 million units of Baht 10 each	26.96
18 Quality Houses Plc.	1 Q. House Lumpini Building, 7 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 Website : www.qh.co.th	0 2677 7000 0 2343 8888	0 2677 7009	Property Development	10,714.4 million common shares of Baht 1 each	24.98
19 LH Financial Group Plc.	1 Q. House Lumpini Building, 5 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhfg.co.th	0 2359 0000	0 2677 7223	Holding Company (Financial)	21,813.7 million common shares of Baht 1 each	21.88
20 Land and Houses Bank Plc.	1 Q. House Lumpini Building, G, 1 st , 5 th , 6 th , 32 nd Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhbank.co.th	0 2359 0000	0 2677 7223	Bank	2,000 million common shares of Baht 10 each	21.88
21 Land and Houses Securities Plc.	11 Q. House Lumpini Building, M, 10 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhsec.co.th	0 2352 5100	0 2286 2681 0 2286 2682	Securities	1,274.4 million common shares of Baht 1 each	21.88
22 Land and Houses Fund Management Co., Ltd.	11 Q. House Lumpini Building, 14 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhfund.co.th	0 2286 3484 0 2679 2155	0 2286 3585 0 2679 2150	Management Fund	3 million common shares of Baht 100 each	21.88
23 Land and Houses Advisory Co., Ltd.	11 Q. House Lumpini Building, 10 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120	0 2286 5100	0 2286 2681 0 2286 2682	Advisory	2 million common shares of Baht 10 each	21.88
24 Quality Construction Products Plc.	144 Moo 16 Bangpa-in Industrial Estate, Udomsorayuth Road, Bangkrasan, Bangpa-in, Ayutthaya, Thailand 13160 Website : www.qcon.co.th	0 3525 9131-4 0 3525 8999	0 3525 8948 0 3525 8721	Building Material	400 million common shares of Baht 1 each	21.16
25 LH Hotel Leasehold Real Estate Investment Trust	11 Q. House Lumpini Building, 14 th Fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok, Thailand 10120 Website : www.lhfund.co.th	0 2286 3484 0 2679 2155	0 2286 3585 0 2679 2150	Property	537.9 million common shares of Baht 10 each	14.73

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

-None-

1.3.3. Relationship with the business group of major shareholders

-None-

1.3.4. Shareholders

As at the book closing date on August 26, 2022, top 10 major shareholders of the Company are as follows :

Rank	Name of individual / Juristic Person	Number of shareholding (shares)	Percentage of paid-up capital (%)
1.	Mr. Anant Asavabhokhin *	2,860,000,047	23.93
2.	Thai NVDR Co.,Ltd	2,212,174,838	18.51
3.	Mayland Co., Ltd *	677,000,069	5.67
4.	THE BANK OF NEW YORK MELLON	361,061,727	3.02
5.	Social Security Office	344,011,140	2.88
6.	STATE STREET EUROPE LIMITED	244,595,855	2.05
7.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	210,314,068	1.76
8.	Miss Piangjai Harnpanij *	134,960,000	1.13
9.	Mr. Kittipol Tuantong	117,100,000	0.98
10.	BuaLuang Long-Term Equity Fund	111,754,000	0.94
Total		7,272,971,744	60.86

Remark: * Mr. Anant Asavabhokhin's group has total combined shares of 30.73%

1.4 Number of Registered Shares and Paid-Up Shares

(1) As at December 31, 2022, the Company has registered capital of 12,031,105,828 Baht, with the paid-up capital of 11,949,713,176 Baht, divided into 11,949,713,176 common shares at the par value of 1 Baht per share.

The number of common shareholders holding through the Thai NVDR Co., Ltd, as of January 5, 2023 was 2,415,343,363 shares, representing 20.21% of the paid-up shares. Since the shareholders holding through Thai NVDR CO., Ltd. is unable to exercise the right to vote in the shareholders' meeting (except in the case of exercising rights to vote on the delisting of shares from listed securities), the shareholders who do not hold shares through Thai NVDR Co.,Ltd shall have 25.33% increase in voting right, in effect the shareholders who hold 19.95% shares of the paid-up capital will have the right to vote up to 25% of total shares with voting rights. The investors can check the latest number of shares held through Thai NVDR Co., Ltd from the website of the Stock Exchange of Thailand (www.set.or.th).

(2) Other types of shares

-None-

1.5 Issuance of Other Securities

1.5.1. Debenture

As at December 31, 2022, the total amount of outstanding debentures is 36,300 million Baht, all are unsubordinated and unsecured debentures. The details are as follows :

Debenture	Issue Size (Million Baht)	Coupon rate per annum	Term / Maturity Date
No. 1/2018	1,200	2.96%, semiannual payment	7 years / 7 March 2025
No. 1/2020 (2)	2,400	2.60%, semiannual payment	3 years / 12 May 2023
No. 2/2020	3,000	2.03%, semiannual payment	3 years / 20 Oct 2023
No. 1/2021 (1)	3,000	1.09%, semiannual payment	2 years 16 days / 12 May 2023
No. 1/2021 (2)	5,000	1.50%, semiannual payment	3 years / 26 April 2024
No. 2/2021	8,000	1.46%, semiannual payment	3 years / 19 Oct 2024
No. 1/2022 (1)	2,000	Discount rate 1.73% per annum	2 years / 25 Apr 2024
No. 1/2022 (2)	4,700	2.26%, semiannual payment	2 years 11months 30 days / 24 Apr 2025
No. 2/2022 (1)	1,600	3.00%, semiannual payment	2 years 6 months 13 days / 24 Apr 2025
No. 2/2022 (2)	4,250	3.25%, semiannual payment	2 years 11 months 28 days / 9 Oct 2025
No. 3/2022	1,150	Discount rate 2.66% per annum	1 year 11 months 22 days / 3 Oct 2024

All debentures are assigned the latest credit rating of A+Stable by TRIS Rating Co., Ltd on November 16, 2022.

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

1.6 Dividend Policy

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

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

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

Dividend Payment

	2020	2021	2022
Earnings per share (Baht/share)	0.60	0.58	0.70
Dividend per share (Baht/share)	0.50	0.50	0.60
Dividend payout ratio (%)	83	86	86

2. Risk Management



2.1 Policy and Risk Management

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

The Company has implemented a risk management framework in accordance with international risk management standards including the Committee of Sponsoring Organizations of the Treadway Commission, September 2004 (COSO ERM), and the International Organization for Standardization (ISO 31000:2009 Risk Management), covering risk determination from economic, societal, and environmental perspectives under the supervision of the Risk Management and Sustainable Development Committee.

Risk Management Policy

The Risk Management Policy defines directions and guidelines for all executives and employees to be fully aware of and required to manage, communicate, and execute coherently toward achieving business goals. Our risk management policy is described as follows:

- The Board of Directors, executives, and all employees from all business units are the risk owners with the responsibility to efficiently assess, monitor, and support the risk management process.

- The enterprise-wide risk management process includes an annual review of risk assessment against all internal and external factors, defining acceptable levels of risks (risk appetites), and tracking risks with specific sets of key risk indicators (KRIs) as risk triggers.
- All business functions and units are required to perform systematic, continual risk assessment and monitoring. The process review must be executed at least annually and when significant change takes place.
- The Risk Management and Sustainable Development Committee has a direct responsibility to supervise, provide guidelines, and closely monitor the risk management process, and to report with recommendations to the Board of Directors.
- Risk coordinator officers (RCOs) and risk owner representatives (RORs) are tasked to coordinate and support the risk management process.
- A corporate culture has been created for mutual understanding and awareness of risks through the Company's support in the continuous development of the risk management process. The knowledge base is built up and database containing all relevant internal and external data is developed together with an IT system and advanced technology investment is made to provide accessibility to all employees and experience-sharing, led to efficiency in developing and continually improving the risk management process.

The annual risk management process review and system improvement are mandatory and can be performed, when necessary, in case of unintended significant change and impact. The review and improvement must be endorsed by the Risk Management Committee and the Board of Directors.

Risk Management Process

The risk management process is a common responsibility of the Board of Directors, executives, and employees. The process demands clear strategy formulation and execution plans associated with risk identification and risk assessment that might impact the organization, as well as risk treatment to risk appetites for every unit to perform in a uniform direction to ensure achievement of corporate business goals. There are seven stages in the risk management process, as illustrated below.



In 2022 the Company conducted the annual self-assessment of the Risk Management and Sustainable Development Committee in accordance with SET's criteria so that it might apply the findings to improve future performance. The overall assessment rating for the year was of an "Excellent" range.

Crisis management

Regarding crisis management at the corporate level to address risks associated with crises, Land and Houses has defined Business Continuity Management (BCM) and prepared guidelines for uninterrupted business. The Company communicates internally with all employees so that they may learn and understand crises. It stages a drill by simulating an emergency (a natural disaster) in which no personnel can come in to work at Head Office, and all core units must operate at a backup location, whereas support units operate at various project offices.

Based on the drill, all employees (core and support units) can successfully operate uninterrupted, thus passing the defined criterion, certified by Internal Audit and System Development.

Regarding management of public health risks, as in the COVID-19 situation, Land and Houses values preventive infection risk measures and commands the following mitigation measures:

- When employees and families are infected or are in a risky group, the Company assigns a coordinator to help, arrange medical care, and support them with medicine and rehabilitation gear.
- The Company defines proper guidelines for work at Head Office and project offices in keeping with the guidelines of the Ministry of Public Health.
- The Company conducts internal communication to report infected cases for employees' information. It performs risk assessment due to contact or proximity with the infected so as to lower transmission.
- The Company defines for contractors' and employees working in various groups measures for testing and vaccination. It also supplies medicine and rehabilitation gear once they are infected.

2.2 Operational Risks

2.2.1. Risks incurred from pre-built construction

The Company and its subsidiaries operate their business in real estate development, mainly on housing construction for sale. Since 2000, the Company has shifted its policy from Built-to-order houses to pre-built houses. Increased the proportion of pre-built houses in 2001-2002 continuously, since then, the Company has shifted all operations to the pre-built except for the residential condominiums and townhouses under brand “INDY” which the Company has changed the policy from the pre-built sales to sale before building since September 2010 onwards. Due to such change in policy, the Company requires higher advance capital to fund the construction as the Company will not receive upfront funds from the customers to use as a working capital during the construction. In addition, several factors may pose an impact on the decision-making to purchase a residence in the future e.g. (1) the increase in housing prices following the rise in construction material cost and land price. (2) interest rates for housing loans in an upward trend and the revocation of relaxed measures by BoT on the LTV policy (more details in 1.2.2 (2) Industry market and Competition). These factors may affect the purchasing power and the decision making of the Company’s target customers. Thus, the Company constitutes risks arising from the pre-built houses that could not be sold. Accordingly, the Company carries high cost of inventory which would affect its liquidity and profitability. However, it is expected that the Company can manage to sell these pre-built houses and will not bear such a high inventory burden thanks to the reasons as follows:

- (1) The Company has conducted the behavioral research of consumers who visit a project site to study in terms of their budget, house style, land size etc. Then, combine with the historical sale data to analyze the customers’ needs, as a result, the information can give the Company the hindsight and ability to build the pre-built houses to match with their requirement and enable it to sell them out.
- (2) Today’s most customers prefer purchasing the pre-built houses given that they are confident that the house can be delivered as per the contractual schedule, reflecting during financial crisis in 1997-1998 when many property developers could not build the houses and hand over the houses to their customers as promised.
- (3) The Company is a leading real estate developer and has been well established in the market for more than 30 years, thus the Company has competitive edges in terms of marketing intelligence and better understandings of customers’ requirements. To this end, the Company has ability to develop the residential units to meet the customer’s demand, making residential projects under the brand name

“Land & Houses” well accepted among the target customers in terms of quality and location.

- (4) Though several risk factors may impose on the consumer’s decision-making in purchasing a residence, the target customers’ demand in housing quality keeps going as they expect to experience good after-sale services from the Company.

2.2.2. Production Risks

The risks associated with the shortage of construction materials and a rise in cost of construction due to the fact that new faces in the real estate have sprung up, thus more demand in construction materials and workers. This may lead to the scarce of materials and labor which results in an increase in material costs where in 2022, the Construction Material Price Index has increased by 6%. The material and labor issues may carry on in the future following the increasing construction works, therefore, this may hold up the project development period and spur construction costs for the Company, affecting the liquidity and profitability of the Company.

However, as of December 31, 2022, the Company and its subsidiaries has operated 89 projects on hand, making the Company gain the high bargaining power over the contractors and material suppliers. Plus, as the Company has adopted the pre-built strategy rather than the built-to-order (except condominiums which are pre-booked before the construction start and townhouses which are booked before the construction completion), enabling the Company together with the contractors to plan the construction schedule and make order the materials ahead, thus, preventing from the shortage of the materials and better controlling the costs and construction period as planned.

2.2.3. Financial Risks

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

As at December 31, 2022, the Company and its subsidiaries have non-current financial assets of 3,832 million Baht or accounted for 3.1% of total assets (Details are as described in Section 3, the Management Discussion and Analysis). Main non-current financial assets comprise (1) Vistamalls Inc., the investment in the Philippines of 1,391 million Baht (2) Land and House Freehold and Leasehold Property Fund of 543 million Baht (3) Quality Houses Leasehold Property Fund of 275 million Baht (4) BTS Group Holding of 150 million Baht (5) LH Shopping Centers Leasehold Real Estate Investment Trust of 492 million Baht (6) LH Hotel Leasehold Real Estate Instrument Trust of 951 million Baht. The Company is prone to a risk incurred from the impairment of the investment, perhaps causing a decrease in investment value.

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

Subsidiaries	% held by the Company	Loan to Subsidiaries (million Baht)	Interest rate (%)
Land and Houses U.S.A. Inc.	100.00	10,345	3.00-6.09
Land and Houses Northeast Co., Ltd.	100.00	2,495	2.50
LH Mall and Hotel Co., Ltd.	99.99	3,710	2.50
Siam Tanee Property Co., Ltd.	100.00	270	2.50
Atlantic Real Estate Co., Ltd.	100.00	265	2.50
Total		17,085	

As at December 31, 2022, the Company has provided long-term loans to Land and Houses U.S.A. Inc. (LH USA), the 100% owned subsidiary. The loan amount is USD 301 million or 10,345 million Baht, with the interest rate of 3.00-6.09% p.a. Such loan will be repaid to the Company once the invested property could be sold, or otherwise, the loan could be refinanced by the financial institutions.

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

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

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

(2) Risk incurred from loan to subsidiaries

As at December 31, 2022, the Company extended short-term and long-term loans to its 5 subsidiaries in total amount of 17,085 million Baht (principal and accrued interest), in form of unsecured promissory notes as follows:

2.2.4. Risk incurred from lawsuits

As at December 31, 2022, the Company does not have any significant lawsuits. The Company carries over a lawsuit filed with a total principal of 64 million Baht which is the maximum damage that may occur to the Company. The Company has already set aside the provision of 2 million Baht.

2.2.5. Emerging Risk

Risk of climate change affecting building structures

Land and Houses recognizes global climate change risk in the form of increasingly severe natural disasters, more frequent heat waves, and other phenomena with direct effects on its operations. These could also harm lives and properties of related parties. The Company has therefore defined guidelines and measures to deal with this risk to project development and building structures, ranging from the selection of areas to the design of building structure systems to withstand more severe tremors and earthquakes more efficiently. It selects environmentally friendly and energy-saving materials as well as introducing an innovation that promotes interior ventilation to keep temperatures lower than the outside. Relentlessly, the Company has monitored implementation to assess and revise preventive measures for such risk.

Land and Houses has also developed databases on greenhouse gas emissions from its various activities to set out measures and approaches for managing greenhouse gas reduction, promote understanding of global climate change, and nurture awareness among employees and all stakeholders to jointly produce behavior resembling that of a low-carbon organization.

3. Driving Business for Sustainability

Land and Houses Public Company Limited operation is underlined by a sustainability approach practiced internationally and domestically, including the UN Global Compact, UN Sustainable Development Goals (UN SDGs), and SET, to jointly create shared value and responsibility with all stakeholders in the governance, social, and environmental aspects while the Company strives to become a leading Thai real-estate entity. The goals are clear: to deliver “Better Living” on account of relentless development of products and services in pursuit of decent quality and services matching customers’ needs and to earn consumers’ acceptance and trust under good corporate governance in parallel with socio-environmental responsibility and respect for human rights, with due regard for all stakeholders.

3.1 Sustainability management policy and goals

Land and Houses Plc.’s sustainability policy is based on its vision, mission, and business strategy, with a growth goal marked by economic, governance, communities, and environmental balance. Armed with these, the Company pursues genuine sustainable growth in line with its vision to become Thailand’s leading real-estate developer that creates a better living for consumers and all stakeholders. The essentials described below are how the Company stays committed to sustainability.



Good governance principles and practices

The Company strives for corporate governance by staying committed to the key elements of the corporate governance process: integrity, transparency, independence, social responsibility, fairness, and accountability.



Socio-environmental responsibility

The Company operates with due regard for the mitigation of adverse impacts resulting from its operations on society/communities, nature, and the environment while focusing on conscientious as well as most efficient resource and energy consumption.



Due regard for all stakeholders

The Company values and takes responsibility for all sectors of stakeholders.

Material Sustainability Issues

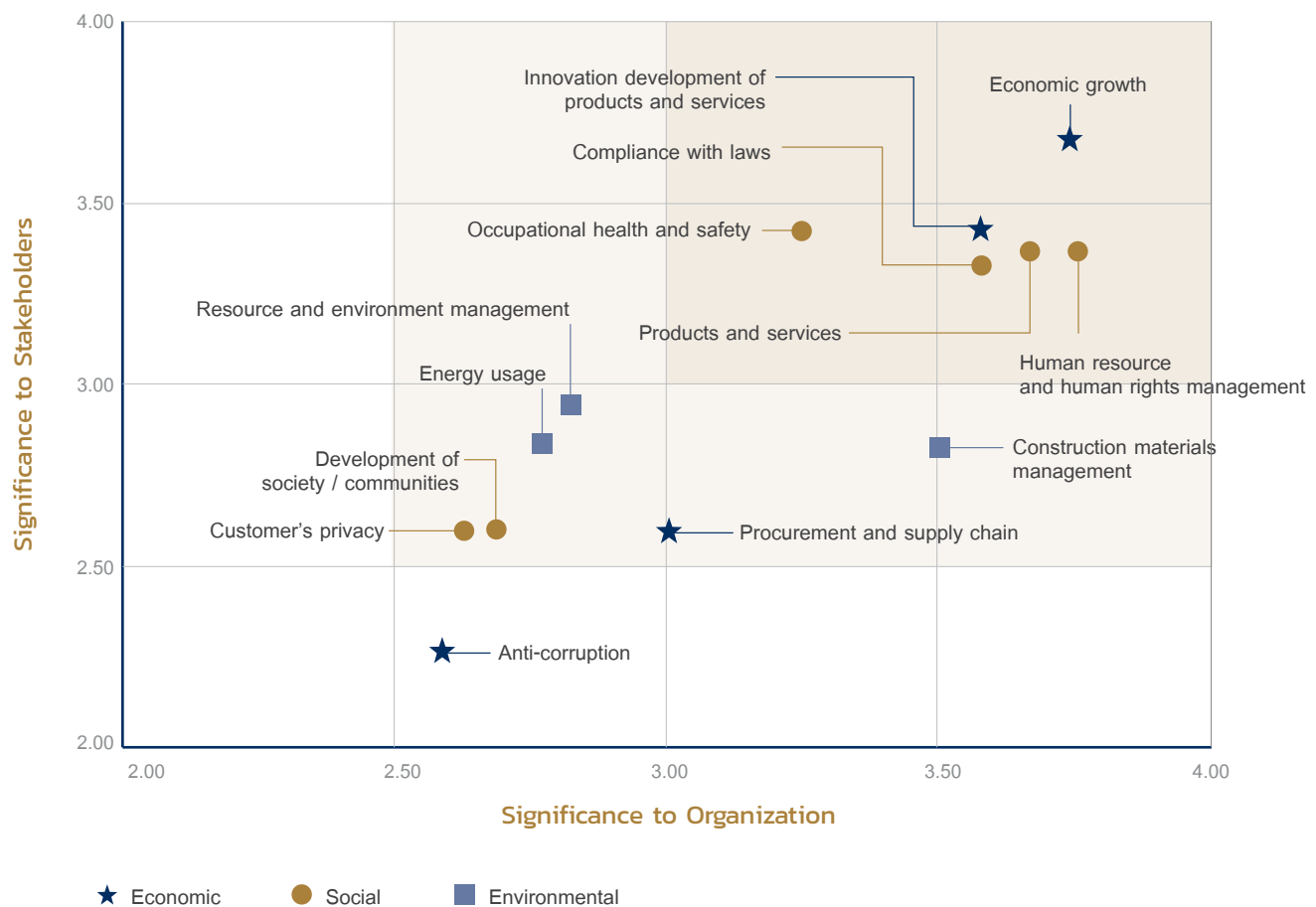
In business management for sustainability, the Company is involved in various operational issues to various degrees. It defined key sustainability materiality issues significantly related to the economy, society, human rights, and environment. To this end, it considers impacts of issues on the Company’s performance on the economy, society and human rights, and the environment and impacts on stakeholders’ decision-making. The ranking arising from the prioritization exercise is critical to the development of Land and Houses Plc.’s development of strategies, plans, and goals as well as indicators aligning with such issues.

In identifying materiality issues, the Company surveyed elements from all its executives and applicable stakeholders, then ranked the outcomes by their importance. The materiality issues have been identified in 2021 and reviewed in 2022. The Risk Management and Sustainability Committee together with senior management did the review and agreed that these issues remained relevant to Land and Houses Plc.’s sustainability and should be continually managed. So they approved the issues and assigned senior management to proceed accordingly.

Analytical procedures for materiality issues

Identification of Significant Issues	Prioritization	Verification of Issues
<p>Base consideration on interest, expectations, and potential impacts of company operations across the value chain, notably those with relevance and impacts on stakeholders and business (in economic, social, and environmental aspects). Consider additional issues aligning with sustainability in the real-estate industry and global sustainability, incorporating various sustainability indices and standards at national and international levels, including the UNGC, UN SDGs, and Global Reporting Initiative (GRI).</p>	<p>Identify materiality issues and rank them by likely economic, social, and environmental probability and severity of impacts. Consider the importance to the company and all stakeholders.</p>	<p>Table the ranked issues for The Risk Management and Sustainability Committee to review and submit to the senior management of Land and Houses Plc for approval and action. The Company reviews these issues every year.</p>

Materiality Matters



Below are the materiality issues for each aspect used by Land and Houses Plc. in planning sustainability activities in line with business strategies and goals in 2022.

Economic	Social	Environmental
<ul style="list-style-type: none"> Economic growth Management of innovation and development of product and service quality 	<ul style="list-style-type: none"> Human resource and human rights management Workforce caliber development Product design focusing on quality of life Occupational health and safety Engagement in and development of society / communities 	<ul style="list-style-type: none"> Cost-effective management of energy and resources Design and selection of resource conservation and green resources

The Company's policy on operations focuses on valuing and responsibility for all stakeholders. It defined goals for sustainability management in line with materiality issues embracing economic, social, and environmental aspects to 2023 to serve as guidance below.

Sustainability Materiality Issues	Sustainability Management Goals	Operating Guidelines
<ul style="list-style-type: none"> Economic growth Management of innovation and development of product and service quality Product designs focusing on quality of life 	<ul style="list-style-type: none"> Innovative products and services for better living 	<ul style="list-style-type: none"> Design and make products that meet the needs and behavior of consumers and are environment-friendly (green)
<ul style="list-style-type: none"> Human resource and human rights management Workforce caliber development Occupational health and safety 	<ul style="list-style-type: none"> Employees' capabilities and well-being 	<ul style="list-style-type: none"> Relentlessly evolve capability, grow knowledge, and upskill employees in line with business strategies
<ul style="list-style-type: none"> Cost-effective management of energy and resources Design and selection of resource conservation and green resources 	<ul style="list-style-type: none"> Efficient power and resource consumption and negative environmental impact reduction 	<ul style="list-style-type: none"> Design homes in perfect blend with the surroundings, featuring technologies to promote living conditions in parallel with environmental friendliness Choose non-natural materials and install energy-saving devices in homes Use renewable energy in operational procedure
<ul style="list-style-type: none"> Engagement in and development of society / communities 	<ul style="list-style-type: none"> Social license to operate 	<ul style="list-style-type: none"> Relentlessly manage community projects and activities

Extents of stakeholder relevance for individual materiality issues

Materiality Issues	Stakeholder group involved						Report topics
	Employee	Governmental unit / Regulator	Community / Society	Customer	Supplier / Contract Partner	Shareholder / Investor	



Economic Aspect

• Economic growth	✓	✓	✓	✓	✓	✓	• Economic performance • Risk management • Corporate governance
• Management of innovation and development of product and service quality	✓		✓	✓	✓	✓	• R&D on Innovations and Technologies



Social Aspect

• Human resource and human rights management	✓	✓	✓	✓	✓		• Responsibility for employees (and labour)
• Workforce caliber development	✓	✓	✓	✓	✓		• Responsibility for employees (and labour)
• Product designs focusing on quality of life	✓	✓	✓	✓	✓	✓	• Responsibility for customers
• Occupational health and safety	✓	✓	✓	✓	✓		• Responsibility for employees (and labour)
• Engagement in and development of society/ communities	✓	✓	✓	✓	✓	✓	• Responsibility for society and communities



Environmental Aspect

• Cost-effective management of energy and resources	✓	✓	✓	✓	✓	✓	• Energy management • Garbage and waste management • Water and effluent management
• Design and selection of resource conservation and green resources	✓	✓	✓	✓	✓	✓	• Energy - Efficient and Eco-Friendly Design • Selecting Eco-friendly Materials

These materiality issues also support UN SDGs. Incorporating economic, social, and environmental aspects, these issues underwent application to the definition of business strategies as well as organizational development to follow the same direction and goals for international sustainability. That way, Land and Houses Plc. boosts the confidence and benefits of all stakeholders.

Sustainability Materiality Issues	SDGs	Supporting Activities	Benefits to Business / Society / Environment
 Economic Aspect			
<ul style="list-style-type: none"> Economic growth 		<ul style="list-style-type: none"> Corporate governance Risk management Quality development of products and services Sustainable management of the supply chain 	<ul style="list-style-type: none"> The Company's revenue Stakeholders' income, including employees, suppliers, communities, and society
<ul style="list-style-type: none"> Management of innovation and development of product and service quality 	  	<ul style="list-style-type: none"> "Breathable House" (AirPlus Square) innovation equipped with a ventilation system of filtered air and control of air quality within homes SmartHome or Home Automation iDesign application QR Code manual for introduction to homes and devices 	<ul style="list-style-type: none"> Customers' brand loyalty Quality products and services continually meeting customers' needs
 Social Aspect			
<ul style="list-style-type: none"> Human resource and human rights management 		<ul style="list-style-type: none"> Legitimate employment without human rights violation Fair compensation and benefits Transparent performance assessment Freedom of collective bargaining 	<ul style="list-style-type: none"> The Company's products derived from quality employees Employees' well-being
<ul style="list-style-type: none"> Workforce caliber development 		<ul style="list-style-type: none"> Employee training and development in various forms 	<ul style="list-style-type: none"> The Company's products derived from quality employees Employees' career growth
<ul style="list-style-type: none"> Product designs focusing on quality of life 		<ul style="list-style-type: none"> Product designs catering to the needs of the elderly 	<ul style="list-style-type: none"> The Company's revenue Customers' decent quality of life

Sustainability Materiality Issues	SDGs	Supporting Activities	Benefits to Business / Society / Environment
--------------------------------------	------	-----------------------	---



Social Aspect (Cont.)

<ul style="list-style-type: none"> Occupational health and safety 		<ul style="list-style-type: none"> Cultivation of awareness of occupational health and safety Work settings that promote health and safety 	<ul style="list-style-type: none"> The Company's products derived from quality employees Employees' good health and safety
<ul style="list-style-type: none"> Engagement in and development of society / communities 		<ul style="list-style-type: none"> Development of projects for a decent quality of life featuring quality surroundings for communities and society Fostering of cordial relations with communities 	<ul style="list-style-type: none"> Business acceptance by communities / society Communities' decent quality of life



Environmental Aspect

<ul style="list-style-type: none"> Cost-effective management of energy and resources 		<ul style="list-style-type: none"> Use of solar roofs at site offices Use of hybrid vehicles by executives / electric golf carts for customers within projects Preparation of electric systems to accommodate EV charging in customers' homes 	<ul style="list-style-type: none"> Lower consumption of key conventional energy Lower long-term expenditure Awareness formed for greater consumption of alternative energy Lower release of pollutants and noise pollution
<ul style="list-style-type: none"> Design and selection of resource conservation and green resources 		<ul style="list-style-type: none"> Use of energy-saving and green materials 	<ul style="list-style-type: none"> Lower long-term expenditure Awareness formed for selecting more green resources

3.2 Management of impacts on stakeholders across the business value chain

3.2.1 Business value chain

Land and Houses Plc. engages in real-estate development by developing residential projects featuring single detached homes, townhouses, and condominiums in an effort to deliver sustainable value to all stakeholders. Underlining its operations are the business value chain and inter-connected key operating procedures as described below.

Value chain

To create a better living



3.2.2 Business stakeholders

The Company identified stakeholders related to its key work processes in each value chain, grouping them by relevance to it into employees, shareholders, customers, suppliers, society /communities/the environment, the public sector, financial institutions/creditors, and business competitors. It has also assessed the priority of all stakeholder groups to its operations. Such assessment indicated the three top stakeholder groups, namely employees, shareholders and customers.



The Company engages in stakeholder communication through various channels to learn of their groups' needs, expectations, and concerns. It defined guidelines for responding to their needs and fostering engagement of each stakeholder group as seen below.

Stakeholder group	Communication channel	Expectation	Response approach
Employees	<ul style="list-style-type: none"> • General/monthly meetings • CEO Message meetings • Internal electronics communication • Reception of complaints made through phones, Email, and complaint boxes 	<ul style="list-style-type: none"> • Fair, equitable, non-discriminating treatment • Suitable compensation and welfare • Job security and career growth • Development of caliber and learning 	<ul style="list-style-type: none"> • Fair and equitable personnel administration with respect for human rights • Annual performance assessment • Employee development for promotion • Training for all jobs and job groups • Monetary and non-monetary workforce structure and welfare
Shareholders	<ul style="list-style-type: none"> • Annual report • Annual shareholders' meetings • Quarterly investor and analyst meetings • Company visits • L&H's regular communication through online channels (website, Facebook, LINE, and instagram) • Contact and inquiry through email : investor@lh.co.th 	<ul style="list-style-type: none"> • Steady growth in performance • Corporate governance with commitment to good governance code and managed with openness and accountability, equipped with risk management • Suitable returns on investment • Timely response to inquiries 	<ul style="list-style-type: none"> • Suitable payout of dividends • Strict corporate governance practices under SEC's CG Code • Integration of sustainability guidelines with business strategies
Customers	<ul style="list-style-type: none"> • L&H's regular communication through online channels (website, Facebook, LINE, and instagram) 	<ul style="list-style-type: none"> • Responsible products and services with due regard for consumers' rights • Development of products meeting consumers' needs • Quality and standardized products and services • Protection of customers' privacy 	<ul style="list-style-type: none"> • Product and service innovations that contribute to quality-of-life improvement • Speedy and efficient complaint-handling • Ongoing communication of product information and customer activities and privileges • Customer Relationship Management (CRM) • Policy and protocol for protection of customer data and confidentiality, with strict enforcement

Stakeholder group	Communication channel	Expectation	Response approach
Suppliers	<ul style="list-style-type: none"> Regular meetings with suppliers 	<ul style="list-style-type: none"> Fair and non-discriminatory procurement Efficient, transparent, and accountable hiring and procurement system Mutual business growth 	<ul style="list-style-type: none"> Policy and protocol on procurement Best practices for suppliers, namely business ethics and anti-corruption policy Joint listening to views and operating approaches
Society, communities, environment	<ul style="list-style-type: none"> Surveys and engagement meetings with communities Project visits by agencies/ academic sector Joint activities with communities, public and private sector / educational institutions 	<ul style="list-style-type: none"> Responsibility to society / communities and the environment Business conduct with due regard for environmental impacts Stewardship of community surroundings 	<ul style="list-style-type: none"> Environmental conservation and preservation Business process redesign for mitigation and environment-friendliness through controlling pollution, garbage, and waste along with conscientious consumption of water and energy Improvement of the surroundings inside and outside projects through clean construction and more green acreage Knowledge-sharing with institutions, agencies, and entities Use of artificial materials for conservation and environment-friendliness
Public sector	<ul style="list-style-type: none"> Courtesy calls and coordination Meetings, seminars, and engagement in public agencies' activities 	<ul style="list-style-type: none"> Compliance with regulations, laws, and policies of regulators Continual engagement in public agencies' activities and projects 	<ul style="list-style-type: none"> Factual, accurate, and complete reporting of business outcomes Cooperation and support to public projects Compliance with applicable tax management legislation

Stakeholder group	Communication channel	Expectation	Response approach
Financial institution / creditors	<ul style="list-style-type: none"> Meetings with Relationship Managers Communication through phones and Emails 	<ul style="list-style-type: none"> Debt repayment in accordance with terms and conditions Business meeting targets or investment plans Offerings of financial products to the Company and home buyers 	<ul style="list-style-type: none"> Management of performance under suitable risk management Operation in accordance with investment plans and debt repayment schedule Consideration of financial products that benefit the Company and home buyers Offerings of financial products that benefit the Company and home buyers Engagement in sales promotional activities with financial institutions to cater to customers' financial requirements
Business competitors	<ul style="list-style-type: none"> Meetings in conjunction with associations or related entities on appropriate occasions Reception of recommendations and opinions through website/ Emails Complaints regularly made through the Company's complaint system handling through the year 	<ul style="list-style-type: none"> Transparent and fair business conduct 	<ul style="list-style-type: none"> Disclosure of business data on the Company's and SET websites Fair business competition terms Promotion of free trade competition without monopolies

3.3 Sustainability Management in Environmental Aspects

Environmental Policies and Management Approaches



3.3.1 Environmental Policies and Goals

Land and Houses Plc. is aware of the increasingly severe environmental issues that affect the way of life. With strong determination, the Company plans to manage the use of natural resources to maximize ecological benefit and minimize potential adverse environmental impacts based on its compliance with laws, rules, and regulations. In addition, the Company rigorously conducts Environmental Impact Assessment (EIA), led to the formulation of policies and guidelines for environmental management in various aspects, such as energy consumption, water management, and waste management, and key environmental issues, such as cost-effective energy and resource management, and environmentally friendly design and use of resources.

- The Company strictly abides by the National Environmental Quality Promotion and Conservation Act and regulations relating to the environment, including resource utilization and energy saving, water usage, pollution management, and management of waste generated by the construction process.
- The Company sets goals related to environmental and energy conservation that are in line with its business operations. It is the responsibility of all executives and employees to engage in mitigating the negative impacts on the environment and promoting sustainable environmental practices.
- The Company commits itself to developing innovative products

and services based on fundamentals of environmental and energy conservation to promote cost-effective use of natural resources.

- The Company raises environmental awareness among employees, partners and all relevant stakeholders. It also supports and promotes various related activities to create awareness and sustainably protect the environment and natural resources to pass them on to the next generation.

Environmental Goals

The Company started collecting data on business-related environmental resource consumption in 2022. Therefore, it is on progress in studying the data to further set quantitative targets. In 2023 quantitative goals are set to reduce energy consumption and manage water consumption, waste and greenhouse gas (GHG) emissions.

- In 2023 all new projects will have houses with an electricity system that supports electric vehicle (EV) charging.
- In 2023 all new projects will have clubhouses with solar roofs.



3.3.2 Environmental Management Approaches

Energy-Efficient and Eco-Friendly Design

The Company focuses on overall eco-friendly project surroundings, from residential architecture, public utilities, clubhouses, roads, to other parts. Therefore, it applies the “For a Better Living” concept, which is the foundation of eco-conscious and resource-conscious house design. This concept also determines which construction materials should be used. The design aims to be green and minimize negative environmental impacts by selecting construction materials. The Company is committed to improving all residents’ quality of life while reducing environmental impacts. It designs products and selects high-quality and green materials as follows:

- Choosing precast concrete walls manufactured in factories and assembled at the site. This construction method eases the environmental burden that may occur during construction. To this end, the Company has used this method in more than 80% of its projects.
- Installing roof battens to ventilate the air around eaves, allowing hot air that accumulates under the roof tiles to be easily drained.
- Selecting reusable or recyclable materials that are components of buildings and residences.
- Choosing upcycled materials for various parts, such as door structures and stair treads. It also selects and determines energy-saving and resource-conscious appliances for residences, such as water-saving faucets and energy-efficient fans and air conditioners. Details are customized to suit each project.



- Installing lightweighted and high-quality gypsum boards at ceilings to dispel heat from the roof, minimize sound transmission from the upper floor, and create beautiful and livable decorations.
- Installing green tinted glass to cut sunlight, thanks to its outstanding UV protection feature that absorbs 35-50 percent of the heat from sunlight on the glass surface. As a result, it can reduce the use of air conditioners, saving electricity consumption and expenses.

Selecting Eco-friendly Materials

When designing a residential project, the Company determines construction materials and raw construction materials for partners. They must have high quality and reasonable prices, be delivered on time, and be environmentally friendly, such as upcycled and recycled materials. In 2022 the Company’s green procurement value accounted for 22% of the total procurement value.

Increasing Green Space

Designing and creating green common areas in projects is a fundamental factor. On average, the green space of each project covers no less than 10% of the total area. The Company encourages residents to use green space in their houses efficiently. Moreover, it installs barcodes to let them know what types of trees they have and how to take care of those trees. The Company uses technologies to promote environmental care and management in line with the modern way of life more efficiently.



Management Approaches to Minimize Environmental Impacts at Construction Sites

The Company commands management approaches to mitigate environmental impacts at construction sites, including public utilities, projects, structures, and central areas. Management is divided into three phases, namely the pre-construction, during-construction, and post-construction phases.

Pre-construction	During construction	Post-construction
<ul style="list-style-type: none"> • Design the project characteristics to be in line with the area's environment and biodiversity. • Choose eco-friendly construction materials that meet industry standards. • Explore the project area and communicate with the surrounding communities to lay out preventive measures against potential impacts. • Explore the condition of surrounding buildings and houses to determine the proper piling method that does not affect them. • Set up a water retention system and a wastewater treatment system before discharging water from the project to ensure the water expenses meet the standards. • Select contractors whose practices comply with environmental responsibility standards. 	<ul style="list-style-type: none"> • Set up a system to protect surrounding communities from potential pollution, such as using dust nets. • Control the impacts of air pollution and various environments in accordance with rules, regulations and laws on environment. • Separate clearly between the construction site and labor camp to ensure safety and efficient management of waste generated from both areas. • Manage waste from the construction site and labor camp to avoid impacts on the environment and surrounding communities. • Assign a person in charge of supervising construction work, including preventing and solving any impacts that occur during the process. 	<ul style="list-style-type: none"> • Check the conditions of the utility system and materials and the quality of construction work to prepare for the handover. • Provide instruction on the standard usage and maintenance of utility and equipment before handing them over to the residential juristic person. • Define guidelines and communicate on the projects' waste and pollution management.



Energy Management

Management Approaches

Energy plays a crucial role and greatly facilitates daily life. The Company, therefore, promotes energy management and consumption through design that incorporates energy-saving innovation. It also started collecting energy-consumption data to understand the nature of usage and manage it more efficiently.

Performance

In 2022 the Company collected data on corporate energy consumption. The reporting scope covered the head office building and 57 sales offices. At the project sites. The report revealed that the largest energy consumption came from the offices' electricity consumption and cars' consumption of diesel and gasoline for business purposes.

In 2022 (base year), the Company consumed energy in the Head Office and sales offices as follows:

Amount of Energy Consumption in the organization	2022
Electricity consumption (kilowatt-hour)	2,925,289
Electricity consumption per area unit (intensity ratio) (kilowatt-hour/square metre)	64
Fuel consumption (litre)	
- Diesel for corporate vehicles	53,108
- Gasoline for corporate vehicles	128,644

Short-Term Goals (2025)

- 15% reduction of electricity consumption at Head office (base year 2022)
- 5% reduction of total fuel consumption (base year 2022)

Long-Term Goals (2027)

- 20% reduction of total electricity consumption (base year 2022)
- 15% reduction of total fuel consumption (base year 2022)

Actions / Activities to Reduce Electricity Consumption of products and projects**Installation of AirPlus Square (PM 2.5 Control) system**

The Company manages to reduce energy consumption by developing innovative green products and using resources efficiently. For example, Airplus Square is its petty patent of intellectual property from the innovation invention to promote air quality and save energy. It is aligned with the Company's commitment to bringing happiness to everyone for a better living.

The AirPlus Square or "A Breathable House" fills and ventilates indoors with fresh air and releases polluted air from the house while filtering PM 2.5 particles. So, the system can lower the temperature by up to two degrees Celsius and minimize accumulated humidity, which creates musty odors and mold in the house. Furthermore, it drains out volatile chemicals (TVOC) used in the home as cleaning solutions and pesticides. Consequently, the system can improve hygiene in the house.

AirPlus Square is an energy-saving system that consumes less electricity, approximately 20 satang/ hour (calculated from the electricity unit of 4 Baht/unit). Further details about the AirPlus Square system can be found in the Innovation and Technology Development Chapter.

Energy Saving from the AirPlus System

Energy Saving from Using the AirPlus Square System (Year)	2021	2022	Total
Estimated number of houses with AirPlus installed (units)	1,500	1,700	3,200
Energy saving - based on 1 bedroom / day (kilowatts)	472	393	865
Energy saving - based on 1 bedroom / year (kilowatts)	172,463	143,336	315,799
Energy saving - based on 1 bedroom / day (megawatts)	172	143	315
Average electricity cost per unit (Baht)	3.7	3.9	
Electricity cost saving per day (Baht)	1,739	1,532	3,271
Electricity cost saving per year (Baht)	634,662	559,008	1,193,670
Installed for (years)	1.5	0.5	
Estimated electricity cost saving since installation (Baht)	951,000	279,000	1,230,000

Using Alternative Energy

The Company supports alternative energy consumption to save energy and reduce atmospheric emissions of GHG, one of the causes of climate change, by promoting the use of EVs, which consume clean energy and tend to gain more popularity among consumers. The Company designs houses with an electric power standard that supports the installation of an electric charger (EV Charger). Currently, it has some projects with this design. By 2023 the Company will be able to design and set this standard for all new projects.

For other parts of its projects, the Company has designed and installed solar cells at sales offices and common areas, such as clubhouses. In June 2017 it installed a solar roof at the sales office of the Serene Lake Project, Chiang Mai. In 2019 it installed solar roofs in three more projects, namely VIVE Ekamai-Ramindra, VIVE Rattanaibet-Ratchaphruek, and VIVE Bangna Km.7. At the end of 2022, more solar roofs were installed and used in four projects, namely Nantawan Rama 9-New Krungthep Kreetha, Nantawan Pinklao Kanchana, Villaggio Rangsit-Klong 4, and Mantana Bangna Km. 15., which are in the process of collecting electricity efficiency data.

In 2023 the Company targets to design and install solar cells on clubhouse roofs in every new project to save energy. It also further plans to install more solar cells on roofs of fully furnished/fitted houses for sale in new projects for interested customers. Moreover, it wants to use solar power for main roads inside projects. However, the current technology is not supportive enough to keep electricity on throughout the night, which may compromise residents' safety. Therefore, the Company is still studying the appropriate direction and technologies.

Using Solar Power as Alternative Energy

Alternative Energy Used	Installation Size (kilowatt)	Energy Saved in Year		Total
		2021	2022	
The office of Serene Lake Project, Chiang Mai	52	48	50	98
Clubhouse of VIVE Ekamai-Ramindra	16	18	15	33
Clubhouse of VIVE Rattanaibet-Ratchaphruek	18	27	25	51
Clubhouse of VIVE Bangna Km.7	19	27	27	54
Energy Saving per year (megawatts)		120	117	237
- Average electricity cost per unit* (Baht)		4.5	4.8	
Estimated electricity cost saving per year (Baht)		542,400	556,500	1,098,900

* Average electricity cost from all projects

Goals

- 100% of new projects will have clubhouses with solar roofs.
- 100% of new projects will have houses with an electricity system that supports electric vehicle (EV) charging.

Using Energy Saving LED Bulbs

The Company's residential projects have switched to LED bulbs since 2016 to promote energy-saving among residents. It installed LED bulbs in more than 22,000 houses, which could save electricity expenses by more than 31 million baht.

	unit	2016	2017	2018	2019	2020	2021	2022	Total
Number of houses	(unit)	1,000	3,500	3,900	3,500	3,500	3,700	3,300	22,400
Average light bulb per unit	(bulb)	15	15	15	15	15	15	15	
Estimated total lightbulbs	(bulb)	15,000	52,500	58,500	52,500	52,500	55,500	49,500	336,000
Energy saving per day									
- Formerly, use of 18 W incandescent bulbs	(kw)	270	945	1,053	945	945	999	891	6,048
- Currently, use of 6.5 W LED bulbs	(kw)	98	341	380	341	341	361	322	2,184
- Energy saving per day (Estimated usage of 6 hours per day)	(kw)	1,035	3,623	4,037	3,623	3,623	3,830	3,416	23,184
- Electricity saving per year (Estimated)	(megawatt)	377	1,322	1,473	1,322	1,322	1,397	1,246	8,459
Estimated electricity cost saving									
- Electricity cost per unit	(baht)	3.5	3.5	3.7	3.7	3.7	3.7	3.9	
- Electricity consumption	(hour per day)	6.0	6.0	6.0	6.0	6.0	6.0	6.0	
Electricity cost-saving per day	(baht)	3,623	12,679	14,854	13,331	13,331	14,093	13,320	85,230
Estimated electricity cost-saving per year	(baht)	1,322,000	4,627,000	5,421,000	4,865,000	4,865,000	5,143,000	4,861,000	31,104,000

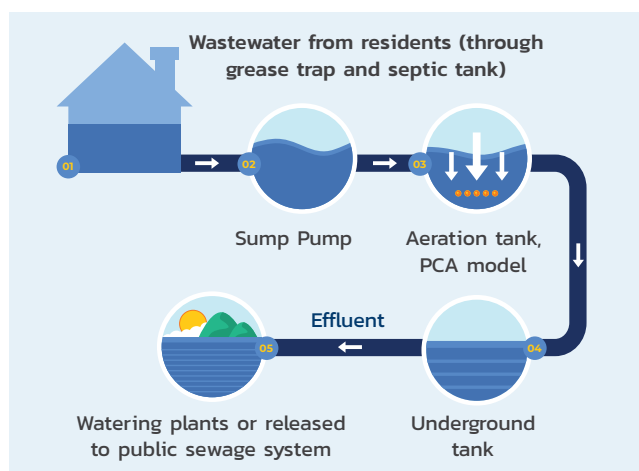


Water and Effluent Management

Management Approaches

Water is an essential part of the projects' construction process. The Company, therefore, has effective water and wastewater management methods to ensure that the communities can freely access water resources and prevent wastewater from construction sites from polluting surrounding communities. Thanks to today's technology, the Company can select prefabricated materials from factories to assemble at construction sites. This reduces the amount of water that would otherwise be consumed if it used traditional construction methods. Consequently, it mainly uses water only for consumption at the Head Office and offices at sites.

For project water management, the Company designs and uses water-saving sanitary ware, such as faucets and showerheads, to consume less water and ease the customers' household expense burdens. It also designs effluent/wastewater treatment systems that meet the standards required by law. Wastewater from the Head Office will go into the central wastewater treatment system of the building that the Company rents. The building will then treat wastewater and inspect treated water quality to meet legal requirements before releasing it into public pipes. The wastewater from the offices and residences at project sites will run through a primary wastewater treatment system, consisting of a grease trap and a septic tank, to the project's central manhole. Next, it is pumped into an aerator to improve the quality and meet the effluent water quality standards before being discharged to sewage system or public canals.



When project construction and installation of wastewater treatment equipment are completed, the Company will hand over the work to the service department. This department will take

care of the entire system, consisting of a suction pump, activated sludge, an electrical system, a pump system to pump water into the treatment tank, and an aeration system. The Company assigns environmental engineers to conduct an inspection and allocates tasks based on the structure specified. It also plans regular maintenance throughout the year, and the work is divided as follows:

- **Weekly:** Check the condition of electrical and pumping systems and general cleanliness.
- **Monthly:** Conduct additional checking of electrical systems, measure electric current, test floats, and check waste traps.
- **Quarterly:** Conduct a test of water chemical value before and after treatment by submitting water samples to the laboratory for chemical analysis.

To ensure that every step of its water treatment inspection process complies with laws, the Company has outsourced and made an annual contract with a third party, a certified environmental specialist, to inspect and analyze water quality. In a quarterly inspection, the engineering team checks the overall condition of the electrical and water pump system within the specified period so that the water treatment system can work at full capacity. The team also has an ISO/IEC 17025-accredited laboratory analyze the chemical values of water samples from the treatment system. In this step, the lab measures the chemical value¹ of the wastewater and compares it with the government standards. If the value fails to pass the criteria, the responsible engineering team will continue investigating and finding ways to solve the issue.

The treated wastewater will be reused in some areas of the projects, such as watering plants in the common garden areas.

Maintenance of the wastewater treatment system in every project will be under the Company's responsibility until the project is handed over. It will also train the residential juristic persons to take over the maintenance task.

Thanks to the Company's continued commitment to efficient water and wastewater/effluent management, the Mantana Srinakarin-Bangna Project and the Mantana 2 Bangna Km.7 Project were rated at an excellent level (gold level) in the assessment for their efficient wastewater management that complies with environmental laws. The Office of the Environment

Remark: ¹Measuring the pH, Biochemical Oxygen Demand (BOD), Suspended Solids (SS), Total Dissolved Solids (TDS), Settleable Solids (Set.S), Grease & Oil (G&O), Total Kjeldahl Nitrogen (TKN) and Sulfide (S²⁻)

and Pollution Control under the Pollution Control Department conducted this random inspection to encourage businesses to abide by environmental laws. The program, with 655 participating projects, aimed to honor organizations contributing to environmental conservation through efficient wastewater management. Another objective was to create a network to integrate environmental quality management at the local level. The program used wastewater management of pollution sources as the assessment criteria and a tool to measure operational efficiency. It covered all aspects of pollution sources' wastewater management as below:

- 1) Organization management, environmental and resource management, transparency in information disclosure, and listening to public opinions
- 2) Operation of the wastewater treatment system, implementation of measures that meet standards, ongoing system control, and systematic improvement plans

- 3) Wastewater quality control that meets the standards required by laws and reuse of treated water.

Performance

In 2022 the Company used third-party water in the Head Office and sales offices as follows:

Water Consumption in the Organization	2022
Water Consumption (liter)	106,615,597
Water Consumption per area unit (intensity ratio (liter/sq.m.))	2,341

Short-Term Goal (2025)	Long-Term Goal (2027)
- 5% reduction of water consumption at Head Office (base year 2022)	- 10% reduction of water consumption at Head Office (base year 2022)



Garbage and Waste Management

Management Approaches

The Company emphasizes efficient garbage and waste management to lower the impact on the environment and communities. As a result, it adopts a mitigation hierarchy by avoiding creating garbage and waste, minimizing garbage and waste, and promoting reusing and recycling to reduce waste generated from the offices and everyday life. Below are the Company's garbage and waste management approaches:

- Encourage waste reduction in the workplace, such as reducing the use of paper, reusing paper, envelopes, and files, and storing documents in an electronic format.
- Promote waste reduction in daily life, especially waste generated from single-use plastics. For example, employees are encouraged to bring their own glasses to fill beverages provided by the Company. The Company also promotes using cloth bags when shopping to reduce plastic bag consumption and using lunch boxes instead of plastic boxes to contain prepared food.
- Encourage the sorting of recyclable waste so that each type of waste, such as plastic bottles, glass bottles, paper, and metal, will go into its recycling process.

With garbage and waste sorting, the Company learns how much each type of waste is generated. It also organizes projects with employees and plans to launch a campaign with residents in 2023 to raise awareness of optimal resource utilization. These

projects reduce not only the amount of garbage and waste that would end up in landfills but also the Company's operating costs.

In managing construction waste, the Company selects green materials as the top priority. It also supervises construction to minimize adverse environmental impacts and pollution emissions. Furthermore, it works with contractors and construction workers in separating construction materials for further use, such as landfilling in communities.



Garbage and Waste Management Projects

Providing an Area for Sorting Household Waste

In 2022 the Company provided an area for household waste sorting in some projects. It aimed to promote waste sorting from the source to manage garbage and waste appropriately. It created awareness among residents and encouraged them to participate in saving the environment. Furthermore, it

educated residents on how to manage household waste properly. The Company provided garbage bins in four colors, based on the type of waste to make it easier to sort and store waste at the project's common waste disposal area.

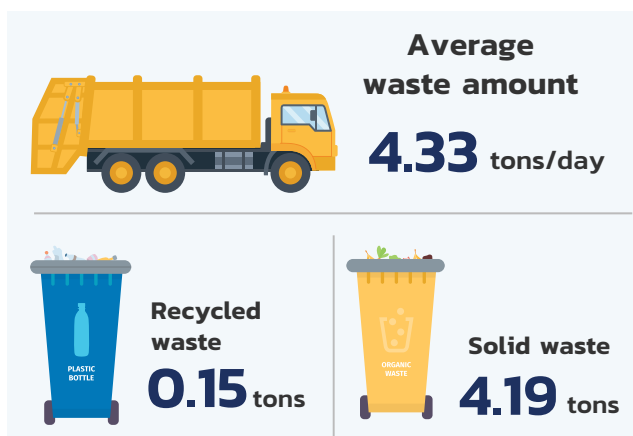
Green bins are for wet or organic waste, which is perishable and decomposes quickly, such as food scraps, fruit peels, vegetable scraps, meat scraps, and dry leaves.

Blue bins are for general, non-toxic waste that is non-biodegradable or difficult to decompose, such as snack packets, styrofoam boxes, plastic bags, contaminated food containers, and bagasse paper. Not worth recycling, these types of waste must be disposed of properly.

Yellow bins are for recyclable or reusable waste, not single-use waste, such as plastic bottles, plastic bags, glass bottles, cans, paper boxes, and paper.

Red bins are for hazardous waste contaminated with dangerous substances, such as chemicals, infectious substances, and corrosive substances. Its disposal requires a specific method to prevent the leakage of toxic substances, which could contaminate the soil or natural water resources.

In 2022 the Company hired private companies to collect waste. After three rounds of waste-sorting data collection from 617 houses in four projects, below are the findings:



The Company is conducting further studies on how to repurpose solid waste to reduce the amount of waste under its management.

In 2023 the Company plans to collect data on the amount of waste collected by private companies in all projects. For projects whose waste is collected by government agencies, the Company will coordinate with those agencies to obtain such information.

By doing so, it will be able to set waste management guidelines and campaigns to minimize the projects' solid waste more efficiently.

reBox to School Project Jointly Implemented with the Employees

The Company encouraged employees to donate all boxes and envelopes no longer in use at home and work to the "reBox to School" project held in collaboration with Thailand Post Company Limited. These items were recycled and turned from packaging waste into valuable products that can be used again, such as tables and chairs, bookshelves, and paper beds for the infirmary. They were delivered to students at Border Patrol Police schools across Thailand. The project followed the concept of a circular economy that focused on recycling resources or materials. It also helped reduce the cutting down of trees and fuel consumption in the production process of new packaging. Moreover, the Company raised awareness of sorting waste like parcel boxes and paper envelopes so that they can be appropriately handled. The total donation accounted for 40 kilograms of boxes and envelopes.

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

The Company, together with employees, collected and donated old desk calendars and used A4 paper to the Foundation for the Blind in Thailand under the Royal Patronage of Her Majesty the Queen. These items were used to produce "Braille learning materials" for the visually impaired because current materials were insufficient to serve these people's needs. Donating old calendars, which would be turned into Braille books, would enhance the opportunity for socially disadvantaged people to access quality materials. Furthermore, the Company had a chance to sort items that were no longer used and process them for maximum benefit. It took part in reducing GHG emissions from the production of the new paper. The total weight of donated calendars and A4 paper was 230 kilograms.

#Think Green Campaign for Plastic Reduction

The Company recognized the importance of and has been campaigning for less plastic consumption since 2019 because plastic waste takes a long time to decompose. Through the Think Green project under the concept of #THINK GREEN FOR A BETTER LIVING, the Company took the following actions:

1. The packaging of complementary drinking water offered to customers visiting the Company's projects or contacting its offices was made of paper boxes instead of plastic bottles. The Company had Fiber Pattana Co., Ltd. collect used paper

boxes from its project offices and recycle them into “green roof sheets”. These sheets were then donated to the Friends in Need (of “PA”) Volunteers Foundation to construct houses and shelters for victims of natural disasters and affected communities throughout Thailand.



2. The “LH Recycle Plastic Uniform” project made employee uniforms by turning plastic water bottles into fiber, and it took 12 plastic bottles to make a shirt. As a result, this project added value and reduced plastic waste under the Circular Economy concept.
3. Repair work in residents’ houses used less clear plastic sheets for floor, furniture, and equipment covering. Instead of single-use plastics, the Company switched to blue sheets, which could be cleaned and reused.
4. The Company made and offered cloth shopping bags to employees and customers who purchased its houses to use them in everyday life instead of plastic bags from vendors. This helped reduce plastic waste that would remain in the ecosystem.

Performance

Type of Waste	Volume ¹ (kg.)	Management Approach
General waste	14,775	Landfilling by municipalities
Recyclable waste		
• Plastic bottles	373	Sold for recycling
• Paper boxes	1,606	Sold for recycling
• Newspaper	196	Sold for recycling
• Cans	35	Sold for recycling
• Color paper	2,818	Sold for recycling
• White paper	2,902	Sold for recycling
Total	22,705	

Remark: ¹ only at the Head Office

Short-Term Goal (2025)	Long-Term Goal (2027)
- 5% reduction of general waste to landfill (base year 2022)	- 10% reduction of general waste to landfill (base year 2022)



Air Pollution Management

Management Approaches

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

Measure to Reduce Dust in Construction Projects

The Company focuses on preventing the potential impact of pollution and dust on the community and customers within project sites. Its management approach covers pre-project and during-construction phases. It appointed a working group under the supervision of the Housing Operations Division to study the sources of dust caused by various processes throughout the Company's supply chain and find ways and measures to minimize dust particles.

The study revealed that dust came from two sources: (1) outdoor dust, such as projects' access roads and landfilling, and (2) dust generated from the interior construction process, such as ceiling sanding, wall sanding, pipe cutting, and tile cutting. The working group, therefore, has devised measures to reduce dust and pollution from construction projects and keep the construction sites in order. The Company has the following practices:

- The Company categorizes the projects' access roads to prevent dust from each type of road, such as concrete roads and gravel roads. It also sets up methods to take care of each type of road and clearly appoints persons in charge.
- All vehicles are required to pass through a wheel-washing pond before leaving construction sites. The Company conducts a comparative study to come up with suitable measures for each project. It ranks newly constructed projects that are dusty and muddy.

- The Company installs dust barriers between construction areas and communities outside, and between construction areas and occupied houses to ensure sanitary safety and prevent dust from spreading to other parts of the projects.
- The Company installs sprinklers along access roads during construction. Moreover, it sprays water to prevent the spread of dust from vehicles running to and from construction sites.
- The Company requests contractors to use dust collectors to minimize airborne materials from sanding, cutting, and grinding processes in all construction projects.
- Materials, such as soil and sand, must be piled on plastic canvas in designated areas only. Construction scraps must be kept in a separate waste bin from general waste. A recycling bin is divided into three compartments for different types of waste, namely glass bottles, plastic bottles, and aluminum cans. The construction manager is responsible for construction waste management.
- The Company monitors and inspects all projects to ensure their compliance with guidelines. The construction manager of each project must fill a dust reduction assessment form monthly. Then the results are reported at working group's meetings. In case of any issues found, the team members will jointly discuss to find solutions or preventive measures.

Goals

- 0 substantial complaint case from surrounding communities
- 100% of construction projects imposed by Dust Control Measure



Greenhouse Gas Management

Management Approaches

The real-estate development industry's GHG emissions accounted for 39% of the global emissions, 11% of which came from the production of raw construction materials, and the remaining 28% were from energy consumption in the projects and office buildings. The Company recognized the importance of driving the GHG reduction approach for a better living. It, therefore, established a climate change policy and has conducted business in compliance with national and global policies on climate change and GHG reduction.

Moreover, it raised awareness and understanding of climate change among employees and relevant stakeholders. It also disclosed the amount of corporate GHG emissions in a report. With this report, the Company could assess the amount of GHG emitted from its activities and identify causes and major sources of emissions. This led to the determination of management guidelines and measures to reduce GHG emissions and become a low-carbon organization.

In 2022 the Company generated the first assessment report on corporate carbon footprint (CFO). Its assessment was based

on the guidelines of Thailand Greenhouse Gas Management Organization (Public Organization), Revision 6 (July 2022) and international Standard ISO14064-1. To abide by all requirements in such guidelines, this CFO report was audited by the Company's internal audit and verified by a third-party advisor before the application for certification whereas Bureau Veritas Certification (Thailand) Co., Ltd. is an external verifier.

Data Collection Scope of the Company's GHG Emissions

The scope of corporate carbon footprint reporting covered the Head Office building, consisting of Land and Houses Public Company Limited, LH Asset Company Limited, Land and Houses Northeast Company Limited, and 57 sales offices in low-rise and high-rise projects located in Bangkok and vicinity and open for service in 2022. The Company mainly used data on direct and indirect GHG emissions in the offices, excluding construction activities. The emissions were measured in TonCO₂eq. and divided into three scopes as seen below:

Scope 1: Direct GHG Emissions	Scope 2: Energy Indirect GHG Emissions	Scope 3: Other Indirect GHG Emissions
<ol style="list-style-type: none"> 1. Fuel consumed by vehicles (owned by the organization) 2. Leakage of refrigerants used 3. Methane emitted from septic tanks 4. Fire extinguisher chemicals used 	<ol style="list-style-type: none"> 1. Electricity energy consumption 	<ol style="list-style-type: none"> 1. Tap water consumption 2. Paper used 3. Landfilling of corporate solid waste 4. Acquisition of electricity and fuel used in the organization 5. Employees commuting 6. Business travel

Assessment Guidelines

Carbon Footprint of the Organization assessment guideline by Thailand Greenhouse Gas Management Organization (Public Organization), 6th edition (July 2022)

GHG under Consideration

Carbon dioxide (CO₂), Methane (CH₄), Nitrous Oxide (N₂O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulfur Hexafluoride (SF₆), Nitrogen Trifluoride (NF₃)

Additional GHGs under Consideration

HCFC-22, HCFC-12

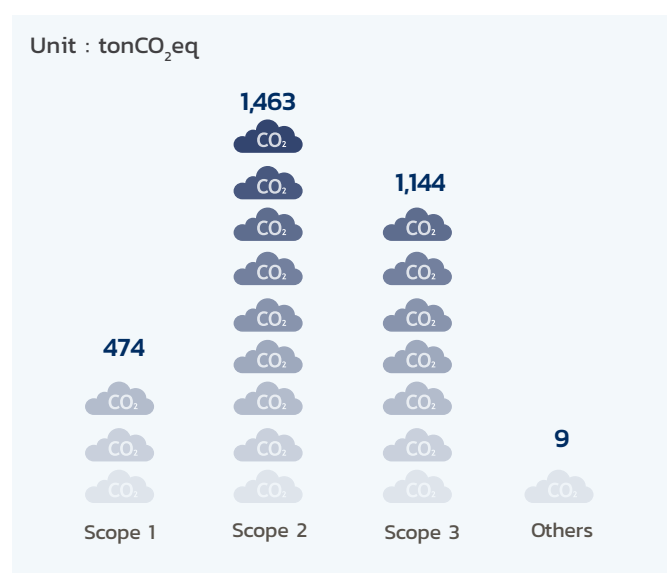
Global Warming Potential (GWP) reference

The 5th assessment report (AR5) of Intergovernmental Panel on Climate Change (IPCC)

Performance

The Company started the carbon footprint assessment project in 2022 at the Head Office and 57 sales offices at project sites. Below is a summary of GHG emissions from its activities:

Scope	Corporate GHG Emissions	Ratio of Scope 1 and 2	Ratio of Scope 1, 2 and 3
Scope 1	474	24.47	15.38
Scope 2	1,463	75.53	47.48
Scope 3	1,144		37.13
Others	9		
Scope 1 + 2	1,937	100.00	
Scope 1 + 2 + 3	3,081		100.00



Carbon intensity (Scope 1 & 2) Unit: TonCO ₂ eq/m ²
0.043
Carbon intensity (Scope 1 & 2 & 3) Unit: TonCO ₂ eq/m ²
0.068

For 2023 the Company planned to assess climate-change risks and formulate management approaches to mitigate such situations' impacts on its business.

Short-Term Goal (2025)	Long-Term Goal (2027)
- 5% reduction of GHG emission (base year 2022)	- 8% reduction of GHG emission (base year 2022)



R&D on Innovations and Technologies

Management Approaches

Innovation is one of the key factors in building success and enhancing the Company's competitiveness. Through innovation, new products and processes are created to increase the efficiency of internal work processes. As a result, the Company focuses on in-house innovations and technological development to serve customers' and consumers' needs for better living, which has always been its intent and commitment.

Innovation and Technological Development Process

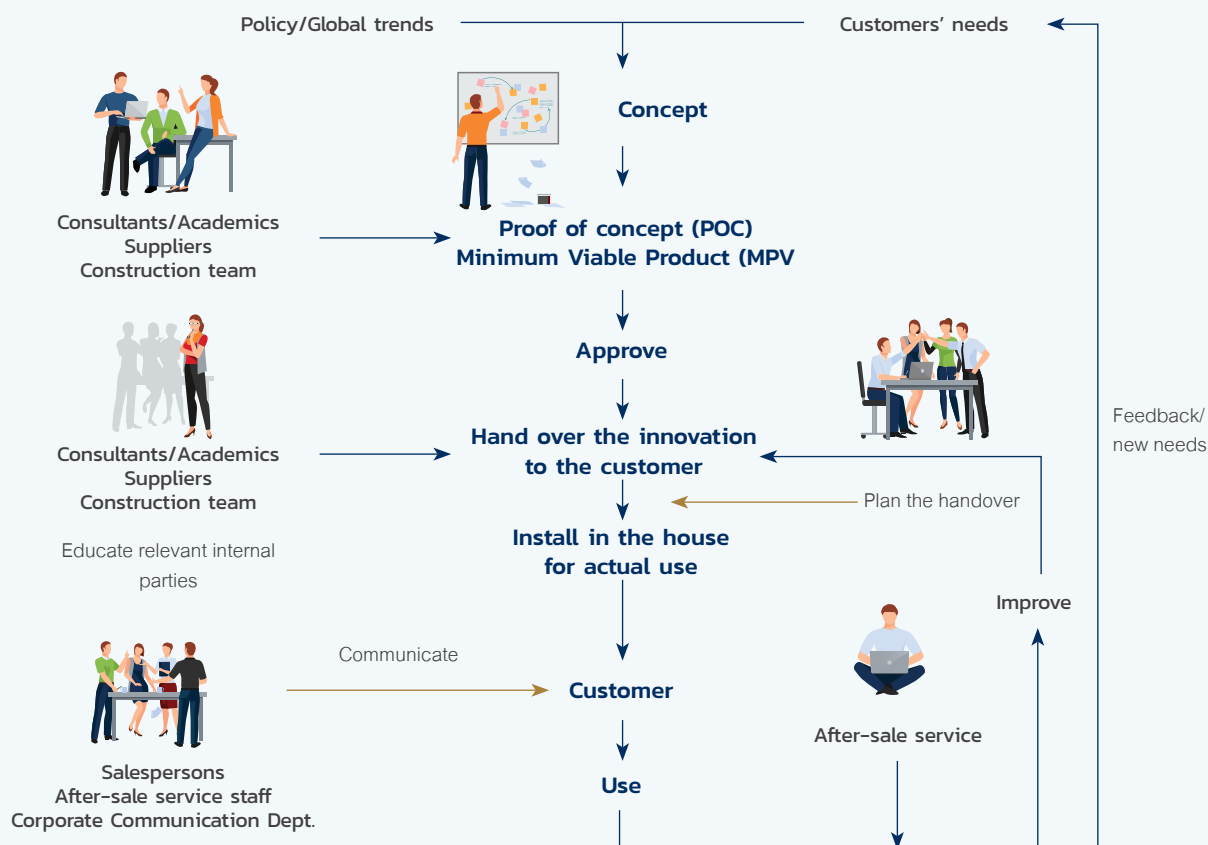
The Company's innovation and technological development process starts from:

1. Having customer insight to learn their needs. Then the Company studies quantitative and qualitative information acquired to find solutions and design houses that better match customers' lifestyles. In this process, its employees participate in the study and listen to their opinions after they have used the products. Next, their comments will be used for product development.

2. Monitoring changing global trends, at the same time, having support from the management in promoting innovative initiatives for the benefit of customers, society, and the environment.

Then, it goes through a proof of concept (POC), prototyping, and testing processes by deploying all of its knowledge and ability. This part requires brainstorming and experiences of the construction team, academics, and suppliers to develop innovations or new technologies into MVP (Minimal Viable Product). The product can be the equipment installed inside houses or in common areas or even programs/ applications. Next, the team will present the work to the management team for further approval. If approved, the team will plan for the actual use. It will also train employees in relevant departments on how to use such innovations to ensure that they know, understand, and communicate with customers and third parties while conducting responsible marketing. Doing this will protect users from harm or danger of misuse. Moreover, the team will constantly monitor and check such innovations for further development.

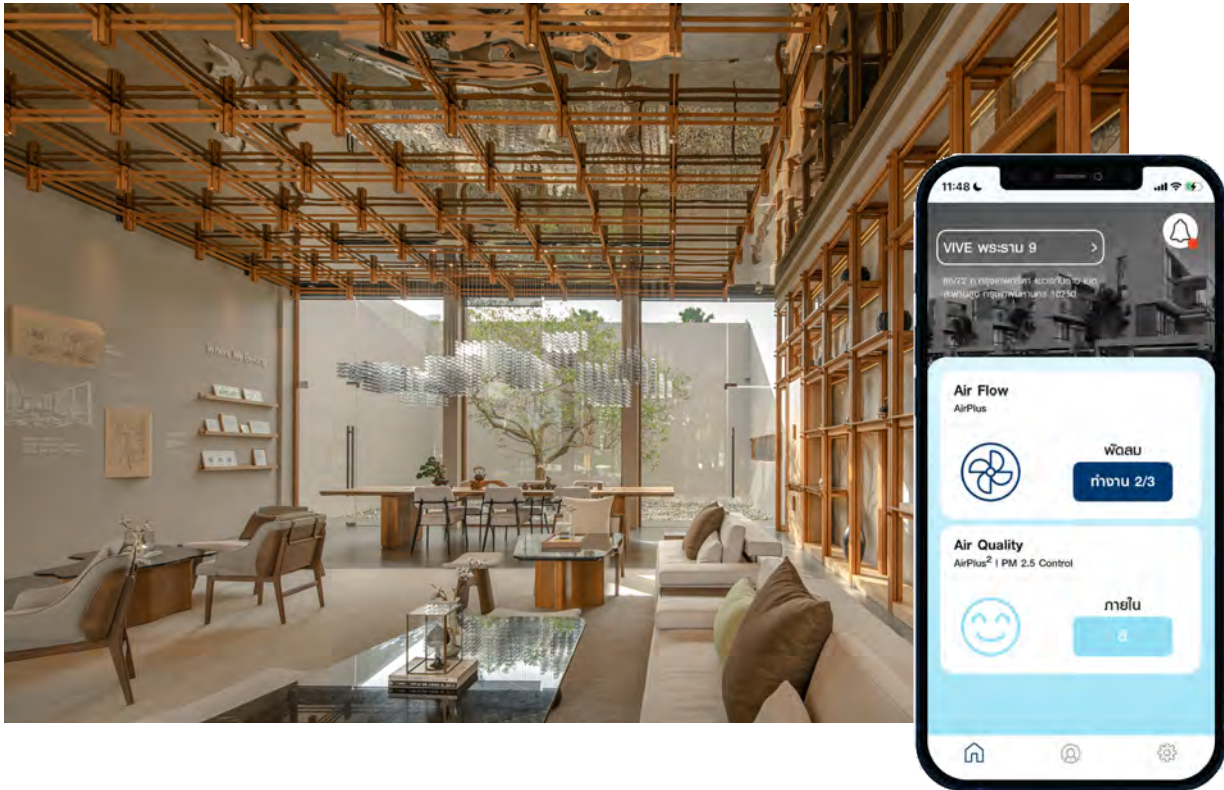
Innovation and Technological Development Process



Performance

Environmental Innovation for a Better Life

The Company developed Smart Home technology or Home Automation systems for houses in its projects. Controlled through a mobile application, this system can serve a new lifestyle by providing convenience, safety, and energy efficiency for house residents.



AirPlus Square Technology

With a strong determination to create a better life for residents, the Company pays attention to indoor air quality, which is another important factor for having a better quality of life. AirPlus Square (PM2.5 Control) is modified from the previous AirPlus technology. The system can fill and ventilate the indoors with fresh air and efficiently filters 0.3 Micron dust and PM 2.5 with HEPA Filter (High Efficiency Particulate Air Filter). The system automatically operates when the amount of airborne dust is higher than the specific value.

Additionally, AirPlus Square installs a fan to facilitate ventilation. With sensor control, it can measure the amount of indoor and outdoor dust. Consequently, air flow is consistent with the weather condition of each period. The system keeps indoor air

fresh and decreases the accumulated carbon dioxide, humidity, musty odors, and Total Volatile Organic Compounds (TVOC) inside the house, leading to lower indoor temperatures by at least 1-2 degrees. So, the residents can rest assured of good air quality for every family member. The system also saves air conditioners' energy consumption and related expenses. At the same time, the Company can create opportunities and business growth by fostering customers' awareness and confidence in the quality of its products and services.

3.4 Sustainability Management in Social Aspects

Social Policies and Management Approaches



Determined to grow its business in tandem with value creation for society, Land and Houses Plc. adheres to its responsibility for stakeholders throughout the value chain. The Company is well equipped with policies and management approaches formulated in line with laws and regulations as well as social management rules that support business operations to ensure fair treatment, mutual respect, development of the quality of life, and well-being of its own employees, customers, suppliers, and communities. Policies and management approaches were therefore introduced in response to material matters in social aspects and grouped into responsibility for employees, customers, and society and communities:

Responsibility for employees

- o Human resource and human rights management
- o Employees' capability development
- o Occupational health and safety

Responsibility for customers

- o Product design that aims for a better quality of life

Responsibility for society and communities

- o Social/community engagement and development.



Responsibility for employees (and labour)

3.4.1 Policy and management approaches for human resource management

Convinced that business success is driven by human resource competence, Land and Houses Plc. values good and fair human resource management based on mutual respect and confidence in one's values to foster employee engagement with the Company. Employees with strong morale perform their duties efficiently and will be able to move up their career ladders in parallel with contributing to organizational growth. The Company has established management approaches for the following human resource management matters:

1. Recruitment and selection

At Land and Houses Plc., proactive and reactive recruitment and selection process have been used. The screening of candidate approach is made up of both attitude and knowledge tests as well as a structured interview to assess personality.

2. Employment

A fair employment process has been applied to all parts of the organization with fair employee treatment for a person's knowledge and ability. Land and Houses Plc. offers suitable and fair employment contracts developed from a recruitment and selection process that focuses on capable human resources with a mindset that fits

the Company's culture without discrimination against gender, age, race, religion, educational institute, and political belief. Notably, equal employment opportunities are provided to vulnerable individuals. The Company actively cooperates with the public sector in hiring people with disabilities or the elderly. Complete and regular contributions are also made to the Department of Empowerment of Persons with Disabilities Fund as required by the Ministry of Labour. The Company provides job opportunities for local people wherever its work sites are expanded to, which not only benefits local communities' economic development but, on the business front, reduces risk associated with labour supply interruption.

3. Termination of employment

Employment ends with an employee's death, retirement, resignation, and termination of employment.

- **Resignation** - An employee wishing to resign shall submit his/her resignation letter no less than 30 days in advance as required by the regulation on resignation shown in the employee manual.
- **Retirement** - Under the policy, an employee reaches his/her retirement at the age of 60 and ends his/her employment on December 31 of the same year. If necessary, the Company may employ a retiree, subject to a mutual consent between the Company and the retiree.
- **Termination** - The Company has a regulation on termination of employment with fair compensation paid to the terminated employee under applicable laws and regulations.

4. Compensation

Land and Houses Plc. offers appropriate and fair compensation packages, even higher than the minimum wages stipulated by law. A list of remuneration packages for all positions taken by new recruits is made with consideration for educational level, knowledge, ability, and experience required to perform duties and responsibility. Design of remuneration packages, coupled with the welfare and bonus to be offered, is based on a labour market survey to ensure that the salary structure at Land and Houses Plc. is suitable and competitive with peer companies. The Company also offers cost-of-living allowances considered appropriate to economic conditions.

5. Employee treatment

Overseeing employees' well-being, the Company supports their physical health, hygiene, and safety at work by providing a suitable work environment and promoting occupational health and safety awareness among employees. Also, the health insurance that the Company arranges for employees is extended to their family members.

6. Performance assessment

The employee performance assessment process at Land and Houses Plc. is not only systematic and clear, but is also communicated to employees to ensure their acknowledgment and understanding of what the Company expects from their performance. The performance assessment, based on certain criteria, is carried out transparently and justly. Results of the performance assessment dictate job promotion, salary adjustment, and annual bonus, with the cost of living and business results also taken into consideration.

7. Career advancement

The Company provides employees with opportunities for career advancement with its support of succession and job rotation plans to increase their skills and experience, which benefit their job promotion. Its guidelines stress equality without discrimination.

8. Employee relations

The Company allows employees to form an association, bargain collectively and discuss suggestions for employment conditions, self-development, operations, and welfare, which could produce mutual benefit for both employees and the Company. Such association and collective bargaining is made in the form of the Welfare Committee.

9. Employee engagement and personnel retention

The Company strives to improve employees' satisfaction and engagement with the Company in line with its action plan under the quality requirements of organizational management. Under the plan for employee engagement and personnel retention, the Company appointed a working group to design an employee satisfaction and engagement survey to identify factors for their satisfaction and engagement, focus on nurturing a good work ambience, and create a work culture that leads to desired business outcomes. The findings of the survey, as well as issues and comments, were applied to the development of improved management quality and work environment so that employees may be inspired and dedicate full ability to their performance and develop engagement as well as a sense of belonging.

10. Retirement security

Land and Houses Plc. assures employees' retirement security by establishing an employee provident fund as an option for employees to accrue their savings. The Company makes equal contribution to the fund.

3.4.2 Policy and management approaches for human rights

Land and Houses Plc. have a policy commitment to respect human rights and require all directors, executives, and employees to strictly adhere to the principle of human rights as a common practice. They shall respect for individual equality, freedom, dignity, and rights without discrimination against gender, age, race, nationality, language, religion, and education. The Company does not support any activity that violates human rights and aims to nurture a strong corporate culture that values human rights, which will be passed on from generation to generation to keep up with changing situations and social conditions. The Company has introduced guidelines for human rights that are aligned with international practices, such as the United Nations Universal Declaration of Human Rights (UHDHR), detailed below:

1. Treat all stakeholders, including employees, customers, suppliers, business partners, equally without discrimination while allowing all parties to take part in decision-making and operations. This includes transparent and fair selection of suppliers, mutual respect for each other's opinions, and keeping an eye on unfair acts throughout the supply chain.
2. Keep monitoring Land and Houses Plc.'s own operations and those of suppliers to ensure avoidance from support of or involvement in human rights violation, directly or indirectly, both on the Company's part or the supplier's part, such as the use of child labour, forced labour, or sexual harassment.
3. Define regulations and guidelines for employees to behave in line with their respective jobs and positions with mutual respect for each other. They are also to refrain from slandering others, persons or organizations.
4. Keep the privacy and personal information of stakeholders, be they employees, suppliers, or customers, in confidence. The information shall not be passed on to others or irrelevant agencies. Disclosure of such information to the public or transfer of personal information is subject to the consent of the data owner.
5. Make corporate risk assessment concerning human rights and throughout the value chain to see if there exists any human rights issue so that a preventive measure can be laid down to minimize risk together with mitigation measures if infringement on human rights did occur. At the same time, a channel is provided for filing complaints in case of human rights violation.

3.4.3 Policy and management approaches for employees' potential development

Since human resources are recognized as a genuine business success factor, the Company always recognizes that success lies in systemic and continuous human resource development, which is to be taken as joint responsibility between the Company and

all employees. The Company therefore allows employees to learn and develop themselves—vulnerable people included—without discrimination against their gender, age, race, religion, educational institute, and political belief. All employees will then command modern knowledge, attitudes, and skills that fit their work and will be a springboard for their career advancement. Management approaches for employees' capability development include:

1. Providing consistent and continuous development in various aspects for employees. This is an investment in human capital, vital to efficient operations and goal attainment, and also resulting in the organization staying abreast with modern technology.
2. Providing both line and functional training programs at operating, supervising, and executive levels. This includes special and supporting training programs. The training, both short-term and long-term, will enable employees to perform their duties and responsibility of their current and future positions. Training will also result in performance improvement and the problem-solving ability in each function and each project.
3. Requiring all supervisors to provide on-the-job training and coaching for their subordinates, whose competence will in turn influence supervisors' performance assessment.
4. Encouraging and cooperating in human resource development by all stakeholders involved, namely suppliers, society and communities. This includes giving support for suppliers to raise their competence to operate a sustainable business through joint innovation along with training to develop both their own operations and their employee potential, arrangement of site visits requested by various agencies, student training, and providing experienced employees to give lectures at educational institutes. This creates a sustainable supply chain, social responsibility, and a good corporate image.

3.4.4 Policy and management approaches for safety, occupational health, and the environment

Since health and safety are key to lifting morale as well as work quality and efficiency of employees and labour, Land and Houses is determined to develop a safety, occupational health, and environmental management system and align it with applicable laws and regulations to prevent and minimize illnesses and work-related hazards while preventing any loss or impact on employees, labour, and other concerned. Management approaches include:

1. Maintaining and improving the safety, health, and environmental system to ensure safety, health, assets, and good hygiene for employees and labour who are hired by suppliers, while nurturing a good culture and good work atmosphere
2. Providing a good workplace and environment for employees and labour, taking into consideration safety, health, and a good work ambience
3. Fostering awareness and providing training on safety, occupational health, and the work environment for both employees and labour who are hired by suppliers, before starting their work
4. Separating living quarters from construction areas and providing space that support the quality of life and good health (such as arrangement of power supply, a wastewater system, and mobile toilets)
5. Organizing fire drills/first aid every year
6. Arranging access control at Head Office and all branch offices
7. Providing annual medical check-ups for permanent employees and those working on annual employment contracts
8. Providing training on construction supervision standards for engineers and labour hired by suppliers to ensure correct understanding and raise awareness of safety, health, and assets.

Remarks: Guidelines in case of the Covid-19 outbreak situation

To cope with the Covid-19 occurring outbreak, Land and Houses Plc. introduced measures for strict inspection and monitoring to prevent and control its transmission in and outside the Company, which included:

1. Setting up a Covid-19 team to take care of employees and their family members who are Covid-19 infected by taking action and cooperating with related agencies on access to medical treatment while acting as the centre for useful information to employees so that they can keep updated on the outbreak situation
2. Providing antigen test kits (ATKs) and personal hygiene equipment, such as medical masks and hand-cleaning gel, to employees and family members
3. Arranging a safe workplace, where the risk of virus transmission among employees, customers, and visitors can be minimized, such as providing hand-cleaning gel, requiring to wear medical masks at all times, keeping physical distancing, providing regular cleaning of common contact surfaces every 1-2 hours, and arranging for disinfectant sprays at the offices and at customers' houses
4. Arranging online meetings and training to minimize risk from employee massive gathering
5. Arranging site zoning for labour with infection (red zone), those with risk of infection (yellow zone), and those without infection (green zone) to keep control of the outbreak and ensure labour safety for all
6. Collaborating with public hygiene agencies for Covid-19 vaccine administration (two rounds of vaccination) for all labour

Goals of performances in responsibility for employees (and labour)

Description	2020	2021	2022
Human resource and human rights management			
Number of labour disputes	0	0	0
Number of human rights violation cases throughout the supply chain	0	0	0
Employee capability development			
Average training and development hours per year	No less than 16 hours	No less than 16 hours	No less than 16 hours
Training and development budget	16 million Baht	16 million Baht	16 million Baht
Occupational health and safety			
Lost-time cases (caused by ill health)	0	0	0
Lost-time cases (caused by injury)	0	0	0
Employee engagement and relationship promotion			
Employee engagement satisfaction	-	-	75%



Responsibility for customers

3.4.5 Policy and management approaches for product design with emphasis on the quality of life

Land and Houses Plc. is determined to design, develop, and control the quality of its products and services to uphold the desired standards. By providing after-sales services, the Company is able to concretely deliver a quality of life to win customers' confidence and highest satisfaction. Therefore, management approaches/guidelines for the development of products and services with emphasis on the quality of life were drawn up, as detailed below:

1. Research into customers' behaviour to appreciate their preferences and expectations as well as their own and family members' daily living so that products can be designed to serve both current and future lifestyles of target groups, such as house designs that facilitate the New Normal and respond to the diverse demand of family members
2. Procure quality materials and raw materials from partners who run businesses responsibly for society and the environment, stipulated in Supplier Code of Conduct covering economic, social, and environmental aspects, such as mutual business engagement with fair treatment
3. Design products and inspect raw materials at their sources before starting mass production, according to the Convenience, Security, and Safety concept. An inspection process was established for maximum efficiency to ensure that the finished products delivered to customers are of superior quality. The process starts from inspection of production models, equipment, to process, followed by a post-production inspection by all responsible parties to ensure product completeness
4. Arrange for continuous product development to ensure that products are always well-timed together with all environmental factors that support product quality and safety
5. Make finished products for sale (prebuilt houses) together with ready-for-use common areas to support customers' decision-making while reducing the risk of disappointment from getting products not meeting their expectations as well as the risk of uncertain production time as well as the Company's labour cost. With houses readily built, Land and Houses can carry out responsible marketing communication since customers can be assured that they will receive quality products (houses). The Company also gives advice on the upkeep of houses and gardens through communication messages that are easily accessible and cater to customers' modern lifestyles
6. Carry out quality control (QC) under the Company's standard, provide product warranty, offer after-sales service that

covers responsibility for product damage after ownership transfer to customers, and provide assistance to customers in various areas, particularly their safety and quality of living

7. Establish a work unit dedicated to receiving opinions and recommendations from customers, while setting up customer relationship management (CRM) and customer emotional management (CEM) systems to efficiently communicate, respond, and foster relationship with customers. Channels provided for communication and for receiving complaints/recommendations from customers consist of:
 1. Service Center: Tel. 1198, press 2, during 09:00-17:30 hrs.
 2. Online service request via 24-hour e-service: www.lh.co.th/service
 3. Complaint channel for houses and condos for via 24-hours website www.lh.co.th/service
 4. Service Office at each project site.

3.4.6 Policy and management approaches for research and development of innovation and technology for products and services

Assured by the Company's missions and determination on innovation and technology for products and services, customers and interested parties should feel comfortable and enjoy a better life after having experienced Land and Houses Plc. products and services. Management approaches for product and service innovation and technology in support of a better life are:

1. Developing understanding of the real-estate industry's consumer behaviour and demand, changing society, and technological advancement, as well as updates on customers' demand, expectations, and concerns derived from CRM
2. Conducting research into the value chain to come up with a gap analysis against the background of industry context
3. Establishing a product and service development model with support of technology to achieve both cost and time efficiency
4. Organizing quality tests of developed products and services and making improvement (if required) after concluding test results.
5. Marketing developed products and services while providing instructions on product usage for employees involved to ensure that they can pass on the information to customers. Meanwhile, marketing communication with outsiders is to be responsibly arranged, using information that fit the objectives
6. Monitoring and inspecting such products and services regularly under CRM, then proceeding with data collection for continuous development.

3.4.7 Policy and management approaches for personal data protection

The Company recognizes the significance of personal data protection and has a policy that conforms to applicable laws and regulations under the Personal Data Protection Act, B.E. 2562. Actions taken include:

1. Devising a policy on personal data protection to promote and support data protection awareness
2. Appointing a senior manager for IT as the Company's data protection officer (DPO) along with a 12-member committee from different areas in the Company
3. Defining roles and responsibility of the DPO, whose main job is to monitor employees' compliance with the policy and regulations on personal data protection. The DPO will also provide guidelines for decision-making regarding personal data protection
4. Arranging for review and improvement of related regulations once a year or whenever there is a significant change to ensure the currency of such regulations and compliance with applicable laws
5. Imposing penalty for non-compliance, which may be disciplinary actions ranging from warning, probation, suspension, to termination or legal actions.

Guidelines/measures for personal data security

With respect to customers' privacy, Land and Houses Plc. commands guidelines and measures to ensure customers' personal data security, which are stringent and entail actions required by law, as detailed below:

1. Classifying personal data as 'confidential information'
2. Introducing organizational measures and technical measures for preventing phone tapping, message falsifying, as well as unauthorized access, use, and modification of information, such as an IT security system and a policy on keeping customers' information confidential
3. Requiring employees, contractors, and suppliers / outsourced personnel / and service providers to keep confidential customers' information under confidentiality agreements signed with the Company
4. Introducing measures for dealing with data breach. Customers will be notified if their personal information is violated with actions taken according to legal requirements.

Guidelines for use of customer' personal data for marketing and advertising under the following control mechanisms:

1. The Company provides training to ensure the understanding and awareness of personal data and its management

methods to prevent information leaks and unauthorized use of personal information.

2. The Company determines levels of data and authority for data access. Employees are allowed to access data under their respective responsibility only.
3. The Company may use customers' personal data, technical and usage data as well as customers' profile data for analysis and for presentation of suitable products and services as well as news, privileges, and promotion. Customers may choose to forego the Company's marketing updates through various channels.
4. Customers may deny receiving marketing updates from the Company by sending an email to DPO@lh.co.th. Such cancellation/denial will affect neither products or services rendered to customers nor their transactions made with the Company.
5. The Company has established complaint management mechanism. Customers may file their complaints about breach of personal information to the Company at 1 Q. House Lumpini Building, 37th-38th Fl., South Sathon Road, Tung Mahamek, Sathon, Bangkok, or at 02 230 8900, or at DPO@lh.co.th.

All complaints will be forwarded to the DPO for verification, and recommendations on problem-solving or suitable response will be issued. Complaints from all channels will be investigated and forwarded to related units. All complaints will be promptly managed, except where the DPO sees the need to extend such period. More detail is available under the topic 'Privacy Policy' at <https://www.lh.co.th/en/landing-page/privacynotice>.

Goals of performances in responsibility for customers

Description	2020	2021	2022
Product design with emphasis on the quality of life			
Customers' satisfaction with the Company's products and services	80%	85%	85%
Number of complaints regarding breach of personal data	0	0	0
Number of complaints regarding violation of consumer rights	0	0	0



Responsibility for society and communities

3.4.8 Policy and management approaches for social engagement and development

Land and Houses Plc. stresses quality living in a quality housing project surrounded by quality community and society under the concept 'Co-creation of a Liveable Community and Society'. The Company therefore has a policy to treat surrounding communities responsibly. Land and Houses Plc. will not cause negative impacts on or damage to society and communities as well as common facilities, but will take part in social and community development to enhance the quality of life to foster relationship and sustainable coexistence. The management approaches in this regard are:

1. Conducting a survey of nearby communities regarding building areas, housing and surrounding areas to listen to

and understand their voices before the start of a given new project. Data obtained from the survey will ensure that the operations will align with the needs of both the communities and the Company.

2. Devising measures for preventing problems and minimizing impacts on nearby communities potentially caused by the project, such as establishing a wastewater treatment system as required by law before releasing wastewater into public water sources, and installing dust barrier nets to prevent dust from spreading and construction debris from falling.
3. Creating a sound relationship with communities using activities/projects to promote social engagement and development as well as development of the quality of life through projects for society and charity projects.

Goals of performances in responsibility for society and communities

Description	2020	2021	2022
Social engagement and development			
Number of significant disputes with society and communities	0	0	0

Performances

Responsibility for employees (and labour)

1) Performance on human resource management

1.1) Employment

Unit: person

Type of employment	2021		2022	
	Male	Female	Male	Female
Permanent employees	389	371	387	371
Contract employees	22	3	24	6
Total	785		788	

1.2) Local employment

Unit: person

Year	Work site	Total employees	Employees from central offices		Local employees	
			Executive level	Operating level	Executive level	Operating level
2021	North	50	-	-	5	45
	Northeast	46	1	-	5	40
2022	North	49	-	-	5	44
	Northeast	45	1	-	4	40

1.3) Welfare and fringe benefits

The Company arranges welfare and fringe benefits for employees and their families, taking into consideration basic requirements for living and work conditions as criteria for various types of benefit, which include:

- Salary
- Annual bonus
- Provident fund
- Health insurance for both IPD and OPD cases
- Health insurance for legitimate spouses and children for IPD cases, equal to employees
- Annual medical, with check-up programs varying with employee age ranges
- Group life insurance for employees with 500,000-1,500,000-Baht coverage each
- Accident insurance
- Annual dental expenses
- Male/female uniforms
- Financial assistance on various occasions, such as marriage and funeral for both employees and family members
- Employee assistance as appropriate
- Maternity gifts for employees delivering babies
- Educational fund at the master's degree level for executives to encourage learning and development

- Annual educational fund for children of employees at the operating level
- Right to take leave on different occasions, including sick leave, business leave, vacation leave, ordination leave, and maternity leave
- Special discounts when buying the Company's products
- Financial assistance for each department's activities, such as the annual outing and New Year's Party
- Extra annual leave beyond legal requirements
- The Skape recreation room at Head Office, providing food, drinks, and games for employees
- Gym room, yoga, and aerobic exercise with shower rooms provided
- Provision of Antigen Test Kits, medical masks, and hand-cleaning gel for all employees
- Certificate and gold award granted for each employee with 10, 20, and 30 years of service at an annual ceremony as a gesture of gratitude for their constant dedication to the Company.

Amid the rising cost of living and inflation during 2022, Land and Houses Plc. gave 10,000 Baht per person as cost-of-living assistance to all employees from the operating level up to the department/project assistant vice president level.

1.4) Parental leave and return-to-work rate

Unit: person

Operating area	2021			2022		
	No. of employees that took parental leave	Return to work	Return to work rate (%)	No. of employees that took parental leave	Return to work	Return to work rate (%)
Bangkok and Periphery	12	12	100	11	11	100
North	2	2	100	2	2	100
Northeast	2	2	100	2	1	50
Total	16	16	100	15	14	93.33

1.5) The Company's contribution to the provident fund

Description	Unit	2021	2022
Total contribution	Million Baht	36	36
Number of employees joining the provident fund scheme	person	744	737
% of contribution by the Company	%	5-7	5-7
% of contribution preferred by employees	%	2-7	2-7

1.6) The Welfare Committee at workplace

Description	2020	2021	2022
% of employees under the protection of the Welfare Committee at workplace	100	100	100

In 2022, the Welfare Committee at workplace held four meetings to discuss employee welfare and benefit as well as amendment to regulations to provide higher benefit for employees, such as an increase in the number of hospitals for check-ups to cover more operating sites, an expanded check-up list to suit each age range, and an increase in travel allowance for those using their personal cars, among other items.

2) Performance regarding human rights

Violation of human rights

Description	2021	2022
Number of cases involving violation of human rights in the Company	Nil	Nil

In 2022, no cases involving violation of human rights were detected. Therefore no compensation was made. The Company managed to arrange fair compensation for suppliers within the defined timeframe under the policy to pay suppliers, i.e. within 30 days for general suppliers and 15 days for contractors hired at construction sites. In 2022, payments for general suppliers were made within 30 days and, for contractors hired at construction sites, within 15 days on average.

3) Performance on potential employee development

Training courses provided in 2022

Employee category	Training course	Description
New recruits	Orientation	<ul style="list-style-type: none"> • Policies, regulations, and code of conduct • Business structure • Corporate culture • Welfare and fringe benefits
	New Friends at LH Seminar	Icebreaking activity among new recruits, experienced employees, and executives to encourage mutual friendship and bond with the Company
All employees	Basic and People Managing Skills	<ul style="list-style-type: none"> • Basic skills for new recruits (BS) • Managing people skills (MPS) • Advanced Management Skills: AMS
	Functional Skills	<ul style="list-style-type: none"> • Functional specialized skills for employees at housing projects (sales, construction, and service skills) • Functional skills for office employees
	Soft Skills	<ul style="list-style-type: none"> • Mindset adjustment to increase work efficiency • Growth mindset for supervisors
	Learning and Organization Development Activities	<ul style="list-style-type: none"> • Power of WE - an activity to develop teamwork values • Cross-functional learning activities
	Mindfulness program	Basic course on mindfulness and mental training in daily life
	Non-classroom	<ul style="list-style-type: none"> • On-the-job training • Coaching

4) Performance regarding safety, occupational health, and the environment

No. of work-related accidents

Operating area	2021	2022
Bangkok and Periphery	0	0
North	0	0
Northeast	0	0
Total	0	0

No. of work-related ill health

Operating area	2021	2022
Bangkok and Periphery	0	0
North	0	0
Northeast	0	0
Total	0	0

Summarized performance against the goals on responsibility for employees (and labour)

Description	2020		2021		2022	
	Goal	Results	Goal	Results	Goal	Results
Human resource and human rights management						
Number of labour disputes	0	0	0	0	0	0
Number of cases involving violation of human rights throughout the supply chain	0	0	0	0	0	0
Employee development						
Average hours per year for training and development	16	16	16	14	16	16
Budget for employee training and development	16 million Baht	5.8 million Baht	16 million Baht	6 million Baht	16 million Baht	6 million Baht
Occupational health and safety						
Lost-time cases caused by work-related injury	0	0	0	0	0	0
Lost-time cases caused by work-related ill health	0	0	0	0	0	0
Employee engagement and relationship promotion						
Employee engagement satisfaction	-	-	-	-	75%	81%

Responsibility for customers

1) Performance on development of products and services with emphasis on quality of life

Description	2020	2021	2022
Ratio of complaints to case management	99.11%	99.65%	99.44%

Categories of complaints and requests for advice

Categories of complaints and requests for advice	2020		2021		2022	
	Complaints	Cases monitored and managed	Complaints	Cases monitored and managed	Complaints	Cases monitored and managed
General house repairs	224	224	309	309	373	372
General living and neighbours	398	395	441	441	386	383
Services	93	93	18	18	24	24
Safety	56	55	76	76	78	77
Others	120	120	23	20	37	37
Total	891	887	867	864	898	893

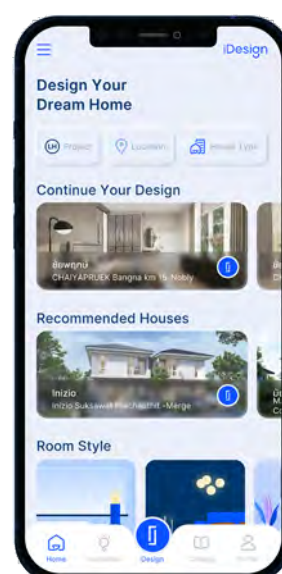
2) Performance on research, development, and technology concerning products and services

Application iDesign (Version 2) – an innovation for a better living

The Company developed the Smart Home technology, a home automation system, for houses in various projects. Controls of house functioning can be made from a mobile application, answering modern lifestyles in terms of convenience and safety. The application was improved from the previous version with easier-to-use functions and an attractive design. A feature to help interested individuals find the locations of various projects along with travel routes is added on the application, which can also be used for pre-sales to attract new customers to expand the user base beyond existing homeowners.

Added functions assist display of diverse styles of room design and arrangement of furniture sourced from famous brands. Customers may view the virtual room from different perspectives, such as using the 360-degree and virtual reality (VR) modes. The system will help viewers calculate an initial budget for both room designs and choices of furniture. So, customers can decorate their houses and rooms as seen on the screen and can source decoration items that meet their preferences within a given budget. Customers can thus enjoy a customized lifestyle and share

their experiences with friends and family members. Importantly, customers' lifestyles and their preferred interior designs will enhance the Company's customer engagement, which will benefit business expansion through the Company's offering of house designs and collaboration with business partners. The iDesign application has become a pre-sales tool showing sample houses with virtual decoration when customers make a visit to the project. It will eventually support customers' decision-making to buy a house from the Company.



Summarized performance against the goals on responsibility for customers

Description	2020		2021		2022	
	Goal	Results	Goal	Results	Goal	Results
Product design with emphasis on better quality of life						
Customers' satisfaction with products and services	80%	89%	85%	91%	85%	92%
Number of complaints about personal data infringement	0	0	0	0	0	0
Number of complaints about consumers' rights infringement	0	0	0	0	0	0

According to 1,721 respondents of customer satisfaction surveys at 45 housing projects made during 2022, the result shows 92% satisfaction in six areas of work, namely security, overall project conditions, salespersons, engineers, product finishing, and employees. Each item was analysed in detail, ranging from that receiving the lowest score, to make speedy improvement. The survey result was also used to further develop products and services for even greater customers' satisfaction.

Responsibility for society and communities

1) Performance on community engagement and development

Projects that Land and Houses Plc. carried out to improve the quality of life and promote social and community engagement and development throughout 2022 included:

#THINK and Share Project



The #THINK and Share Project was kicked off in July 2021 and carried on to 2022. The project persuaded members of housing projects and employees to support the multi-purpose cloth bag, labeled as #THINK TOTE BAG, produced with a minimal design at the price of 250 Baht each. Proceeds without expense deduction were presented to Siriraj Foundation to help needy patients. Cash contribution to the project was welcome at Land and Houses Plc. sales offices both in Bangkok and in the provinces as well as Head Office. A total donation of 729,488 Baht (as of June 30, 2022) was handed over to the Fund for Needy Patients under Siriraj Foundation.

The #THINK and Share Project was one of Land and Houses Plc.'s projects that emphasized communities, society, and the environment. Land and Houses Plc. adheres to the concept of 'For a Better Living' of customers, employees, and society. More charity projects will be launched.

Relief for the underprivileged, the needy, and social problem sufferers



Aspiring to take part in assisting Thai society, Land and Houses Plc. focuses on extending help to the underprivileged and the needy through contributions to various charity bodies throughout 2022, as elaborated below:

Land and Houses Plc. made a cash contribution of 1,000,000 Baht to three hospitals, namely Chulalongkorn Hospital, Thammasat University Hospital, and Siriraj Hospital (200,000 Baht each), Priest Hospital (282,000 Baht) for helping sick monks and novices

and for the hospital's general use, and the Ministry of Social Development and Human Security (118,000 Baht) for helping the underprivileged and victims of social problems.

The Company also gave 100 sets of PPE suits to Ramathibodi Hospital for use by doctors, nurses, and other medical personnel in fighting Covid-19. Nine sets of oxygen concentrators together with 55 nose pieces were also donated to Police Hospital to support its operations.

Educational fund granted in the Thailand English Online Contest

The Company granted an educational fund of 50,000 Baht for organizing the Thailand English Online Contest by EOL System "TEOC07" for the 2022 school year. A total of 4,162 students from 71 schools participated in the contest, which lasted seven months from July 1, 2021 to February 19, 2022. The program aimed to develop students' English language skills. With financial support from the Ministry of Education, students at both primary and secondary levels joined the contest for free, a means to reduce educational gaps and grow quality citizens.

Computer for education



Land and Houses Plc. donated 14 computer sets together with peripherals to Baan Kham Pa Lai School, Muang district, Mukdahan province. The project handed more opportunities to needy students in the provinces to develop their IT skills, which are essential for modern living.

Scholarships for employees' children

Land and Houses Plc. provides educational support for children of employees at the operating level every year. Scholarships worth 10,000 Baht each are given to employees holding positions up to assistant managers. A total of 91 scholarships were granted in 2022, worth altogether 910,000 Baht.

COVID-19 relief for employees and labour

The Company is determined to provide continuous support for society and communities affected by Covid-19. Financial assistance was given to employees and contracted labour living in labor camps, each considered a community formed at a construction site. Such assistance was in the form of financial aid on the food cost per head during labor camp closure, disinfectant spray, equipment at employee houses and labor camps, quarantine, RT-PCR tests, and antigen test kits (ATK), as well as the booster doses of Covid vaccine to prevent and minimize impact of infection, among others. Furthermore, the Company delivered medicine, ATKs, and fingertip pulse oximeters to infected employees and family members living under the same roof immediately after the test result confirmed infection. Financial assistance was also given in advance to construction and utility contractors to support their liquidity and cost of living. In 2022, Land and Houses Plc. spent 15 million Baht in total to assist employees and contractors with Covid-19 infection, helping relieve the government's burden on public hygiene while restoring normalcy to the lives of employees and labor.

Summarized performance against the goals on responsibility for society and communities

Description	2020		2021		2022	
	Goal	Results	Goal	Results	Goal	Results

Society/community engagement and development

Expenses on organizing social/ community support and development	-	-	-	48 million Baht	-	15 million Baht
Number of significant disputes with society/communities	0	0	0	0	0	0

Employee Statistics	Unit	2020		2021		2022	
		Male	Female	Male	Female	Male	Female
Labour							
Total number of workers	person	522	392	513	374	499	379
Total number of employees	person	413	392	411	374	411	377
Total number of workers who are not employees	person	109	0	102	0	88	2
Employee by contract and by work area							
Total number of full time and part time employees	person	392	388	389	371	387	371
- Bangkok and periphery	person	337	346	332	333	334	333
- Other provinces	person	55	42	57	38	53	38
Total number of employees under contract	person	21	4	22	3	24	6
- Bangkok and periphery	person	20	2	21	2	23	5
- Other provinces	person	1	2	1	1	1	1
	person	805		785		788	
Employee by level							
Top management (VP up)	person	33	8	34	8	38	9
Middle management (AVP)	person	56	31	54	30	52	33
Junior management (ASS Manager, Manager)	person	156	132	156	129	155	132
Non-management (staff)	person	168	221	167	207	166	203
Employee by age group							
Under 30 years old	person	81	91	80	74	79	76
30-50 years old	person	211	250	205	241	202	231
Over 50 years old	person	121	51	126	59	130	70
Employee by nationality							
Thai	person	413	392	411	374	411	377
Others	person	-	-	-	-	-	-
Employee in vulnerable groups							
People with disability	person	0	0	0	0	0	0
Retirees (over 60 years old)	person	21	3	21	3	30	4

	Unit	2020		2021		2022	
		Male	Female	Male	Female	Male	Female
New employee hires							
Total number of new employees	Person	19	24	21	13	33	50
Total number of new employees by age group							
Under 30 years old	Person	15	21	16	13	22	41
30-50 years old	Person	4	3	5	0	9	9
Over 50 years old	Person	0	0	0	0	2	0
Total number of new employees by operating area							
Bangkok and periphery	Person	19	24	18	13	31	46
North	Person	0	0	1	0	1	2
Northeast	Person	0	0	2	0	1	2
Employee turnover							
	Person	23	26	28	30	37	48
Total number of employee turnover	% of total employees	6	7	7	8	9	13
		6		7		11	
Employee turnover by age group							
Under 30 years old	Person	8	18	9	11	16	18
30-50 years old	Person	6	5	7	14	14	28
Over 50 years old	Person	9	3	12	5	7	2
Employee turnover by work site							
Bangkok and periphery	Person	23	26	27	26	31	44
Other provinces	Person	0	0	1	4	6	4
Parental leave							
Total number of employees exercising the rights of parental leave	Person	-	8	-	16	-	15
Total number of employees returning to work after parental leave	Person	-	8	-	16	-	14
Total number of employees returning to work and remaining at work 12 months after parental leave	Person	-	5	-	16	-	14
Return to work rate of employees after parental leave	%	-	100	-	100	-	100
Retention rate of employees after parental leave (employees retained 12 months after parental leave)	%	-	62.5	-	100	-	93

	Unit	2020	2021	2022
Employee compensation				
Annual total compensation	Million Baht	1,114	1,162	1,198
Total contribution to the provident fund scheme	Million Baht	35	36	36
Percentage of employees joining the provident fund scheme	%	95	89	94
Ratio of basic salary and compensation of female and male employee (gender pay gap) (excluding top management)	times	0.89:1	0.90:1	0.90:1
Employee Development				
Average training hours	Hours / person / year	16	14	16
Training costs on employee development	Million Baht	5.8	6	6

Occupational health and safety data	Unit	2020		2021		2022		Goal in 2023
		Male	Female	Male	Female	Male	Female	
Total number of fatalities as a result of work-related injury	Person	0	0	0	0	0	0	0
Total number of high consequence work-related injuries (excluding fatalities)	Person	0	0	0	0	0	0	0
Total number of recordable work-related injury	Person	0	0	0	0	0	0	0
Lost-time injury frequency rate	Case	0	0	0	0	0	0	0
Lost-time injury frequency rate (LTIFR) per 200,000 hours worked	Case/ 200,000 hrs.	0	0	0	0	0	0	0
Number of hours worked	Hours	1,227,744	921,984	1,206,576	879,648	1,312,370	894,440	

4. Management Discussion and Analysis



Financial statements

Summary of Auditor's report 2020-2022

The Auditor's report for the financial statements of the year 2020 ended December 31, 2020 which audited by Ms. Runnapa Lertsuwankul, Certified Public Accountant (Thailand) No. 3516 of EY Office Limited has expressed her opinion on the abovementioned financial statements have presented the financial performance and cash flows of Land and Houses Public Company Limited for the year ended the same day and were presented fairly in all material respects and in accordance with the Thai Financial Reporting Standards.

The Auditor's report for the financial statements of the year 2021 ended December 31, 2021 which audited by Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 of EY Office Limited has expressed her opinion on the

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

The Auditor's report for the financial statements of the year 2022 ended December 31, 2022 which audited by Ms. Rosaporn Decharkom, Certified Public Accountant (Thailand) No. 5659 of EY Office Limited has expressed her opinion on the abovementioned financial statements have presented the financial performance and cash flows of Land and Houses Public Company Limited for the year ended the same day and were presented fairly in all material respects and in accordance with the Thai Financial Reporting Standards.

Land and Houses Public Company Limited and its subsidiaries

Statement of Financial Position

As at 31 December 2020, 2021 and 2022

Unit : million Baht

	31 December 2020		31 December 2021		31 December 2022	
	Amount	%	Amount	%	Amount	%
Assets						
Current assets						
Cash and cash equivalents	7,112.93	5.80	10,330.97	8.25	4,799.36	3.87
Short-term investments	-	-	-	-	-	-
Trade and note receivable - Net	187.01	0.15	169.90	0.14	248.61	0.20
Short-term loans to related party	0.00	0.00	594.64	0.47	-	-
Current portion of long-term loan to other company	-	-	-	-	26.40	0.02
Inventories	52,893.10	43.15	47,255.98	37.74	48,558.11	39.18
Other current assets						
Advance payment for constructions	529.54	0.43	772.58	0.62	619.87	0.50
Other current financial assets	1,459.31	1.19	74.61	0.06	298.33	0.24
Other	1,173.11	0.96	1,265.49	1.01	911.46	0.74
Total current assets	63,355.00	51.69	60,464.18	48.29	55,462.14	44.75
Non-current assets						
Investments (Other non-current assets)	4,418.78	3.61	3,873.88	3.09	3,831.56	3.09
Investments in associates	23,963.61	19.55	24,226.61	19.35	24,619.31	19.86
Long-term loans to related parties	534.20	0.44	-	-	508.95	0.41
Long-term loan to other company	-	-	20.00	0.02	83.60	0.07
Land held for development	2,939.85	2.40	5,450.28	4.35	4,887.98	3.94
Investment properties	10,960.67	8.94	11,884.38	9.49	11,984.60	9.67
Property, plant and equipment - Net	601.48	0.49	1,565.74	1.25	1,954.96	1.58
Right-of-use assets	14,910.54	12.16	16,732.39	13.36	19,572.13	15.79
Deferred tax assets	721.18	0.59	804.62	0.64	967.11	0.78
Other non-current assets	165.76	0.13	175.78	0.14	76.42	0.06
Total non-current assets	59,216.07	48.31	64,733.68	51.71	68,486.62	55.25
Total assets	122,571.07	100.00	125,198.06	100.00	123,948.76	100.00

Land and Houses Public Company Limited and its subsidiaries
Statement of Financial Position
As at 31 December 2020, 2021 and 2022

Unit : million Baht

	31 December 2020		31 December 2021		31 December 2022	
	Amount	%	Amount	%	Amount	%
Liabilities and shareholders' equity						
Current liabilities						
Overdraft and short-term loan	6,845.00	5.59	2,469.20	1.97	5,639.39	4.55
Trade and note payable	3,140.28	2.57	3,183.77	2.54	3,640.84	2.94
Current portion of long-term loans	226.27	0.18	2,571.56	2.05	2,439.74	1.97
Current portion of debentures	11,000.00	8.97	16,000.00	12.78	8,400.00	6.78
Current portion of lease liabilities	764.94	0.62	789.83	0.63	1,893.00	1.53
Other current liabilities						
Income received in advance	1,091.80	0.89	1,007.08	0.80	634.79	0.51
Income tax payable	497.59	0.41	576.16	0.46	575.30	0.46
Other	1,525.17	1.24	1,524.75	1.22	1,676.87	1.35
Total current liabilities	25,091.05	20.47	28,122.35	22.46	24,899.94	20.09
Non-current liabilities						
Long-term loans	14,784.12	12.06	15,450.16	12.34	10,354.67	8.35
Local debentures	22,600.00	18.44	22,600.00	18.05	27,803.05	22.43
Lease liabilities	6,858.47	5.60	5,924.96	4.73	6,057.58	4.89
Deferred tax liabilities	1,509.06	1.23	1,306.56	1.04	1,343.89	1.08
Provision for long-term employee benefits	594.85	0.49	586.51	0.47	543.73	0.44
Other non-current liabilities	532.83	0.43	561.22	0.45	661.15	0.53
Total non-current liabilities	46,879.33	38.25	46,429.41	37.08	46,764.07	37.73
Total liabilities	71,970.38	58.72	74,551.76	59.55	71,664.00	57.82
Shareholders' equity						
Issued and paid-up	11,949.71	9.75	11,949.71	9.54	11,949.71	9.64
Capital surplus						
Share premium	15,452.86	12.61	15,452.86	12.34	15,452.86	12.47
Other surplus	1,227.79	1.00	1,227.79	0.98	1,227.79	0.99
Other components of shareholders' equity	(1,416.95)	(1.16)	(1,691.69)	(1.35)	(2,406.38)	(1.94)
Retained earnings						
Appropriated - Statutory reserve	1,203.11	0.98	1,203.11	0.96	1,203.11	0.97
Unappropriated	21,487.11	17.53	21,805.04	17.42	24,151.89	19.49
Total shareholders' equity	49,903.63	40.71	49,946.81	39.89	51,578.97	41.61
Non-controlling interests	697.06	0.57	699.48	0.56	705.79	0.57
Total shareholders' equity and Non-controlling interests	50,600.69	41.28	50,646.30	40.45	52,284.76	42.18
Total liabilities and shareholders' equity	122,571.07	100.00	125,198.06	100.00	123,948.76	100.00

Land and Houses Public Company Limited and its subsidiaries
Income Statement
For the year ended 31 December 2020, 2021, and 2022

Unit : million Baht

	2020		2021		2022	
	Amount	%	Amount	%	Amount	%
Revenues						
Revenue from sales and contracts	27,524.72	88.60	30,461.25	90.90	30,751.78	83.72
Rental and service income	2,417.22	7.78	1,808.63	5.40	4,845.22	13.19
Other income						
Gain on sales of properties	405.28	1.30	0.00	0.00	0.00	0.00
Interest	39.86	0.13	43.97	0.13	33.93	0.09
Infrastructure service income	398.07	1.28	439.74	1.31	486.09	1.32
Others	281.77	0.91	755.93	2.26	614.63	1.67
Total revenues	31,066.92	100.00	33,509.52	100.00	36,731.65	100.00
Expenses						
Cost of real estate sales	18,775.53	60.44	20,641.99	61.60	20,616.20	56.13
Cost of rental and service	1,977.27	6.37	1,471.28	4.39	3,360.29	9.15
Selling expenses	636.82	2.05	539.35	1.61	1,039.54	2.83
Administrative expenses	2,224.99	7.16	2,289.89	6.83	2,588.75	7.05
Specific business tax and transfer fee	1,041.99	3.36	1,144.81	3.42	1,158.25	3.15
Reversal of provision for legal cases	(349.09)	(1.12)	(104.73)	(0.31)	(14.16)	(0.04)
Loss on foreign exchange (derivatives)	121.45	0.38	480.32	1.43	-	0.00
Others	0.67	-	49.70	0.15	9.00	0.02
Total expenses	24,429.63	78.64	26,512.61	79.12	28,757.87	78.29
Profit (Loss) before financial expenses and corporate income tax	6,637.27	21.37	6,996.91	20.88	7,973.78	21.71
Financial expenses	(888.13)	(2.86)	(1,112.40)	(3.32)	(1,054.78)	(2.87)
Share of other comprehensive income from investments in associate	2,588.37	8.33	2,333.33	6.96	2,911.03	7.93
Profit (Loss) before corporate income tax	8,337.51	26.84	8,217.83	24.52	9,830.03	26.76
corporate income tax	(1,215.74)	(3.91)	(1,279.27)	(3.82)	(1,511.21)	(4.11)
Earnings after tax	7,121.77	22.93	6,938.56	20.71	8,318.82	22.65
Non-controlling interests of the subsidiaries	(23.14)	(0.07)	2.43	0.01	6.31	0.02
Net profit (loss)	7,144.91	23.00	6,936.13	20.70	8,312.51	22.63

Land and Houses Public Company Limited and its subsidiaries

Cash Flow Statement

For the year ended 31 December 2020, 2021, and 2022

Unit : million Baht

	2020	2021	2022
Net cash flows from (used in) operating activities	3,370.50	10,320.17	8,150.37
Net cash flows from (used in) investing activities	2,973.63	(1,861.21)	(1,081.28)
Net cash flows from (used in) financing activities	(3,836.95)	(4,838.95)	(12,425.28)
Net cash and cash equivalents increase (decrease)	2,558.89	3,218.04	(5,531.61)

Land and Houses Public Company Limited and its subsidiaries

Financial Ratio

As at 31 December 2020, 2021, and 2022

	Unit	31 December 2020	31 December 2021	31 December 2022
Liquidity Ratio				
Current Ratio	Times	2.53	2.15	2.23
Quick Ratio	Times	0.29	0.39	0.20
Quick Ratio (Cash Basis)	Times	0.20	0.44	0.37
Account Receivable Turnover	Times	129	171	147
Average Collection Period	Days	3	2	2
Inventory Turnover	Times	0.35	0.41	0.40
Average Sale Period	Days	1,019	873	890
Account Payable Turnover	Times	5.40	6.53	5.54
Payment Period	Days	67	55	65
Cash Cycle	Days	955	820	827
Profitability Ratio				
Gross Profit Margin	%	30.62	31.47	32.64
Operating Profit Margin	%	18.32	22.55	25.67
Other Profit Margin	%	12.07	10.66	11.01
Operating Profit Margin (Cash Basis)	%	85.34	201.85	143.06
Net Profit Margin	%	23.00	20.70	22.63
Return on Equity	%	13.96	13.89	16.38
Basic Earning Per Share	Baht/Share	0.60	0.58	0.70
Diluted Earnings Per Share	Baht/Share	-	-	-
Efficiency Ratio				
Return on Assets	%	6.06	2.80	3.34
Return on Fixed Assets	%	50.72	66.18	72.87
Total Assets Turnover	Times	0.26	0.27	0.29

Land and Houses Public Company Limited and its subsidiaries

Financial Ratio

As at 31 December 2020, 2021, and 2022

	Unit	31 December 2020	31 December 2021	31 December 2022
Financial Policy Ratio				
Debt to Equity Ratio	Times	1.42	1.47	1.37
Interest Coverage Ratio	Times	11.26	9.59	11.90
Obligation Coverage Ratio	Times	0.53	0.49	0.68
Dividend Payout	%	83.63	86.13	86.26

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

In 2022, revenue from real estate sales was reported at 30,751.78 million Baht, increased from 2021 by 290.53 million Baht from sales of single detached houses, townhouses and condominium in proportion as follows :

Unit : %

Housing Type	2021	2022
Single-detached house	80.0	77.0
Townhouse	11.3	9.7
Condominium	8.7	13.3
Total	100.0	100.0

Rental and service income in 2022 was 4,845.22 million Baht, an increase of 3,036.59 million Baht or 167.89% from 2021 where the hotel and the shopping mall resumed operations following the subsiding COVID-19 situation. In 2022, the Company has launched 1 hotel and 1 shopping mall i.e., Grande Centre Point Space Pattaya and Terminal 21 Rama 3 in August and October, respectively.

Unit : million Baht

	2021	2022
Rental and service income	1,808.63	4,845.22
Cost	1,471.28	3,360.29
Gross margin	337.35	1,484.93
% Gross margin	18.65	30.65

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

	2020	2021	2022
Gross Profit (million Baht)	9,189.14	10,156.61	11,620.51
% Gross Profit	30.69	31.47	32.64

Gross profit margin in 2022 was 32.64% up from 31.47% in 2021 partially from the subsiding COVID-19 situation, led to the increase in rental and service income and gross profit margin. The profit margin from real estate sales in 2022 was 32.96%, a slight increase of 0.72%, from 32.24% in 2021 while the profit margin from the rental business in 2022 was 30.65%, an increase of 12%, from 18.65% in 2021 due to substantial increase in revenue.

Past performances by each business group (segmentation)

In 2022, 83% of revenues mainly came from real estate business, followed by the rental and services business, accounted for 13%, and the rest from infrastructure services and other incomes.

Revenue from sales of real estate : Revenue from sales of real estate consists of revenue from sales of single detached houses, townhouses, and condominiums. The Company and its subsidiaries will consider the type of the housing to be launched for sale at the suitable situation.

Revenue from sales of real estate in 2022 reported at 30,751.78 million Baht , an increase from prior year of 290.54 million Baht.

Revenue from rental and service income : Revenue from rental and services income decreased in 2020, in 2021 but improved in 2022 as follows :

	2020	2021	2022
Rental and service income (million Baht)	2,417.22	1,808.63	4,845.22
% of total revenue	7.78	5.40	13.19
Increase / (Decrease) from prior year (million Baht)	(2,489.30)	(608.59)	3,036.59
% Increase / (Decrease)	(50.73)	(25.18)	167.89
% Gross Profit margin	18.20	18.65	30.65

Revenue from rental and services income decreased in 2020 and continued to 2021 due to the pandemic of COVID-19 but improved substantially in 2022 thanks to the pandemic crisis relief, hence, businesses were back into full operations.

Share of profit from the investment in the associated companies : In 2022, the Company recorded the share of profit from its associated companies of 2,911.04 million Baht, an increase of 577.71 million Baht, or equal to 24.76% increase.

Share of profit from investments in associated companies of the year 2020, 2021 and 2022

Unit : million Baht

Company	2020	2021	2022
LH Financial Group Plc.	496.00	272.19	345.42
Quality Construction Products Plc.	24.12	30.39	65.13
Home Product Center Plc.	1,558.67	1,644.89	1,879.56
Land and Houses Property and Loan Fund II	(20.77)	(31.15)	21.34
Quality Houses Plc.	530.35	417.01	599.59
Total	2,588.37	2,333.33	2,911.04
Increase (Decrease) from prior year	(794.14)	(255.04)	577.71
% Increase (Decrease)	(23.48)	(9.85)	24.76

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

In 2020, other income in total was 1,124.98 million Baht, a decrease from same period last year of 2,124.49 million Baht, or a decrease of 65.38 %, consisting of gain on sales of properties of 405.28 million Baht (gain from sale of an apartment in the United States), utility services income of 398.07 million Baht, receipt of dividend of 115.67 million Baht, interest income and other income of 205.96 million Baht.

In 2021, other income was 1,239.64 million Baht, an increase from same period last year of 114.66 million Baht or equal to a 10.19% increase, consisting of other income of 673.39 million Baht (from gain on exchange 477.74 million Baht), utility services income of 439.74 million Baht, dividend income of 82.54 million Baht and interest income of 43.97 million Baht.

In 2022, other income was 1,134.65 million Baht, a decrease from same period last year of 104.99 million Baht or equal to a 8.47% decrease, consisting of gain on foreign exchange and derivatives of 249.36 million Baht, utility services income of 486.09 million Baht, dividend income of 128.90 million Baht, interest income of 33.93 million Baht and other income of 236.37 million Baht.

Gross margin : In 2022, the gross margin was at 32.64% with the margin of revenue from sale at 32.96% and of rental and services income at 30.65%.

Administrative expenses : In 2022, the administrative expenses were 2,588.75 million Baht, accounted for 7.05 % of total revenue. It increased from prior year by 298.86 million Baht or a 13.05% rise in parallel to the increase of revenue from rental and service income.

Selling expenses : excluding special business taxes and transfer fees. In 2022, selling expenses were 1,039.54 million Baht or 2.83% of total revenue, an increase of 500.19 million Baht from previous year or a 92.74% increase, arising from more commission paid to real estate agents. As well, the commission and marketing expenses in rental and service business rose following the growth in revenue from rental and service business.

Special business taxes and transfer fees : In 2022, special business taxes and transfer fees were 1,158.25 million Baht, accounted for 3.15% of the total revenue. Comparing to the same period of last year, it increased 13.44 million Baht or an increase of 1.17%.

Earnings before finance costs and corporate income tax expenses : In 2022, the Company reported earnings before finance costs and corporate income tax expenses of 7,973.78 million Baht, an increase of 976.87 million Baht or a 13.96% increase against last year.

Earnings before corporate income tax expenses : In 2022, the Company recorded earnings before corporate income tax expenses of 9,830.03 million Baht, an increase of 1,612.20 million Baht or a 19.62% increase comparable to prior year, thanks to the growth in revenue from rental and service income and profit sharing from the associated companies.

Net profit : In 2022, the Company reported net profit of 8,312.51 million Baht, an increase of 1,376.38 million Baht or a 19.84% increase from the previous year. This resulted from an improvement in gross margin of 32.64% in 2022 compared to 31.47% in prior year or a 1.17% increase.

Earnings per share : The earnings per share in 2022 was 0.70 Baht per share, up from 0.58 Baht per share in 2021.

Dividend payment : Taking into the consideration its performance, the Company considered paying dividends for the operating results for the year 2021 and 2022 as follows :

	Dividend payout ratio (%)	Dividend Payout (million Baht)	Payment Date
Dividends paid for 2021 operating results	86.13	2,987 2,987	9 September 2021 20 May 2022
Dividends paid for 2022 operating results	86.26	2,987 4,182	9 September 2022 22 May 2023

The dividend payment for the year 2021 operating results : The Board of Directors had approved on August 10, 2021, for the interim dividend payment of the first six months of operating results for the year 2021 at the rate of 0.25 Baht (at one-Baht par) in totaling of 2,987 million Baht which was paid on September 9, 2021. Later, on February 24, 2022, the Board of Directors had the resolution to present in the shareholders' meeting for the approval of the total dividend payment for year 2021 operating results at the rate of 0.50 Baht (at one-Baht par). The outstanding dividend of 0.25 Baht per share or amounted to 2,987 million Baht, then was paid on May 20, 2022. Hence, dividend payout ratio for the year 2021 was 86.13% of net profit.

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

b) Financial Position

Assets

Total assets of the Company and its subsidiaries as of 2022 were recorded at 123,948.76 million Baht. As the Company operates in real estate business by selling the pre-built houses and keeps launching new project continuously, therefore, its core assets are in form of inventories comprising land and construction in progress, followed by the investments in subsidiaries and associated companies, right-of-use assets, and investment properties. The details of these assets are as follows :

Inventories : as at the year-end of 2022 the inventories were 48,558.11 million Baht, representing 39.18% of total assets. The Company has separately showed the accounts of land held for development of the Company and its subsidiaries, amounted to 4,887.98 million Baht, representing 3.94% of total assets, as land held for development shown under non-current assets and then be classified under inventories when land is used in project development.

Unit : million Baht

	2020	2021	2022
Net Inventories	52,893.10	47,255.98	48,558.11
Increase (Decrease)	(480.50)	(5,637.12)	1,302.13
% of total Assets	43.15	37.74	39.18

In 2021, the Company and its subsidiaries had transferred the land held for development to land under development of 3,115 million Baht (2022 : none of transfer)

Net trade receivables : as at the year-end of 2022, the Company had net trade receivables of 248.61 million Baht, accounted for 0.20% of total assets, deriving from the rental and service business.

Investment in associated companies : as detailed below :

Investment under the equity method of associated companies as at December 31, 2020, 2021, 2022.

Unit : million Baht

Company	2020	2021	2022
LH Financial Group Plc.	8,568.29	8,366.91	8,076.37
Quality Construction Products Plc.	431.56	422.38	461.51
Home Product Center Plc.	7,138.36	7,538.99	7,948.77
Land & Houses Property and Loan Fund II	325.39	294.24	315.58
Quality Houses Plc.	7,500.01	7,604.09	7,817.08
Total	23,963.61	24,226.61	24,619.31
% of Total Assets	19.55	19.35	19.86

Long-term investment / Non-current financial assets : at the year-end of 2022 were at 3,831.56 million Baht, accounted for 3.09% of total assets, a decrease of 42.32 million Baht, or a decrease of 1.09% from 2021.

Land held for development :

In 2021, the Company engaged the independent appraisal valuer to appraise the fair value of some certain plots of land held for development of the Company and its subsidiaries by using the Market Comparison Approach as the basis of determining the valuation of the assets. The fair value of land held for development appraised by the independent appraiser exceeded their net carrying book value. Only one project that had the appraisal value less than the book value at 49.7 million Baht which the Company had recorded as an expense in the income statement.

In 2022, the Company carried land held for development worth 4,887.98 million Baht (net allowance for loss on diminution in value of 708.86 million Baht), accounted for 3.94% of total assets, a decrease of 562.30 million Baht from 2021. Such land has been mortgaged as collateral with banks in amount of 2,985 million Baht.

Investment properties

In 2022, the Company has possessed investment properties of 11,984.60 million Baht, accounted for 9.67% of total assets, an increase of 100.22 million Baht or a 0.84% increase from 2021. The properties consist of 3 apartments in the USA, operated by a subsidiary, namely Land and Houses USA Inc. (LH USA). The fair value of the investment properties at December 31, were stated as below :

Unit : million Baht

	2020	2021	2022
Fair value	10,991	13,384	13,970

In 2020, 2021 and 2022, the rental income and direct operating expenses arising from the apartment for rent of LH USA were recorded in the Profit & Loss as follows :

Unit : million Baht

	2020	2021	2022
Rental Income	1,211	844	1,439
Direct operating expenses	940	817	1,085

Property, plant and equipment - net : in 2022 was recorded at 1,954.96 million Baht, accounted for 1.58% of total assets. During the past three years, it was stated as follows :

Unit : million Baht

	2020	2021	2022
Net Book Value	601.48	1,565.74	1,954.96
Increase (Decrease)	(86.27)	964.26	389.22

In 2021, LH USA purchased one hotel in the USA at the cost of USD 31 million or equivalent to 1,056 million Baht. (2022 : none of transaction)

Leasehold Rights / Right-of-Use Assets :

In 2022, the right-of-use assets was recorded at 19,752.13 million Baht or 15.79% of total assets, consisting of leasehold rights and properties i.e., hotels and shopping malls in Bangkok and Pattaya. (see details of assets in 1.2.2 (4) Assets used in Business Operation)

Liquidity

Cash from business operation will be used with great care so as to maintain the Company's liquidity in financing the investment in residential projects such as land acquisitions and construction of the projects and the repayment of its liabilities. The Company has a policy to manage its cash and cash equivalents in alignment with the business landscape.

Unit : million Baht

	2020	2021	2022
Cash flow from (used in) operating activities	3,370.50	10,320.17	8,150.37
Cash flow from (used in) investing activities	2,973.63	(1,861.21)	(1,081.28)
Cash flow from (used in) financing activities	(3,836.95)	(4,838.95)	(12,425.28)

In 2022, cash and cash equivalents decreased 5,531.61 million Baht by the result of the increase in cash flow from operating activities of 8,150.37 million Baht, the decrease in investing activities of 1,081.28 million Baht and the decrease in financing activities of 12,425.28 million Baht.

Cash flow from operating activities

In 2022, cash flow from operating activities was a surplus of 8,150.37 million Baht with the main resulting factors of the profit before income tax expenses of 9,830.04 million Baht less the share of profit from the investment in the associated companies of 2,911.03 million Baht, an increase from the depreciation and amortization of 1,666.71 million Baht, an increase from interest expenses of 1,039.78 million Baht and a decrease in the corporate tax payment of 1,633.98 million Baht.

Cash flow from investing activities

In 2022, cash flow from investing activities was a negative 1,081.28 million Baht with the main resulting factors of the additional investment in right-of-use assets, property, plant and equipment, and intangible assets of 3,107.00 million Baht, an increase in dividend received from associated companies of 1,838.01 million Baht and dividend received from other companies of 128.90 million Baht.

Cash flow from financing activities

In 2022, cash flow from financing activities was a negative 12,425.28 million Baht with the main resulting factors of the dividend payment of 5,974.72 million Baht, the repayment of debentures of 16,000 million Baht, the repayment of long-term loans of 7,084.35 million Baht, the interest payment of 1,287.57 million Baht and the payment of lease liabilities of 572.70 million Baht.

The Company received funds from the issuance of local debentures of 13,573.07 million Baht and funds from short-term and long-term loans from financial institutions of 3,180.00 and 1,741.00 million Baht respectively.

Key Liquidity Ratios

In 2022, the liquidity ratio was at 2.23 times. The quick ratio was at 0.20 times, down from 0.39 times, due to a decrease in cash and cash equivalents from prior year of 5,531.61 million Baht.

In 2022, the creditor turnover was 5.54 times with the repayment period at 65 days.

Capital Expenditure

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

In 2022, the Company had cash used in investing activities of 1,081.28 million Baht with the main resulting factors of dividend income from associated companies of 1,838.01 million Baht,

additional investment in leasehold rights, property, plant and equipment, investment properties and intangible assets for 3,107.00 million Baht.

Source of Funds

Debt to equity ratio at the year-end 2022 was at 1.37 times, down from 1.47 times in 2021.

In 2022, shareholders' equity including the minority interest stood at 52,284.76 million Baht, an increase of 1,638.46 million Baht as the resulting factors of the net operating profit of 8,318.83 million Baht, the payment of dividend of 5,974.72 million Baht and the decrease in other components of the shareholders' equity of 714.69 million Baht incurred from the lessening value of equity investment due to the pandemic of COVID-19.

Liabilities

In 2022, major liabilities comprised short-term and long-term loans of 18,433.8 million Baht, debentures of 36,203.05 million Baht, trade payable of 3,640.84 million Baht, lease liabilities of 7,950.58 million Baht and other liabilities of 5,435.74 million Baht. Up to now, the Company and its subsidiaries have been able to repay all debts duly on schedule.

Details of Long-term Liabilities of the Company and its subsidiaries as at December 31, 2022

Company	Type of Liabilities	Currency	Amount (million Baht)	Interest rate p.a.	Guaranteed by	Principal repayment
LH	Long-term Loan	Baht	1,600.0	Fixed 2.2%	Land and premises of the project	Within April 2024
	Long-term Loan	Baht	660.0	Fixed 2.4%	Land and premises of the project	Within October 2025
	Long-term Loan	Baht	1,069.0	Fixed 2.2%	Land and premises of the project	Within June 2025
	Long-term Loan	Baht	449.5	Fixed 2.2%	Land and premises of the project	Within December 2025
	Local Debenture No. 1/2018	Baht	1,200.0	Fixed 2.96%	None	at maturity date March 7, 2025
	Local Debenture No. 1/2020 Tranche 2	Baht	2,400.0	Fixed 2.60%	None	at maturity date May 12, 2023
	Local Debenture No. 2/2020	Baht	3,000.0	Fixed 2.03%	None	at maturity date October 20, 2023
	Local Debenture No. 1/2021 Tranche 1	Baht	3,000.0	Fixed 1.09%	None	at maturity date May 12, 2023
	Local Debenture No. 1/2021 Tranche 2	Baht	5,000.0	Fixed 1.50%	None	at maturity date April 26, 2024

Company	Type of Liabilities	Currency	Amount (million Baht)	Interest rate p.a.	Guaranteed by	Principal repayment
	Local Debenture No. 2/2021	Baht	8,000.0	Fixed 1.46%	None	at maturity date October 19, 2024
	Local Debenture No. 1/2022 Tranche 1	Baht	2,000.0	Discount rate 1.73%	None	at maturity date April 25, 2024
	Local Debenture No. 1/2022 Tranche 2	Baht	4,700.0	Fixed 2.26%	None	at maturity date April 24, 2025
	Local Debenture No. 2/2022 Tranche 1	Baht	1,600.0	Fixed 3.00%	None	at maturity date April 24, 2025
	Local Debenture No. 2/2022 Tranche 2	Baht	4,250.0	Fixed 3.25%,	None	at maturity date October 9, 2025
	Local Debenture No. 3/2022	Baht	1,150.0	Discount rate 2.66%	None	at maturity date October 3, 2024
	Debenture Discount	Baht	(97.0)			
LA	Long-term Loan	Baht	680.0	2.4%	Land and premises of the project	Within October 2025
LHM	Long-term Loan	Baht	284.4	MLR-2.25	Land and premises of the project	Repayment of principal upon transfer of house of the project to customer or within 5 years from the first drawdown date
LHMH	Long-term Loan	Baht	3,360.0	MLR-2.50	Leasehold and premises of the project	First repayment in March 2023 to December 2032
	Long-term Loan	Baht	2,143.0	MLR-2.75	Leasehold and premises of the project	First repayment in March 2023 to December 2032
	Long-term Loan	Baht	475.0	MLR-2.75	Leasehold and premises of the project	First repayment in December 2023 to June 2032
LH USA	Long-term Loan	Baht	2,074.0	3.83%	Apartment for rent of the project	Repayment within 5 years from the first drawdown date
Total Liabilities		Baht	48,997.9			

Remark : LH = Land and Houses Plc.

LA = LH Asset Co., Ltd.

LHMH = LH Mall and Hotel Co., Ltd.

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

LHM = LH Muang Mai Co., Ltd.

As at December 31, 2022, the Company and its subsidiaries has had available undrawdown loan facilities from the financial institutions of 4,475 million Baht.

(c.) Major factors and influences that may affect future operations
or financial position

Commitments and contingent liabilities

1. As at December 31, 2022, the Company and its subsidiaries have commitments to purchase of land and complete projects on hand as follows :

Unit : million Baht

	2021	2022
Commitment to purchase of land	2,874	1,265
Commitment under construction contracts	4,674	4,144
Commitment in respect of the installation of public utilities of projects on hand	1,295	1,612

2. As at December 31, 2022, the Company and its subsidiaries have made provisions for incurring liabilities amounting to 770.2 million Baht as detailed below :

Unit : million Baht

	2021	2022
After-sale maintenance expenses	113.9	146.4
Legal cases	15.3	1.6
Contributions to housing estate juristic persons	372.4	405.2
Public utilities maintenance	156.6	190.6
Damages from the project	-	-
Others	25.9	26.4
Total	684.1	770.2

3. As at December 31, 2021, the subsidiaries had the obligation to pay the lease payment of 9,515 million Baht (throughout the Contract) less the deferred interest expenses of 2,801 million Baht, made the total remaining net lease payments equaled to 6,714 million Baht.

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

4. As at December 31, 2022, the Company and its subsidiaries set provision for long-term employee benefits which represents compensation payable to employees after they retire in amount of 543.74 million Baht.

5. Bank Guarantee : As at December 31, 2022, the Company and its subsidiaries had the bank guarantee issued by banks on behalf of the Company and its subsidiaries in respect of the certain performance obligation in the normal course of business of the Company and its subsidiaries as follows :

Unit : million Baht

	2021	2022
Letter of guarantees for arrangement and maintenance of public utilities	4,444	4,489
Other guarantees	76	232
Total	4,520	4,721

6. The Company has contingent liabilities in connection with the financial support (the issuance of Letter of Comfort) to its subsidiaries to provide for the loans and the issuance of bank guarantee to use in the subsidiaries' project. As at December 31, 2022, the outstanding debts in proportion to the Company's guarantee specified in the certificate given to the bank was in the amount of 7,628 million Baht.

Maintenance of Debt-to-Equity Ratio

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

Unit : million Baht

Item	31/12/2021	31/12/2022
Interest-bearing liabilities	59,090.92	54,636.85
Shareholders' equity	50,646.30	52,284.76
Debt-to-Equity Ratio	1.17	1.05

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

Unit : million Baht

Item	31/12/2021	31/12/2022
Net interest-bearing liabilities (after the cash and cash equivalents)	48,759.96	49,837.49
Shareholders' equity	50,646.30	52,284.76
Debt-to-Equity Ratio	0.96	0.95

According to the Consolidated Financial Statement as at December 31, 2021 and 2022, the Company's Debt-to-Equity Ratio was in compliance with the covenants stated in the debenture terms and conditions.

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

Returns on investments in associated companies. As matter the fact that the Company has invested in associated companies as at December 31, 2022 amounted to 24,619.31 million Baht or equivalent to 19.86% of total assets and received profit sharing, accounted for 35.02% of the Company's profit, in case the associated companies have any disruption in their operations, thus it may have impact on the Company's operations. However, the Company has concerned in this matter and thus has invested in the associated companies of which businesses are different from the Company's, making its investment portfolio diversified in risks.

Tax Information

	Consolidated financial statements			Separate financial statements		
	2021	2022	Calculated Average	2021	2022	Calculated Average
Earnings before tax (million Baht)	8,217.83	9,830.04	9,023.94	8,149.30	9,454.40	8,801.85
Reported Tax (million Baht)	1,279.27	1,511.21	1,395.24	1,213.17	1,141.88	1,177.53
Effective tax rate (%)	15.56	15.37	15.46	14.89	12.08	13.38
Cash taxes paid (million Baht)	1,300.98	1,633.98	1,467.48	1,172.82	1,235.77	1,204.30
Cash tax rate (%)	15.83	16.62	16.26	14.39	13.07	13.68

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

5. General Information and Other Important Information

5.1 General Information

Auditor

Miss Rosaporn Decharkom

Certified Public Accountant (Thailand) No. 5659

EY Office Limited

193/136-137 Lake Rajada Office Complex 33rd Floor,

Rajadapisek Road, Klongtoey, Bangkok 10110

Tel: +66 2264 9090 Fax: +66 2264 0789

Securities Registrar

Thailand Securities Depository Company Limited

93 The Stock Exchange of Thailand Building,

Ratchadaphisek Road, Din Daeng, Bangkok 10400

Tel: +66 2009 9999 Fax: +66 2009 9991

Debenture Registrar

Siam Commercial Bank Public Company Limited

Registrar 1, Corporate Trust

9 G Tower 15th Floor, Grand Rama 9 Building

Rama IX Road, Huai kwang, Bangkok 10310

Tel: +66 2128 2324-9 Fax: +66 2128 4625

Appraisal Company

Grand Asset Advisory Company Limited

1350/279-283 Thai Rong Tower Building 16th Floor,

Patthakarn Road, Suanluang, Bangkok 10250

Tel: +66 2719 4500 Fax: +66 2719 5070-71

TAP Valuation Company Limited

121/101 RS Tower 37th Floor,

Rajadapisek Road, Dindang, Bangkok 10320

Tel: +66 2642 2712-14 Fax: +66 2642 2711

5.2 Other Important Information

-None-

5.3 Legal Dispute

-None-

5.4 Secondary Market

-None-

5.5 Frequent contact – Financial Institutions

Siam Commercial Bank Public Company Limited

Head Office

9 Rutchadapisek Road, Chatuchak,

Chatuchak, Bangkok 10900

Tel: +66 2777 7777

Land and Houses Bank Public Company Limited

Head Office

1 Q.House Lumpini Building, South Sathon Road,

Thungmahamek, Sathon, Bangkok 10120

Tel: +66 2359 0000 Fax: +66 2677 7223

Kasikornbank Public Company Limited

Head Office

400/22 Phahon Yothin Road, Sam Sen Nai, Phaya Thai,

Bangkok 10400

Tel: +66 2222 0000 press 1

United Overseas Bank (Thai) Public Company Limited

Head Office

690 Sukhumvit Road, Khlong Tan, Khlong Toei, Bangkok 10110

Tel: +66 2343 3000 Fax: +66 2287 2973-4



Part 2

Corporate Governance

Corporate Governance Policy	102
Corporate Governance Structure and important information about the Committee and others	114
Report on key performance in corporate governance	121
Internal Control and Connected Transactions	130



6. Corporate Governance Policy



6.1 Overview of Corporate Governance Policies and Practices

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

6.2 Important Corporate Governance Policy and Guidelines of the Company

6.2.1 Nomination and appointment of directors and senior management

The Nomination and Compensation Committee shall consider and screen qualified persons to be appointed as directors and top executives by considering the suitability of skills, knowledge, acceptable experience, transparent working history, maturity and stability including qualifications which are in accordance with the Company's Articles of Association and in possess of qualifications in accordance with the Company's business strategy as well as

special knowledge or skills required to strengthen the Board's strength and effectiveness to have professional and diverse directors by considering the structure, size and composition of the board and also provide the opportunity for directors and shareholders to participate in the nomination of qualified directors according to the criteria and methods of selection.

(1) Nomination of Independent Directors

The Company has defined the definition of the "Independent Director" in accordance with the principles of good corporate governance and guidelines of the Office of the Securities and Exchange Commission in order to build the trustworthiness among investors and maintain good management balance.

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

1. Being a person who holds no more than 1% of the total number of shares with voting rights in the Company, affiliates and associated Company.
2. Not participating in any management. Not being a worker, an employee or an advisor who receives a regular salary or is not a professional auditor, lawyer or professional service provider that limits the independent opinion to the Company, affiliates or associated company or not having control over the Company, affiliates or associated company or is not a person who may have a conflict of interest and must vacate the status or position that may cause any conflict for at least 2 years or more.

3. No business relationship in a manner that limits the independence in performing duties as a director which has a significant amount of value in proportion to the Company's revenue according to the specified criteria and no benefit or interests whether directly or indirectly both in terms of finance and management of the Company, affiliates or associated company, or persons who may have conflicts of interest in a manner that deprives them of their independence.

4. Not being a close relatives with senior management, major shareholders of the Company, affiliates or associated company or any person who may have conflicts of interest and was not appointed as a representative to protect any interests of the directors or major shareholders.

5. Not appointed as a representative to protect interests of the Company's director, major shareholders or shareholders who related to the Company's major shareholders.

6. Able to perform his duties and express opinions or report the performance results in accordance with the duties assigned by the Board of Directors of the Company independently without being under the control of any executives or major shareholders of the Company including related person or close relatives of such persons.

(2) Nomination of the Company's directors

The Company has criteria and procedures for selecting persons to be appointed as directors as follows :

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

2. The major shareholders may nominate a suitable person to be appointed as a director to the Nomination and Compensation Committee.

3. The Nomination and Compensation Committee will consider and nominate suitable persons to be appointed as directors to the Board of Directors for further presentation to the shareholders' meeting.

4. The shareholders' meeting will elect directors by majority vote in accordance with the following rules and procedures :

4.1 One share has one vote.

4.2 Each shareholder can vote to select the person nominated as a director one by one.

4.3 Persons who receive the highest number of votes in descending order shall be elected as directors equal to the numbers of directors required. In the event that the persons who are elected in descending order have equal votes, the number of directors is more than the number of directors required to have, then the Chairman of the meeting shall have an additional vote as a casting vote.

5. At every annual general meeting of shareholders, one-third of the directors shall vacate the office. If the number of directors cannot be divided exactly into three parts, the number of directors to be vacated shall be issued by the number closest to the part one of three. The recruitment process will be in accordance with Articles 1-4.

6. Directors who must retire from the office in the first and second year after the registration of the Company, a lot shall be drawn to determine who will be retire. In the following years, the member who has been in the office for the longest time shall retire. Directors retiring by rotation may be elected to a new position.

Board Diversity

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

Board Skills Matrix showing knowledge, skills, and experience of Board members

Board Director	Knowledge, skills and experience of board directors												
	Property development and management	Accounting and finance	Economics	Business administration	Marketing strategy and market competition	International business	Risk management	Engineering	Laws	Human resource management	Environment and sustainability development	Good governance	Information technology
1. Mr. Naporn Sunthornchitcharoen	x	x	x	x	x		x	x	x	x	x	x	x
2. Mr. Nantawat Pipatwongkasem							x		x		x	x	
3. Mr. Achawin Asavabhokhin		x	x	x	x	x	x	x				x	
4. Mr. Watcharin Kasinrerak	x			x	x		x	x		x	x	x	
5. Mr. Wit Tantiworawong	x	x	x	x		x	x			x	x	x	x
6. Mr. Chokchai Walitwarangkoon	x			x	x					x		x	x
7. Mr. Pakhawat Kovithvathanaphong		x	x	x			x			x		x	x
8. Mr. Piphob Veraphong							x		x			x	
9. Mr. Bundit Pitaksit				x	x		x	x			x	x	

Directorship in Listed Companies

To ensure optimal work efficiency and dedication to duties assigned to members of the Board committees, all directors including the Chairman of the Executive Committee, executive directors, non-executive directors, and independent directors shall not hold directorship in more than five listed companies.

(3) Selection of the Chairman of the Executive Committee

The Executive Committee is responsible for nominating its Chairman, selected from management, then propose the name to the Nomination and Compensation Committee for further determination, and finally propose it to the Board of Directors for final determination and approval. The selection and screening process criterion includes knowledge, competency, work experience, thorough understanding of company businesses, management capability, and strong leadership skills.

In addition, the succession plan requires an annual review. There are three managing directors currently under ongoing development on leadership qualifications, knowledge, and capability in the succession plan. However, if none is found to be qualified,

the Executive Committee can select other qualified persons from outside the organization and propose them to the Nomination and Compensation Committee.

6.2.2 Independence of the Board of Directors from the Management

The Company has separated the roles and responsibilities between the Board of Directors and the Management. The Board of Directors is responsible for determining the policies and supervising the operations of the management while the management is responsible for managing various tasks in accordance with the specified policy and preparing reports that are not normal operations of the Company which will be considered by the Board of Directors, which at least one-third of the Boards are independent directors. Independent directors are independent of the management and major shareholders of the Company who is a person that does not have a business relationship with the Company in such a way as to limit the freedom of expression of opinion and to meet the definition of an independent director as mentioned in the topic "6.2.1 (1) Nomination of Independent Directors".

6.2.3 Development of Directors and Executives

Orientation of new directors

The Company realizes the importance of performing duties of new directors, therefore, there is an introduction to the overall guidelines of the Company, structure of subsidiaries, associated companies and other related business companies, to understand both how they work and the shareholding between them. In addition, it also provides the significant and necessary information needed for the performance of duties of directors such as Board of Directors' charter, structure of working within the Company, Articles of Association, Company's objectives, business ethics of the Board of Directors, Good Corporate Governance policy, Related law, Financial Statements including Notes to financial statements and also organizing the meeting with the Chairman of the Board, the Board of Directors, Sub-committees of the Company to receive information about the Company's business operations.

Development and training of directors and management

The Board of Directors emphasizes on the development of the directors by sending the directors to attend training courses which related to the development of knowledge and ability to perform the duties of directors such as the Thai Institute of Directors Association (IOD), the Stock Exchange of Thailand, the Thai Listed Companies Association and other institutions continuously, including sending the executives to study various long-term projects to develop the directors and increase useful ideas to apply to the Company's business and enhance knowledge and skills to keep up with the competitive business including regular training both inhouse and outside the Company's training institutes.

Training courses or seminar attended by the directors

The 100% of all 9 directors of the Company have attended the training courses organized for directors by the Thai Institute of Directors Association (IOD) as follows :

No.	Name-Surname	Training Courses
1	Mr. Naporn Sunthornchitcharoen	Director Accreditation Program (DAP) 25/2004
		Director Certification Program (DCP) 53/2005
		Financial Institutions Governance Program (FGP) 2/2011
2	Mr. Nantawat Pipatwongkasem	Director Accreditation Program (DAP) 18/2004
		Director Certification Program (DCP) 62/2005
		Finance for Non-Finance Director (FN) 13/2004
3	Mr. Achawin Asavabhokhin	Director Accreditation Program (DAP) 193/2014
4	Mr. Watcharin Kasinrerak	Director Certification Program (DCP) 275/2019
		Successful Formulation & Execution of Strategy (SFE) 35/2021
5	Mr. Wit Tantiworawong	Director Certification Program (DCP) 320/2022
6	Mr. Chokchai Walitwarangkoon	Director Certification Program (DCP) 321/2022
		Financial Statements for Directors (FSD) 46/2022
7	Mr. Pakhawat Kovithvathanaphong	Director Accreditation Program (DAP) 4/2003
		Director Certification Program (DCP) 58/2005
		Corporate Governance for Capital Market Intermediaries (CGI)
8	Mr. Piphob Veraphong	Director Certification Program (DCP) 238/2017
9	Mr. Bundit Pitaksit	Director Certification Program (DCP) 237/2017

6.2.4 Rights of Shareholders and equitable treatment of shareholders

1. Rights of Shareholders

The Company recognizes and values the rights of the shareholders, hence it tried to promote and protect the shareholders to exercise their fundamental rights including to facilitate them to exercise their rights in various matters which shareholders should receive equally such as the dissemination of information related to the Company, details of the exercise of rights in various matters through the news system of the Stock Exchange of Thailand and the Company's website. Including providing the shareholders to propose the meeting agenda and to nominate the persons to be the Company's directors and providing an opportunity to ask questions on various agendas via the website, to exercise of Voting right on significant issues including the approval of dividend payment etc. The Company will not do anything that violates or deprives the rights of shareholders. In addition, the Company also promotes the shareholders especially the institutional investors to attend the shareholders' meeting through the coordination of the Company's investor relations unit.

Shareholders' rights are consistently promoted. To prevent more Covid-19 infection among the public and our shareholders, the 2022 AGM was organized online under the electronics system (E-AGM) on April 26, 2022 at the Company Convention Hall, 1 Q House Lumpini Building, 37th fl., South Sathon Road, Thung Mahamek, Sathon, Bangkok 10120. All electronics conveniences were provided for shareholders, including arrangement of proxies that shareholders can give to others or independent directors, a manual and a procedure to attend and interface with the E-AGM, which were delivered to all shareholders before the meeting. Details of the arrangement are as follows.

Prior to the AGM

To promote shareholders' participation, the Company provided a channel with an invitation to shareholders through www.lh.co.th to nominate the AGM agenda and individuals to be considered for directors from November 2, 2021 to January 31, 2022. The invitation was made along with details and procedures in the Company website under Investor Information I Shareholder Information I The Proposed Agenda, and was also posted on the official website of SET on October 28, 2021. Nevertheless, there was no additional meeting agenda, no nomination for Board directors, and no pre-meeting questions proposed by shareholders for the 2022 AGM.

The Company published the AGM invitation letter together with supporting documents for each meeting agenda on the Company website, www.lh.co.th, under Investor Information I Shareholder Information I Invitation to attend the AGM, 30 days

before the AGM date. The move was to ensure sufficient time for shareholders to review all materials before receiving hard-copy documents and fully understand the procedure to attend the Inventech Connect online electronics meeting, including submitting requests to attend the AGM online, how to appoint proxy, how to install the meeting application, how to register, how to vote, and how to ask questions via the system. All these procedures were detailed and delivered to all shareholders via online and offline with hard-copy documents before the physical AGM.

In addition, the Company facilitated shareholders who could not attend the meeting by providing instructions for assigning a proxy together with three forms of proxy, Proxy (Form A), (Form B) and (Form C), annexed to the AGM invitation letter and attached profiles of three independent directors whom shareholders can select to become their proxies. Shareholders can download the materials from the Company website.

On the AGM date

At the shareholders' meeting, the Chairman of the Board of Directors was the Chairman of the meeting while the Chairman of sub-committees and the Company's directors attended the meeting. Before the meeting started, the Secretary of the meeting explained the voting method, the vote counting, the casting of ballot and the disclosure of the vote counting results in each agenda for ensuring transparency. In addition, the shareholders were provided equitable opportunities to express their opinions, suggestions, and inquiries. The Chairman then corresponded and gave complete information to the shareholders as well as allocating sufficient time to discuss each agenda.

The Annual General Meeting of Shareholders No. 1/2022 had a total of 1,446 shareholders and proxies, accounted for 6,505,466,656 shares (representing 54.44%), more than one-third of total number of the Company's shares (11,949,713,176 shares). Mr. Naporn Sunthornchitcharoen was the Chairman of meeting and Mr. Nantawat Pipatwongkasem, director and the Secretary of the Board of Directors was Secretary of the meeting with all 9 directors (100%) attending the meeting as follows :

- | | |
|------------------------------------|--|
| 1. Mr. Naporn Sunthornchitcharoen | Chairman of the Board of Directors and Chairman of the meeting |
| 2. Mr. Pakhawat Kovithvathanaphong | Independent Director and Chairman of the Audit Committee |
| 3. Mr. Piphob Veraphong | Independent Director, Chairman of the Nomination and Compensation Committee, and Member of the Audit Committee |

4. Mr. Bundit Pitaksit	Independent Director, Chairman of the Risk Management and Sustainable Development Committee, Member of the Nomination and Compensation Committee and Member of the Audit Committee
5. Mr. Wit Tantiworawong	Director, Managing Director (Support), and Member of the Risk Management and Sustainable Development Committee
6. Mr. Watcharin Kasinrer	Director, Managing Director (Low-Rise Project Development), and Member of the Risk Management and Sustainable Development Committee
7. Mr. Chokchai Walitwarangkoon	Director, and Managing Director (High-Rise Project Development)
8. Mr. Achawin Asavabhokhin	Director
9. Mr. Nantawat Pipatwongkasem	Director, Senior Executive Vice President, Secretary of the Board of Directors, and Member of the Risk Management and Sustainable Development Committee

On the day, the Company had also invited Ms. Rosaporn Decharkom, the auditor from EY Office Limited, the Company's external auditor to attend the meeting and answered questions on any relevant issues. In addition, the Company also invited an independent legal consultant to observe the meeting and to oversee the meeting to be transparent in compliance with laws and regulations including the Company's Article of Association and to act as a mediator monitoring the counting votes of each agenda. Regarding the meeting registration, the Company used the registration system and voting-count system from the Inventech System (Thailand) Co.Ltd., for this meeting.

After the AGM

The minutes of the AGM were taken with all details, including the names of all directors that attended, essential questions and answers, resolutions of each agenda with detailed explanations. The resolutions with details of the votes were promptly disclosed to all shareholders on the same day and posted for shareholders and investors on the official website of SET.

The AGM minutes in Thai and in English were posted on the Company website, www.lh.co.th, under Investor Information I Shareholder Information I Minutes of Shareholders' Meetings, on May 9, 2022, or within 14 days after the AGM.

2. Equitable Treatment of Shareholders

The Company has set the policy to support and emphasizes fair treatment to all shareholders equally and fairly to protect the basic rights of all shareholders especially the minority shareholders who may have been violated and should receive the opportunity to get the compensation. Thus, the Company has resolved to adopt the following treatments ;

1. At the shareholders' meeting, each agenda will be proceeded in the order that has mentioned in the invitation letter. The Company shall not add any agenda to the meeting without prior notice to the shareholders. This is to ensure that the shareholders have sufficient time to study the information which supporting each agenda before making their decision.

2. The Board of Directors resolved to allow the Company to provide the opportunity to shareholders to have the rights to propose additional agenda items in advance which the Company has notified all the shareholders to acknowledge through the website of the Company www.lh.co.th and website of the Stock Exchange of Thailand including the method for proposing the agenda and criteria for considering adding agenda to the meeting agenda clearly in advance. The Company's independent directors shall consider and screen the agenda proposed by the shareholders before submitting to the Board of Directors. The matters approved by the Board of Directors will be included as the agenda for the next meeting. For the proposed agendas which are not approved by the Board of Directors, the Company will inform the shareholders with the rationale on the Company's website.

3. The Board of Directors has resolved to allow the Company to allow its shareholders to nominate persons to be elected as directors. The nominated candidates must have all the qualifications specified by the Company and must give their consent for nominating as well in order that the Nomination and Compensation Committee of the Company will then proceed in accordance with the recruitment, scrutiny and selection process of the names of persons proposed before submitting to the Board of Directors for further consideration. Any person who is approved by the Board of Directors, the name will be included in the agenda for election of the directors of the Company at the next meeting. For the name that is not approved by the Board of Directors, the Company will notify the shareholders of this matter with the rationale on the website of the Company or other appropriate information dissemination channels.

4. Propose a list of all independent directors as an alternative for proxy and can choose to appoint any independent director as a proxy. The proxy form is in the form prescribed by the Ministry of Commerce. The form is in the pattern that the shareholders can determine the direction of their votes by themselves. This measure is to encourage the shareholders to exercise their rights to attend the meeting and to vote on each agenda.

5. Encourage shareholders to use ballots for every agenda by providing the ballots separately for every important issue so that shareholders can vote as they deem appropriate. The ballots will be collected in the meeting room so that there will be counted and combine the scores for the calculation with the votes that have been voted in advance in the proxy form before making the announcing of the resolution of the votes in the meeting room.

6. The election of the director to replace those who retired by rotation, the Company also allows the shareholders to exercise the rights to elect the directors individually.

7. The Company has set the measures to prevent the use of inside information for benefit of directors and executives. The directors and executives will have the responsibility to submit the reports of their interests and those of their related parties, as well as their shareholdings including those of their spouses and children under age and have to report every time such shareholdings was changed whether by a purchase, sale, transfer or acceptance of transfer of securities.

6.2.5 Disclosure and Transparency

1. The Company has realized the importance of disclosure of information sufficiently, accurately, completely, promptly and transparently. Therefore, the Company disseminates the significant information of the Company, both financial and non-financial information through the website of the Stock Exchange of Thailand www.set.or.th and website of the Securities and Exchange Commission www.sec.or.th according to the criteria stipulated by the Stock Exchange of Thailand and the Securities and Exchange Commission. In addition, the information that the Company has already released to the public and any stakeholders must be published on the Company's website www.lh.co.th with regular updates so that users can receive information in a timely manner easy access and get the most benefit from this information.

2. The financial statements that are brought to disclose to stakeholders must be approved by the Audit Committee and the Board of Directors first.

3. The Board of Directors of the Company has provided a report on the Board of Directors' responsibility for the financial reports along with the auditor's report in the annual report.

4. The Company has complied with the principles of good corporate governance and reported on the corporate governance policy that has been agreed in summary. The results of the implementation of the policies are included in the annual report and the company website.

5. The Company has disclosed the roles and duties of the Board of Directors and the sub-committees under the topic " 7.2 Information about the Board of Directors" and " 7.3 Information about the Sub-committees" and the number of times each

director that attended the meeting under the topic "8.1.2 (1) Meetings of the Board of Directors and Sub-committees".

6.2.6 Responsibility to stakeholders

The Company places importance on the rights of all groups of stakeholders, namely shareholders, employees and executives of the Company and its subsidiaries, customers, business partners, competitors, creditors, government sectors, joint ventures, society, communities and the environment, so as to ensure that the fundamental rights of these stakeholders are well protected and maintained in accordance with the requirements of the related law and rules including the Company has set a framework for ethical behavior and business ethics which has been published through the Company's website and will not do anything that violates the right of stakeholders. All these are considered an important part in building the long-term success of the Company. The details are as follows :

Shareholders : The Company emphasizes great importance to the shareholders by complying with the principles of good corporate governance , adherence to the performance of duties with honesty, actions and decisions with due diligence and in accordance with relevant legal requirements, giving importance to the rights of shareholders such as the right to receive complete, accurate and timely information of the Company, right to receive dividends, right to vote, right to appoint a proxy, rights in the shareholders' meeting, right to vote on important Company matters etc.

Employee : The Company strictly respects human rights principles by taking into account equality, personal freedom, does not discriminate on race, nationality, language, religion, gender, age, education and political opinions including not supporting any actions that violates international human rights. The Company has taken care and fair treatment in various aspects for employees such as determining compensation in accordance with the level of responsibility and according to the labor market price mechanism. Providing welfare in various fields, establishment of employee safety and sanitation policy, continuous promotion and development of employees' potential including the establishment of a welfare committee to represent the employees to discuss with the Company on the matters related to employee's welfare.

Customers : The Company delivers quality products and services with fair price. There are advertisements or information which are accurate, complete , straightforward and strictly comply with the terms and conditions of contracts with customers. Moreover, the Company has set up the unit to contact, listen to suggestions or comments from the customers to know their problems and

any requirements to develop and improve, to build confidence and maximum satisfaction including the determination to develop new technologies and innovations continuously to create convenience, comfort and safety for customers.

Business Partners : For fair treatment of all business partners, the selection and screening process for all business partners was fair and equal among interested parties. Transparency, fairness, public disclosure, and equal treatment were granted to all business partners, including sellers, contractors, bidders, turnkey service providers and others. Specific criteria for selection and screening, including qualifications, expected quality, track records, experience, disciplinary expertise, financial credential, zero history of work abandonment, ability to deliver on time and others are given to all before the selection process to ensure optimal value to the Company. Its contracts with business partners spell out terms of agreement and work as well as periods of work submission and payment. The Company has always paid business partners and contract counterparts promptly, abiding by all agreed terms of payment, without setting unfair conditions for business partners.

Creditors : The Company does not act in violations of the terms of the agreement, no concealment or facts that will cause damage to the creditors. The Company manages its loan in accordance with its objectives of loans, does not use the fund in such a way that may cause damage to the Company and control the repayment of loans and interests to be on time and fully comply with the borrowing conditions under the agreement.

Competitors : The Company emphasizes on ethical conduct in accordance with the rules of competition with professionalism and transparency under the legal framework. Not infringing on the confidentiality or knowing the trading secrets of competitors by fraudulent means and adhere to the policies and treatment of competitors as stated in the Business Ethics Manual.

During 2022, there was no complaint from business competitors about unfair trade practices.

Society, Community and Environment : The Company has always been aware of its social, community and environmental responsibilities which is embedded in the main business process since the product design, the proper selection of materials and resources, quality control of products and services, delivery time, develop the products for residents to have a better quality of life including strictly comply with the guidelines to reduce the impacts in the environmental impact report. In addition, the Company also operates and complies with the relevant laws including promoting

the efficient use of resources and has continually organized various projects and activities for the social community.

6.2.7 Supervision of subsidiaries and associated companies

With a full commitment to protecting the investment and supervising the operations of its subsidiaries and associates to comply with applicable laws, regulations, and procedures fully, efficiently and effectively under Company policies, the following mandatory measures are implemented.

1. There shall be representatives from the Company to serve as directors of the boards of all subsidiaries and associates. The qualifications of representatives shall be thoroughly reviewed and approved for appropriateness for each subsidiary and associate by the Company's Board of Directors.

2. These representatives in subsidiaries and associates shall take full responsibility on the following :

- 2.1 Ensure that their responsible subsidiary and/or associate operates in line with the direction, strategic objectives and operating plan approved by the Company.
- 2.2 Attend the meetings and exercise voting rights accordingly in all key meetings of subsidiaries and/or associates.
- 2.3 Ensure that each subsidiary and/or associate has adequate efficiency and stringency of the internal control system and risk management system.
- 2.4 Make sure that each subsidiary and/or associate executes all activities in full compliance with regulatory controls and announcements of SET and SEC on transactions, acquisition and disposal of assets, and related-party transactions, as well as disclosure of financial positions, statements and performance, particularly on increase and decrease of capital, and liquidation of the subsidiary and/or associate.

3. Notify the Company promptly in case where each subsidiary and/or associate shall disclose any financial transactions to SET in compliance with the regulatory control.

6.2.8 Prevention of Conflicts of Interest

The Board of Directors realizes the importance of preventing conflicts of related persons, namely the Board of Directors, Management and Company's employees by defining measures to manage to ensure that the Company has a transparent business management for the best interests of all shareholders which the Company has disclosed details in this matter under the topic "8.1.4 (1) Prevention of Conflicts of Interest".

6.2.9 Prevention of use of inside information

The Company has clear policy regarding the proper use of authority through several channels including good corporate governance, Company Code of Conduct, various announcements from the office of the SEC or other related agencies, internal communications, organizational culture etc. so that all the employees at all levels are aware of the equal treatment of shareholders without seeking benefits from the inside information. The Company has disclosed details in this matter under the topic “8.1.4 (2) Prevention of the use of inside information”.

6.2.10 Intellectual property or copyright

The Company has the policy to comply with the laws regarding to non-infringement of intellectual property or copyright including not encouraging employees to act that infringes the intellectual property or copyright of others without permission which is stipulated in the non-disclosure agreement which the Company requires all employees and executives to sign this contract.

6.2.11 Privacy Policy

The Company has recognized the importance of personal data protection and complies with the laws and personal data protection rules according to the Personal Data Protection Act. B.E. 2562 (“Personal Data Protection Act”), the Company has then taken the following actions :

1. Prepare the personal data protection policy and regulations on the protection of personal data. This sets out the procedures for personal data concerning matters such as collecting, using or disclosing personal data, rights of the data owner, the deletion or destruction of the data and handling of the personal data breach incidents, etc.

2. Appoint the Executive Vice President of Information Technology Department to serve as the Company's Personal Data Protection Officer (DPO) with a group of 17 personal protection working groups from various departments throughout the organization.

3. Determine the roles, duties and responsibility of the Personal Data Protection Officer which is primarily responsible for managing and supervising employees regarding the protection of personal information of the Company to comply with the personal data protection policies and procedures and is a guide for decision-making on personal data protection such as compliance with the rights of data subjects, dealing with the personal data breach incidents etc. as well as strengthening the corporate culture of personal data protection, representing the Company in liaising with the Office of the Personal Data Protection Commission.

4. The regulations are reviewed and revised once a year or when there is a significant change in order to comply with relevant laws and to be up-to-date.

5. Determine the penalties if there is a violation. Failure to comply with the rules and regulations set by the company will be disciplinary sanctions include warnings, threaten with punishment, suspensions, terminations and possible legal action.

In addition, the Company provides knowledge and understanding of information security to the head of staff in each department including the Company has prepared a Non-disclosure agreement for all employees to know and sign the contract so as to encourage employees to be aware of and strictly comply with non-disclosure agreements to prevent the leakage of various Company information to unrelated third parties.

6.2.12 IT Security System Policy

With more concerns about threats from cyberattacks, protection of our IT system is our priority to ensure that our system is safe, sound and credible and that all the data and digital information assets are properly taken care of. The Company announced the policy and operating procedures on IT system security and the use and interface with computer networks, enforcing compliance from all employees, contractors, and others under service level agreements with the Company. Monitoring and inspection are put in place to track all the interfaces with reports reviewed by internal and external auditors annually and submitted to the Audit Committee and the Board of Directors at least once a year or whenever there is a key concern. In addition to database system protection, the Company puts in place a disaster recovery plan (DRP) under any emergency where the system is totally down. DRP demands an annual drill to ensure data and operating systems recovery without interruption and the least possible damage to the IT system and the business.

6.2.13 Tax Policy

The Company is fully committed to complying with all laws and regulations pertaining to taxation and tax-related rules set forth by various authorities within Thailand and the countries where the Company operates. Tax-related issues, including tax audit and transparency, are managed carefully under the risk management system. As a good corporate citizen with responsibility to the society and stakeholders toward sustainable development goals, our tax policy is defined with three main components :

Tax governance : The Company has designed its tax recording and tax filing with accuracy, thoroughness, and timeliness strictly according to tax laws, with no intention to seek profiteering from any tax loopholes or tax havens, or tax avoidance, but with fair pricing agreement with business partners in good faith under the arm's length principle for transfer prices in transactions between

partnering companies or related parties. Moreover, the Company encourages employees to regularly update their knowledge and understanding of tax laws through series of training.

Tax-related risk management : A tax-related risk management process is effectively designed to range from risk identification, assessment, to treatment. Identification of tax-related risks is thoroughly determined from all activities which may generate risks and, wherever possible, respective measures are triggered to eliminate or control the risk level to an acceptable level. Process efficiency is routinely evaluated for further improvement.

Tax transparency : The Company is fully committed to disclosing its tax policy to the public, conducting tax filing accurately and transparently to the state authority, and revealing all tax reports completely according to applicable laws and regulations, including full disclosure in association with the financial statements under generally acceptable accounting principles.

6.3 Business ethics

The Company adheres to operate its business with transparency, honesty and fair so it has issued a Code of Conduct for the Board of Directors, management and employees and requires the directors, executives and employees to strictly follow the Code of Conduct , perform their duties in lines with the Company's mission within the law and Company's regulations on the basis of the professional ethics. The Company has prepared the Code of Conduct for dissemination in the Company's central database. There are activities to encourage compliance with the Code of Conduct and good corporate governance culture and also provide the effective communication of practice guidelines and follow up on compliance with the Code of Conduct for all employees such as

- New employees' orientation. There must be a topic on the principles of good corporate governance and employee ethics for understanding and as a guideline.
- Communicating to employees about the Code of Conduct for employees via electronic mail system.
- Organizing activities through the media in the electronic network system within the organization especially public relations which relates to the Code of Conduct and Corporate Governance principles on the first home page (Welcome Page).
- Follow up through the operational control of the heads of each unit and through the mechanisms of the internal audit unit in monitoring and evaluation.

The Company has annually followed up and monitored the performance of the Code of Conduct. The Company also

assigned the Audit Department and develop a system to monitor the practice under the audit work. The report of the Audit Committee acknowledged the audit results and suggested solutions. In addition, in 2022, the Company's auditors who are independent auditors outside the Company have assessed their compliance with the Code, in which the assessment results have no further clarifications.

The Company emphasizes the importance to run the operations by promoting free trade competition, honesty and fairness within the framework of the law and the Company's business ethics, avoiding the actions that may cause conflicts of interest. There are measures to supervise the use of inside information for themselves and other relatives. Respect the rights and equality of all stakeholders, including shareholders, employees, customers, business partners, competitors, creditors as well as communities, society and the environment. It has established guidelines that cover the rights and the benefits that stakeholders should receive thoroughly in the Company's ethics and business codes for the Board of Directors, executives and employees to follow :

1. Guidelines of the Board of Directors

- Recruiting executives who are knowledgeable, competent, ethical and well accepted by the society.
- Give sufficient administrative authority to the executives for flexibility in management.
- Support and encourage executives and employees to work under the established ethical framework.
- Not seeking benefits for themselves and other related persons from the inside organization's information that has not yet been disclosed to the public.

2. Management's Guidelines

Management is involved with many groups of people such as shareholders, employees, customers, business partners, competitors and society. So the Company has set the framework as a guideline for the executives as follows :

Management's treatment to shareholders

- Perform their duties with honesty, care and professional conduct.
- Do not seek benefit for themselves and related persons from the organization's information which has not yet been disclosed to the public.
- Do not disclose corporate confidential information to any outsiders.
- Do not take any action which may cause the conflicts of interest to the organization.

Management's treatment to employees

- Treat employees fairly in regards to compensation.
- Treat employees in terms of safety in life and property.

- Treat employees with honesty in the matter that is benefit or penalty.
- Treat employees with politeness.
- Listen to comments and suggestions rationally.
- Emphasize the employees to understand the code of conduct which employees can perform.
- Encourage employees to receive additional training in related fields to their work.

Management's treatment to customers

- Treat customers fairly in terms of products and services.
- Disclose of information of products and services accurately and completely.
- Allowing the customers to complain about the imperfections of products or services.
- Take customer confidentiality seriously in order not to cause any damage or annoyance to customers.
- Comply with the terms and conditions with customers fairly.
- In such case that unable to comply with the terms or conditions, should immediately notify the customers to find a solution together.

Management's treatment to Business partner

- Do not claim or receive any benefits unfairness from the partners.
- Comply with various conditions towards partners fairly.
- If in case that unable to comply with any of conditions, should notify the business partner in advance to jointly find solutions.

Management's treatment to competitors

- Behave within the framework of good competition rules.
- Do not seek for any confidential information of trade competitors by dishonest means.

Management's treatment to society

- Do not do anything that will adversely affect the environment beyond the law.
- Operate or control to comply with the spirit of laws and regulations.

3. Employee's Guidelines

- Perform duties with honesty and patience.
- Maintain the confidentiality of customers and business partners in good faith.
- Pay attention to the organization in keeping the environment clean and safe.
- Strictly comply with the rules, regulations and announcement of the organization.
- Notify the relevant units in the Company if any action is found wrongly happened.

- Fair maintenance of equipment or assets or interests of the organization.
- Maintain and co-create unity and solidarity among employees.
- Paying serious attention to activities that will enhance the quality, efficiency and development of the organization.
- Do not defame the organization or executives or other employees without facts.
- Do not take any action that may cause conflicts of interest to the organization.
- Do not encourage or support any person to act against the organization to gain commercial benefits for themselves or their friends.
- Do not bring any weapons or dangerous objects or any illegal things into the work area.
- Avoid accepting any gifts that make you feel uncomfortable with your duties in the future. If it is unavoidable and you feel uncomfortable, immediately report to the supervisor in the hierarchy and request to be received only during important festivals such as New Year festival.

In 2022, the Company did not find any violations of corporate ethics and code of conduct. In conclusion, the Company has set the penalties if the employee acts in a way that causes a conflict of interest with the business by consider according to the organization structure of the Company by allowing the Head of the department to consider at the first step, then summarized the story and submit to a high-level commander and other related business lines in order to determine the offense and specify the appropriate punishment. But if the conflict of interest is severe and causes a lot of damage, thus it may not be in the diagnosis of the unit then it should be brought to the management of the Company to consider finding a conclusion and determine the final penalty.

6.4 Key Changes and Development of Policy, Guidelines, and Corporate Governance Code in 2022

The Company is fully adhered to and strictly operates under the corporate governance code, including the 2012 CG Code for listed companies and 2017 CG Code for listed companies. All eight CG Code elements are annually reviewed by the Board of Directors, with zero critical area for correction found in the 2022 review, along with certain minor areas for improvement. The 2022 review included certain adjustments with Board resolutions on the following :

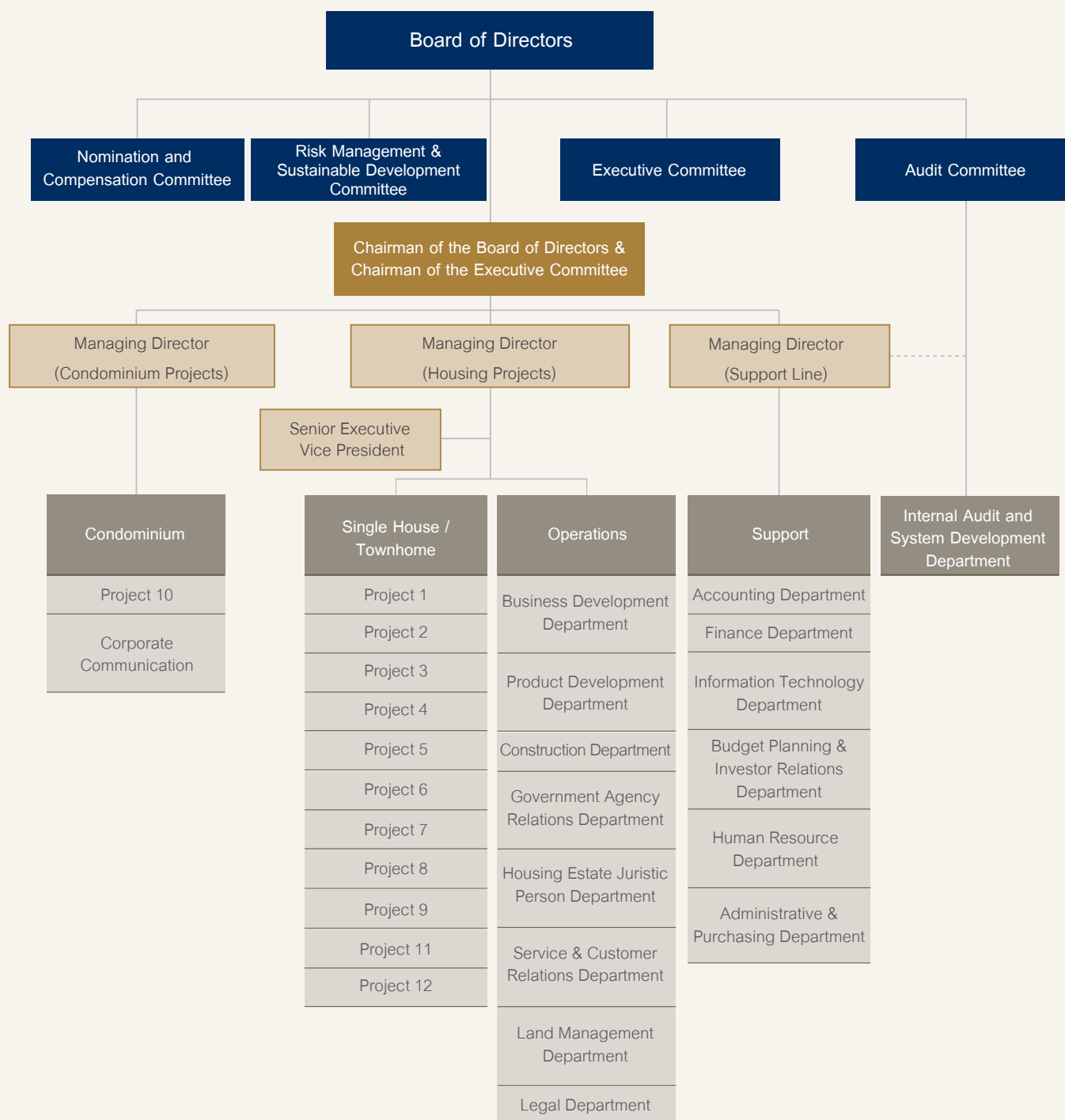
- The Board of Directors desired more compliance of the overall operations with the CGR (Corporate Governance Report of Thai Listed Companies) and CG Code by increasing the number of Board meetings to six per year, launching self-assessment of the Risk Management and Sustainable Development Committee, conducting reviews of the Charters of the Board of Directors and the Nomination and Compensation Committee, and reviewing the corporate policy on subsidiaries and associates, and the succession plan policy.
- The Audit Committee urged the Company to value the application of CG to practices and encouraged management to look into activities that were still not in full compliance with the CGR in 2023, and present them to the Board of Directors for further improvement, and to make sure that all principles under the CG Code are applied by management.
- With a full commitment to anti-corruption, the Board of Directors began with preparation to participate with the Thai Private Sector Collective Action against Corruption (CAC) in 2023, beginning with having employees attend the Thai Institute of Directors' training on Anti-Corruption the Practical Guide (ACPG) during August 18-19, 2022, and in-house training for directors, executives and employees on "Roles of Executives and Employees in Anti-Corruption" by facilitators from the Institute of Thai Directors (Thai IOD) on January 26, 2023.
- To ensure effectiveness of participation in the CAC and adoption of measures to supervise and monitor all anti-corruption practices, the Board of Directors appointed a project leader and a team of 22 members, including executives and division chiefs of all divisions, to take charge of all activities.
- In preparation and implementation to cope with the Personal Data Protection Act (PDPA), the Risk Management and Sustainable Development Committee has begun working on the matter since 2019. In 2021, the focus was put on defining specific work guidelines and developing a protective mechanism for the breaching of personal data. More activities were promoted in 2022, including preparation of an audit mechanism in all divisions to evaluate levels of knowledge and understanding, as well as awareness of the importance of data collection, compilation, utilization, and revelation. A rehearsal session was simulated to create intimacy among team members to ensure good cooperation in case of personal data infringement.
- The Board of Directors continuously promotes the concept of integrated sustainability development including work activities under the Environment, Social and Governance (ESG) scheme. Beginning in 2022, a carbon footprint recording program was initiated for the Head Office and 57 sales offices, with clear targets and work programs related to environmental and energy conservation. All executives and employees are tasked to take responsibility for and participate in activities toward the reduction of environmental impacts generated by businesses and development of sustainable management of the environment.



7. Corporate Governance Structure and important information about the Committee and others

7.1 Corporate Governance Structure

Organization chart as of December 31, 2022



7.2 Information about the Board of Directors

The structure of Company's Directors consists of 5 committee, namely Board of Directors, the Executive Committee, the Audit Committee, the Nomination and Compensation Committee and the Risk Management and Sustainable Development Committee. As at December 31, 2022, the Board of Directors consists of 9 directors of which the detailed profiles are shown in Appendix 1.

According to the Company's Articles of Association, the Board of Directors shall consist of at least 5 directors, of which not less than half of the total number of directors must reside in Thailand. Directors must perform their duties in accordance with the law, objectives and Articles of Association as well as the resolutions of the shareholders' meeting with honesty and care to protect the interests of the company. The composition of the boards, committee and management was designed with the adequate checks and balances as follows :

1. The composition of the Board of Directors consists of 4 non-executive directors and 5 executive directors accounted for 44.44%, 55.56% respectively of total Company's directors.
2. The Audit Committee consists of 3 independent audit directors, accounted for 33.33% of total Company's directors, who performs their duties in conformity to the regulation of the Stock Exchange of Thailand and the Charter of the Audit Committee.
3. Delegation and authorization among the Boards and Management has been clearly established as detail which are disclosed in the topic "6.2.2 Independency of the Board of Directors from the Management".

Name and position of the Company's Board of Directors as of December 31, 2022

Name	Position
1. Mr. Naporn Sunthornchitcharoen	Chairman of the Board of Directors and Chairman of the Executive Committee
2. Mr. Nantawat Pipatwongkasem	Director, Company Secretary, Member of the Risk Management and Sustainable Development Committee
3. Mr. Achawin Asavabhokhin	Director
4. Mr. Watcharin Kasinrer	Director, Member of the Executive Committee, Member of the Risk Management and Sustainable Development Committee
5. Mr. Wit Tantiworawong	Director, Member of the Executive Committee, Member of the Risk Management and Sustainable Development Committee
6. Mr. Chokchai Walitwarangkoon	Director, Member of the Executive Committee
7. Mr. Pakhawat Kovithathanaphong	Independent Director, Director, and Chairman of the Audit Committee
8. Mr. Piphob Veraphong	Independent Director, Director, Member of the Audit Committee, and Chairman of the Nomination and Compensation Committee
9. Mr. Bundit Pitaksit	Independent Director, Director, Member of the Audit Committee, Chairman of the Risk Management and Sustainable Development, Member of the Nomination and Compensation Committee

Note : As at January 1, 2022, two directors, namely Mr. Adisorn Thananan-narapool and Mr. Adul Chuvanichanon, have retired and resigned from the position. Afterwards, on February 24, 2022, the Board of directors resolved to appoint Mr. Wit Tantiworawong and Mr. Chokchai Walitwarangkoon to serve in place of the retired directors.

Authorized Directors as the Company Signatory

One of the following directors may sign to bind the Company : Mr. Naporn Sunthornchitcharoen or Mr. Nantawat Pipatwongkasem or Mr. Achawin Asavabhokhin or Mr. Watcharin Kasinrer or Mr. Wit Tantiworawong or Mr. Chokchai Walitwarangkoon.

Number of directors from the major shareholders

None of directors are from the major shareholders.

Scope of duties and responsibilities of the Board of Directors

To enable the Board of Directors to perform its duties efficiently, a guideline on its duty was defined as follows :

1. Manage and conduct the business of the Company's business to be in line with the Company's objectives and regulations, as well as the resolution of the Shareholders' meeting which conforms with the laws on integrity and carefulness for the utmost benefits of the Company.

2. Consider and approve the Company's key policies, goals, guidelines and business plan including monitoring and follow up the implementation according to the plans.

3. Monitor and supervise the performance and management of the Executive Board to ensure the implement in accordance with the assigned Company's policies. The Board of Directors has the authority to approve the following matters :

3.1 To consider the borrowings or loan application from financial institution.

3.2 To consider the Annual Budget and Company's business plan.

3.3 To consider the interim dividend payments for shareholders in the case that the Company has enough profit to do so.

3.4 To consider any significant transactions such as investments, asset acquisition or disposal and other operations required by law.

3.5 To consider the connected transactions and asset acquisitions or disposals except that those transactions shall require shareholders' approval. Such approvals shall be in line with the announcements, requirements and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. Except for the case that the law requested to have the resolution from the shareholders' meeting, the Board of Directors shall have the approval from the shareholders' meeting before the operation.

4. The Board's meeting shall be convened at least once every quarter.

5. The main meeting agenda shall be clearly set in advance throughout the year.

6. The detail of the meeting agenda shall be submitted to each director at least 7 days prior to the meeting date so that the directors shall have sufficient time to study and consider the details before the meeting.

7. In consideration of each meeting agenda, the interests and benefits of all shareholders and stakeholders must be fairly taken into account.

8. The Company has set the policy regarding the minimum quorum at the time when the directors shall vote in the meeting that at least two-third of the total directors attending the meeting.

9. Allow free expression of opinions at the meetings.

10. Allocate adequate time for each agenda to allow for debate and careful expression of opinions.

11. Supervise to ensure that the management has been done in line with good governance policy and to prevent any conflicts of interest.

Roles and Duties of Chairman of the Board of Directors

1. Take responsibility as a leader of the Board of Directors to oversee, monitor and supervise the performance of the Board of Directors and other sub-committees to achieve the objectives as defined in business plans and conform with the Corporate good governance.

2. Supervise to ensure that all directors have participated in the promotion to create the good corporate ethics and good corporate governance.

3. Represent as Chairman of the Board at the Board's meetings and Shareholders' meetings by handle and manage the meetings to be in line with the Articles of Association, its agenda and allocate proper time for the meetings.

4. Promote the independent and transparent expression of opinions in the meetings.

5. Supervise to ensure efficient communication between directors and shareholders.

6. Give the casting vote in the event the votes are tied at the Board of Directors' meetings.

7.3 Information regarding the Sub-committees

The Board of Directors has appointed 4 sub-committees to help monitor and supervise the operations more closely and report to the Board of Directors regularly. The sub-committees consist of the Executive Committee, the Audit Committee, the Nomination and Compensation Committee and the Risk Management and Sustainable Development Committee. The Board of Directors has clearly determined the powers, duties and responsibilities of each sub-committee as follows :

7.3.1 The Executive Committee

As at 31 December 2022, the Executive Committee comprises 4 executives, namely

Name	Position
1. Mr. Naporn Sunthornchitcharoen	Chairman of the Executive Committee
2. Mr. Watcharin Kasinrerak	Member of the Executive Committee
3. Mr. Wit Tantiworawong	Member of the Executive Committee
4. Mr. Chokchai Walitwarangkoon	Member of the Executive Committee

Scope of duties of the Executive Committee

The Executive Committee including the managing director has the power and duty to manage any matters related to the normal business operations of the Company. In this regard, the approval of or any other transactions that have conflicts of interest in any

other manners with the Company or its subsidiaries must be presented to the Audit Committee and the Board of Directors' meeting to consider and approve such transaction every time.

Delegation of authority from the Board of Directors

The Board of Directors determines the Company's goals, guidelines, policies, plans and budgets, as well as monitor and supervise the administration and management of the Executive Committee in accordance with the assigned policies. The Executive Committee will comply with the policies, plans and budgets assigned by the Board of Directors.

In making decisions on important matters, including the acquisition of land, Project development and investment, etc., the Executive Committee will present these issues for approval to the Board of Directors on a case-by-case basis.

For the delegation of financial authority in relation to the normal operations of the Company's business, Directors who are authorized to sign on behalf of the Company are Mr. Naporn Sunthornchitcharoen or Mr. Nantawat Pipatwongkasem or Mr. Achawin Asavabhokhin or Mr. Watcharin Kasinrerak or Mr. Wit Tantiworawong or Mr. Chokchai Walitwarangkoon, any one of them is the signatory can bind the Company. The approval of such transactions must not include approval of transactions in which oneself or a person who may have conflict of interests has a stake or may have any other conflicts of interest with the Company or its subsidiaries.

7.3.2 The Audit Committee

The Audit Committee consists of 3 independent directors, all members are independent and have the qualifications as stipulated by the Securities and Exchange Commission and the Stock Exchange of Thailand. All independent directors possess extensive knowledge and understandings and well-accepted working experiences. Especially, Mr. Pakhawat Kovithvathanaphong who has great knowledge and competency required to review the creditability of the financial statements, with background of education and working experience in financial areas. The names of the directors of the Audit Committee as of December 31, 2022 are as follows :

Name	Position
1. Mr. Pakhawat Kovithvathanaphong	Independent Director, Chairman of the Audit Committee
2. Mr. Piphob Veraphong	Independent Director, Member of the Audit Committee
3. Mr. Bundit Pitaksit	Independent Director, Member of the Audit Committee

Note : Mr. Pornchai Kietkhajornvirach, Senior Vice President, Internal Audit and System Development is Secretary to the Audit Committee.

Scope of authorities and duties of the Audit Committee

The Audit Committee of the Company has the following scopes, duties and responsibilities to perform.

1. Review the Company's financial reports to ensure the accuracy and adequate disclosure.
2. Review the Company's internal control and internal audit system to ensure its suitability and effectiveness.
3. Review the operations of the Company to ensure its compliance with the laws and regulations regarding the securities and the stock exchange or other regulations which may relate to the Company's business.
4. Approve the appointment, transfer, and termination of the Head of Internal Audit.
5. Screen, nominate, reinstate and terminate the employment of external auditors including consideration of the appropriateness of the audit fee.
6. Examine and review proper and adequate disclosure of the Company's information with regard to the connected transactions or the transactions which may lead to potential conflicts of interests to ensure its comprehensiveness and accuracy as required by related regulations.
7. Consider and review operational reports of the Internal Audit Department and approve its annual internal audit plan.
8. Supervise the auditors and the Internal Audit Department to have independency in performing their duties.
9. Organize the meetings with auditors, without attendance of any management, at least once a year.
10. Determine key risks of the Company and propose or inform the preventive measures to mitigate such risks to the Board of Directors.
11. Prepare reports on the activities of the Audit Committee to be included in the Company's annual report, such reports must be signed by the Chairman of the Audit Committee.
12. Perform any other tasks as assigned by the Board of Directors, with the approval from the Audit Committee.

7.3.3 The Nomination and Compensation Committee

The Nomination and Compensation Committee comprises 2 independent directors as of December 31, 2022 as follows :

Name	Position
1. Mr. Piphob Veraphong	Independent Director, Chairman of the Nomination and Compensation Committee
2. Mr. Bundit Pitaksit	Independent Director, Member of the Nomination and Compensation Committee

Note : Mr. Teera Benjasilarak, Executive Vice President, is Secretary of the Nomination and Compensation Committee.

Scope of authorities and duties of the Nomination and Compensation Committee

1. Establish the policy on the selection and nomination of the Company's directors, sub-committees and senior executives as well as proposing appropriate remuneration to the Board of Directors for approval.
2. Search for and select persons with appropriate qualifications and can provide valuable benefits to the business to replace the directors who retired by rotation or fill in any vacant positions and propose to the Board of Directors for approval including to seek for approvals from the shareholders.
3. Determine the necessary and appropriate remuneration, both in form of cash and non-cash rewards, for the directors and senior executives based on their duties, responsibilities and performances.
4. Report the minutes of meetings which are significant and beneficial to the company to the Board of Directors.
5. Provide explanation or answers to the questions in case of suspicions regarding the Company's policy on the nomination and remuneration of the Company's directors, sub-committees and senior executives at a shareholders' meeting.
6. Perform any other tasks as assigned by the Board of Directors which relate to the significant nominations and compensations.

7.3.4 Risk Management and Sustainable Development Committee

The Risk Management and Sustainable Development Committee consists of 4 members of which an independent director is Chairman of the Committee. Members of The Risk Management and Sustainable Development Committee as of December 31, 2022 are as follows :

Name	Position
1. Mr. Bundit Pitaksit	Independent Director, Chairman of the Risk Management and Sustainable Development Committee
2. Mr. Nantawat Pipatwongkasem	Member of the Risk Management and Sustainable Development Committee
3. Mr. Watcharin Kasinrerak	Member of the Risk Management and Sustainable Development Committee
4. Mr. Wit Tantiworawong	Member of the Risk Management and Sustainable Development Committee

Scope of authorities and duties of the Risk Management and Sustainable Development Committee

1. Consider and establish the risk management policy, guidelines and framework to be proposed to the Board of Directors for approval.
2. Study and assess the potential risks, provide the suggestion for preventive plan and how to mitigate them to an acceptable level. Monitor, evaluate and improve operational plan to ensure that all risks are adequately and properly managed.
3. Promote and support the improvement and development of the Company's internal risk management system consistently and regularly.
4. Coordinate , communicate, and exchange information on all issues related to risks and internal control to the Audit Committee at least once a year.
5. Report the minutes of meeting which are significant and beneficial to the company to the Board of Directors.
6. Perform any other tasks as assigned by the Board of Directors which relate to the significant risk management.

7.4 The Executives of the Company

The Executives of the Company as defined by The Securities and Exchange Commission, Thailand comprise 5 persons as of December 31, 2022 as follows :

Name	Position
1. Mr. Naporn Sunthornchitcharoen	Chairman of the Executive Committee
2. Mr. Watcharin Kasinrerak	Managing Director (Operations-Low Rise Project)
3. Mr. Chokchai Walitwarangkoon	Managing Director (Operations-High Rise Project)
4. Mr. Wit Tantiworawong	Managing Director (Support) and Chief Financial Officer
5. Mr. Nantawat Pipatwongkasem	Senior Executive Vice President

Management's remuneration**1. Monetary remuneration**

The remuneration of executives : The Company has criteria to pay the remuneration based on the Company's performance, knowledge, competency, and evaluation result of each individual. The remuneration of the executives in year 2021 and 2022 i.e., salary, bonus and other remuneration was detailed as follows :

Remuneration	2021		2022	
	Number of persons	Total Amount (million Baht)	Number of persons	Total Amount (million Baht)
Salary	7	84.85	5	60.40
Bonus*	7	55.23	5	45.65
Total	7	140.08	5	106.05

Remark: * Bonus is paid in every January.

2. Non-monetary remuneration

2.1 The Company has set up the provident fund which the employees will voluntarily contribute the fund at the ratio of 2-7% of their salaries and the Company will jointly contribute the fund at the rate of 5-7% of their monthly salaries. The registered fund is managed by a licensed fund manager in compliance with the Act of Provident Fund B.E 2530 (1987). In 2022, the Company has contributed the fund for an executive in total of 0.72 million Baht.

2.2 The executives shall have other welfare same as the employee in several forms such as medical care, health insurance, annual physical checkup plan categorized by age, life insurance, allowances for wedding, allowances for funeral of employee's family, uniforms, annual trips and staff parties including privileges for staff to purchase products on discount subject to Company's terms and conditions.

7.5 Information about employees

The number of employees and expenses regarding the employees during 2020-2022 are detailed as follows :

Employee Details	2020	2021	2022
1. Number of employees at Land and Houses Plc.			
- Management	6	7	5
- Operations	683	670	671
- Support	115	108	112
2. Number of employees at the Subsidiaries Companies	785	734	975
Total number of employees at the Company and its subsidiaries (person)	1,589	1,519	1,763
* Employees' expense in total (million Baht)	1,701	1,735	1,967
Number of employees joining the Provident Fund (person)	1,425	1,385	1,571

Note : * Employees' expense (including those of management) of the Company and its subsidiaries (including costs).

7.6 Other significant information

7.6.1 Company Secretary

The Company has appointed Mr. Nantawat Pipatwongkasem, Senior Executive Vice President, who has appropriate knowledge, qualifications and experiences, as a Company Secretary. A barrister-at-law, holding a law bachelor's degree and an MBA degree from Thammasat University. His roles and duties are to give advice on laws and regulations that the Board of Directors must be aware of and comply with, to organize meetings of shareholders and Board of Directors in compliance with laws, the Company's Articles of Association and other code of conduct. He shall also record minutes of the meeting, follow up on the implementation of meeting resolutions, contact and communicate with shareholders so that they are all aware of their rights and company news, coordinate with the Board of Directors' activities, as well as arrange archive documents as required by law. The biography of the Company Secretary is stated in Attachment 1.

7.6.2 Compliance Unit

The Company does not have a designated compliance unit to look after compliance issues throughout the Company, but to assign each business unit and division to self-regulate activities, including legal and regulatory compliance with applicable laws and regulations of SET and SEC as well as good governance practices. These also come under the Legal Department. All activities are closely monitored by their own teams and department leaders, while Legal helps monitor the overall supervision and Internal Audit and System Development conducts audits of all activities to ensure full compliance with all rules and regulations for good measure.

7.6.3 Head of Company Internal Auditor

The Company has appointed Mr. Pornchai Kietkhajornvirach, Senior Vice President, Internal Audit and System Development who possesses required qualifications, knowledge, competency, including experiences and understanding in the business and the Company's various systems. He has enabled to perform his duties effectively. The Head of Internal Auditor's profile is detailed in Attachment 3.

7.6.4 Head of Investor Relations

The Company has emphasized the importance of the engagement with the shareholders, investors and analysts. Mr. Wit Tantiworawong, Managing Director, and Ms. Siribhorn Laophaetkit, Vice President of Budget Planning and Investor Relations Department has been appointed to be in charge of dissemination of Company's information to existing and would-be investors. Investor Relations Unit has been set up as the Company's center

to communicate with the shareholders, investors, and security analysts. The Department can be reached at the phone number 0-2230-8306 or by email address : investor@lh.co.th

During 2020-2022, the Investor Relations Department provided information to shareholders, investors and analysts as follows :

Meeting format	Number of Meetings		
	2020	2021	2022
1. Road show (domestic and international)	1	-	1
2. Analyst Meeting	5	5	5
3. Company Visit	1	-	7
4. Conference Call	29	30	19

7.6.5 Audit Fee

The 2022 Annual General Meeting of Shareholders approved the appointment of EY Co., Ltd. as the external auditor for the Company and its subsidiaries. The auditor is independent and has no relationship or interest with the Company and its subsidiaries, executives or major shareholders. In addition, the Company has rotated the auditors to perform duties for no more than 7 cumulative years. According to the SEC's regulations, the auditors of a listed company must be rotated off after 7 cumulative years of service and must serve a cooling-off period for 5 consecutive years.

- Audit Fee in 2021 and 2022 are as follows :

Unit : Baht

Transaction	2021	2022
Company's audit fee	1,850,000	1,870,000
Subsidiaries' audit fee	2,901,000	3,086,000
Total	4,751,000	4,956,000

- Non-audit Fee

- None -

8. Report on key performance in corporate governance



8.1 Summary of Board of Directors Performance in the past year

The Board has considered and reviewed the Company's strategy, vision, goals, and direction to suit and be consistent with the business operations. It has also monitored the implementation of the Company's strategy in compliance with related policies, rules, laws and regulations as well as managed risks to an appropriate level under the legal framework, objectives and resolutions of the shareholders' meeting with honesty, caution, taking into account the best interests of the Company. The Board is responsible to shareholders and to all stakeholders, including promoting good corporate governance to build competitiveness and create value for the enterprise to grow sustainably. Key performance was as follows :

8.1.1 Nomination, development and evaluation of the Board's performance of duties

(1) Nomination of Directors

The Company has appointed the Nomination and Compensation Committee comprising all independent directors to be responsible for considering, selecting and screening the nominated persons to be candidates for the Company's director by taking into account the appropriate number and composition of the Board of Directors with required qualification and no prohibited characteristics stipulated by Company's regulations. The selected candidate names will be presented to the Board of Directors for endorsement and to propose in the general meeting of shareholders for consideration and approval.

In 2022, the Company had 3 directors retiring by rotation, accounted for one-third of total directors, namely Mr. Chokchai Walitwarangkoon, Mr. Naporn Sunthornchitcharoen and Mr. Pakhawat Kovithvathanaphong. Thus, the Board of Directors resolved to propose in the shareholders' meeting to re-appoint these three directors as proposed by the Nomination and Compensation Committee. The nominated persons had undergone through the process of screening including careful consideration by the Nomination and Compensation Committee. The Committee considered that all three persons have full required qualifications under the Public Limited Companies Act. They are qualified with knowledge, competency and experience in businesses related to the Company's operations and transparent, unblemished working history, and have capabilities to help develop the Company.

As to promote corporate governance in accordance with good corporate governance principles and to show fair and equitable treatment to all shareholders, the Company has given the rights to shareholders to nominate a person who has considered the qualifications and knowledge and skills appropriate to be elected as the Company's director in advance before the Annual General Meeting of Shareholders which will be held annually. However, no shareholder nominated any candidates for consideration in the 2022 AGM.

(2) Nomination of Senior Executives

At Meeting No. 5/2022 dated December 22, 2022 the Board of Directors conducted a review of the Succession Plan and redefined the procedures and criteria of the nomination of the Chairman of the Executive Committee and senior executives as follows :

Succession Plan Procedure and Criteria for the Chairman of the Executive Committee

Whenever there is a vacancy of the Chairman of the Executive Committee or when the current Chairman of the Executive Committee cannot function to his or her capacity, the Company shall appoint a deputy or equivalent executive to act on his or her behalf until the search and selection of a qualified person is completed. The selection criteria or qualifications pre-defined by the Company include leadership vision, level of knowledge and competency, work experience, and a cultural fit with the Company. The selection and recruitment process is handled by the Nomination and Compensation Committee and approved by the Board of Directors.

The pre-defined qualifications are as follows :

1. Education of at least the bachelor's degree level.
2. Work and managerial experience of the division line director level or higher.
3. Strong leadership with wide vision, good moral and ethics, and a good track record.
4. Competency in strategic planning and organizational management.

5. Making decisions and solving problems discreetly and prudently in the best interests of the organization.

Succession Plan Procedure and Criteria for Managing Directors

Whenever there is a vacancy for Managing Directors or when a current Managing Director cannot function to his or her capacity, the Chairman of the Executive Committee will take control of the selection of each successor and proceed with nomination to the Board of Directors for formal appointment.

Succession Plan Procedure and Criteria for Deputy Managing Directors (SEVP) and Chief Financial Officer

Whenever there is a vacancy for Deputy Managing Director (SEVP) or Chief Financial Officer, or when a current Deputy Managing Director or Chief Financial Officer cannot function to his or her capacity, the Managing Director will take control of the selection of each successor and proceed with nomination to the Chairman of the Executive Committee for formal appointment.

(3) Development of Directors and Executives

The Company has a policy to develop its personnel competency relentlessly to enhance their knowledge and capability to keep up with the ongoing competitive business. In 2022, the Company has sent 3 executives to study long-term curriculum such as MBA, Executive MBA and Master of Public Administration programs. Directors attended various courses as follows :

No.	Name of Directors	Courses	Organization
1	Mr. Wit Tantiworawong	Director Certification Program (DCP) Class 320/2022	Institute of Directors (IOD)
		TLCA CFO Professional Program (TLCA CFO CPD) Class 5/2022	Thai Listed Companies Association
2	Mr. Chokchai Walitwarangkoon	Director Certification Program (DCP) Class 321/2022	Institute of Directors (IOD)
		Financial Statements for Directors (FSD) Class 46/2022	Institute of Directors (IOD)
3	Mr. Pakhawat Kovithvathanaphong	Initial Coin Offering (ICO) from the Accounting and Tax Perspectives	EY Office Limited
		Challenges facing CFO with the financial report in volatile economic landscape	EY Office Limited
4	Mr. Piphob Veraphong	Initial Coin Offering (ICO) from the Accounting and Tax Perspectives	EY Office Limited

(4) Evaluation of Board of Directors Performance

The Company has policy to arrange the evaluation for the Board of Directors at least once a year to help the Committee review their performance, working issues, and obstacles during the past year, thus increasing the work effectiveness of the Committee in accordance with the principles of good corporate governance. The Company applies the SET's self-evaluation assessment approach and adds further criteria for performance evaluation to comply with the CG Code guidelines set by SEC. The criteria that have been added in assessing the Committee's performance i.e.

- The Board has emphasized the importance of and provided sufficient time on considering material matters relating to the Company's sustainable development strategy.
- The Board has emphasized the importance of and provided sufficient time on considering or reviewing the policy on key risks arising in the Company's operation including Environmental, Social and Governance Risks (ESG Risk).
- All directors have attended training courses or seminars that enhances their knowledge in the past year, such as business-related courses, business sustainability courses, insider information prevention courses, and conflict of interest prevention courses, etc.

The Company Secretary will submit the annual self-evaluation form to all directors to performance, both individually and in group. Once each director has completed the assessment, the form will be sent back to the Company Secretary to calculate scores of each director, analyze, and summarize the results of the Board of Directors' performance for the year, and report to the Board of Directors for consideration, achieving the objective stated above. The performance assessment in 2022 at the Board of Directors' Meeting No. 5/2022 on December 22, 2022 can be summarized in percentage as follows :

Score (%)	Rating
Over 85	Excellent
75 - 85	Very good
65 - 74	Good
50 - 64	Fair
Below 50	Need improvement

There are two types of the performance self-assessment forms for the Board of Directors : Individual and Whole committee. The results are summarized as below :

Item	The Board of Directors' Performance Self-Assessment	
	Whole Committee	Individual
Number of Questions	6 Sections	7 Sections
Details of Questions	1. Structure and qualifications 2. Roles, responsibilities, and duties of the committee 3. Committee meetings 4. Performance of duties 5. Relationship with the management 6. Committee Self-development and Executives' development	1. Committee readiness 2. Strategy formulation and business planning 3. Risk management and internal control 4. Conflicts of interest oversight 5. Monitoring financial reports and business operations 6. Committee meetings 7. Others
Rating Summary	Excellent	Excellent
Average Score	98%	99%

The criteria for assessment of sub-committees is similar to that of the Board of Directors. The evaluation results of the whole committee are summarized below :

Item	Whole Committee's Performance Self-Assessment		
	Audit Committee	Nomination and Compensation Committee	Risk Management and Sustainable Development Committee
Number of Questions	6 Sections	4 Sections	3 Sections
Details of Questions	1. Audit committee composition 2. Training and resources provided 3. Committee meetings 4. Committee activities 5. Relationship with the head of Internal Audit, the external auditor, and executives 6. Future roles of the committee	1. Structure and qualifications 2. Committee meetings 3. Roles, responsibilities, and duties of the committee 4. Others	1. Structure and qualifications 2. Committee meetings 3. Roles, responsibilities, and duties of the committee
Rating Summary	Excellent	Excellent	Excellent
Average Score	100%	99%	100%

8.1.2 Meeting attendance and remuneration of individual committees

(1) The Board of Directors' meeting and the Sub-committee meeting in the year 2022 can be summarized as follows :

Name of Directors	Meetings of the committee in 2022				
	Board of Directors	Executive Committee	Audit Committee	Nomination Committee	Risk Management and Sustainable Development Committee
1. Mr. Naporn Sunthornchitcharoen	5 / 5	12 / 12	-	-	-
2. Mr. Nantawat Pipatwongkasem	5 / 5	-	-	-	2 / 2
3. Mr. Achawin Asavabhokhin	4 / 5	-	-	-	-
4. Mr. Watcharin Kasinrerk	5 / 5	12 / 12	-	-	2 / 2
5. Mr. Wit Tantiworawong	5 / 5	12 / 12	-	-	2 / 2
6. Mr. Chokchai Walitwarangkoon*	5 / 5	11 / 11			
7. Mr. Pakhawat Kovithvathanaphong	5 / 5	-	6 / 6	-	-
8. Mr. Piphob Veraphong	5 / 5	-	6 / 6	2 / 2	-
9. Mr. Bundit Pitaksit	5 / 5	-	6 / 6	2 / 2	2 / 2
Total of the meetings in 2022	5	12	6	2	2
% of attendance	98%	100%	100%	100%	100%

Remark: * Mr. Chokchai Walitwarangkoon was appointed as the member of Executive Committee on February 24, 2022 after the Executive Committee Meeting No. 1/2022 had been held on January 17, 2022. Therefore, in 2022, he attended 11 Executive Committee meetings.

(2) Remuneration of Individual DirectorMonetary remuneration

The Company has set the policy on remuneration for the Managing Director and directors clearly. The directors' remuneration is set appropriately with the Company's duties. The Nomination and Compensation Committee scrutinizes and proposes to the Board of Directors for the consideration of the appropriateness in various factors including size, business expansion, profit growth. The Company's compensation will be set at the same level as the industry's. The directors' remuneration has been approved by the shareholders' meeting every year, paid in form of monthly.

remuneration, bonus and meeting allowance. For year 2022, the details are as follows :

1. Monthly remuneration

- Chairman 120,000 Baht / person / month
- Director 70,000 Baht / person / month

2. Meeting allowances paid according to the number of meetings

- Chairman 40,000 Baht / person / number of meetings
- Director 30,000 Baht / person / number of meetings

However, executive directors shall not receive meeting allowances.

Details of remuneration paid to each director are as follows :

Name	Directors' remuneration in 2022 (Baht)						
	Yearly Remuneration	Bonus	Meeting allowance for the Board of Directors	Meeting allowance for the Audit Committee	Meeting allowance for the Nomination Committee	Meeting allowance for the Risk Management and Sustainable Development Committee	Total
1. Mr. Naporn Sunthornchitcharoen	1,440,000	1,620,000	-	-	-	-	3,060,000
2. Mr. Nantawat Pipatwongkasem	840,000	945,000	-	-	-	-	1,785,000
3. Mr. Achawin Asavabhokhin	840,000	945,000	120,000	-	-	-	1,905,000
4. Mr. Watcharin Kasinrerk	840,000	945,000	-	-	-	-	1,785,000
5. Mr. Wit Tantiworawong *	700,000	-	-	-	-	-	700,000
6. Mr. Chokchai Walitwarangkoon *	700,000	-	-	-	-	-	700,000
7. Mr. Pakhawat Kovithvathanaphong	840,000	945,000	150,000	200,000	-	-	2,135,000
8. Mr. Piphob Veraphong	840,000	945,000	150,000	150,000	80,000	-	2,165,000
9. Mr. Bundit Pitaksit	840,000	945,000	150,000	150,000	60,000	80,000	2,225,000
10. Mr. Adisorn Thananan-narapool **	-	945,000	-	-	-	-	945,000
11. Mr. Adul Chuvanichanon **	-	945,000	-	-	-	-	945,000
Total	7,880,000	9,180,000	570,000	500,000	140,000	80,000	18,350,000

Remark: * Mr. Wit Tantiworawong and Mr. Chokchai Walitwarangkoon were appointed as the Company's directors in the Board of Directors' Meeting No. 1/2022 on February 24, 2022 and became the director on March 2, 2022, received remuneration, starting from March 2022. As for the performance bonus in 2022, they received in January 2023.

** Mr. Adisorn Thananan-narapool and Mr. Adul Chuvanichanon retired and resigned from the position of the Company's directors on January 1, 2022 but received bonuses for their 2021 performance.

Non-monetary remuneration

Other benefits provided to the Company's directors are e.g. Insurance covering the liability of directors and executive officers of the Company, and the expenses for attending seminars and training courses of IOD and other related institutions.

8.1.3 Supervision of operations of subsidiaries and associated companies

The Company supervises the operations of its subsidiaries and associated companies by appointing the executives who have knowledge and ability with the appropriate experiences to be the directors in the subsidiaries and associated companies. In such case that the subsidiary or the associated company have important matters such as approval of capital increase or capital reduction, the dissolution of the subsidiary etc. these matters must receive approval from the Board of Directors every time. There is also a supervision to ensure that the operation is transparent and supervise the subsidiaries and associated companies to comply with the regulations on connected transactions, acquisition or disposal of assets including the preparation of financial statements with accuracy and transparency.

In this regard, the Board of Directors has reviewed the policy to supervise subsidiaries and associated companies at the Board of Directors Meeting No. 5/2022 held on December 22, 2022.

8.1.4 Monitoring to ensure compliance with corporate governance policies and practices

The Company emphasizes importance and promotes good corporate governance principles. The operations are in line with the principles of good corporate governance for the listed companies in year 2012 and the principles of good corporate governance for listed companies in 2017 or CG Code. The Company Board of Directors has established a corporate governance policy of the Company as written and approved the said policy including set the criteria to review at least once a year. In addition, the Board of Directors has reviewed the application of the Good Corporate Governance Principles (CG Code) to be adapted to suit the business context. In 2022, the Board of Directors has jointly considered and reviewed the principles in the Board of Directors' meeting No. 5/ 2022 held on December 22, 2022 and has recorded it as part of the Board's resolution for improvement guidelines or additional substitute measures for what the Company has not yet complied with in accordance with the CG Code. Also, the Company has established various key regulatory policies as follows :

(1) Prevention of Conflicts of Interest

The Board of Directors determines the tools for management to ensure that the Company has an efficient and transparent business management for the utmost interests of shareholders. The Company has established the measures to eliminate conflicts of interest as follows :

The Board of Directors has considered items that may have conflicts of interest or connected transactions or appropriate related transactions under the framework of the good ethics which is screened by the Audit Committee and ensuring that they are compliance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission as well as disclosing the information about the transactions that may have conflicts of interest to the public. The Company has set a policy, regulations and the process of approving transactions that may have conflicts of interest for executives, employees and related parties to adhere to. The key principles are :

1. Any transactions that directors, employees or connected persons have related benefits in doing such transaction with the Company, such directors or employees are prohibited from participating in the approval of the transaction and the price must be set appropriately as same as a transaction with a normal third party.
2. In setting the price, to avoid conflicts of interest, the price used must be fair, reasonable price and in accordance with general trading conditions.
3. Compliance with the rules prescribed by the Stock Exchange of Thailand in doing connected transactions, the connected transactions must be presented to the Audit Committee for consideration and opinion before submitting for approval from the Board of Directors in accordance with the principles of good corporate governance.
4. Disclosure of such transactions that may have conflicts of interest or connected transactions or related-party transactions in accordance with the rules prescribed by the SEC/ SET in the annual report (Form 56-1 One report) including the disclosure of such related party transactions in the financial statements as stipulated by accounting standards.

However, in 2022, the Company did not find any significant conflicts of interest and has disclosed all transactions that may have conflicts of interest or connected transactions under the topic "9.2 Connected Transactions".

(2) Prevention of use of inside information

The Company has a clear policy regarding the proper use of authority through several channels including good corporate governance, Company's Code of Conduct, various announce-

ments from the Office of SEC or related agencies, internal communication, organizational culture, etc. so that employees at all levels are aware of the equal treatment of shareholders without seeking benefits from the inside information.

The Company has established measures to prevent the use of inside information for the benefit of directors and executives by informing everyone of their roles and obligations to report their securities holdings, their spouses and minor children who hold the Company's securities and acknowledge the preparation of a report on the change of securities holding every time there is a purchase, sale, transfer or acceptance of transfer of securities within 3 business days after the date of purchase, sale, transfer or acceptance of transfer of securities as prescribed by the Office of the Securities and Exchange Commission and must copy the above report to the Company's Secretary to collect and propose to the Board of Directors' meeting every time which is set as the agenda for the meeting to acknowledge the report of securities holding.

In the past year 2022, the Board of Directors and executives have been strictly followed the abovementioned rules so there was no cases of violation or non-compliance with insider trading rules.

(3) Anti-Fraud and Anti-corruption

The Company has an anti-corruption policy and prohibits the payment of any bribes. By stipulating principles in the Code of Business Conduct that prohibiting any employees from demanding benefits or avoiding receiving any assets that incentivize them to act or neglect to act in a wrong way or may cause the Company to lose its legitimate interests or do not take any actions that may cause the conflicts of interest to the organization for commercial benefits for themselves or their partners or refrain from any illegal or unlawful actions against their position. The Company has disseminated the business ethics to employees thoroughly and was aware of the performance of duties on a regular basis.

Guidelines for supervision and control of the risk of corruption and performance monitoring and evaluation are as follows :

1. Preventive measures through organization structure to be appropriate for management and control. The Company's structure strengthens the organization's transparency and effective, in line with the goal, nature of business, by using the principle of segregation of duties. There is an appropriate balance of power and separation of duties. Establish a clear working process and chain of command in each department. The structure of organization which has an organizational culture emphasizing morality and ethics. By having a mechanism for regular monitoring and evaluation of performance including the adequate

communication and training for employees. The guidelines are communicated through various channels such as Company's intranet and on the Company's website.

2. Prepare the Code of Conduct for Executives and employees as a written policy, enhance compliance with the code of conduct, provide the communication through various channels including the Company's intranet and website, including planning for proper follow up and assessment of the Code of Conduct properly.

3. The process for assessing the risks associated with the corruption within the Company and assess the implementation of the policy through the internal control according to COSO form at the Board level, the internal control assessment at the department level and the working mechanism of the Risk Management and Sustainable Development Committee and the Company's internal control Division.

4. Supervision at the department level, the Head of the department shall evaluate the internal control, risk from corruption at the department level and set up the effective and efficient internal control system to cover any loopholes that may cause corruption. Review the suitability of the system and continually improve the system, control and monitor the operations of their units and assign supervisors at each level to control and investigate fraudulent actions and errors arising from operations.

5. The Internal Audit Department performs audits for compliance with the work systems' rules and regulations. Compliance with the Code of Conduct, assess the risks of corruption including the early warning signs, assess the adequacy of the internal control system in preventing, monitoring and detecting the risks of corruption by reporting the results of the audit at least once a quarter.

6. Through the working mechanism of the Risk Management and Sustainable Development Committee to continuously test and assess the risks of fraud and corruption and present the results of the assessment report to the Board of Directors.

7. Provide the channels for reporting any violations or witnessing fraud and corruption and provide measures to protect and mitigate damage to the reporters, complainants or those who corporate in such reporting. Details are shown under the topic "8.1.4 (4) Whistleblowing".

8. In the event of an incident of wrongdoing, information from audit, complaint and there are evidence that should be believed that there is a real transaction of wrongdoing, to investigate the fraud and corruption, the Company will establish a temporary special investigation team to provide justice to the accused and provide appropriate protection to the whistleblower.

9. Use the case of an offense found as a case study to find a preventative approach and methods of checking to find the cause of actions including educating employees at supervisor level to prevent corruption occurring in the organization.

New employees are informed of guidelines for good behavior standards and employee code of conduct on their first day of work and through the orientation of new employees. The Company also provide an inhouse training for Assistant Managing Directors, Executives (Operations), Executives (Supports), Senior Vice Presidents and Vice Presidents about the tools and how to use such tools to monitor risks so that all the executives and management can use them effectively to monitor and assess risks.

In 2022, the Board of Directors appointed a project leader as the head of an anti-corruption taskforce with team members selected from directors and division chiefs from all divisions throughout the Company to assure its commitment to joining CAC. These individuals are directly responsible for supervising and monitoring all activities aligned with the anti-corruption measures. In 2022, the Company had no litigation relevant to corruption, either at the audit stage, the prosecution stage, or the judicial stage.

(4) Whistleblowing

It is the Company's policy to protect all groups of stakeholders by setting up measures for whistleblowing and mechanisms to protect the informers in order to accept the complaints in the event of violations of rights from illegal acts or code of conduct, comments or any suggestions including behaviors that may imply corruption or misconduct of individuals in the organization whether they are the company's employees and other stakeholders. The Company has disclosed the process and channels for whistleblowing on the Company's website and Form 56-1 One report. In this regard, the informers can directly submit the report to Chairman of the Audit Committee via the following channels:

- E-mail : Auditcommittee@lh.co.th
- Send letters to Chairman of the Audit Committee ;
No.1, Q.House Lumpini Building, 37-38 floor, South Sathon Road, Thung Mahamek, Sathon, Bangkok 10120

For employees, the Company provides a direct channel to contact with the Head of Internal Audit or the Management to report the complaints or report the case of encountering a matter that may be an offense or a violation of ethical conduct which may affect employees, other stakeholders and the Company. The Company has procedure to deal with complaints from employees including measures to protect the informers, investigating facts for fairness of all parties by assessing whether the employee's complaint is considered an offense or not, and the level of wrongdoing to determine the penalties by having a working team to investigate facts and summarize findings to report to the Audit Committee for further consideration.

The Company has established guidelines to protect the whistleblowers by keeping the information and identity of the whistleblower or the complainant confidential and will only disclose the necessary information to the designated persons and taking into account the safety and damage that may occur to the informant or related persons in order to build confidence for the complainant. The Audit Committee or independent director is the recipient of the complaint and report them to the Board of Directors.

8.2 Report on the performance of the Audit Committee in the past year.

The Audit Committee consists of 3 independent directors. In 2022, a total of 6 meetings were held with 100% of directors attending the meetings. The Committee has performed their duties well and completely as stipulated in the Audit Charter. Summary of the works that the Audit Committee has performed in the past year are as follows :

1. Reviewed to ensure that the company has complete and accurate financial report and disclose them in a timely manner.
2. Assessed the Company's key risks and the adequacy of internal control system, information and communication systems and a monitoring and evaluation system whether they comply with the international standards of COSO.
3. Reviewed the Company's operation to comply with relevant laws and regulations.
4. Reviewed the disclosure of the Company's information to be complete, accurate and comply with relevant rules and regulations in the case that the Company has connected transaction or items that may have conflicts of interest.
5. Assessed and reviewed the quarterly report on the performance of the Internal Audit Department as well as assessed and approved the annual internal audit plan.
6. Arranged a meeting with the Company's external auditors (without the management attending) 1 time in the meeting No. 5/2022 by taking notice of the auditor's working conditions, exchanging ideas and taking note of important observations and suggestions to present to the Board of Directors for acknowledgment and review of the issues suggested by the auditors.
7. Assessed the selection and nomination of the Company's external auditors and the appropriateness of the audit fees.
8. Determined the agenda for the Board of Directors' meeting following a resolution of the Board of Directors to have Mr. Bundit Pitaksit participate in the scheduling of all Board meetings, beginning from Meeting No. 1/2022.

9. Organized an annual review and revision of the business conduct against CG Code guidelines and submitted the results to the Board of Directors for amendment to be in line with best practices.

10. Conducted an annual self-assessment of the Audit Committee.

8.3 Summary of the performance of other sub-committees

8.3.1 Performance of the Nomination and Compensation Committee

The Nomination and Compensation Committee consists of 2 independent directors. In 2022, a total of 2 meetings were held with 100% of the directors attending the meeting. The key performances of Nomination and Compensation Committee in year 2022 can be summarized as below :

1. Reviewed the allocation of bonuses to directors for the performance of the year 2021 and made a proposal to the Board's meeting for approval

2. Reviewed the nomination of new directors to replace those retiring by rotation and proposed to the Board of Directors' meeting for consideration before proposing to the Annual General Meeting of Shareholders No. 1/2022

3. Reviewed and set the limit of remuneration for directors for the year 2022 and proposed to the Board of Directors' meeting for consideration before proposing to the Annual General Meeting of Shareholders No. 1/2022

4. Reviewed and allocated of monthly compensation and meeting allowances of all committees for the year 2022 and proposed to the Board of Directors' meeting for consideration

5. Reviewed and revised the Charter of the Nomination and Compensation Committee to ensure that the committee's activities are in line with CG Code practices.

8.3.2 Performance of the Risk Management and Sustainable Development Committee

The Risk Management and Sustainable development Committee consists of 4 directors of which 1 independent director serves as Chairman of the Committee. In 2022, a total of 2 meetings were held with 100% of directors attending the meeting. The key performances of the Risk Management and Sustainable Development Committee in the past year can be summarized as follows :

1. Monitored and supervised key risk factors covering all 4 areas: strategic risk, operational risk, financial risk and regulatory and legal compliance risk. The meeting was held with the Audit Committee and the risk management results were reported to the Board of Directors.

2. Monitored and supervised the sustainable development of the organization by setting the sustainability management policies and goals covering economic, social and environmental aspects with plans to reduce the use of resources, increase the use of renewable energy, promote the development of innovative products and services by convening a meeting with the Environmental and Energy Management Working Team. Such plans were reported to the Board of Directors for consideration and approval before putting into practice throughout the organization.

3. With the enforcement of the PDPA (Personal Data Protection Act), personal data protection was the prime focus for the committee. In 2022, the committee developed a plan to review the work process of each department and business unit to evaluate knowledge and understanding of the PDPA law, raise awareness of the importance of data collection, storage, utilization and disclosure of personal data, rehearse the work process to simulate an act of data breaching that may occur.

4. Following the SET guidelines, the Risk Management and Sustainable Development Committee conducted a self-assessment on its own performance for future improvement. The outcome of the assessment in 2022 was considered to be of an 'excellence' level.

9. Internal Control and Connected Transactions



9.1 Internal Control and Risk Management

The Board of Directors and executives are responsible for the efficiency of the internal control system by reviewing and monitoring the system on a regular basis to enhance the efficiency and reduce losses from business operations in ever-changing business environment arising from internal and external factors, rules and regulations from the government or even the person involved with the organization. All of these are risk factors to the businesses. Therefore, internal control and risk management is of the utmost importance which the Board of Directors always puts an emphasis on and maintains awareness. Therefore, it is required that all departments of the Company must take into account internal control and risk management to cover all aspects such as in resource management, accounting-finance, human resources management, procurement information systems and data communication, and legal to avoid serious damage and/or disputes arising from the infringement and acts against the Company or third parties which may lead to civil and criminal lawsuits. The Company conducts internal control and risk management through various channels as follows :

1. Through the organization structure : The Organization structure is designed to be in line with the nature of work and clearly defines the scope of powers and duties to provide flexibility and speed in order to be able to work under universal constraints such as the establishment of the Board of Directors to

supervise and oversee the Company's policies and be responsible for any persons involved with the Company. The management team is responsible for the Company's business performance to be in accordance with targets. The sub-committees, namely, the Audit Committee, Risk Management and Sustainable Development Committee, Nomination and Compensation Committee, are responsible for the tasks assigned by the Board of Directors. Departments are divided into operational and support lines which were set appropriately and sufficiently for operations. This is to achieve good management on internal supervision and power balance among each department and /or each party including overseeing the overall risk management process to be at an acceptable level.

2. Through the Audit Committee : The Board of Directors has assigned 3 members from the Audit Committee to supervise, monitor and assess if the internal control system is appropriate and sufficient in this ever-changing situations. Hence, annual assessment is required and the results will be reported directly to the Board of Directors.

The Audit Committee will hold a meeting with external auditors from EY Office Limited and internal auditors on a regular basis, at least once a quarter, to follow up and inquire about the Company's internal control system which was clarified that no significant deficiencies were found in the Company's internal control system.

In the Board of Directors' Meeting No. 5/2022, dated December 22, 2022, the Board of Directors received a preliminary report from the Audit Committee regarding the assessment of the sufficiency of the internal control system for the year 2022 which stated that the Company has an internal control system that is sufficient and appropriate for the current situation which the Company has adopted the framework of internal control assessment according to the assessment form of the Securities and Exchange Commission. The framework covers 5 elements, including environment within the organization, risk assessment, control activities, information and communication system, and the monitoring and evaluation system as defined by the international standards of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) which the Board of Directors has reviewed and agreed with the Audit Committee.

At the department or division level, the Company has adopted the self-assessment system for internal operation of each department which is conducted annually in order to review and enhance its operations and working process so the internal control becomes more efficient and effective. This also helps encourage continuous development.

3. Through the Risk Management and Sustainable Development Committee : The Committee consists of independent director, Managing Director and top management from relevant departments. The Company prioritizes the importance of sustainable development covering 3 dimensions, i.e. environment, social and good corporate governance.

The working group conducts risk assessment at all levels of the organization which covers strategic, operational, financial, liquidity, investment, regulatory and legal risks. The assessment involves evaluation, analysis and risk prioritization, setting guidelines and strategies of risk management. The Company has been managing high, medium and low risks, respectively, to manage the Company's risks to be at an acceptable level using reasonable costs.

The Company has set a system to monitor and report on risk management results regularly, promptly and timely. The management can monitor risks through the Risk Monitor Tools in the form of Computer Based on the Company's

EIS system. The system is updated monthly and report will be issued to the risk owner for monitoring, analyzing, evaluating and managing the risks. The Company holds meetings on risk management results at least twice a year.

In addition, the Board of Directors understands the importance of sustainable development. Hence, the Risk Management and Sustainable Development Committee has been assigned to set the framework of sustainable operations to be a working guideline in order to follow the Company's sustainable development process which is an important mechanism to achieve business success.

4. Through the creation of the corporate culture : To create immunity for the organization and to establish a good foundation in the long term, corporate culture is used by using personnel as a connection through training, cultivating ethics and code of conduct, transmitting good consciousness from top down, providing continuous Dharma practice for employees and their families, and passing down generosity from generation to generation. The Company believes that there is no system better than having employees who think good, do good, and have high awareness of their duties and responsibilities. All of these can be sustained by having strong corporate culture.

The Audit Committee has supervised the Internal Audit and System Development Department to operate independently, fairly and with good ethics. The person holding the position of Chief Audit Executive (CAE) is Mr. Pornchai Kietkhajornvirach., Senior Vice President of Internal Audit and System Development. The Audit Committee is of the opinion that Mr. Pornchai Kietkhajornvirach is qualified with knowledge, experience and understanding of business as well as the Company's operating systems, and would able to perform their duties efficiently. However, the appointment, transfer, and dismissal of the Company's Chief Internal Auditor must be approved by the Audit Committee.

9.2. Connected Transactions

9.2.1 Connected Transactions

The Company and its subsidiaries had business transactions with connected persons or entities that may create potential conflict of interests as follows : (For more details, please see "Notes to the Financial Statement")

Individual/ juristic person	Relationship (as of Dec 31, 2022)	Nature of transaction	Value (million Baht)			Opinions of the Audit Committee
			2020	2021	2022	
Quality Construction Product Plc. (Q-CON)	<ul style="list-style-type: none"> - Land and Houses Plc. (LH) is the major shareholder of Q-CON holding shares of 21.16% of total shares sold of Q-CON. - One common Director serves on the Board, namely Mr. Naporn Sunthornchitcharoen 	<ul style="list-style-type: none"> - LH purchased construction materials from Q-CON - Goods purchased - Account Payable - Dividend received 	28	28	42	<ul style="list-style-type: none"> - Terms and purchase prices were prescribed with the nature of normal business practices and comparable to other unconnected party. - Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders.
Home Product Center Plc. (HMPRO)	<ul style="list-style-type: none"> - LH is the major shareholder of HMPRO, holding 30.23% of total outstanding shares. - 2 common directors serve on the Board, namely Mr. Naporn Sunthornchitcharoen and Mr. Achawin Asavabhokin 	<ul style="list-style-type: none"> - The Company and its subsidiaries purchased decorated items from HMPRO - Goods purchased - Account Payable - Other Payable - Dividend received 	32	38	37	<ul style="list-style-type: none"> - Terms and purchase prices were prescribed with the nature of normal business practices and comparable to other unconnected party. - Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders.
Quality Houses Leasehold Property Fund (QHPPF)	<ul style="list-style-type: none"> - LH is a major shareholder of QH, with 24.98 % of shares. - QH is a major shareholder of QHPF, with 25.66 % of shares. - LH and QH have 2 common directors, namely Mr. Naporn Sunthornchitcharoen, and Mr. Achawin Asavabhokin 	<ul style="list-style-type: none"> - LH and its subsidiaries have rented the building space from QHPF for using as their head office - Rental and services fees - Advance Payment - Lease Liabilities - Dividend received 	73	75	74	<ul style="list-style-type: none"> - The rental fees were comparable to the rate which QHPF charged from its other customers. - Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders.
Land and Houses Bank Plc. (LH Bank) % shareholding calculated from the total paid up capital less buy back shares	<ul style="list-style-type: none"> - LH is the major shareholder of LH Financial Group Plc. (LHFG), holding 21.88% of shares. LHFG holds 99.99% in LH Bank and LH Fund. - Quality Houses Plc., an associated company of LH, holds 13.74% of shares in LHFG. - One common Director serves on the Board, namely Mr. Naporn Sunthornchitcharoen 	<ul style="list-style-type: none"> - LH and its subsidiaries had savings, current, fixed deposit accounts and also fixed deposit note at LH Bank - Interest income - Accrued interest - Dividend received 	4,874	8,197	2,201	<ul style="list-style-type: none"> - All the deposits were treated as normal business practices and the interest earned was of the same rates as other unconnected companies. - There was no obligation for the deposits. - Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders.

Individual/ juristic person	Relationship (as of Dec 31, 2022)	Nature of transaction	Value (million Baht)			Opinions of the Audit Committee
			2020	2021	2022	
Land and Houses Fund Management (LH Fund)		- Investment in the fund	1,001	-	-	- Return received at the same rate as other investors.
Quality Houses Plc. (QH)	<ul style="list-style-type: none"> - LH is the major shareholder of QH with 24.98% of shares. - LH and QH have 2 common directors, namely Mr. Naporn Sunthornchitcharoen, and Mr. Achawin Asavabhokin 	- Dividend Received	455	294	294	- Dividend received were in proportion to the Company's shareholding and at the same rate as paid to other shareholders.
Siam Retail Development Co., Ltd. (SRD) and LH Mall and Hotel Co., Ltd. (LHMH)	<ul style="list-style-type: none"> - Mr. Anant Asavabhokhin holds 23.93% of shares in LH and is also a major shareholder in SRD by directly holding 27% and indirectly 13% of shares. - LHMH, a subsidiary, is 99.99% owned by LH. 	<ul style="list-style-type: none"> - LHMH was hired as an advisor and administrator in marketing and selling for SRD for 3 years from March 1, 2017 to February 29, 2020 in the service value not exceeding 200 million Baht and also had a MOU enclosed with the contract which effective from June 1, 2019 to February 29, 2020 for the additional value from the existing contract to be in total value not exceeding 60 million Baht. And in year 2020, the contract was renewed for another 3 years from March 1, 2020 to February 28, 2023 in total value not exceeding 450 million Baht (excluding VAT) to manage 4 shopping malls, i.e. Fashion Islands, The Promenade, Terminal 21 Korat and Cherry Mall. 				<ul style="list-style-type: none"> - The Board of Directors' meeting on February 28, 2017 was of the opinion that the transactions and their terms were in accordance with normal business practices and the Audit Committee also shared the same opinion. - The Board of Directors' meeting on August 14, 2019 was of the opinion that the transactions and their terms were in accordance with normal business practices and the Audit Committee also shared the same opinion. - The Board of Directors' meeting on August 14, 2018 was of the opinion that the transactions and their terms were in accordance with normal business practices and the Audit Committee also shared the same opinion.

Individual/ juristic person	Relationship (as of Dec 31, 2022)	Nature of transaction	Value (million Baht)			Opinions of the Audit Committee
			2020	2021	2022	
		- LHMH was hired as a consultant in store renovation and then managed sales in the newly renovated zone for SRD for 1 year and 8 months starting from July 1, 2018 to February 29, 2020 in the total value not exceeding 50 million Baht				- The Board of Directors' meeting on February 27, 2020 was of the opinion that the transactions and their terms were in accordance with normal business practices and the Audit Committee also shared the same opinion.
		- Property Management Fee	83	76	115	
		- Human Resources Management Fee	1	1	1	
		- Other Receivables	16	18	29	
Quality Houses Leasehold Property Fund (QHPF) and LH Mall and Hotel Co., Ltd. (LHMH)	- LHMH, a subsidiary, is 99.99% owned by LH. - LH is a major shareholder of QH, holding 24.98%. - QH is a major shareholder of QHPF, holding 25.66% of shares. - LH and QH have 2 common directors, namely Mr. Naporn Sunthornchitcharoen, and Mr. Achawin Asavabhokin	LHMH was hired to manage the retail space in Life Center for QHPF for 3 years, starting from January 1, 2020 to December 31, 2022 - Property Management Fee - Human Resources Management Fee - Other Receivables	3 3 1	2 3 1	3 3 1	- Terms and purchase prices were prescribed with the nature of normal business practices and comparable to other unconnected party.

9.2.2 Justification and Rationale for Connected Transactions

The related-party transactions were necessary and reasonable to conduct such transactions to maximize the Company's utmost benefits. The Audit Committee was of the opinion that such transactions were in accordance with the nature of normal business practices which was done with other customers, and that the Company received and paid the compensation at an appropriate market prices.

9.2.3 Approval Procedure/Measure of Connected Transactions

All related party transactions must be considered and received the approval from the Board of Directors with the attendance of the Audit Committee presented in the meetings and also approved by the shareholders' meeting, as the case may be. The directors or the person who was authorized by the directors shall not take part in the approval of the transactions which they or other persons who may have conflicts of interests or may constitute potential conflicts of interests in any manners with the Company or its subsidiaries. The Company must also perform in compliance with the laws on securities and the stock exchange, regulations, notifications, orders and any requirements of the Stock Exchange of Thailand including the compliance with the requirements regarding the disclosure of related-party transaction information including the acquisitions and disposals of assets.

9.2.4 Policy or Trend for Future Connected Transactions

The Company has set a policy to conduct any existing related-party transactions in the future by setting up various conditions to keep all transactions to be in accordance with the ordinary course of business operations at the market prices which can be compared with those incurred with any outsiders. In any case, the Company will have the Audit Committee, its auditor or independent experts to consider, examine and provide any comments on the appropriateness of the price and the reasonableness of the transaction.

In case that there is a related-party transaction between the Company or its subsidiaries and the parties with potential conflicts of interest or may cause potential conflicts of interest in the future, it will seek the opinions from the Audit Committee on the necessity and appropriateness of the transactions. In a case where the Audit Committee may not have expertise to consider on the mentioned issues, the Company will seek the opinions from independent experts or its auditors. The opinions will subsequently be used in the process of decision making by the Board of Directors or shareholders, whichever the case may be. The Company also discloses such transactions in the notes to the financial statements, except for the following transactions which the Management has the mandate to approve :

1. Normal business transactions or those transactions which support normal business transactions with general commercial conditions in the same manner that a reasonable person would do with general contracting parties under the same circumstance, with trade bargaining power in absent of the influence of his status as a director, executive or related party.
2. Transactions conducted under an employee' rights project of which the rights are made available to all employees who work with the Company in general, without any discrimination or provide to any specific person.

Section 3

Financial Statements

Accountability Report of the Board of Directors for Financial Reporting	138
Independent Auditor's Report	139
Statement of Financial Position	142
Income Statement	145
Cash Flow Statement	149
Notes of Consolidated Financial Statements	152



Accountability Report of the Board of Directors for Financial Reporting

The Board of Directors is responsible for the consolidated financial statement of Land and Houses Plc. and its subsidiaries and the company's separate financial statement including other financial information stated in the Company's annual report. The financial statements have been prepared in accordance with generally accepted accounting principles and standard under appropriate accounting policies and regular adherence to them including the use of careful judgment and reasonable estimates in the preparation of these financial statements. Also, the material information has been sufficiently disclosed in the notes to financial statement. Therefore, it reflects the real and transparent financial position and performance for the benefits of all shareholders and investors who use the financial statements. Such statements had been reviewed and audited by independent auditors who had expressed an unqualified opinion to the report.

The Board of Directors has the duties to supervise and develop the corporate governance, and ethics including to establish efficient and effective risk management and internal control to ensure that all the Company's accounting information is accurate, comprehensive, and adequate to maintain the assets and to perceive the weakness and be able to protect any operational risks duly on time. The Board of Directors also set up the Audit Committee which comprises three independent directors to supervise and review the quality of financial reporting, to review and to assess the internal control including to oversee the transactions which may deem as connected transactions or may have the potential to be conflicts of interests so as to ensure that the Company has complied with all the legal, regulations and has disclosed all the essential and accurate information. The Audit Committee's opinion on these matters is expressed in the Audit Committee Report in the Annual Report.

The Board of Directors is of the opinion that the overall internal control system of the Company is adequate and appropriate which can bring the reasonable confidence in the reliability of the Company's consolidated financial statements and its subsidiaries and the separate financial statement of the Company for the year ending December 31, 2022 and gives fair view in significant issues in accordance with the Thai Financial Reporting Standards.



(Mr. Naporn Sunthornchitcharoen)
Chairman of the Board of Directors /
Chairman of the Executive Board

Independent Auditor's Report

To the Shareholders of Land and Houses Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Land and Houses Public Company Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Land and Houses Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Land and Houses Public Company Limited and its subsidiaries and of Land and Houses Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Revenue recognition from sales of real estate

Revenue from sale of real estate is a significant amount in the statements of income and it is a key performance indication in the real estate industry on which the financial statements' users focus. In addition, the Group has a significant number of property units for sale and sale agreements. I have therefore focused on the audit of the actually occurring and timing of revenue recognition.

I have examined the revenue recognition from sales of real estate of the Group by:

- Assessing and testing the effectiveness of the Group's IT general controls and internal controls with respect to the cycle of revenue from sales of real estate by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select land sale agreements and condominium sale agreements to assess whether the revenue recognition was consistent with the conditions of the relevant agreements, and whether it was in compliance with the Group's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sales transactions of revenue from sale throughout the period.

Allowance for diminution in value of real estate development costs

Estimating the net realisable value of real estate development costs, as disclosed in Note 4.4, Note 5 and Note 10 to the financial statements, is an area of significant management judgement, particularly with regard to the estimation of allowance for diminution in the value of real estate development costs. This requires detailed analysis of the nature, circumstances and life cycle of real estate development projects, and the competitive environment and economic circumstances. Therefore, there is a risk that the allowance for reduce cost to net realisable value of real estate development costs will be inadequate.

I evaluated and gained an understanding of the management's determination of the allowance for diminution in value of real estate development costs by:

- Gaining an understanding of the basis applied in determining the allowance for diminution in value of real estate development costs, and reviewing the consistency of the application of that basis, and the rationale for the recording of specific allowance for diminution in the value of real estate development costs.
- Comparing the holding periods of the real estate development projects and their movements with indicators of lower than normal turnover.
- Reviewing gross profit margin of real estate development projects which had actual sales during the year and the transaction after the date of the financial statements.
- Comparing real estate development costs with no actual sales occurring during the year and the latest sale transaction, or the transaction after the date of the financial statements in order to consider the adjustment of real estate development costs by the management to the net realisable value.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material

misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Rosaporn Decharkom

Certified Public Accountant (Thailand) No. 5659

EY Office Limited
Bangkok: 27 February 2023

Statement of financial position

Land and Houses Public Company Limited and its subsidiaries

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	6, 7	4,799,359,716	10,330,967,402	2,858,035,439	8,798,298,557
Trade and other receivables	8	248,614,363	169,903,073	277,858,533	231,014,029
Current portion of long-term loans to related parties	6	-	594,642,734	9,209,990,140	5,645,323,620
Current portion of long-term loan to other company	9	26,400,000	-	-	-
Inventories	10	48,558,111,702	47,255,983,260	39,755,078,605	39,296,819,419
Advance payment for constructions		619,868,410	772,584,812	230,543,175	231,273,232
Deposits for purchase of land and others		167,056,848	479,748,633	127,975,541	475,033,289
Cost to obtain contracts with customers	11	44,199,089	83,665,768	44,199,089	83,665,768
Other current financial assets	6, 12	298,325,100	74,607,414	78,325,100	44,607,414
Other current assets		700,202,621	702,073,738	219,143,042	209,724,725
Total current assets		55,462,137,849	60,464,176,834	52,801,148,664	55,015,760,053
Non-current assets					
Restricted bank deposits	13	16,069,068	11,184,065	-	-
Other non-current financial assets	14	3,831,563,829	3,873,881,338	2,239,054,729	2,669,408,406
Investments in subsidiaries	15	-	-	7,885,867,933	6,576,760,516
Investments in associates	16	24,619,313,208	24,226,612,758	24,619,313,208	24,226,612,758
Long-term loans to related parties	6	508,950,948	-	7,874,584,748	10,121,961,700
Long-term loan to other company	9	83,600,000	20,000,000	-	-
Land held for development	17	4,887,981,855	5,450,275,236	4,758,439,126	5,319,532,857
Investment properties	18	11,984,603,288	11,884,382,535	212,074,242	212,074,242
Property, plant and equipment	19	1,954,957,986	1,565,743,230	319,614,983	296,040,817
Right-of-use assets	20.1	19,572,129,669	16,732,387,085	214,979,266	233,003,057
Other intangible assets	21	38,435,728	28,409,114	21,321,721	11,468,919
Deferred tax assets	33	967,106,746	804,816,522	795,298,911	688,905,468
Other non-current assets	6	21,911,433	136,189,742	12,899,297	12,897,497
Total non-current assets		68,486,623,758	64,733,881,625	48,953,448,164	50,368,666,237
Total assets		123,948,761,607	125,198,058,459	101,754,596,828	105,384,426,290

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Land and Houses Public Company Limited and its subsidiaries

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	22	5,639,394,990	2,469,200,367	4,669,394,990	1,499,200,367
Trade and other payables	6, 23	3,640,836,102	3,183,766,562	2,212,754,617	2,103,604,580
Retention guarantees		555,263,290	538,399,979	335,858,848	337,867,385
Current portion of long-term loan from related party	6	-	-	-	840,000,000
Current portion of long-term loans	24	2,439,744,000	2,571,560,791	-	2,465,000,000
Current portion of debentures	25	8,400,000,000	16,000,000,000	8,400,000,000	16,000,000,000
Current portion of lease liabilities	20.1	1,892,999,895	789,831,621	53,209,007	45,583,524
Income tax payable		575,298,968	576,159,091	368,482,797	444,429,121
Short-term provisions	26	770,165,345	684,079,170	661,502,568	591,032,108
Advances received from customers		634,794,156	1,007,077,882	441,286,933	846,803,361
Other current financial liabilities	27	-	74,514,919	-	30,024,002
Other current liabilities		351,443,375	227,755,810	172,737,573	128,773,627
Total current liabilities		24,899,940,121	28,122,346,192	17,315,227,333	25,332,318,075
Non-current liabilities					
Long-term loan from related party	6	-	-	720,000,000	-
Long-term loans - net of current portion	24	10,354,667,000	15,450,163,700	3,778,300,000	6,882,400,000
Debentures - net of current portion	25	27,803,047,268	22,600,000,000	27,803,047,268	22,600,000,000
Lease liabilities - net of current portion	20.1	6,057,578,429	5,924,959,243	169,774,272	193,143,736
Provision for long-term employee benefits	28	543,734,334	586,512,679	389,276,128	425,855,044
Deferred tax liabilities	33	1,343,890,894	1,306,564,481	-	-
Other non-current financial liabilities	27	18,834,131	3,895,899	-	3,895,899
Other non-current liabilities		642,313,251	557,320,260	-	-
Total non-current liabilities		46,764,065,307	46,429,416,262	32,860,397,668	30,105,294,679
Total liabilities		71,664,005,428	74,551,762,454	50,175,625,001	55,437,612,754

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

Land and Houses Public Company Limited and its subsidiaries

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
12,031,105,828 ordinary shares of Baht 1 each		12,031,105,828	12,031,105,828	12,031,105,828	12,031,105,828
Issued and paid-up					
11,949,713,176 ordinary shares of Baht 1 each		11,949,713,176	11,949,713,176	11,949,713,176	11,949,713,176
Share premium		15,452,854,216	15,452,854,216	15,452,854,216	15,452,854,216
Other surplus		1,227,782,536	1,227,782,536	1,227,782,536	1,227,782,536
Retained earnings					
Appropriated - Statutory reserve	29	1,203,110,583	1,203,110,583	1,203,110,583	1,203,110,583
Unappropriated		24,151,892,650	21,805,041,153	24,151,892,650	21,805,041,153
Other components of shareholders' equity		(2,406,381,334)	(1,691,688,128)	(2,406,381,334)	(1,691,688,128)
Equity attributable to owners of the Company		51,578,971,827	49,946,813,536	51,578,971,827	49,946,813,536
Non-controlling interests of the subsidiaries	15.3	705,784,352	699,482,469	-	-
Total shareholders' equity		52,284,756,179	50,646,296,005	51,578,971,827	49,946,813,536
Total liabilities and shareholders' equity		123,948,761,607	125,198,058,459	101,754,596,828	105,384,426,290
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Income statement

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Revenues					
Revenue from sales of real estate		30,751,787,458	30,461,245,855	24,959,198,626	26,506,711,420
Revenue from hotel operations		3,135,809,994	764,154,377	-	-
Rental income		1,438,521,152	843,618,255	-	-
Interest income		33,927,839	43,971,541	490,209,996	387,958,955
Dividend income		128,897,260	82,539,793	56,625,214	50,385,625
Other income					
Infrastructure service income		486,085,216	439,744,432	410,108,496	387,160,689
Project management income		270,891,531	200,856,933	-	-
Gain on exchange		157,587,604	477,742,024	116,270,920	416,910,001
Gain on derivatives		91,770,069	-	119,948,536	-
Others		236,373,144	195,646,407	210,221,138	186,898,998
Total revenues		36,731,651,267	33,509,519,617	26,362,582,926	27,936,025,688
Expenses					
Cost of real estate sales		20,616,195,500	20,641,991,310	16,750,603,561	17,728,931,344
Cost of hotel operations		2,113,901,160	509,488,307	-	-
Cost of rental		1,085,347,431	816,900,974	-	-
Cost of project management		161,039,558	144,892,540	-	-
Selling expenses		1,039,543,831	539,350,977	579,702,321	416,489,873
Specific business tax and transfer fee		1,158,247,377	1,144,806,789	939,165,444	996,671,818
Administrative expenses		2,588,750,209	2,289,885,251	1,858,049,192	1,745,463,317
Loss on diminution in value of projects	10	9,000,000	49,699,698	9,000,000	42,470,000
Reversal of provision for legal cases	26	(14,158,357)	(104,727,574)	(14,158,357)	(104,727,574)
Loss on derivatives		-	480,323,048	-	422,631,680
Total expenses		28,757,866,709	26,512,611,320	20,122,362,161	21,247,930,458
Operating profit		7,973,784,558	6,996,908,297	6,240,220,765	6,688,095,230
Share of profit (loss) from investments in subsidiaries	15.2	-	-	866,849,934	(202,908,712)
Share of profit from investments in associates	16.2	2,911,033,231	2,333,331,460	2,911,033,231	2,333,331,460
Finance cost	31	(1,054,780,173)	(1,112,404,972)	(563,705,203)	(669,216,573)
Profit before income tax expenses		9,830,037,616	8,217,834,785	9,454,398,727	8,149,301,405
Income tax expenses	33	(1,511,207,251)	(1,279,272,853)	(1,141,882,673)	(1,213,172,238)
Profit for the year		8,318,830,365	6,938,561,932	8,312,516,054	6,936,129,167
Net income attributable to:					
Equity holders of the Company		8,312,516,054	6,936,129,167	8,312,516,054	6,936,129,167
Non-controlling interests of the subsidiaries	15.3	6,314,311	2,432,765		
		8,318,830,365	6,938,561,932		
Earnings per share	34				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.70	0.58	0.70	0.58

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2022

(Unit: Baht)				
Note	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Profit for the year	8,318,830,365	6,938,561,932	8,312,516,054	6,936,129,167
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currency	37,094,127	100,533,875	-	-
Share of other comprehensive income from investments in subsidiaries	15.2	-	37,094,127	100,533,875
Share of other comprehensive income from investments in associates	16.2	(109,527,960)	(109,527,960)	(193,684,548)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(72,433,833)	(72,433,833)	(93,150,673)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Actuarial gain - net of income tax	28, 33	12,645,274	20,726,322	-
Loss on changes in value of equity investments designated at fair value through other comprehensive income - net of income tax	14, 33	(75,028,462)	(301,625,086)	(353,926,900)
Share of other comprehensive income from investments in subsidiaries	15.2	-	291,543,739	(123,810,112)
Share of other comprehensive income from investments in associates	16.2	(570,793,584)	(570,793,584)	53,353,546
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(633,176,772)	(633,176,745)	(227,545,254)
Other comprehensive income for the year		(705,610,605)	(705,610,578)	(320,695,927)
Total comprehensive income for the year		7,613,219,760	7,606,905,476	6,615,433,240
Total comprehensive income attributable to:				
Equity holders of the Company		7,606,905,476	6,615,433,240	7,606,905,476
Non-controlling interests of the subsidiaries		6,314,284	2,432,801	6,615,433,240
		7,613,219,760	6,617,866,041	
		-	-	-

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements											
	Equity attributable to owners of the Company											
	Other components of shareholders' equity											
	Other comprehensive income											
	Issued and fully paid-up share capital	Share premium	Other surplus	Retained earnings		Gain (loss) on change in value of investments	Share of other comprehensive income from associates	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Non-controlling interests of the subsidiaries	Total shareholders' equity	
				Appropriated -	Unappropriated							
				Statutory reserve								
Balance as at 1 January 2021	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	21,487,111,223	(560,639,901)	(1,037,562,858)	(1,416,950,007)	49,903,621,727	697,056,788	50,600,678,515	
Profit for the year	-	-	-	-	6,936,129,167	-	-	-	6,936,129,167	2,432,765	6,938,561,932	
Other comprehensive income for the year	-	-	-	-	20,726,286	(301,625,086)	(140,331,002)	(341,422,213)	(320,695,927)	36	(320,695,891)	
Total comprehensive income for the year	-	-	-	-	6,956,855,453	(301,625,086)	(140,331,002)	(341,422,213)	6,615,433,240	2,432,801	6,617,866,041	
Investment in equity instruments derecognised during the year	-	-	-	-	-	-	-	-	-	-	-	
of associates	-	-	-	-	(66,684,092)	-	66,684,092	66,684,092	-	-	-	
Dividend paid (Note 37)	-	-	-	-	(6,572,216,199)	-	-	-	(6,572,216,199)	-	(6,572,216,199)	
Subsidiaries paid dividend to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	(7,120)	(7,120)	
Income tax from unpaid dividend	-	-	-	-	(25,232)	-	-	-	(25,232)	-	(25,232)	
Balance as at 31 December 2021	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	21,805,041,153	(862,264,987)	(1,111,209,768)	(1,691,688,128)	49,946,813,536	699,482,469	50,646,296,005	
Balance as at 1 January 2022	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	21,805,041,153	(862,264,987)	(1,111,209,768)	(1,691,688,128)	49,946,813,536	699,482,469	50,646,296,005	
Profit for the year	-	-	-	-	8,312,516,054	-	-	-	8,312,516,054	6,314,311	8,318,830,365	
Other comprehensive income for the year	-	-	-	-	12,645,271	(75,028,431)	(880,321,544)	(718,255,848)	(705,610,577)	(28)	(705,610,605)	
Total comprehensive income for the year	-	-	-	-	8,325,161,325	(75,028,431)	(880,321,544)	(718,255,848)	7,606,905,477	6,314,283	7,613,219,760	
Investment in equity instruments derecognised during the year	-	-	-	-	-	-	-	-	-	-	-	
of associates	-	-	-	-	(3,562,642)	-	3,562,642	3,562,642	-	-	-	
Dividend paid (Note 37)	-	-	-	-	(5,974,719,836)	-	-	-	(5,974,719,836)	-	(5,974,719,836)	
Subsidiaries paid dividend to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	(3,700)	(3,700)	
Capital refund of subsidiary to non-controlling interests of the subsidiary	-	-	-	-	(27,350)	-	-	-	(27,350)	(8,700)	(8,700)	
Income tax from unpaid dividend	-	-	-	-	-	-	-	-	-	-	(27,350)	
Balance as at 31 December 2022	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	24,151,892,650	(837,293,418)	(1,787,968,670)	(2,406,381,334)	51,578,971,827	705,784,352	52,284,756,179	
	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

Land and Houses Public Company Limited and its subsidiaries
For the year ended 31 December 2022

Separate financial statements											(Unit: Baht)
	Other components of shareholders' equity										
	Other comprehensive income							Share premium of associate	Total other components of shareholders' equity	Total	
	Issued and fully paid-up share capital	Share premium	Other surplus	Retained earnings	Gain (loss) on change in value of investments	Share of other comprehensive income from subsidiaries	Share of other comprehensive income from associates				
	Appropriated - Statutory reserve	Unappropriated									
Balance as at 1 January 2021	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	21,487,111,223	(490,551,046)	20,121,454	(1,037,562,858)	91,042,443	(1,416,950,007)	49,903,621,727
Profit for the year	-	-	-	-	6,936,129,167	-	-	-	-	-	6,936,129,167
Other comprehensive income for the year	-	-	-	-	20,726,286	(157,088,688)	(44,002,523)	(140,331,002)	-	(341,422,213)	(320,695,927)
Total comprehensive income for the year	-	-	-	-	6,956,855,453	(157,088,688)	(44,002,523)	(140,331,002)	-	(341,422,213)	6,615,433,240
Investment in equity instruments derecognised during the year of associates	-	-	-	-	(66,684,092)	-	-	66,684,092	-	66,684,092	-
Dividend paid (Note 37)	-	-	-	-	(6,572,216,199)	-	-	-	-	-	(6,572,216,199)
Income tax from unpaid dividend	-	-	-	-	(25,232)	-	-	-	-	-	(25,232)
Balance as at 31 December 2021	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	21,805,041,153	(647,639,734)	(23,881,069)	(1,111,209,768)	91,042,443	(1,691,688,128)	49,946,813,536
Balance as at 1 January 2022	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	21,805,041,153	(647,639,734)	(23,881,069)	(1,111,209,768)	91,042,443	(1,691,688,128)	49,946,813,536
Profit for the year	-	-	-	-	8,312,516,054	-	-	-	-	-	8,312,516,054
Other comprehensive income for the year	-	-	-	-	12,645,271	(353,926,900)	315,992,596	(680,321,544)	-	(718,255,848)	(705,610,577)
Total comprehensive income for the year	-	-	-	-	8,325,161,325	(353,926,900)	315,992,596	(680,321,544)	-	(718,255,848)	7,606,905,477
Investment in equity instruments derecognised during the year of associates	-	-	-	-	(3,562,642)	-	-	3,562,642	-	3,562,642	-
Dividend paid (Note 37)	-	-	-	-	(5,974,719,836)	-	-	-	-	-	(5,974,719,836)
Income tax from unpaid dividend	-	-	-	-	(27,350)	-	-	-	-	-	(27,350)
Balance as at 31 December 2022	11,949,713,176	15,452,854,216	1,227,782,536	1,203,110,583	24,151,892,650	(1,001,566,634)	292,111,527	(1,787,968,670)	91,042,443	(2,406,381,334)	51,578,971,827
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Cash flow statement

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax expenses	9,830,037,616	8,217,834,785	9,454,398,727	8,149,301,405
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Inventories and land held for development decrease from transfer to cost of sales	18,939,248,623	19,028,419,642	15,309,111,988	16,365,330,587
Loss on diminution in value of project	9,000,000	49,699,698	9,000,000	42,470,000
Depreciation and amortisation	1,666,712,734	1,516,912,147	123,126,873	126,381,651
Rental reduction	(201,198,049)	(792,589,391)	-	-
Share of loss (profit) from investments in subsidiaries	-	-	(866,849,934)	202,908,712
Share of profit from investments in associates	(2,911,033,231)	(2,333,331,460)	(2,911,033,231)	(2,333,331,460)
Gain on sales of property, plant and equipment	(18,143,202)	(2,766,702)	(15,632,636)	(1,137,622)
Unrealised gain on exchange	(157,587,604)	(477,754,750)	(116,270,920)	(417,310,164)
Loss (gain) on fair value of derivatives	(105,349,322)	630,521,348	(79,692,536)	572,829,980
Provision for legal cases	2,492,714	2,742,420	2,492,714	2,742,420
Reversal of provision for legal cases	(14,158,357)	(104,727,574)	(14,158,357)	(104,727,574)
Provision for after sale maintenance expenses	116,922,876	131,250,546	112,741,484	101,243,996
Provision for contributions to housing estate juristic persons	44,776,082	55,253,767	32,535,230	46,210,733
Provision for maintenance of public utilities	86,486,173	89,407,814	74,618,273	77,610,609
Long-term employee benefits expenses	44,311,538	34,761,117	26,107,620	16,908,127
Write-off of withholding tax deducted at source	132,842	141,233	-	-
Interest income	(33,927,839)	(43,971,541)	(490,209,996)	(387,958,955)
Dividend income	(128,897,260)	(82,539,793)	(56,625,214)	(50,385,625)
Interest expenses	1,039,781,198	1,094,440,236	548,706,229	651,251,837
Profit from operating activities before change in operating assets and liabilities	28,209,607,532	27,013,703,542	21,142,366,314	23,060,338,657
Decrease (increase) in operating assets				
Trade and other receivables	(88,746,859)	12,910,422	64,738,581	(46,783,829)
Inventories	(19,140,200,114)	(15,428,775,513)	(14,753,025,830)	(12,692,125,259)
Other current financial assets	(190,000,000)	1,000,459,691	-	1,000,459,691
Other current assets	521,667,455	(435,072,191)	377,836,165	40,088,950
Land held for development	(113,664,210)	-	(113,664,210)	-
Other non-current assets	114,278,309	(14,449,123)	(1,800)	(564,360)
Increase (decrease) in operating liabilities				
Trade and other payables	839,866,850	(192,698,146)	154,785,524	(182,631,450)
Retention guarantees	16,863,311	8,018,036	(2,008,537)	(35,944,838)
Short-term provisions	(150,907,145)	(4,000,000)	(137,758,883)	(4,000,000)
Other current liabilities	(248,122,328)	(337,605,935)	(361,552,482)	(387,326,411)
Provision for long-term employee benefits	(71,283,291)	(25,826,744)	(62,686,536)	(24,538,734)
Other non-current liabilities	84,992,991	24,485,738	-	-
Cash flows from operating activities	9,784,352,501	11,621,149,777	6,309,028,306	10,726,972,417
Cash paid for income tax	(1,633,980,860)	(1,300,982,996)	(1,235,768,064)	(1,172,823,933)
Net cash flows from operating activities	8,150,371,641	10,320,166,781	5,073,260,242	9,554,148,484

The accompanying notes are an integral part of the financial statements.

Cash flow statement (continued)

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Increase in restricted bank deposits	(4,885,003)	(411,050)	-	-
Decrease (increase) in loans to related parties	127,008,470	-	(1,314,830,000)	(2,370,000,900)
Increase in long-term loan to other company	(90,000,000)	(20,000,000)	-	-
Cash received from dissolution of subsidiary	-	-	708,536	-
Dividend received from associates	1,838,011,236	1,929,997,185	1,838,011,236	1,929,997,185
Dividend received from other companies	128,897,260	90,393,262	56,625,214	58,239,094
Proceeds from sales of property, plant and equipment	22,662,249	2,821,921	20,146,000	1,143,000
Purchase of other long-term investments	(39,413,118)	-	-	-
Acquisition of investment properties	(37,494,973)	(36,760,887)	-	-
Acquisition of property, plant and equipment and intangible assets	(594,422,501)	(1,125,255,491)	(113,271,397)	(52,646,321)
Acquisition of right-of-use assets	(2,475,092,733)	(2,742,428,656)	-	-
Cash received from interest income	43,446,608	40,432,002	378,110,111	271,521,530
Net cash flows from (used in) investing activities	(1,081,282,505)	(1,861,211,714)	865,499,700	(161,746,412)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	3,180,000,000	(4,375,000,000)	3,180,000,000	(4,375,000,000)
Decrease in loan from related party	-	-	(120,000,000)	-
Cash received from issuance of debentures	13,573,066,198	16,000,000,000	13,573,066,198	16,000,000,000
Repayment of debentures	(16,000,000,000)	(11,000,000,000)	(16,000,000,000)	(11,000,000,000)
Cash received from long-term loans from financial institutions	1,741,000,000	5,558,654,800	-	3,572,400,000
Repayment of long-term loans from financial institutions	(7,084,346,724)	(2,837,060,282)	(5,569,100,000)	(2,745,000,000)
Payment of principal portion of lease liabilities	(572,701,554)	(240,193,478)	(55,671,668)	(50,483,700)
Interest paid	(1,287,567,614)	(1,373,134,281)	(912,597,754)	(1,078,632,688)
Subsidiaries paid dividend to non-controlling interests of subsidiaries	(3,700)	(7,120)	-	-
Subsidiary paid capital refund to non-controlling interests of subsidiary	(8,700)	-	-	-
Dividend paid	(5,974,719,836)	(6,572,216,199)	(5,974,719,836)	(6,572,216,085)
Net cash flows used in financing activities	(12,425,281,930)	(4,838,956,560)	(11,879,023,060)	(6,248,932,473)
Exchange differences on translation of financial statements in foreign currency	(175,414,892)	(401,960,670)	-	-
Net increase (decrease) in cash and cash equivalents	(5,531,607,686)	3,218,037,837	(5,940,263,118)	3,143,469,599
Cash and cash equivalents at beginning of year	10,330,967,402	7,112,929,565	8,798,298,557	5,654,828,958
Cash and cash equivalents at end of year (Note 7)	4,799,359,716	10,330,967,402	2,858,035,439	8,798,298,557
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Cash flow statement (continued)

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Supplemental cash flow information				
Non-cash items				
Increase (decrease) in building and equipment and right-of-use assets recorded as liabilities	(346,032,651)	240,164,462	(4,141,723)	(860,717)
Transfer inventories to land held for development (net book value)	-	3,114,715,099	-	3,114,715,099
Transfer inventories to property, plant and equipment (net book value)	6,000,000	-	-	-
Transfer land held for development to inventories (net book value)	675,957,591	547,815,760	557,893,282	255,245,760
Interest expenses recorded as cost of projects	440,219,361	522,653,489	348,587,403	425,312,548
Interest expenses recorded as right-of-use assets	25,591,425	18,637,411	-	-
Decrease in investments in equity designated at fair value through other comprehensive income				
- net of income tax	(75,208,585)	(301,625,086)	(353,926,900)	(157,088,688)
Increase in right-of-use assets due to new lease agreements	1,833,613,451	-	33,913,740	-
Decrease in right-of-use assets due to lease modification	(58,539,723)	(143,212,908)	-	-

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

Land and Houses Public Company Limited and its subsidiaries

For the year ended 31 December 2022

1. General information

Land and Houses Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in property development. The registered office of the Company is at No. 1, Q. House Lumpini Building, 37th Floor, South Satorn Road, Tungmahamek, Satorn, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Land and Houses Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			(Percent)	(Percent)
<u>Held by the Company</u>				
Atlantic Real Estate Co., Ltd.	Real estate business	Thailand	99.99	99.99
Land and Houses North Co., Ltd.	Real estate business	Thailand	99.99	99.99
Land and Houses Northeast Co., Ltd.	Real estate business	Thailand	99.99	99.99
Siam Tanee Property Co., Ltd. and its subsidiary	Real estate business	Thailand	99.99	99.99
L H Real Estate Co., Ltd.	Real estate business	Thailand	99.99	99.99
L H Asset Co., Ltd.	Real estate business	Thailand	99.99	99.99
L.H. Muang Mai Co., Ltd.	Real estate business	Thailand	55.00	55.00
LH Mall & Hotel Co., Ltd. and its subsidiaries	Real estate for lease business	Thailand	99.99	99.99
L&H Property Co., Ltd.	Hotel business	Thailand	60.00	60.00
Land and Houses U.S.A., Inc.	Real estate for lease business	USA	100.00	100.00
Asia Asset Advisory Co., Ltd.	Investment advisor	Thailand	-	99.94

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			(Percent)	(Percent)
<u>Held by subsidiary companies</u>				
Siam Tanee Real Estate Co., Ltd. (99.99 percent held by Siam Tanee Property Co., Ltd.)	Real estate business	Thailand	99.99	99.99
L&H Retail Management Co., Ltd. (99.97 percent held by LH Mall & Hotel Co., Ltd.)	Project administration	Thailand	99.99	99.99
L&H Management Co., Ltd. (99.98 percent held by LH Mall & Hotel Co., Ltd.)	Project administration	Thailand	99.99	99.99
L&H Hotel Management Co., Ltd. (99.99 percent held by LH Mall & Hotel Co., Ltd.)	Hotel business	Thailand	99.99	99.99

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing at the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the equity method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. 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 2023

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 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 guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expenses recognition

Revenue from sales of real estate

Revenue from sales of land and houses and residential condominium units are recognised at the point in time when control of the real estate is transferred to the customer, generally upon transfer of the legal ownership. Revenue from sales of real estate is measured at the amount of the consideration received after deducting discounts and considerations payable to the customer. The terms of payment are in accordance with the payment schedule specified in the customer contract. Considerations received before transferring control of the real estate to the customer are presented under the caption of "Advances received from customers" in the statement of financial position.

Revenue from hotel operations

Revenue from hotel operations mainly comprises room sales, food and beverage sales and revenue from auxiliary activities. Room revenue is recognised over time as the services are provided when the room are occupied. Food and beverage sales and revenue from auxiliary activities are recognised at a point in time when food and beverages are sold and the services are rendered. Sales are the invoice value, excluding value added tax of goods supplied and services rendered after deducting discounts.

Rental income

Rental of area in buildings are recognised as revenue on a straight line basis over the lease term on an accrual basis.

Project management income

Project management income is recognised when services have been rendered. Revenue are the invoice value, excluding value added tax, of service rendered.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cost of real estate sales

In determining the costs of land and houses sold and cost of residential condominium units sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses and residential condominium units on the basis of the saleable area.

Selling expenses directly associated with projects, such as specific business tax and transfer fees, are recognised as expenses when the sale occurs.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, due cheques which are not yet deposited and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Inventories

Real estate development costs which are presented as inventories are stated at the lower of cost and net realisable value. Cost consists of the cost of land, land improvement costs, designed fees, utilities, construction costs, capitalised borrowing costs and other related expenses, as well as estimated project development assets.

The Group recognises losses on diminution in value of projects (if any) in profit or loss.

4.5 Cost to obtain a contract with customer

The Group recognises a commission paid to obtain a customer contract as an asset and amortises it to expenses on a basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of the consideration that the entity expects to receive less direct costs.

4.6 Investments in subsidiaries and associates

Investments in associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the equity method.

4.7 Land held for development

Land held for development is stated at cost less allowance for loss on diminution in value. It consists of cost of land, land improvement, public utilities cost, project development cost and borrowing cost which occurred during the developed period in the past.

4.8 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 40 years. Depreciation of the investment properties is included in determining income. No depreciation is provide on land.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.9 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Building and building improvement	20 and 40	years
Office equipment	3 - 10	years
Furniture, fixtures and equipment	5	years
Motor vehicles	5	years
Others	2 - 20	years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.10 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any) of that assets.

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Amortisation of intangible assets is calculated by reference to their cost on a straight-line basis over the following estimated useful lives:

Computer software	5 and 10	years
-------------------	----------	-------

4.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset or development of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year.

4.12 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.13 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land and structures	29 - 34	years
Hotel buildings	5 - 9	years
Office building space	4 - 7	years
Motor vehicles	5	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.14 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.15 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.16 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset deducting the costs of disposal in an arm's length transaction between knowledgeable, willing parties.

The Group impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill) if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.17 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefits plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring - related costs.

4.18 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.19 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

The Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.20 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

Regular way purchases and sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace and recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.21 Derivatives

The Group uses derivatives, such as cross currency and interest rate swaps to hedge its foreign currency risks and interest rate risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.22 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for diminution in value of real estate development costs and land held for development

The Group treats real estate development costs and land held for development as devaluation when a significant decline in the fair value is noted. The management determines the devaluation based on net realisable value. The determination of what is significant and the amount of devaluation requires the management to exercise judgement.

Provision for maintenance of houses and condominium units, and public utilities

In recording provision for maintenance of houses and condominium units and public utilities, the management estimates the expenses expected to be incurred based on past experience of providing maintenance and currently available information relating to maintenance expenses.

Project development costs estimation

In calculating costs of land and houses and residential condominium units sold, the Group has to estimate all project development costs, comprising land and land improvement costs, design and construction costs, public utilities costs, borrowing costs and other related costs. The management estimates these costs based on their experience in the business and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

Contributions to housing estate juristic persons

The Group estimates its contributions to housing estate juristic persons using the rate specified by the law and regulations and the budgeted cost of public utilities as a basis for the calculation.

Property, plant and equipment / Investment properties / Right-of-use assets and Depreciation

In determining depreciation of building and equipment, investment properties and right-of-use assets, the management is required to make estimates of the useful lives and residual values of the building and equipment, investment properties and right-of-use assets and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment, investment properties and right-of-use assets for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Leases*Determining the lease term with extension and termination options - The Group as a lessee*

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease classification - The Group as lessor

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to exercise judgement as to whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to investment properties and right-of-use assets recognised by the Group.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Litigations

The Group has contingent liabilities as a result of litigations. The Group's management has used judgement to assess of the results of the litigation and provision for the related liabilities which the management deem to be an appropriate amount has been recorded as at the end of reporting period. However, actual results could differ from the estimates.

6. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
Atlantic Real Estate Co., Ltd.	Subsidiary
LH Mall & Hotel Co., Ltd.	Subsidiary
L&H Retail Management Co., Ltd.	Subsidiary (99.97 percent held by LH Mall & Hotel Co., Ltd.)
L&H Management Co., Ltd.	Subsidiary (99.98 percent held by LH Mall & Hotel Co., Ltd.)
L&H Hotel Management Co., Ltd.	Subsidiary (99.99 percent held by LH Mall & Hotel Co., Ltd.)
Land and Houses North Co., Ltd.	Subsidiary
Land and Houses Northeast Co., Ltd.	Subsidiary
Siam Tanee Property Co., Ltd.	Subsidiary
Siam Tanee Real Estate Co., Ltd.	Subsidiary (99.99 percent held by Siam Tanee Property Co., Ltd.)
L H Real Estate Co., Ltd.	Subsidiary
L H Asset Co., Ltd.	Subsidiary
L.H. Muang Mai Co., Ltd.	Subsidiary
L&H Property Co., Ltd.	Subsidiary
Land and Houses U.S.A., Inc.	Subsidiary
Asia Asset Advisory Co., Ltd.	Subsidiary
LH Financial Group Plc.	Associate
Land and Houses Bank Plc.	Associate (99.99 percent held by LH Financial Group Plc.)
Land and Houses Fund Management Co., Ltd.	Associate (99.99 percent held by LH Financial Group Plc.)
Quality Construction Products Plc.	Associate
Home Product Center Plc.	Associate
Land and Houses Property and Loan Fund-II	Associate
Quality Houses Plc.	Associate
Q.H. International Co., Ltd.	Associate (99.99 percent held by Quality Houses Plc.)
Quality Houses Leasehold Property Fund	Associate of Quality Houses Plc.
Muang Mai Property Co., Ltd.	Shareholder of subsidiary
Reco Resorts Pte Ltd.	Shareholder of subsidiary
Siam Retail Development Co., Ltd.	Common shareholder
Land and Houses Freehold and Leasehold Property Fund	Related company

Name of related parties	Relationship
LH Shopping Centers Leasehold Real Estate Investment Trust	Related company
LH Hotel Leasehold Real Estate Investment Trust	Related company
Trinity Securities Company Limited	Common director

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2022	2021	2022	2021	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	476	360	2.50% - 6.09% p.a. (2021: 2.50% - 4.00% p.a.)
Management income	-	-	35	37	Approximate cost
Sales of land	-	-	124	111	Approximate cost
Compensation for using of land	-	-	147	4	Approximate cost
Interest expenses	-	-	10	18	1.22% and 2.13% p.a. (2021: 2.13% p.a.)
<u>Transactions with associates</u>					
Interest income	11	29	7	26	The interest rate as declared by the bank
Dividend income	1,838	1,930	1,838	1,930	Declared rate
Purchases of goods	79	66	64	47	Market price
Property rental expenses	106	-	-	-	Contract price
<u>Transactions with related companies</u>					
Property management income	237	169	-	-	Contract price
Human-resources management income	30	28	-	-	Contract price
IT management income	4	4	-	-	Contract price
Interest income	13	14	-	-	2.23% and 3.05% p.a. (2021: 3.05% p.a.)
Dividend income	80	48	44	42	Declared rate
Rental and services expenses	80	80	59	60	Baht 250 - 960 per square meter per month
Property rental expenses	674	19	-	-	Contract price

As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related companies are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deposits at financial institution				
(shown under cash and cash equivalents)				
<u>Associate</u>				
Land and Houses Bank Plc.	2,200.6	8,166.5	1,090.9	7,089.2
Amounts due from and accounts receivables - related parties (Note 8)				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	4.1	-
L H Asset Co., Ltd.	-	-	1.0	60.7
	-	-	5.1	60.7
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	0.6	0.5	-	-
Land and Houses Freehold and Leasehold Property Fund	3.1	2.4	-	-
Siam Retail Development Co., Ltd.	29.4	18.0	-	-
LH Shopping Centers Leasehold Real Estate Investment Trust	9.3	4.4	-	-
	42.4	25.3	-	-
Total	42.4	25.3	5.1	60.7
Accrued interest receivables - related parties (Note 8)				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	7.2	6.3
LH Mall & Hotel Co., Ltd.	-	-	111.6	49.7
L H Asset Co., Ltd.	-	-	-	0.9
Land and Houses Northeast Co., Ltd.	-	-	96.9	57.4
Siam Tanee Property Co., Ltd.	-	-	10.0	5.7
Land and Houses U.S.A., Inc.	-	-	34.9	24.6
	-	-	260.6	144.6
<u>Associate</u>				
Land and Houses Bank Plc.	0.2	4.7	-	4.5
	0.2	4.7	-	4.5
<u>Related company</u>				
Reco Resorts Pte Ltd.	9.7	15.6	-	-
	9.7	15.6	-	-
Total	9.9	20.3	260.6	149.1
Other current financial assets (Note 12)				
<u>Associate</u>				
Land and Houses Bank Plc.	-	30.0	-	-
Total	-	30.0	-	-

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current portion of long-term loans to related parties				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses U.S.A., Inc.	-	-	9,210.0	5,645.3
	-	-	9,210.0	5,645.3
<u>Related company</u>				
Reco Resorts Pte Ltd.	-	594.6	-	-
	-	594.6	-	-
Total	-	594.6	9,210.0	5,645.3
Long-term loans to related parties				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	264.7	355.0
LH Mall & Hotel Co., Ltd.	-	-	3,710.0	3,235.0
L H Asset Co., Ltd.	-	-	-	1,250.0
Land and Houses Northeast Co., Ltd.	-	-	2,495.0	1,850.0
Siam Tanee Property Co., Ltd.	-	-	270.0	340.0
Land and Houses U.S.A., Inc.	-	-	1,134.9	3,092.0
	-	-	7,874.6	10,122.0
<u>Related company</u>				
Reco Resorts Pte Ltd.	509.0	-	-	-
	509.0	-	-	-
Total	509.0	-	7,874.6	10,122.0
Deposits to related company				
(shown under other non-current assets)				
<u>Related company</u>				
Quality Houses Leasehold Property Fund	16.4	16.4	12.9	12.9
Trade accounts payable - related parties (Note 23)				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	2.2	-
	-	-	2.2	-
<u>Associates</u>				
Quality Construction Products Plc.	6.6	5.1	6.6	2.2
Home Product Center Plc.	0.6	1.5	0.3	0.9
	7.2	6.6	6.9	3.1
<u>Related companies</u>				
LH Shopping Centers Leasehold Real Estate Investment Trust	-	0.5	-	-
Land and Houses Freehold and Leasehold Property Fund	1.0	3.4	-	-
	1.0	3.9	-	-
Total	8.2	10.5	9.1	3.1

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Amounts due to related parties (Note 23)				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	2.1	4.5
Atlantic Real Estate Co., Ltd.	-	-	1.1	2.1
	-	-	3.2	6.6
<u>Associates</u>				
Home Product Center Plc.	8.7	6.6	5.4	5.3
Land and Houses Property and Loan Fund-II	44.7	-	-	-
	53.4	6.6	5.4	5.3
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	0.3	0.3	0.3	0.3
LH Shopping Centers Leasehold Real Estate Investment Trust	0.5	0.6	-	-
LH Hotel Leasehold Real Estate Investment Trust	109.0	-	-	-
	109.8	0.9	0.3	0.3
Total	163.2	7.5	8.9	12.2
Accrued interest payables - related party (Note 23)				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	7.4	15.0
Current portion of long-term loan from related party				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	-	840.0
Long-term loan from related party				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	720.0	-
Lease liabilities				
<u>Associate</u>				
Land and Houses Property and Loan Fund-II	153.2	217.7	-	-
	153.2	217.7	-	-
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	211.8	270.1	193.1	238.7
LH Hotel Leasehold Real Estate Investment Trust	3,321.1	3,742.2	-	-
	3,532.9	4,012.3	193.1	238.7
Total	3,686.1	4,230.0	193.1	238.7

Current portion of long-term loans to related parties are unsecured loans to subsidiaries in the form of promissory notes without collateral. Interest charged at the rate between 3.00% and 6.09% per annum. The loans are due in 2023.

Long-term loans to related parties are unsecured loans to subsidiaries in the form of promissory notes without collateral. Interest charged at the rate 2.50% and 3.58% per annum. The loans amounting to Baht 6,740 million (2021: Baht 7,030 million) are due at call and the loans amounting to Baht 1,135 million are due in December 2026 (2021: Baht 3,092 million are due in December 2023 and December 2026). As at 31 December 2022, loans amounting to Baht 6,740 million (2021: Baht 7,030 million) are presented as long-term loans because the Company has no intention to call for such loans from subsidiaries within the next 12 months.

Long-term loan from related party is unsecured loan from L&H Property Co., Ltd. without collateral. Interest charged at the rate 1.22% per annum. The loan is repayable by February 2025.

During the year 2022, movements of loans to/loans from between the Group and those related companies were as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	1 January 2022	Increase	Decrease	31 December 2022
Current portion of long-term loan to related party				
<u>Related company</u>				
Reco Resorts Pte Ltd.	594.6	-	(594.6)	-
Long-term loan to related party				
<u>Related company</u>				
Reco Resorts Pte Ltd.	-	594.6	(85.6)	509.0

(Unit: Million Baht)

	Separate financial statements			
	1 January 2022	Increase	Decrease	31 December 2022
Current portion of long-term loans to related party				
<u>Subsidiary</u>				
Land and Houses U.S.A., Inc.	5,645.3	3,564.7	-	9,210.0
Long-term loans to related parties				
<u>Subsidiaries</u>				
Atlantic Real Estate Co., Ltd.	355.0	359.0	(449.3)	264.7
LH Mall & Hotel Co., Ltd.	3,235.0	1,300.0	(825.0)	3,710.0
L H Asset Co., Ltd.	1,250.0	50.0	(1,300.0)	-
Land and Houses Northeast Co., Ltd.	1,850.0	1,220.0	(575.0)	2,495.0
Siam Tanee Property Co., Ltd.	340.0	-	(70.0)	270.0
Land and Houses U.S.A., Inc.	3,092.0	-	(1,957.1)	1,134.9
Total	10,122.0	2,929.0	(5,176.4)	7,874.6
Current portion of long-term loan from related party				
<u>Subsidiary</u>				
L&H Property Co., Ltd.	840.0	-	(840.0)	-
Long-term loan from related party				
<u>Subsidiary</u>				
L&H Property Co., Ltd.	-	840.0	(120.0)	720.0

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	180	210	123	156
Post-employment benefits	4	8	1	2
Total	184	218	124	158

Commitments and contingent liabilities with related parties

The Company had outstanding guarantee obligations with its related parties, as described in Note 38.3 to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash	7,713	5,388	2,610	2,600
Bank deposits	2,368,359	1,965,905	1,355,425	968,208
Cheques in transit	3,430	370,134	-	327,491
Fixed deposits receipt	2,419,858	7,989,540	1,500,000	7,500,000
Total	4,799,360	10,330,967	2,858,035	8,798,299

As at 31 December 2022, bank deposits and fixed deposits receipt carried interests between 0.15% and 1.50% per annum (2021: between 0.05% and 0.50% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Trade receivables - unrelated parties</u>				
Not yet due	78,810	27,023	-	-
Past due				
Less than 3 months	81,956	50,004	-	-
3 - 6 months	7,628	4,875	-	-
6 - 9 months	677	2,903	-	-
9 - 12 months	385	4,005	-	-
Over 12 months	589	2,650	-	-
Total trade receivables - unrelated parties	170,045	91,460	-	-
<u>Other receivables</u>				
Amounts due from and accounts receivable - related parties	42,439	25,297	5,064	60,680
Accrued interest receivables - related parties	9,889	20,275	260,617	149,126
Others	26,241	32,871	12,177	21,208
Total other receivables	78,569	78,443	277,858	231,014
Total trade and other receivables	248,614	169,903	277,858	231,014

9. Long-term loan to other company

In September 2021, a subsidiary entered into a loan agreement with a lessee which is an unrelated party for a credit facility of Baht 120 million to be used for the construction and decoration of such lessee's establishment. The loan drawdown shall be in accordance with the conditions specified in the agreement. The loan carries an interest rate of MLR - 1.50% per annum. The principal is repayable within 55 monthly installments with the first installment in January 2023. The lessee has mortgaged a plot of land with an appraisal value of Baht 110 million as collateral to secure the loan from the subsidiary. As at 31 December 2022, the lessee has drawn down this loan amounting to Baht 110 million (2021: Baht 20 million) and has current portion amounting to Baht 26 million (2021: Nil).

10. Inventories

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Land	29,310,112	27,443,343	24,678,870	22,574,308
Land improvements	2,333,071	2,309,946	1,808,148	1,802,903
Construction in progress	11,389,921	12,238,018	9,119,963	10,780,850
Interest cost	1,806,362	1,964,458	1,531,663	1,738,282
Public utilities	3,749,515	3,306,346	2,710,403	2,509,450
Houses held for sales	244,272	282,850	100,354	91,354
Total	48,833,253	47,544,961	39,949,401	39,497,147
Less: Allowance for loss on				
diminution in project value	(275,141)	(288,978)	(194,322)	(200,328)
Inventories - net	48,558,112	47,255,983	39,755,079	39,296,819

During the year 2022, the Group transferred-in land held for development with net book value of Baht 676 million (2021: Baht 548 million) (the Company only: Baht 558 million, 2021: Baht 255 million) to inventories and the Group transferred out inventories with net book value of Baht 6 million (2021: Nil) (the Company only: Nil, 2021: Nil) to property, plant and equipment.

During the year 2021, the Company transferred-out inventories with net book value of Baht 3,115 million (2022: Nil) to land held for development.

During the years, the Group included borrowing costs in cost of land and construction in progress. These were determined by applying a capitalisation rate which is the weighted average of the financial charges on total borrowings as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Borrowing costs included in cost of land and construction in progress (Million Baht)	440	523	349	425
Capitalisation rate (Percent)	1.9	2.2	1.9	2.1

Movements in the allowance for loss on diminution in value of projects during the years ended 31 December 2022 and 2021 are summarised below.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Beginning balance	288,978	292,415	200,328	197,505
Add: Additional set up	9,000	49,700	9,000	42,470
Less: Reversal due to sales	(22,837)	(53,137)	(15,006)	(39,647)
Ending balance	275,141	288,978	194,322	200,328

(Unit: Thousand Baht)

As at 31 December 2022 and 2021, the Group has mortgaged land and structures thereon to secure the Group's loans and the subsidiary's overdraft facilities with net book values as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net book value of land and structures thereon mortgaged as collateral	6,490	10,960	5,683	9,263

(Unit: Million Baht)

11. Cost to obtain contracts with customers

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2022	2021
Net book value at beginning of year	83,666	141,446
Additions during the year	2,175	689
Amortisation as selling expenses during the year	(41,642)	(58,469)
Net book value at end of year	44,199	83,666

12. Other current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Financial assets measured at amortised cost</u>				
Fixed deposits over three months but not over one year	220,000	30,000	-	-
<u>Derivative assets</u>				
Cross currency and interest rate swap agreements (Note 40.1)	78,325	44,607	78,325	44,607
Total	298,325	74,607	78,325	44,607

13. Restricted bank deposits

The balance as at 31 December 2022 represent saving deposits which a subsidiary pledged with SCB Asset Management Company Limited, trustee of LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL"), to secure land and building rental of Grande Centre Point Hotel Ratchadamri Project. The subsidiary sold this project to LHHOTEL in June 2017 and saving deposit which another subsidiary pledged with the bank to secure the arrangement and maintenance of public utilities or land improvement of the subsidiary.

14. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<u>Equity instruments designated at FVOCI</u>				
Listed equity instruments				
Land and Houses Freehold and Leasehold Property Fund	542,646	480,375	542,646	480,375
Quality Houses Leasehold Property Fund	274,941	318,814	274,941	318,814
LH Shopping Centers Leasehold Real Estate Investment Trust	491,971	443,652	-	-
LH Hotel Leasehold Real Estate Investment Trust	950,738	645,710	-	-
Vistamalls Inc.	1,390,502	1,851,308	1,390,502	1,851,308
Non-listed equity instruments	149,800	115,111	-	-
Total equity instruments designated at FVOCI	3,800,598	3,854,970	2,208,089	2,650,497
<u>Financial assets at FVTPL</u>				
Derivative assets - Cross currency and interest rate swap agreements (Note 40.1)	30,966	18,911	30,966	18,911
Total financial assets at FVTPL	30,966	18,911	30,966	18,911
Total other non-current financial assets	3,831,564	3,873,881	2,239,055	2,669,408

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

During the years 2022 and 2021, the Group received dividends from the following companies.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate Financial statements	
	2022	2021	2022	2021
Land and Houses Freehold and Leasehold Property Fund	22,239	17,792	22,239	17,792
Quality Houses Leasehold Property Fund	21,352	24,072	21,352	24,072
LH Shopping Centers Leasehold Real Estate Investment Trust	16,692	6,589	-	-
LH Hotel Leasehold Real Estate Investment Trust	19,807	-	-	-
Vistamalls Inc.	13,034	8,522	13,034	8,522
Non-listed company	35,773	25,565	-	-
Total	128,897	82,540	56,625	50,386

As at 31 December 2022, a subsidiary has pledged unit trust of REITs, approximately Baht 1,347 million (2021: Baht 1,025 million) as collateral to secure short-term loan from a financial institution.

15. Investments in subsidiaries

15.1 Details of investments in subsidiaries as presented in the separate financial statements

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Carrying amounts based on equity method	
	2022	2021	2022	2021	2022	2021	2022	2021
			(Percent)	(Percent)				
Atlantic Real Estate Co., Ltd.	15,000	15,000	99.99	99.99	14,998	14,998	-	(39,564)
LH Mall & Hotel Co., Ltd.								
and its subsidiaries	2,000,000	2,000,000	99.99	99.99	2,000,000	2,000,000	2,952,856	2,646,342
Land and Houses North Co., Ltd.	13,500	13,500	99.99	99.99	13,500	13,500	15,937	15,929
Land and Houses Northeast Co., Ltd.	150,000	150,000	99.99	99.99	149,999	149,999	917,456	462,712
Siam Tanee Property Co., Ltd.								
and its subsidiary	100,000	100,000	99.99	99.99	64,859	64,859	295,027	234,991
L H Real Estate Co., Ltd.	58,000	58,000	99.99	99.99	25,000	25,000	18,107	18,367
L H Asset Co., Ltd.	100,000	100,000	99.99	99.99	52,734	52,734	2,255,659	1,573,668
L.H. Muang Mai Co., Ltd.	900,000	900,000	55.00	55.00	495,000	495,000	644,514	641,668
L&H Property Co., Ltd.	130,000	130,000	60.00	60.00	174,000	174,000	222,747	216,740
Land and Houses U.S.A., Inc.	(a)	(a)	100.00	100.00	1,342,127	1,343,127	563,565	805,225
Asia Asset Advisory Co., Ltd.	-	100	-	99.94	-	100	-	682
					4,333,217	4,333,317	7,885,868	6,576,760

(a) As at 31 December 2022 and 2021, Land and Houses U.S.A., Inc. had paid-up capital amounted to USD 40 million.

15.2 Share of comprehensive income

During the years, the Company recognised its share of comprehensive income from investments in subsidiaries in the separate financial statements as follows:

Company's name	Share of profit or loss		(Unit: Thousand Baht) Share of other comprehensive income	
	2022	2021	2022	2021
Atlantic Real Estate Co., Ltd.	(74,765) ⁽¹⁾	(5,411)	-	-
LH Mall & Hotel Co., Ltd.				
and its subsidiaries	11,192	(401,064)	295,322	(135,531)
Land and Houses North Co., Ltd.	8	36	-	-
Land and Houses Northeast Co., Ltd.	454,744	78,362	-	-
Siam Tanee Property Co., Ltd.				
and its subsidiary	63,814	49,272	(3,778)	11,721
L H Real Estate Co., Ltd.	(260)	576	-	-
L H Asset Co., Ltd.	681,991	441,147	-	-
L.H. Muang Mai Co., Ltd.	2,846	(6,730)	-	-
L&H Property Co., Ltd.	6,007	11,904	-	-
Land and Houses U.S.A., Inc.	(278,754)	(370,913)	37,094	100,534
Asia Asset Advisory Co., Ltd.	27	(88)	-	-
Total	866,850	(202,909)	328,638	(23,276)

⁽¹⁾ The Company recognised share loss from investment in Atlantic Real Estate Co., Ltd. in excess of the common stock of such subsidiary by applying to long-term loans to Atlantic Real Estate Co., Ltd.

15.3 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit or loss allocated to non- controlling interests during the year	
	2022	2021	2022	2021	2022	2021
	(%)	(%)				
L.H. Muang Mai Co., Ltd.	45	45	527	525	2	(6)
L&H Property Co., Ltd.	40	40	178	174	4	8

15.4 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

Summarised information about financial position

(Unit: Million Baht)

	L.H. Muang Mai Co., Ltd.		L&H Property Co., Ltd.	
	2022	2021	2022	2021
Current assets	1,404	1,479	487	1,713
Non-current assets	133	129	1,374	241
Current liabilities	(119)	(119)	(210)	(172)
Non-current liabilities	(247)	(323)	(1,204)	(1,346)

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December			
	L.H. Muang Mai Co., Ltd.		L&H Property Co., Ltd.	
	2022	2021	2022	2021
Revenue	387	289	373	108
Profit (loss)	5	(12)	10	20
Other comprehensive income	-	-	-	-
Total comprehensive income	5	(12)	10	20

Summarised information about cash flow

(Unit: Million Baht)

	For the year ended 31 December			
	L.H. Muang Mai Co., Ltd.		L&H Property Co., Ltd.	
	2022	2021	2022	2021
Cash flow from (used in) operating activities	130	28	(188)	(51)
Cash flow from (used in) investing activities	(4)	(1)	206	5
Cash flow used in financing activities	(93)	(58)	-	-
Net increase (decrease) in cash and cash equivalents	33	(31)	18	(46)

15.5 Significant changes in investments in subsidiary

Asia Asset Advisory Co., Ltd.

On 16 August 2022, the Extraordinary General Meeting of Shareholders of Asia Asset Advisory Co., Ltd. ("AAA"), the Company's 99.94% owned subsidiary, passed a resolution approving the dissolution of its legal entity. AAA filed for deregistration on 18 August 2022. AAA has been completely the liquidation process and the Company received capital refund from AAA amounting to Baht 0.7 million.

16. Investments in associates

16.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated and separate financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2022	2021	2022	2021	2022	2021
			(Percent)	(Percent)				
LH Financial Group Plc.	Holding company	Thailand	21.88	21.88	4,538,712	4,538,712	8,076,371	8,366,909
Quality Construction Products Plc.	Manufacture of construction materials	Thailand	21.16	21.16	179,178	179,178	461,512	422,384
Home Product Center Plc.	Trading of construction materials	Thailand	30.23	30.23	1,489,020	1,489,020	7,948,771	7,538,990
Land and Houses Property and Loan Fund-II	Real estate business	Thailand	49.99	49.99	743,925	743,925	315,578	294,237
Quality Houses Plc.	Real estate business	Thailand	24.98	24.98	3,282,682	3,282,682	7,817,081	7,604,093
					10,233,517	10,233,517	24,619,313	24,226,613

16.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of comprehensive income from investments in associates in the consolidated financial statements and the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated and separate financial statements					
	Share of profit or loss		Share of other			
			comprehensive income		Dividend received	
	2022	2021	2022	2021	2022	2021
LH Financial Group Plc.	345,417	272,192	(589,607)	(149,138)	46,348	324,433
Quality Construction Products Plc.	65,128	30,392	235	(637)	26,235	38,929
Home Product Center Plc.	1,879,556	1,644,888	1,299	28,025	1,471,074	1,272,281
Land and Houses Property and Loan Fund-II	21,341	(31,155)	-	-	-	-
Quality Houses Plc.	599,591	417,014	(92,249)	(18,581)	294,354	294,354
Total	2,911,033	2,333,331	(680,322)	(140,331)	1,838,011	1,929,997

16.3 Fair values of investments in listed associates

In respect of investments in associates that are listed companies on the Stock Exchange of Thailand, their fair values are as follows:

(Unit: Million Baht)

Company's name	Fair values as at 31 December	
	2022	2021
LH Financial Group Plc.	5,654	6,211
Quality Construction Products Plc.	872	465
Home Product Center Plc.	61,229	57,650
Quality Houses Plc.	6,101	5,994
Total	73,856	70,320

16.4 Summarised financial information about material associates

Summarised information about financial position

	(Unit: Million Baht)					
	LH Financial Group Plc.		Home Product Center Plc.		Quality Houses Plc.	
	2022	2021	2022	2021	2022	2021
Current assets	301,556	264,688	21,430	18,920	20,974	23,364
Non-current assets	-	-	43,755	39,666	22,651	22,871
Current liabilities	(264,686)	(226,490)	(24,485)	(20,511)	(5,538)	(11,322)
Non-current liabilities	-	-	(16,454)	(15,185)	(10,249)	(7,929)
Net assets	36,870	38,198	24,246	22,890	27,838	26,984
Shareholding percentage (%)	21.88	21.88	30.23	30.23	24.98	24.98
Share of net assets	8,067	8,358	7,330	6,920	6,953	6,740
Goodwill	9	9	619	619	864	864
Carrying amounts of associates based on equity method	8,076	8,367	7,949	7,539	7,817	7,604

Summarised information about comprehensive income

	(Unit: Million Baht)					
	For the year ended 31 December					
	LH Financial Group Plc.		Home Product Center Plc.		Quality Houses Plc.	
	2022	2021	2022	2021	2022	2021
Revenue	8,123	8,075	69,389	63,933	9,445	8,356
Profit for the year	1,579	1,384	6,217	5,440	2,400	1,670
Other comprehensive income	(2,695)	(676)	4	93	(369)	(74)
Total comprehensive income	(1,116)	708	6,221	5,533	2,031	1,596

16.5 Aggregate amount of share of comprehensive income from other associates (exclude associates named in Note 16.4)

	(Unit: Million Baht)	
	For the year ended 31 December	
	2022	2021
Share of comprehensive income:		
Profit from continuing operations	86	(1)
Other comprehensive income	-	(1)
Total comprehensive income	86	(2)
Carrying amount of its interests in all individually immaterial associates accounted for using the equity method	777	717

16.6 Significant change in investments in associate**LH Financial Group Public Company Limited**

During the year 2021, LH Financial Group Public Company Limited sold its treasury shares, this result in change of shareholding of the Company from 22.16% to 21.88%. The Company recognised loss from such transaction of Baht 106.5 million as share of profit from investments in associates in the income statement as at 31 December 2021.

17. Land held for development

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Land held for development	5,596,840	6,174,576	5,395,505	5,972,042
Less: Allowance for loss on diminution in value	(708,858)	(724,301)	(637,066)	(652,509)
Land held for development - net	<u>4,887,982</u>	<u>5,450,275</u>	<u>4,758,439</u>	<u>5,319,533</u>

A reconciliation of net book value of land held for development for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	5,450,275	2,939,847	5,319,533	2,623,950
Transfer from inventories	-	3,114,715	-	3,114,715
Transfer to inventories	(675,957)	(547,816)	(557,893)	(255,246)
Increase during the year	113,664	-	113,664	-
Disposals - net book value	-	(56,471)	(116,865)	(163,886)
Net book value at end of year	<u>4,887,982</u>	<u>5,450,275</u>	<u>4,758,439</u>	<u>5,319,533</u>

As at 31 December 2022 and 2021, the Company has mortgaged certain plots of land held for development to secure long-term loans with net book value as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2022	2021
Net book value of land held for development mortgaged as collateral	2,985	3,819

18. Investment properties

The net book value of investment properties as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Vacant land	Apartments for rent	Total	Vacant land	Apartments for rent	Total
As at 31 December 2022:						
Cost	212,074	13,573,084	13,785,158	212,074	-	212,074
Less: Accumulated depreciation	-	(1,800,555)	(1,800,555)	-	-	-
Net book value	212,074	11,772,529	11,984,603	212,074	-	212,074
As at 31 December 2021:						
Cost	212,074	13,102,224	13,314,298	212,074	-	212,074
Less: Accumulated depreciation	-	(1,429,915)	(1,429,915)	-	-	-
Net book value	212,074	11,672,309	11,884,383	212,074	-	212,074

A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	11,884,383	10,960,671	212,074	212,074
Acquisition of assets	37,495	36,761	-	-
Depreciation charged	(343,060)	(311,579)	-	-
Translation adjustment	405,785	1,198,530	-	-
Net book value at end of year	11,984,603	11,884,383	212,074	212,074

The additional information of the investment properties as at 31 December 2022 and 2021 stated below:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
The fair value of vacant land	293	293	293	293
The fair value of apartments for rent	13,970 ⁽¹⁾	13,384 ⁽¹⁾	-	-

⁽¹⁾ As at 31 December 2022, the fair value is USD 400 million (2021: USD 400 million).

The fair values of the above investment properties have been determined based on valuation performed by an accredited independent valuer. The fair value of vacant land has been determined based on market prices, while that of apartments for rent has been determined using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

As at 31 December 2022, a subsidiary mortgaged its apartments with a total net book value of Baht 3,733 million (2021: Baht 7,875 million) as collateral for long-term loans from overseas financial institutions.

The amounts recognised in profit or loss for investment properties are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Rental income	1,439	844	-	-
Direct cost (include repair and maintenance expenses) which generate rental income	1,085	817	-	-

19. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

[illegible]

(Unit: Thousand Baht)

	Separate financial statements							
	Land	Building and improvement	Office equipment	Furniture, fixture and equipment	Motor vehicles	Others	Assets under construction	Total
<u>Cost</u>								
1 January 2021	1,860	97,516	128,477	354,198	112,443	60,869	96,243	851,606
Additions	-	-	6,903	70	3,842	368	37,600	48,783
Disposals/write-off	-	-	(22,092)	(2,400)	(4,053)	(3,787)	-	(32,332)
Transfer in (out)	-	4,867	330	44,707	-	-	(49,904)	-
31 December 2021	1,860	102,383	113,618	396,575	112,232	57,450	83,939	868,057
Additions	-	-	20,974	4,188	12,239	1,043	57,347	95,791
Disposals/write-off	-	(1,175)	(3,717)	(18,485)	(48,613)	(3,040)	-	(75,030)
Transfer in (out)	-	1,918	-	58,111	-	-	(60,029)	-
31 December 2022	1,860	103,126	130,875	440,389	75,858	55,453	81,257	888,818
<u>Accumulated depreciation</u>								
1 January 2021	-	23,995	119,549	241,518	87,785	55,377	-	528,224
Depreciation for the year	-	4,664	8,017	45,263	15,484	2,356	-	75,784
Depreciation on disposals/write-off	-	-	(22,092)	(2,400)	(4,047)	(3,787)	-	(32,326)
31 December 2021	-	28,659	105,474	284,381	99,222	53,946	-	571,682
Depreciation for the year	-	4,689	7,920	47,021	6,250	1,823	-	67,703
Depreciation on disposals/write-off	-	(640)	(3,717)	(17,789)	(45,330)	(3,040)	-	(70,516)
31 December 2022	-	32,708	109,677	313,613	60,142	52,729	-	568,869
<u>Allowance for impairment</u>								
1 January 2021	334	-	-	-	-	-	-	334
31 December 2021	334	-	-	-	-	-	-	334
31 December 2022	334	-	-	-	-	-	-	334
<u>Net book value</u>								
31 December 2021	1,526	73,724	8,144	112,194	13,010	3,504	83,939	296,041
31 December 2022	1,526	70,418	21,198	126,776	15,716	2,724	81,257	319,615
<u>Depreciation for the year</u>								
2021 (The balance included in administrative expenses)								75,784
2022 (The balance included in administrative expenses)								67,703

In December 2021, Land and Houses U.S.A., Inc., the Company's 100% owned subsidiary, acquired land and a hotel building in the United States of America at price of USD 31 million or approximately Baht 1,056 million.

As at 31 December 2022 and 2021, certain items of building and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Building and equipment items were fully depreciated but are still in use	610	466	442	368

20. Leases

20.1 The Group as a lessee

The Group has lease contracts for various items used in its operations. Leases generally have lease terms between 3 - 40 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Land and structures	Hotel buildings	Office building space	Motor vehicles	Total
1 January 2021	9,979,427	4,607,961	320,911	2,241	14,910,540
Additions	3,002,091	-	-	-	3,002,091
Increase (decrease) from lease modification	(66,546)	(77,551)	884	-	(143,213)
Depreciation for the year	(268,123)	(708,889)	(58,941)	(1,078)	(1,037,031)
31 December 2021	12,646,849	3,821,521	262,854	1,163	16,732,387
Additions	3,950,023	-	-	42,384	3,992,407
Decrease from lease modification	-	(58,540)	-	-	(58,540)
Depreciation for the year	(352,072)	(676,280)	(58,879)	(6,893)	(1,094,124)
31 December 2022	16,244,800	3,086,701	203,975	36,654	19,572,130

(Unit: Thousand Baht)

Separate financial statements			
	Office building space	Motor vehicles	Total
1 January 2021	279,604	-	279,604
Depreciation for the year	(46,601)	-	(46,601)
31 December 2021	233,003	-	233,003
Additions	-	33,914	33,914
Depreciation for the year	(46,601)	(5,337)	(51,938)
31 December 2022	186,402	28,577	214,979

During the year ended 31 December 2022, borrowing costs amounting to Baht 25.59 million (2021: Baht 18.64 million) were capitalised as cost projects under construction. The weighted average rate at 2.75% (2021: 2.5% - 2.75%) has been used to determine the amount of borrowing costs eligible for capitalisation.

In May 2021, LH Mall & Hotel Company Limited ("LHMH"), the Company's subsidiary, entered into an amendment to land lease agreement to extend the construction period for one year. As a result, the end of the lease term is changed from July 2053 to July 2054. LHMH recorded the adjustment of right-of-use assets and lease liabilities decreasing from lease modification of Baht 67 million in the statement of financial position.

In January 2022, L&H Property Company Limited ("LHP"), the Company's subsidiary, entered into a new lease agreement to lease assets of Grande Centre Point Hotel Ploenchit as the previous lease agreement ended in December 2021, for a term of 3 years. The lease agreement can be extended in accordance with the conditions stipulated in the agreement. LHP agreed to pay a fixed rental fee plus variable rental fee in accordance with the conditions stipulated in the agreement. The difference of the fixed rental fee between the previous lease agreement and the new lease agreement is treated as a lease modification. LHP recorded the adjustment of right-of-use assets and lease liabilities decreasing from lease modification of Baht 59 million in the statement of financial position.

In February 2022, L&H Hotel Management Co., Ltd. ("LHH"), the Company's subsidiary, entered into a new lease agreement to lease assets of Grande Centre Point Terminal 21 for a term of 3 years which became effective in December 2021 to continue the lease under the previous lease agreement. The lease agreement can be extended in accordance with the conditions stipulated in the agreement. LHH agreed to pay a fixed rental fee plus a variable rental fee in accordance with the conditions stipulated in the agreement. The difference of the fixed rental fee between the previous lease agreement and the new lease agreement is treated as a lease modification. LHH recorded the adjustment of right-of-use

assets and lease liabilities decreasing from lease modification of Baht 78 million in the statement of financial position.

In December 2022, LHH entered into a new lease agreement to lease assets of Grande Centre Point Sukhumvit 55 as the previous lease agreement ended in December 2022, for a term of 3 years. The lease agreement can be extended in accordance with the conditions stipulated in the agreement, with no change in fixed and variable rental fee from the previous lease agreement.

As at 31 December 2022, a subsidiary has mortgaged its land leasehold rights with structures thereon with a total net book value of Baht 12,768 million (2021: Baht 11,545 million) as collateral for bank overdrafts and long-term loans from financial institution.

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Lease payments	11,625,489	9,515,982	234,652	252,418
Less: Deferred interest expenses	(3,674,911)	(2,801,191)	(11,669)	(13,691)
Total	7,950,578	6,714,791	222,983	238,727
Less: Portion due within one year	(1,893,000)	(789,832)	(53,209)	(45,583)
Lease liabilities - net of current portion	6,057,578	5,924,959	169,774	193,144

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Balance at beginning of year	6,714,791	7,623,408	238,727	283,278
Additions	1,833,614	-	33,914	-
Accretion of interest	234,613	267,378	6,014	5,933
Repayments	(572,702)	(240,193)	(55,672)	(50,484)
Decrease from lease modification	(58,540)	(143,213)	-	-
Reduction of lease payments	(201,198)	(792,589)	-	-
Balance at end of year	7,950,578	6,714,791	222,983	238,727

During the year ended 31 December 2022, the subsidiaries have been granted a reduction of hotel building lease payments for a period from January 2022 to April 2022 by the lessor totaling Baht 201 million (2021: for a period from January 2021 to December 2021 totaling Baht 793 million) in accordance with the conditions as stipulated in the lease agreements of hotel buildings. The subsidiaries recognised reduction of lease payments in the income statement for the current year.

A maturity analysis of lease payments is disclosed in Note 40.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	1,094,124	1,037,031	51,938	46,601
Interest expense on lease liabilities	234,613	267,378	6,014	5,933
Expense relating to short-term leases	6,746	4,163	2,076	1,732
Expense relating to leases of low-value assets	18,432	17,367	13,140	13,802
Expense relating to variable lease payments				
that do not depend on an index or a rate	257,694	-	-	-

The Group has lease contracts for hotel buildings that contains variable payments based on net hotel operating income, after deducting fixed rental fee. The lease term is 3 years and can be extended in accordance with the conditions stipulated in the agreements.

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 856 million (2021: Baht 262 million) (the Company only: Baht 71 million, 2021: Baht 66 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. The future cash outflows relating to leases that have not yet commenced are disclosed in Note 38.1.3 to the financial statements.

20.2 Group as a lessor

The Group has entered into operating leases for its investment property portfolio consisting of apartments for rent (see Note 18) of the lease terms are between 1 and 8 years.

The Group has future minimum rentals receivable under non-cancellable operating leases as at 31 December 2022 and 2021 as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2022	2021
Within 1 year	766,775	668,141
Over 1 and up to 5 years	121,249	130,859
Over 5 years	2,914	7,000
Total	890,938	806,000

21. Intangible assets

The net book value of intangible assets (computer software) as at 31 December 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cost	110,139	96,827	65,215	58,801
Less: Accumulated amortisation	(71,703)	(68,418)	(43,893)	(47,332)
Net book value	38,436	28,409	21,322	11,469

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	28,409	33,250	11,469	12,463
Acquisition of computer software	19,593	3,795	13,339	3,004
Disposal and write-off during the year				
- net book value as at disposal date	(4)	(4)	-	-
Amortisation (included in administrative expense)	(9,880)	(9,475)	(3,486)	(3,998)
Translation adjustment	318	843	-	-
Net book value at end of year	38,436	28,409	21,322	11,469

22. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	2022	2021	2022	2021	2022	2021
Promissory notes	2.10 - 2.45	1.85	970,000	970,000	-	-
Bill of exchange	1.30 - 1.58	0.65	4,680,000	1,500,000	4,680,000	1,500,000
Less: Prepaid interest			(10,605)	(800)	(10,605)	(800)
Total			5,639,395	2,469,200	4,669,395	1,499,200

The subsidiary's short-term loans from financial institution facilities are secured by the pledge of unit trusts of LH Shopping Centers Leasehold Real Estate Investment Trust and LH Hotel Leasehold Real Estate Investment Trust and guaranteed by the Company.

23. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Trade payables - unrelated parties	2,257,206	2,130,636	1,295,571	1,206,468
Trade payables - related parties	8,170	10,473	9,053	3,116
Other payables - related parties	163,164	7,482	8,891	12,159
Accrued interest payable				
- related parties	-	-	7,388	15,000
Accrued expenses	1,176,822	997,211	863,339	836,652
Others	35,474	37,965	28,513	30,210
Total trade and other payables	3,640,836	3,183,767	2,212,755	2,103,605

24. Long-term loans

As at 31 December 2022 and 2021, long-term loans of the Group from financial institutions are shown below:

	Consolidated financial statements		Separate financial statements		Interest rate per annum	Principal repayments	(Unit: Thousand Baht) Guaranteed by
	2022	2021	2022	2021	(%)		
<u>The Company</u>	-	2,465,000	-	2,465,000	2.20	Within April 2022	Land and premises of project
	1,600,000	1,600,000	1,600,000	1,600,000	2.20	Within April 2024	Land and premises of project
	660,000	1,710,000	660,000	1,710,000	2.40	Within October 2025	Land and premises of project
	1,068,800	1,068,800	1,068,800	1,068,800	2.20	Within June 2025	Land and premises of project
	449,500	449,500	449,500	449,500	2.20	Within December 2025	Land and premises of project
	-	837,700	-	837,700	1.95	Within June 2024	Land and premises of project
	-	676,900	-	676,900	1.95	Within June 2025	Land and premises of project
	-	539,500	-	539,500	1.95	Within December 2025	Land and premises of project
<u>Subsidiaries</u>							
LH Mall & Hotel Co., Ltd.*	3,360,000	3,360,000	-	-	MLR - 2.50	First repayment in March 2023 to December 2032	Leasehold and premises of project
	2,143,000	717,000	-	-	MLR - 2.75	First repayment in March 2023 to December 2032	Leasehold and premises of project
	475,000	160,000	-	-	MLR - 2.75	First repayment in December 2023 to June 2032	Leasehold and premises of project
Land and Houses U.S.A., Inc.	2,073,744	2,005,195	-	-	3.83	Repayment within 5 years from the first drawdown date	Apartment of project
	-	1,374,948	-	-	Prime rate - 0.30	Within January 2024	Apartment of project
L.H. Muang Mai Co., Ltd.	284,367	377,182	-	-	MLR - 2.25	Repayment of principal upon transfer of house of the project to customer or within 5 years from the first drawdown date	Land and premises of project
LH Asset Co., Ltd.*	680,000	680,000	-	-	2.40	Within October 2025	Land and premises of project
Total	12,794,411	18,021,725	3,778,300	9,347,400			
Less: Current portion	(2,439,744)	(2,571,561)	-	(2,465,000)			
Net	10,354,667	15,450,164	3,778,300	6,882,400			

* The Company, as shareholders of LH Mall & Hotel Co., Ltd. ("LHMH") and L H Asset Co., Ltd. ("LA") holding 99.99% of shares, agreed to provide assurance to the lender of LHMH and LA whereby there are certain covenants pertaining to, among other things, the maintenance of the Company's level of shareholding, the provision of financial support. In addition, the Company needs to obtain the written consent from the lender should the Company sells, transfers or pledges the shares of LHMH and LA.

Movements of the long-term loans account during the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Beginning balance	18,021,725	15,010,388	9,347,400	8,520,000
Additional borrowings	1,741,000	5,558,655	-	3,572,400
Repayments	(7,084,347)	(2,837,060)	(5,569,100)	(2,745,000)
Translation adjustment	116,033	289,742	-	-
Ending balance	12,794,411	18,021,725	3,778,300	9,347,400

As at 31 December 2022 and 2021, the Group has mortgaged part of land and structures thereon of projects, investment properties, land held for development and land leasehold rights as collateral for long-term loans.

In March 2020, a subsidiary entered into an amendment of loan agreement with a bank to extend the principal repayment period and request the grace period from March 2020 to February 2021. After the grace period ends, the principal will be paid from March 2021 onwards. Subsequently, in March 2021 and September 2021, the subsidiary entered into two amendments of loan agreements with a bank to extend the principal repayment period and request the grace period from March 2021 to February 2023. After the grace period ends, the principal will be paid from March 2023 onwards.

Most loan agreements contain certain covenants and restrictions imposed by the lenders regarding, the proportion of shareholding of the major shareholders, changes in management, guarantees to loans or aval to promissory notes of any other persons or other companies, dividend payments, merger or consolidation with any other companies, the maintenance of certain financial ratios and formal reporting when the Company has a legal case which may affect its ability to repay loan.

As at 31 December 2022 and 2021, the Group has the long-term credit facilities which have not yet been drawn down as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Undrawdown loan facilities	4,475	6,698	-	-

25. Debentures

Details of approval to issue the debenture of the Company are as follows:

Approved by	The Annual General Meeting of the Company's shareholders held on 27 April 2017
Amount	Revolving amount of Baht 60,000 million or the equivalent in any other currencies
Term	Maximum terms of 10 years
Type	Any types of debentures such as unsubordinated and/or subordinated, unsecured and/or secured, with and/or without debenture holder representation
Method of issuance	To be issued in Thailand and/or offshore

As at 31 December 2022, the Company has unissued debentures under the above mentioned approval totaling Baht 23,700 million (2021: Baht 21,400 million).

The outstanding balance of debentures as at 31 December 2022 and 2021 are detailed below.

					Consolidated and separate financial statements			
					Number of debenture			
					(Shares)		Amount (Thousand Baht)	
No.	Interest rate per annum	Age	Repayment	Maturity	2022	2021	2022	2021
Unsubordinated and unsecured debentures								
No. 1/2018	Fixed rate 2.96%	7 years	At maturity	7 March 2025	1,200,000	1,200,000	1,200,000	1,200,000
No. 1/2019	Fixed rate 2.62%	3 years	At maturity	26 April 2022	-	6,000,000	-	6,000,000
No. 2/2019	Fixed rate 2.12%	3 years	At maturity	15 October 2022	-	7,000,000	-	7,000,000
No. 1/2020 (1)	Fixed rate 2.30%	2 years	At maturity	12 May 2022	-	3,000,000	-	3,000,000
No. 1/2020 (2)	Fixed rate 2.60%	3 years	At maturity	12 May 2023	2,400,000	2,400,000	2,400,000	2,400,000
No. 2/2020	Fixed rate 2.03%	3 years	At maturity	20 October 2023	3,000,000	3,000,000	3,000,000	3,000,000
No. 1/2021 (1)	Fixed rate 1.09%	2 years 16 days	At maturity	12 May 2023	3,000,000	3,000,000	3,000,000	3,000,000
No. 1/2021 (2)	Fixed rate 1.50%	3 years	At maturity	26 April 2024	5,000,000	5,000,000	5,000,000	5,000,000
No. 2/2021	Fixed rate 1.46%	3 years 2 days	At maturity	19 October 2024	8,000,000	8,000,000	8,000,000	8,000,000
No. 1/2022 (1)	Discount rate 1.73%	2 years	At maturity	25 April 2024	2,000,000	-	2,000,000	-
No. 1/2022 (2)	Fixed rate 2.26%	3 years	At maturity	24 April 2025	4,700,000	-	4,700,000	-
No. 2/2022 (1)	Fixed rate 3.00%	2 years 6 months 13 days	At maturity	24 April 2025	1,600,000	-	1,600,000	-
No. 2/2022 (2)	Fixed rate 3.25%	3 years	At maturity	9 October 2025	4,250,000	-	4,250,000	-
No. 3/2022	Discount rate 2.66%	2 years	At maturity	3 October 2024	1,150,000	-	1,150,000	-
Total					36,300,000	38,600,000	36,300,000	38,600,000
Less: Discount on debentures							(96,953)	-
Net debentures							36,203,047	38,600,000
Less: Current portion of debentures							(8,400,000)	(16,000,000)
Debentures - net of current portion							27,803,047	22,600,000

Movements of the debentures account during the year ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2022	2021
Beginning balance	38,600,000	33,600,000
Add: Issue of new debentures	13,573,066	16,000,000
Add: Recognised discount on debentures as interest expenses	29,981	-
Less: Redemption	(16,000,000)	(11,000,000)
Ending balance	36,203,047	38,600,000

Prospectus contains certain covenants and restrictions regarding the maintenance of certain financial ratios, dividend payments and formal reporting when the significant events occurred such as a legal case.

26. Provisions

(Unit: Thousand Baht)

	Consolidated financial statements						
	After-sale maintenance expenses		Contributions to housing estate juristic persons		Public utilities maintenance	Others	Total
		Legal cases					
As at 1 January 2021	83,549	121,269	320,216	151,611	25,457		702,102
Increase during the year	131,251	2,742	55,254	89,408	465		279,120
Reversal of provisions	-	(104,728)	-	-	-		(104,728)
Utilised	(100,945)	(4,000)	(3,022)	(84,448)	-		(192,415)
As at 31 December 2021	113,855	15,283	372,448	156,571	25,922		684,079
Increase during the year	116,923	2,493	44,776	86,486	474		251,152
Reversal of provisions	-	(14,158)	-	-	-		(14,158)
Utilised	(84,373)	(1,977)	(12,060)	(52,498)	-		(150,908)
As at 31 December 2022	146,405	1,641	405,164	190,559	26,396		770,165

(Unit: Thousand Baht)

	Separate financial statements					
	Contributions					
	After-sale		to housing			
	maintenance		estate juristic	Public utilities		
	expenses	Legal cases	persons	maintenance	Others	Total
As at 1 January 2021	73,528	121,269	304,565	143,404	-	642,766
Increase during the year	101,244	2,742	46,211	77,611	-	227,808
Reversal of provisions	-	(104,728)	-	-	-	(104,728)
Utilised	(90,130)	(4,000)	(2,093)	(78,591)	-	(174,814)
As at 31 December 2021	84,642	15,283	348,683	142,424	-	591,032
Increase during the year	112,741	2,493	32,536	74,618	-	222,388
Reversal of provisions	-	(14,158)	-	-	-	(14,158)
Utilised	(74,779)	(1,977)	(12,060)	(48,943)	-	(137,759)
As at 31 December 2022	122,604	1,641	369,159	168,099	-	661,503

27. Other current financial liabilities / Other non-current financial liability

As at 31 December 2022 and 2021, the Group has other financial liabilities as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Derivative liabilities				
Cross currency and interest rate				
swap agreements (Note 40.1)	-	74,515	-	30,024
Total other current financial liabilities	-	74,515	-	30,024
Derivative liabilities				
Cross currency and interest rate				
swap agreement (Note 40.1)	18,834	3,896	-	3,896
Total other non-current financial liabilities	18,834	3,896	-	3,896

28. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Provision for long-term employee				
benefits at beginning of year	586,513	594,850	425,855	433,486
Included in profit or loss:				
Current service cost	36,192	26,058	21,424	12,284
Interest cost	8,119	8,704	4,684	4,624
Included in other comprehensive income:				
Actuarial gain arising from				
Demographic assumptions changes	(2,654)	(502)	-	-
Financial assumptions changes	(9,812)	(3,190)	-	-
Experience adjustments	(3,341)	(13,580)	-	-
Benefits paid during the year	(71,283)	(25,827)	(62,687)	(24,539)
Provision for long-term employee				
benefits at end of year	<u>543,734</u>	<u>586,513</u>	<u>389,276</u>	<u>425,855</u>

The Group expects to pay Baht 33 million (2021: Baht 68 million) of long-term employee benefits during the next year (the Company only: Baht 27 million, 2021: Baht 63 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 8 - 12 years (2021: 8 - 13 years) (the Company only: 8 years, 2021: 8 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Discount rate	1.1 - 3.0	1.1 - 2.4	1.1	1.1
Salary increase rate	5 - 6	5 - 6	5.5	5.5
Turnover rate	0 - 35	0 - 35	0 - 17.5	0 - 17.5

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

	2022					
	Discount rate		Salary increase rate		Turnover rate	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
	0.5%	0.5%	0.5%	0.5%	10%	10%
Consolidated financial statements	(25)	27	29	(28)	(11)	12
Separate financial statements	(16)	18	21	(19)	(7)	8

(Unit: Million Baht)

	2021					
	Discount rate		Salary increase rate		Turnover rate	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
	0.5%	0.5%	0.5%	0.5%	10%	10%
Consolidated financial statements	(27)	28	40	(32)	(15)	5
Separate financial statements	(17)	18	20	(18)	(7)	7

29. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

30. Revenue from contracts with customers**30.1 Disaggregated revenue information**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Type of goods or service:				
Revenue from sales of real estate	30,751,787	30,461,246	24,959,199	26,506,711
Revenue from hotel operations	3,135,810	764,154	-	-
Infrastructure service income	486,085	439,744	410,108	387,161
Project management income	270,892	200,857	-	-
Total revenue from contracts with customers	34,644,574	31,866,001	25,369,307	26,893,872
Rental income	1,438,521	843,618	-	-
Interest income	33,928	43,972	490,210	387,959
Dividend income	128,897	82,540	56,625	50,386
Gain on exchange	157,588	477,742	116,271	416,910
Gain on derivatives	91,770	-	119,949	-
Others	236,373	195,647	210,221	186,899
Total revenue	36,731,651	33,509,520	26,362,583	27,936,026
Timing of revenue recognition:				
Revenue recognised at a point in time	30,751,787	30,461,246	24,959,199	26,506,711
Revenue recognised over time	3,892,787	1,404,755	410,108	387,161
Total revenue from contracts with customers	34,644,574	31,866,001	25,369,307	26,893,872

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 35 relating to the segment information:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
External customers	35,326,118	32,069,018	24,959,199	26,506,711
Inter-segment	197,467	45,499	-	-
Infrastructure service income	486,085	439,744	410,108	387,161
Project management income	270,892	200,857	-	-
Total	36,280,562	32,755,118	25,369,307	26,893,872
Rental income	(1,438,521)	(843,618)	-	-
Adjustments and eliminations	(197,467)	(45,499)	-	-
Total revenue from contracts with customers	34,644,574	31,866,001	25,369,307	26,893,872

30.2 Revenue recognised in relation to contract balances

During the years, the Group has recognised revenue from contracts with customers that was included in contract liabilities at the beginning of the year as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Revenue from sales of real estate				
recognised during the year that was				
included in advances received from				
customers at the beginning of the year	589,220	369,180	554,443	360,711
Revenue from hotel operations				
recognised during the year that was				
included in advances received from				
customers at the beginning of the year	20,979	15,698	-	-

30.3 Revenue to be recognised for the remaining performance obligations

As at 31 December 2022, revenue from sales of real estate totaling Baht 1,923 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (2021: Baht 3,848 million) (the Company only: Baht 1,295 million, 2021: Baht 3,316 million). The Group expects to satisfy these performance obligations within 1 year (2021: 1 years).

31. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Interest expenses on borrowings	810,801	837,018	557,691	663,284
Interest expenses on lease liabilities	234,613	267,378	6,014	5,933
Finance cost on provision for decommissioning				
and long-term liabilities	9,366	8,009	-	-
Total	1,054,780	1,112,405	563,705	669,217

32. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Purchase of land and land held for development and payment of construction in progress during year	19,679	15,597	15,206	12,871
Changes in land, constructions in progress and land held for development	(740)	3,186	103	3,290
Salaries and wages and other employee benefits	1,434	1,328	1,198	1,162
Depreciation and amortisation expenses	1,667	1,517	123	126

33. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current income tax:				
Current income tax charge	1,618,042	1,482,487	1,159,795	1,242,851
Deferred tax:				
Relating to origination and reversal of temporary differences	(106,835)	(203,214)	(17,912)	(29,679)
Income tax expenses reported in the statements of income	<u>1,511,207</u>	<u>1,279,273</u>	<u>1,141,883</u>	<u>1,213,172</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax on loss from the change in value of financial assets measured at FVOCI	(18,757)	(75,406)	(88,482)	(39,272)
Deferred tax on actuarial gain	3,161	5,182	-	-
	<u>(15,596)</u>	<u>(70,224)</u>	<u>(88,482)</u>	<u>(39,272)</u>

The reconciliation between accounting profit and income tax expense is shown below.

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2022	2021	2022	2021
Accounting profit before tax	9,830,038	8,217,835	9,454,399	8,149,301
Applicable tax rate	20% and 27%	20% and 28%	20%	20%
Accounting profit before tax multiplied by income tax rate	1,946,198	1,617,601	1,890,880	1,629,860
Adjustment in respect of income tax of previous year	235	-	-	-
Previously unrecognised tax losses that is used to reduce current tax expenses	(2,620)	(898)	-	-
Effects of:				
Change in value of investments accounted for the equity method	(582,207)	(466,666)	(755,577)	(426,085)
Non-deductible expenses	11,772	10,547	9,126	9,952
Additional expense deductions allowed	(4,137)	(3,216)	(296)	(318)
Unused tax losses	58,155	112,219	-	-
Items treated as revenue under the Revenue Code	74,870	11,762	-	-
Others	8,941	(2,076)	(2,250)	(237)
Total	(432,606)	(337,430)	(748,997)	(416,688)
Income tax expenses reported in the statement of income	1,511,207	1,279,273	1,141,883	1,213,172

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax assets				
Allowance for diminution in value of inventories and land held for development	174,318	180,174	166,278	170,567
Allowance for impairment of other investments	5,200	5,200	5,200	5,200
Allowance for asset impairment	67	67	67	67
Accumulated depreciation - Clubhouse and pool	219,155	196,645	188,766	177,597
Accumulated amortisation - Leasehold rights	1,085,668	1,136,403	-	-
Accumulated amortisation - Intangible assets	-	388	-	-
Provisions	90,560	79,886	76,028	66,030
Provision for long-term employee benefits	107,031	115,651	77,855	85,171
Unused tax losses	329,215	349,872	-	-
Accrued land rental	69,742	70,348	-	-
Accrued interest payable	130,627	126,309	-	-
Interest expenses capitalised as costs of projects	37,952	37,952	37,952	37,952
Leases	58,431	38,614	1,601	1,145
Loss on change in value of equity instruments	250,392	224,200	250,392	161,910
Total	2,558,358	2,561,709	804,139	705,639
Deferred tax liabilities				
Rental income received in advance	-	(1,559)	-	-
Gain on change in value of equity instruments	(11,675)	(4,241)	-	-
Accumulated depreciation - Investment property	(357,006)	(345,204)	-	-
Advance payment	(783)	(757)	-	-
Advance received from sale of assets to REIT	(2,556,838)	(2,694,963)	-	-
Cost to obtain contracts with customers	(8,840)	(16,733)	(8,840)	(16,733)
Total	(2,935,142)	(3,063,457)	(8,840)	(16,733)
Deferred tax assets (liabilities) - net	(376,784)	(501,748)	795,299	688,905
Transaction in statements of financial position				
Deferred tax assets	967,107	804,816	795,299	688,905
Deferred tax liabilities	(1,343,891)	(1,306,564)	-	-
Deferred tax assets (liabilities) - net	(376,784)	(501,748)	795,299	688,905

As at 31 December 2022, the Group has deductible temporary differences and unused tax losses totaling Baht 1,504 million (2021: Baht 1,325 million) (the Company only 2022 and 2021: Nil), on which deferred tax assets have not been recognised as the Group believes that the temporary differences and unused tax losses will not be used.

As at 31 December 2022, the subsidiaries' unused tax losses amounting to Baht 252 million (2021: Baht 372 million) will expire by 2027.

34. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share.

Consolidated and separate financial statements						
Profit for the year		Weighted average number of ordinary shares		Earnings per share		
2022	2021	2022	2021	2022	2021	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the parent						
8,312,516	6,936,129	11,949,713	11,949,713	0.70	0.58	

35. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

- Real estate business segment which consists of houses, townhouses and residence condominium projects for sale.
- Rental and service business segment which consists of shopping mall, apartment for rent, hotel and project management.

The chief operating decision maker monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2022 and 2021.

(Unit: Million Baht)

For the year ended 31 December 2022						
	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	30,752	4,574	-	35,326	-	35,326
Inter-segment revenue	121	76	-	197	(197)	-
Interest income	491	30	-	521	(487)	34
Infrastructure service income	486	-	-	486	-	486
Project management income	-	271	-	271	-	271
Finance cost	(595)	(898)	-	(1,493)	438	(1,055)
Depreciation and amortisation	(129)	(1,537)	-	(1,666)	-	(1,666)
Loss on diminution in value of projects	(9)	-	-	(9)	-	(9)
Reversal of provision for legal cases	14	-	-	14	-	14
Gain on sales of properties	15	3	-	18	-	18
Share of profit from investments in associates accounted for by the equity method	665	21	2,225	2,911	-	2,911
Segment profit (loss)	7,049	(288)	2,225	8,986	247	9,233
Unallocated revenue and expenses:						
Other income						347
Gain on exchange						158
Gain on derivatives						92
Income tax expenses						(1,511)
Profit for the year						8,319

The following table present assets information regarding the Group operating segments for the year ended 31 December 2022.

(Unit: Million Baht)

	Real estate business	Rental and service business	Others	Total reportable segments	Unallocated assets	Consolidated financial statements
Segment assets	54,292	32,726	-	87,018	36,931	123,949
Investments in associates accounted for by the equity method	8,278	316	16,025	24,619	-	24,619
Increase (decrease) in non-current assets other than financial and deferred tax assets	(128)	3,274	-	3,146	-	3,146

(Unit: Million Baht)

For the year ended 31 December 2021

	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	30,461	1,608	-	32,069	-	32,069
Inter-segment revenue	-	45	-	45	(45)	-
Interest income	389	33	-	422	(378)	44
Infrastructure service income	440	-	-	440	-	440
Project management income	-	201	-	201	-	201
Finance cost	(700)	(763)	-	(1,463)	351	(1,112)
Depreciation and amortisation	(129)	(1,388)	-	(1,517)	-	(1,517)
Loss on diminution in value of projects	(79)	-	-	(79)	29	(50)
Reversal of provision for legal cases	105	-	-	105	-	105
Gain on sales of properties	1	2	-	3	-	3
Share of profit from investments in associates accounted for by the equity method	447	(31)	1,917	2,333	-	2,333
Segment profit (loss)	6,870	(884)	1,917	7,903	42	7,945
Unallocated revenue and expenses:						
Other income						275
Gain on exchange						478
Loss on derivatives						(480)
Income tax expenses						(1,279)
Profit for the year						6,939

The following table present assets information regarding the Group operating segments for the year ended 31 December 2021.

(Unit: Million Baht)

	Real estate business	Rental and service business	Others	Total reportable segments	Unallocated assets	Consolidated financial statements
Segment assets	53,714	29,834	-	83,548	41,650	125,198
Investments in associates accounted for by the equity method	8,026	294	15,907	24,227	-	24,227
Increase in non-current assets other than financial instruments and deferred tax assets	2,708	3,144	-	5,852	-	5,852

Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Million Baht)

	<u>2022</u>	<u>2021</u>
Revenue from external customers		
Thailand	34,299	31,471
United States of America	1,027	598
Total	<u>35,326</u>	<u>32,069</u>
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	50,164	47,238
United States of America	12,915	12,786
Total	<u>63,079</u>	<u>60,024</u>

Major customers

For the years 2022 and 2021, the Group has no major customer with revenue of 10% or more of an entity's revenues.

36. Provident fund

The Company and its employees and the subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and employees of each company contribute to the fund monthly at the rate of 5 to 7 percent of basic salary. The fund, which is managed by Land and Houses Fund Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the years, the contributions were recognised as expenses are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Contribution to provident fund	56	56	36	36

37. Dividends

Dividends	Approved by	Approved dividend per share (Baht)	Interim dividend per share (Baht)	Additional dividend paid per share (Baht)	Total additional dividend paid (Million Baht)
Interim dividend for 2020	Annual General Meeting of the shareholders on 27 April 2021	0.50	(0.20)	0.30	3,585
Interim dividend for the operations as from 1 January 2021 to 30 June 2021 and retained earnings	Board of Directors' Meeting on 10 August 2021	0.25	-	0.25	2,987
					<u>6,572</u>
Final dividend for 2021	Annual General Meeting of the shareholders on 26 April 2022	0.50	(0.25)	0.25	2,987
Interim dividend for the operations as from 1 January 2022 to 30 June 2022 and retained earnings	Board of Directors' Meeting on 11 August 2022	0.25	-	0.25	2,987
					<u>5,974</u>

38. Commitments and contingent liabilities**38.1 Commitments**

38.1.1 As at 31 December 2022 and 2021, the Group has commitments to purchase of land and complete projects on hand as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Commitment to purchase of land	1,265	2,874	967	2,874
Commitment under construction contracts	4,144	4,674	1,083	1,155
Commitment in respect of the installation of public utilities of projects on hand	1,612	1,295	984	951

38.1.2 As at 31 December 2022, the Group have servitude over land of approximately 195 rai (2021: 184 rai) of which the cost is included in the cost of projects.

38.1.3 Lease commitments

As at 31 December 2022 and 2021, the subsidiary has future lease payments required under these non-cancellable leases contracts that have not yet commenced as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	2022	2021
Within 1 year	-	-
Over 1 and up to 5 years	-	1,072
Over 5 years	-	1,839
Total	-	2,911

38.2 Bank guarantees

As at 31 December 2022 and 2021, there were the following outstanding bank guarantees issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Letter of guarantees for arrangement and maintenance of public utilities	4,489	4,444	3,397	3,444
Letter of guarantees for electricity usage	49	42	22	19
Letter of guarantees for building construction	183	34	-	-
	<u>4,721</u>	<u>4,520</u>	<u>3,419</u>	<u>3,463</u>

38.3 Guarantees

38.3.1 As at 31 December 2022 and 2021, the Company has the obligations in respect of guarantees for customers amounting to Baht 7 million.

38.3.2 The Company has contingent liabilities to a bank in relation to the financial support in form of issuance of a letter of comfort to provide to the subsidiaries for loans and guarantee facilities obtained for development of the subsidiaries' projects. As at 31 December 2022, the subsidiaries have outstanding loans related to guarantee portion of the Company as specified in the letter of comfort amounting to Baht 7,628 million (2021: Baht 5,887 million).

In addition, the Company provided letter of comfort to the lenders of LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL"), relating to maintain the percentage of unit holding in LHHOTEL by LH Mall & Hotel Company Limited and maintain the period of the sublease of the Grande Centre Point Hotel Terminal 21 and the Grande Centre Point Hotel Ratchadamri by L&H Hotel Management Company Limited.

38.4 Litigation

As at 31 December 2022, the Company has been sued in lawsuits related to breaches of contracts, contract terminations, refunds and damages with total claims of approximately Baht 64 million (2021: Baht 114 million). The cases are currently being heard by the Court of First Instance and the Appeal Court and have not been finalised. As at 31 December 2022, the Company has set aside a provision of Baht 2 million for liabilities arising as a result of the legal cases (2021: Baht 15 million).

39. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity investments measured at FVOCI	3,651	-	150	3,801
Derivatives - Cross currency and interest rate swaps	-	109	-	109
Assets for which fair value are disclosed				
Investments in associates that are listed companies				
on the Stock Exchange	73,856	-	-	73,856
Investment properties	-	-	14,263	14,263
Liabilities measured at fair value				
Derivatives - Cross currency and interest rate swaps	-	19	-	19
Liabilities for which fair value are disclosed				
Long-term loans from financial institutions	-	-	12,525	12,525
Debentures	-	33,643	-	33,643

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2021				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity investments measured at FVOCI	3,740	-	115	3,855
Derivatives - Cross currency and interest rate swaps	-	64	-	64
Assets for which fair value are disclosed				
Investments in associates that are listed companies on the Stock Exchange	70,320	-	-	70,320
Investment properties	-	-	13,677	13,677
Liabilities measured at fair value				
Derivatives - Cross currency and interest rate swaps	-	78	-	78
Liabilities for which fair value are disclosed				
Long-term loans from financial institutions	-	-	17,267	17,267
Debentures	-	35,922	-	35,922

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity investments measured at FVOCI	2,208	-	-	2,208
Derivatives - Cross currency and interest rate swaps	-	109	-	109
Assets for which fair value are disclosed				
Investments in associates that are listed companies on the Stock Exchange	73,856	-	-	73,856
Investment properties	-	-	293	293
Liabilities for which fair value are disclosed				
Long-term loan from related party	-	-	618	618
Long-term loans from financial institutions	-	-	3,529	3,529
Debentures	-	33,643	-	33,643

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Equity investments measured at FVOCI	2,650	-	-	2,650
Derivatives - Cross currency and interest rate swaps	-	64	-	64
Assets for which fair value are disclosed				
Investments in associates that are listed companies on the Stock Exchange	70,320	-	-	70,320
Investment properties	-	-	293	293
Liabilities measured at fair value				
Derivatives - Cross currency and interest rate swaps	-	34	-	34
Liabilities for which fair value are disclosed				
Long-term loan from related party	-	-	803	803
Long-term loans from financial institutions	-	-	8,651	8,651
Debentures	-	35,922	-	35,922

40. Financial instruments

40.1 Derivatives

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Derivative assets				
Derivative assets not designated as hedging instruments				
Cross currency and interest rate swaps	109,291	63,518	109,291	63,518
Total derivative assets	109,291	63,518	109,291	63,518
Derivative liabilities				
Derivative liabilities not designated as hedging instruments				
Cross currency and interest rate swaps	18,834	78,411	-	33,920
Total derivative liabilities	18,834	78,411	-	33,920

Derivatives not designated as hedging instruments

The Group uses cross currency and interest rate swaps to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 20 to 60 months.

40.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, loans to related parties, loan to other company, investments, trade and other payables, short-term loans, loan from related party, debentures and long-term loans from financial institutions. The financial risks associates with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables, loans, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statements of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by customer type and rating, and coverage by deposits. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising currency risk and interest rate risk. The Group enters into derivatives to manage its risk exposure i.e., cross currency and interest rate swaps to mitigate the risk of rising foreign currency rates and interest rates.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its loans that are denominated in foreign currency. The Group seeks to reduce this risk by entering into cross currency and interest rate swaps when it considers appropriate. Generally, the cross currency and interest rate swaps mature within 5 years.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Philippines Peso	2,296	2,878	-	-	0.6190	0.6550
US Dollar	17	18	-	-	34.5624	33.4199

Foreign currencies	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Philippines Peso	2,296	2,878	-	-	0.6190	0.6550
US Dollar	303	263	-	-	34.5624	33.4199

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2022 and 2021. The Group's exposure to foreign currency changes for all other currencies is not material.

Currency	Increase/decrease (%)	2022		2021	
		Effect on profit before tax		Effect on profit before tax	
		Consolidated	Separate	Consolidated	Separate
		financial	financial	financial	financial
		statements	statements	statements	statements
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
US dollar	+3	147,134	146,369	(45,725)	(27,371)
	- 3	(147,134)	(146,369)	45,725	27,371

This information is not a forecast or prediction of future market conditions and should be used with care.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its loans to related parties, loan to other company, short-term borrowings, loans from related party, debentures and long-term loans from financial institutions. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements							
	2022							
	Fixed interest rates				Floating	Non-interest		Effective
	Within	1 - 5	Over	interest	Non-interest			interest rate
At call	1 year	years	5 years	rate	bearing	Total		(% p.a.)
<u>Financial assets</u>								
Cash and cash equivalents	3	2,240	-	-	2,368	8	4,799	Note 7
Trade and other receivables	-	-	-	-	-	249	249	-
Restricted bank deposits	-	-	-	-	16	-	16	0.25 - 0.30
Loans to related party	-	-	509	-	-	-	509	2.23
Debt investments measured at amortised cost	-	220	-	-	-	-	220	0.90
Equity investments measured at FVOCI	-	-	-	-	-	3,801	3,801	-
Derivatives - Cross currency and interest rate swaps	-	78	31	-	-	-	109	2.92 - 6.09
Long-term loan to other company	-	-	-	-	110	-	110	Note 9
<u>Financial liabilities</u>								
Short-term loans from financial institutions	970	4,669	-	-	-	-	5,639	Note 22
Trade and other payables	-	-	-	-	-	3,641	3,641	-
Retention guarantees	-	-	-	-	-	555	555	-
Long-term loans from financial institutions	-	2,074	4,458	-	6,263	-	12,795	Note 24
Debentures	-	8,400	27,803	-	-	-	36,203	Note 25
Lease liabilities	-	1,893	2,479	3,579	-	-	7,951	2.25 - 4.57
Derivatives - Cross currency and interest rate swaps	-	-	19	-	-	-	19	2.23

(Unit: Million Baht)

	Separate financial statements							
	2022							
	Fixed interest rates				Floating	Non-interest		Effective
	Within	1 - 5	Over	interest				interest rate
At call	1 year	years	5 years	rate	bearing	Total		(% p.a.)
<u>Financial assets</u>								
Cash and cash equivalents	-	1,500	-	-	1,355	3	2,858	Note 7
Trade and other receivables	-	-	-	-	-	278	278	-
Loans to related parties	6,740	9,210	1,135	-	-	-	17,085	2.50 - 6.09
Equity investments measured at FVOCI	-	-	-	-	-	2,208	2,208	-
Derivatives - Cross currency and interest rate swaps	-	78	31	-	-	-	109	2.92 - 6.09
<u>Financial liabilities</u>								
Short-term loans from financial institution	-	4,669	-	-	-	-	4,669	Note 22
Trade and other payables	-	-	-	-	-	2,213	2,213	-
Retention guarantee	-	-	-	-	-	336	336	-
Loan from related party	-	-	720	-	-	-	720	1.22
Long-term loans from financial institution	-	-	3,778	-	-	-	3,778	Note 24
Debentures	-	8,400	27,803	-	-	-	36,203	Note 25
Lease liabilities	-	53	170	-	-	-	223	2.25 - 4.57

(Unit: Million Baht)

	Consolidated financial statements							
	2021							
	Fixed interest rates				Floating	Non-interest		Effective
	Within	1 - 5	Over	interest	Non-interest			interest rate
At call	1 year	years	5 years	rate	bearing	Total		(% p.a.)
<u>Financial assets</u>								
Cash and cash equivalents	264	7,799	-	-	1,563	705	10,331	Note 7
Trade and other receivables	-	-	-	-	-	170	170	-
Restricted bank deposit	-	-	-	-	11	-	11	0.1
Loans to related party	-	595	-	-	-	-	595	3.05
Debt investments measured at amortised cost	-	30	-	-	-	-	30	0.50
Equity investments measured at FVOCI	-	-	-	-	-	3,855	3,855	-
Derivatives - Cross currency and interest rate swaps	-	45	19	-	-	-	64	2.60 - 2.92
Long-term loan to other company	-	-	-	-	20	-	20	Note 9
<u>Financial liabilities</u>								
Short-term loans from financial institutions	970	1,499	-	-	-	-	2,469	Note 22
Trade and other payables	-	-	-	-	-	3,184	3,184	-
Retention guarantees	-	-	-	-	-	538	538	-
Long-term loans from financial institutions	-	2,495	8,907	-	6,620	-	18,022	Note 24
Debentures	-	16,000	22,600	-	-	-	38,600	Note 25
Lease liabilities	-	790	2,768	3,157	-	-	6,715	2.25 - 4.48
Derivatives - Cross currency and interest rate swaps	-	74	4	-	-	-	78	3.01 - 3.45

(Unit: Million Baht)

	Separate financial statements							
	2021							
	Fixed interest rates				Floating	Non-interest		Effective
	Within	1 - 5	Over	interest	bearing		Total	interest rate
	At call	1 year	years	5 years	rate			(% p.a.)
<u>Financial assets</u>								
Cash and cash equivalents	-	7,500	-	-	949	349	8,798	Note 7
Trade and other receivables	-	-	-	-	-	231	231	-
Loans to related parties	7,030	5,645	3,092	-	-	-	15,767	2.50 - 3.70
Equity investments measured at FVOCI	-	-	-	-	-	2,650	2,650	-
Derivatives - Cross currency and interest rate swaps	-	45	19	-	-	-	64	2.60 - 2.92
<u>Financial liabilities</u>								
Short-term loans from financial institution	-	1,499	-	-	-	-	1,499	Note 22
Trade and other payables	-	-	-	-	-	2,104	2,104	-
Retention guarantee	-	-	-	-	-	338	338	-
Loan from related party	-	840	-	-	-	-	840	2.13
Long-term loans from financial institution	-	2,465	6,882	-	-	-	9,347	Note 24
Debentures	-	16,000	22,600	-	-	-	38,600	Note 25
Lease liabilities	-	46	193	-	-	-	239	2.25 - 2.40
Derivatives - Cross currency and interest rate swaps	-	30	4	-	-	-	34	3.01 - 3.45

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate loan to other company and loans from financial institutions affected as at 31 December 2022 and 2021.

Currency	Increase/ decrease (%)	2022		2021	
		Effect on profit before tax		Effect on profit before tax	
		Consolidated financial statement	Separate financial statement	Consolidated financial statement	Separate financial statement
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Loan to in Baht	+1	1,100	-	200	-
	-1	(1,100)	-	(200)	-
Loan from in Baht	+1	(24,099)	-	(46,142)	-
	-1	24,099	-	46,142	-
Loan to in US Dollar	+1	-	-	(20,052)	-
	-1	-	-	20,052	-

The above analysis has been prepared assuming that the amounts of the floating rate loan to other company and loans from financial institutions and all other variables remain constant over one year. Moreover, the floating legs of these loans from are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, trade payable, bank loans, debentures and lease contracts. Approximately 32% of the Group's debt will mature in less than one year at 31 December 2022 (2021: 34%) (the Company only: 32%, 2021: 40%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows which comprise of principal and interest:

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2022				
	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	5,671,665	-	-	5,671,665
Trade and other payables	3,640,836	-	-	3,640,836
Retention guarantees	555,263	-	-	555,263
Long-term loans from financial institutions	2,829,589	8,159,148	3,376,357	14,365,094
Debentures	8,837,161	29,581,256	-	38,418,417
Lease liabilities	2,129,596	3,220,360	6,275,533	11,625,489
Total non-derivatives	23,664,110	40,960,764	9,651,890	74,276,764
Derivatives				
Derivative liabilities - net settled	-	18,834	-	18,834
Total derivatives	-	18,834	-	18,834

(Unit: Thousand Baht)

Consolidated financial statements as at 31 December 2021				
	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institutions	2,487,945	-	-	2,487,945
Trade and other payables	3,183,767	-	-	3,183,767
Retention guarantees	538,400	-	-	538,400
Long-term loans from financial institutions	2,900,047	14,134,252	2,592,200	19,626,499
Debentures	17,081,465	28,863,184	-	45,944,649
Lease liabilities	1,013,217	3,434,290	5,068,475	9,515,982
Total non-derivatives	27,204,841	46,431,726	7,660,675	81,297,242
Derivatives				
Derivative liabilities - net settled	74,515	3,896	-	78,411
Total derivatives	74,515	3,896	-	78,411

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2022

	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institution	4,680,000	-	-	4,680,000
Trade and other payables	2,212,755	-	-	2,212,755
Retention guarantees	335,859	-	-	335,859
Loan from related party	-	738,988	-	738,988
Long-term loans from financial institution	84,443	3,882,162	-	3,966,605
Debentures	8,837,161	29,581,256	-	38,418,417
Lease liabilities	58,239	176,413	-	234,652
Total non-derivatives	16,208,457	34,378,819	-	50,587,276

(Unit: Thousand Baht)

Separate financial statements as at 31 December 2021

	Less than 1 year	1 to 5 years	Over 5 years	Total
Non-derivatives				
Short-term loans from financial institution	1,500,000	-	-	1,500,000
Trade and other payables	2,103,605	-	-	2,103,605
Retention guarantees	337,867	-	-	337,867
Loan from related party	875,892	-	-	875,892
Long-term loans from financial institution	2,629,484	7,224,578	-	9,854,062
Debentures	17,081,465	28,863,184	-	45,944,649
Lease liabilities	50,483	201,935	-	252,418
Total non-derivatives	24,578,796	36,289,697	-	60,868,493
Derivatives				
Derivative liabilities - net settled	30,024	3,896	-	33,920
Total derivatives	30,024	3,896	-	33,920

40.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position, except for the following financial liabilities.

(Unit: Million Baht)

	Consolidated financial statements				Separate financial statements			
	Carrying amount		Fair value		Carrying amount		Fair value	
	2022	2021	2022	2021	2022	2021	2022	2021
<u>Financial liabilities</u>								
Loan from related party	-	-	-	-	720	840	618	803
Long-term loans from financial institutions	12,794	18,022	12,525	17,267	3,778	9,347	3,529	8,651
Debentures	36,300	38,600	33,643	35,922	36,300	38,600	33,643	35,922

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to related parties and accounts payable and short-term loan from related parties, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
- The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- The fair value of fixed rate debentures and long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- The carrying amounts of loans to and loans from carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- The fair value of derivatives has been determined using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Group considers to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

40.4 Reconciliation of recurring fair value measurements of assets categorised within Level 3 of the fair value hierarchy.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Non-listed equity investment	Non-listed equity investment
Balance as of 1 January 2021	100,459	-
Net profit recognised into other comprehensive income	14,652	-
Balance as of 31 December 2021	115,111	-
Purchase during the year	39,413	-
Net loss recognised into other comprehensive income	(4,724)	-
Balance as of 31 December 2022	149,800	-

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investment in non-listed equity instruments	Stock valuation by dividend discounted model	Risk premium	12.0% (2021: 10.6%)	2% increase (decrease) in the risk premium would result in Baht 25 million (2021: Baht 21 million) decrease (increase) in fair value

41. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants, throughout the reporting period. As at 31 December 2022, the Group's debt-to-equity ratio was 1.37:1 (2021: 1.47:1) and the Company's was 0.97:1 (2021: 1.11:1).

42. Events after reporting period

On 27 February 2023, the meeting of the Company's Board of Directors passed a resolution to propose to the 2023 Annual General Meeting of the Company's shareholders a dividend of Baht 0.35 per share in respect of the Company's operating result of 2022 in addition to the interim dividend to be paid to the Company's shareholders, or a total of Baht 4,182 million for approval.

43. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2023.



Attachment

Attachment 1

Board of Directors and Executives

232

Attachment 2

Detail of Management positions in the Company, subsidiaries, associated and related companies.

240

Changes in Shareholding Position of Directors and Executives in 2022

241

Attachment 3

Detail of Head of Internal Audit

242

Attachment 4

Land use for operating projects

243

Awards of Pride

246



Attachment 1

Board of Directors and Executives

Mr. Naporn Sunthornchitcharoen Age 64 years**Position**

- Chairman of the Board of Directors
- Chairman of the Executive Committee
- Director and authorized signatory

Appointed Date as Director 12 November 1992**Education/Trainings**

- Bachelor of Engineering (Civil Engineering), Chiangmai University
- MBA, Thammasat University
- National Defense College Class of 2006
- Director Accreditation Program (DAP) 25/2004 : IOD
- Director Certification Program (DCP) 53/2005 : IOD
- Financial Institutions Governance Program (FGP) 2/2011 : IOD
- Stanford Executive Program (SEP), Graduate School of Business, Stanford University, USA
- Information Security Awareness Training 2021 : LH Bank

% of Shareholding as 31 December 2022

0.23

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

Aug 2017 - Present	Chairman of the Board of Directors, Chairman of the Executive Committee Land and Houses Plc. (Property Development)
1992 - Present	Director Land and Houses Plc. (Property Development)
May 2013 - Aug 2017	Executive Director, President (Operations) Land and Houses Plc. (Property Development)
2002 - Apr 2013	Executive Director, Senior Executive Vice President (Operations) Land and Houses Plc. (Property Development)
1991 - 2001	Executive Vice President Land and Houses Plc. (Property Development)
Jun 2017 - Present	Director Quality Houses Plc. (Property Development)
2015 - Present	Member of the Nomination and Remuneration Committee Home Product Center Plc. (Trading of construction material)
2001 - Present	Director, Executive Director Home Product Center Plc. (Trading of construction material)
1994 - Present	Director Quality Construction Products Plc. (Building Material)

May 2011 - Present	Director LH Financial Group Plc. (Holding Company)
Sep 2018 - Mar 2019	Member of Nomination and Remuneration Committee LH Financial Group Plc. (Holding Company)
May 2011 - Jul 2018	Member of the Nomination and Remuneration Committee LH Financial Group Plc. (Holding Company)
May 2011 - Jun 2017	Executive Director LH Financial Group Plc. (Holding Company)

Non-Listed Company

Dec 2013 - Present	Director Land and Houses Securities Plc. (Management Fund)
2012 - Present	Director Land and Houses U.S.A., Inc. (Property Investment)
2012 - Present	Director Land and Houses Property and Loan Fund-II (Property Fund)
2005 - Present	Director, Executive Director Land and Houses Bank Plc. (Bank)
2005 - Jul 2018	Member of the Nomination and Remuneration Committee Land and Houses Bank Plc. (Bank)
2004 - Present	Director LH Asset Co.,Ltd. (Property Development)
2003 - Present	Director LH Real Estate Co.,Ltd. (Property Development)
1995 - Present	Director Land and Houses Northeast Co.,Ltd. (Property Development)
1995 - Present	Director Land and Houses North Co.,Ltd. (Property Development)
1995 - Present	Director LH Muang Mai Co.,Ltd. (Property Development)
1993 - Present	Director Siam Tanee Real Estate Co.,Ltd. (Property Development)
1990 - Present	Director Siam Tanee Property Co.,Ltd. (Property Development)
1987 - Present	Director Atlantic Real Estate Co.,Ltd. (Property Development)
1986 - Present	Director LH Mall and Hotel Co.,Ltd. (Property Development)

Mr. Watcharin Kasinrerak**Age 61 years****Position**

- Managing Director
- Director and authorized signatory
- Member of of the Executive Committee
- Member of the Risk Management and Sustainable Development Committee

Appointed Date as Director 22 February 2019**Education/Trainings**

- Bachelor of Engineering (Civil Engineering), Chiangmai University
- MBA, Thammasat University
- Stanford Executive Program (SEP), Graduate School of Business, Stanford University, USA
- Director Certification Program (DCP) 275/2019 : IOD
- Successful Formulation & Execution of Strategy (SFE) 35/2021 : IOD

% of Shareholding as 31 December 2022

0.004

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

Feb 2019 - Present	Director, Executive Director, Managing Director (Operations), Member of the Risk Management and Sustainable Development Committee Land and Houses Plc. (Property Development)
Sep 2017 - Feb 2019	Senior Executive Vice President Land and Houses Plc. (Property Development)
2015 - Aug 2017	Executive Vice President Land and Houses Plc. (Property Development)
2013 - 2014	Senior Vice President (Project 2) Land and Houses Plc. (Property Development)

Non-Listed Company

2019 - Present	Director Land and Houses Northeast Co.,Ltd. (Property Development)
2019 - Present	Director Siam Tanee Property Co.,Ltd. (Property Development)
2019 - Present	Director LH Asset Co.,Ltd. (Property Development)
2019 - Present	Director Siam Tanee Real Estate Co.,Ltd. (Property Development)
2019 - Present	Director LH Real Estate Co.,Ltd. (Property Development)
2019 - Present	Director Land and Houses North Co.,Ltd. (Property Development)
2019 - Present	Director Atlantic Real Estate Co.,Ltd. (Property Development)

Other Organizations/Institutions

Oct 2020 - Present	Qualified Board Member of the Central Land Development Board Ministry of Interior
--------------------	---

Mr. Nantawat Pipatwongkasem Age 63 years**Position**

- Senior Executive Vice President
- Director and authorized signatory
- Company Secretary
- Member of the Risk Management and Sustainable Development Committee

Appointed Date as Director 12 November 1992**Education/Trainings**

- Bachelor of Law, Barrister at Law
- M.B.A., Thammasat University
- Director Certification Program (DCP) 62/2005 : IOD
- Director Accreditation Program (DAP) 18/2004 : IOD
- Finance for Non-Finance Director (FN) 13/2004 : IOD

% of Shareholding as 31 December 2022

0.00

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

Feb 2021 - Present	Senior Executive Vice President Land and Houses Plc. (Property Development)
Sep 2017 - Jan 2021	Executive Vice President Land and Houses Plc. (Property Development)
2014 - Present	Member of the Risk Management and Sustainable Development Committee Land and Houses Plc. (Property Development)
2013 - Present	Senior Vice President (Legal Department) Land and Houses Plc. (Property Development)
1992 - Present	Director Land and Houses Plc. (Property Development)
1990 - Jun 2013	Vice President (Legal Department) Land and Houses Plc. (Property Development)

Non-Listed Company

2012 - Present	Director Land and Houses U.S.A., Inc. (Property Investment)
2004 - Present	Director LH Asset Co.,Ltd. (Property Development)
2003 - Present	Director LH Real Estate Co.,Ltd. (Property Development)
1995 - Present	Director Land and Houses North Co.,Ltd. (Property Development)
1995 - Present	Director Land and Houses Northeast Co.,Ltd. (Property Development)
1995 - Present	Director LH Muang Mai Co.,Ltd. (Property Development)
1993 - Present	Director Siam Tanee Real Estate Co.,Ltd. (Property Development)
1990 - Present	Director Siam Tanee Property Co.,Ltd. (Property Development)
1987 - Present	Director Atlantic Real Estate Co.,Ltd. (Property Development)
2005 - Sep 2018	Director Phuket Future Plan., Ltd. (Property Development)
2005 - Aug 2017	Director Double Three Co., Ltd. (Property Development)

Other Organizations/Institutions

2017 - Oct 2020	Qualified Board Member of the Central Land Development Board Ministry of Interior
-----------------	---

Mr. Pakhawat Kovithvathanaphong Age 73 years**Position**

- Chairman of the Audit Committee
- Director
- Independent Director

Appointed Date as Director 3 December 1999**Education/Trainings**

- Bachelor Degree of Economics (First Class Honors), Thammasat University
- Master's Degree of Marketing & Finance Wharton School, University of Pennsylvania, USA
- National Defense College Class 344
- Certificate of Leadership Program at Capital Market Academy Batch 5
- Director Accreditation Program (DAP) 4/2003 : IOD
- Director Certification Program (DCP) 58/2005 : IOD
- Corporate Governance for Capital Market Intermediaries (CGI)
- Certificate course of Corporate Governance for Director and Senior Executive of State Enterprises and Public Organization, King Prajadhipok's Institute Batch 15
- Executive Program in " Energy Literacy for a Sustainable Future" TEA Class 12, Thailand Energy Academy

% of Shareholding as 31 December 2022

0.001

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

May 2015 - Present	Chairman of the Audit Committee Land and Houses Plc. (Property Development)
1999 - Present	Director, Independent Director, Member of the Audit Committee Land and Houses Plc. (Property Development)
2016 - Present	Chairman Trinity Watthana Plc. (Holding Company)
2001 - 2016	Chief Executive Officer, Director Trinity Watthana Plc. (Holding Company)
Nov 2018 - Present	Independence Director and Chairman of the Audit Committee P.C.S. Machine Group Holding Plc. (Automotive)
2017 - Present	Independent Director and Investment Committee Dusit Thani Plc. (Hotel)
2016 - 2018	Audit Committee Thai Rubber Latex Corporation (Thailand) Plc. (Rubber Business)
2011 - 2018	Independent Director Thai Rubber Latex Corporation (Thailand) Plc. (Rubber Business)

Non-Listed Company

2020-Present	Director / Nomination and Remuneration Committee Tris Rating Co.,Ltd. (Credit Rating)
Jun 2018 - Present	Director Trinity One Co.,Ltd. (Holding Company)
2017 - Present	Chairman Smart ID Group Co.,Ltd. (Electronic Components)
2014 - Present	Director Sukhumvit 62 Medical Co.,Ltd. (Health Care Services)
2011 - Present	Chairman Trinity Advisory 2001 Co., Ltd. (Financial Advisor)
2001 - Present	Chairman Trinity Securities Co.,Ltd. (Securities Business)
2010 - 2017	Director, Chairman of Corporate Strategy TSFC Securities Co.,Ltd. (Securities Business)

Prof. Piphob Veraphong**Age 60 years****Position**

- Chairman of the Nomination and Compensation Committee
- Director
- Independent Director
- Member of the Audit Committee

Appointed Date as Director 29 April 2015**Education/Trainings**

- Bachelor of Law (Honors), Chulalongkorn University
- Barrister-at-Law
- Master of Laws, LL.M. in Taxation , Boston University
- Master of Laws, LL.M., Harvard University
- Certificate of International Taxation, Harvard University
- Directors Certification Program (DCP) 238/2017 : IOD

% of Shareholding as 31 December 2022

- None -

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

Jun 2022 - Present	Independent Director, Chairman of the Audit Committee, Chairman of the Corporate Governance Committee. LH Financial Group Plc. (Holding Company)
2015 - Present	Director, Independent Director, Member of the Audit Committee, Chairman of the Nomination and Compensation Committee Land and Houses Plc. (Property Development)
2004 - Present	Independent Director, Member of the Audit Committee Bangkok Chain Hospital Plc. (Health Care Service)
2003 - 2010	Independent Director, Audit Committee Quality Construction Products Plc. (Building Material)

Non-Listed Company

Jun 2022 - Present	Independent Director, Audit Committee, Member of the Corporate Governance Committee, Chairman of the Nomination and Remuneration Committee Land and Houses Bank Plc. (Bank)
2002 - Present	Partner Law Alliance Co.,Ltd. (Legal Advisory)

Mr. Bandit Pitaksit**Age 57 years****Position**

- Chairman of the Risk Management and Sustainable Development Committee
- Director
- Independent Director
- Member of the Audit Committee
- Member of the Nomination and Compensation Committee

Appointed Date as Director 29 April 2015**Education/Trainings**

- Bachelor of Engineering (Civil Engineering), Chulalongkorn University
- Certificate of Leadership Program at Capital Market Academy Batch 12
- The Program for Senior Executives on Justice Administration Batch 17th
- Politics and Democracy for Executive, King Prajadhipok's Institute (KPI 14th)
- The National Defence Collage Class of 2014
- Director Certification Program (DCP) 237/2017 : IOD
- Top Executive Program in Commerce and Trade (TEPCoT)

% of Shareholding as 31 December 2022

- None -

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

Mar 2017 - Present	Member of the Nomination and Compensation Committee Land and Houses Plc. (Property Development)
2016 - Present	Member of the Audit Committee, Chairman of Risk Management and Sustainable Development Committee Land and Houses Plc. (Property Development)
2015 - Present	Director, Independent Director Land and Houses Plc. (Property Development)

Non-Listed Company

Present	Chairman of the Advisory Isuzu Sanguanthalai Group (Automotive)
Present	Chief Advisory Siam Car Rent Co.,Ltd. (Car Rental)

Mr. Achawin Asavabhokhin Age 47 years**Position**

- Director and authorized signatory

Appointed Date as Director 9 March 2018**Education/Trainings**

- Bachelor of Science in Engineering. System Science and Engineering. University of Pennsylvania, USA
- Bachelor of Science in Economics. Finance. University of Pennsylvania, USA
- Director Certification Program (DCP) 2014
- Fund Manager License
- Derivative Fund Manager License
- Investment Planner License

% of Shareholding as 31 December 2022

0.01

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

Feb 2018 - Present	Director Land and Houses Plc. (Property Development)
2017 - Present	Director Quality Houses Plc. (Property Development)
2014 - Present	Director Home Product Center Plc. (Trading of construction material)

Non-Listed Company

Oct 2018 - Present	Chief Marketing Officer, Senior Executive Vice President SCB Asset Management Co.,Ltd. (Asset Management)
Jul 2016 - Sep 2018	Executive Vice President, Group Head, Product & Foreign Fixed Income Group, Investment Division SCB Asset Management Co.,Ltd. (Asset Management)
Feb 2016 - Jun 2016	Executive Vice President & Dept head, International Investment - Internal Dept SCB Asset Management Co.,Ltd. (Asset Management)
Jan 2015 - Jun 2016	Executive Vice President, Product & Foreign Fixed Income Group SCB Asset Management Co.,Ltd. (Asset Management)

Mr. Wit Tantiworawong**Age 64 years****Position**

- Managing Director
- Director and authorized signatory
- Member of of the Executive Committee
- Chief Finance Officer
- Member of the Risk Management and Sustainable Development Committee

Appointed Date as Director 01 March 2022**Education/Trainings**

- Bachelor of Administration, Bangkok University
- MBA Thammasat University
- Continuing Professional Development (CPD) : 2019
- The Impact of the TFRS 16: Leases (6 hours) : Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- TFRS 9 Share Experience in Impairment of Financial Assets (6 hours) : Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- Director Certification Program (DCP) 320/2022 : IOD
- TLCA CFO Professional Development Program (TLCA CFO CPD) 5/2022 "Restructuring Business for Growth" : Thai Listed Companies Association

% of Shareholding as 31 December 2022

0.01

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

2022 - Present	Director, Managing Director (Support), Member of the Risk Management and Sustainable Development Committee Land and Houses Plc. (Property Development)
Sep 2017 -2021	Senior Executive Vice President Land and Houses Plc. (Property Development)
May 2013 - Present	Chief Finance Officer Land and Houses Plc. (Property Development)
2002 - Present	Member of the Executive Committee Land and Houses Plc. (Property Development)
May 2013 - Aug 2017	Executive Vice President Land and Houses Plc. (Property Development)
2009 - Apr 2013	Senior Vice President (Financial Department) Land and Houses Plc. (Property Development)
1991 - 2008	Vice President (Financial Department) Land and Houses Plc. (Property Development)

Non-Listed Company

2022 - Present	Director Land and Houses Northeast Co.,Ltd. (Property Development)
2022 - Present	Director Land and Houses North Co.,Ltd. (Property Development)
2022 - Present	Director Atlantic Real Estate Co.,Ltd. (Property Development)
2022 - Present	Director Siam Tanee Property Co.,Ltd. (Property Development)
2022 - Present	Director Siam Tanee Real Estate Co.,Ltd. (Property Development)
2022 - Present	Director LH Real Estate Co.,Ltd. (Property Development)
2022 - Present	Director LH Asset Co.,Ltd. (Property Development)
2015 - Present	Director L&H Retail Management Co.,Ltd. (Retail)
2013 - Present	Director LH Mall and Hotel Co.,Ltd. (Property Development)
2012 - Present	Director L&H Hotel Management Co.,Ltd. (Hotel)
2012 - Present	Director Land and Houses U.S.A., Inc. (Property Investment)
2007 - Present	Director L&H Property Co.,Ltd. (Property Development)
2007 - Present	Director L&H Management Co.,Ltd. (Management)
2000 - Aug 2022	Director Asia Asset Advisory Co.,Ltd. (Investment Advisory)

Remark: Mr. Wit Tantiworawong, Chief Finance Officer, who takes highest responsibilities in Accounting and Finance, has attended the continuous training for accounting knowledge in 2020 up to 12 hours (which is double the time defined by The Securities and Exchange Commission)

Mr. Chokchai Walitwarangkoon Age 60 years**Position**

- Managing Director
- Director and authorized signatory
- Member of the Executive Committee

Appointed Date as Director 02 March 2022**Education/Trainings**

- Bachelor of Business Administration (Marketing), Chulalongkorn University
- Director Certification Program (DCP) 321/2022 : IOD
- Financial Statements for Directors (FSD) 46/2022 : IOD

% of Shareholding as 31 December 2022

0.003

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

2022 - Present	Director, Managing Director (Operation), Member of the Executive Committee Land and Houses Plc. (Property Development)
Sep 2017 - 2021	Senior Executive Vice President Land and Houses Plc. (Property Development)
2015 - Aug 2017	Executive Vice President Land and Houses Plc. (Property Development)
2013 - 2014	Senior Vice President (Corporate Communication Department) Land and Houses Plc. (Property Development)

Mr. Teera Benjasilarak Age 63 years**Position**

- Executive Vice President (Accounting Department)

Appointed Date as Executive Vice President 01 September 2017**Education/Trainings**

- Bachelor of Science (Accounting), Kasetsart University
- MBA, Thammasat University
- Continuing Professional Development (CPD) : 2021
- Validating Account Closing and Financial Reporting
- Continuing Professional Development (CPD) : 2022
- Update All TFRS 2022 (NO 6. Course)
- Is a bookkeeper who possesses all complete qualifications as required by the Department of Business Development

% of Shareholding as 31 December 2022

0.01

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

Sep 2017 - Present	Executive Vice President Land and Houses Plc. (Property Development)
2013 - Aug 2017	Senior Vice President (Accounting Department) Land and Houses Plc. (Property Development)
1991 - 2012	Vice President (Accounting Department) Land and Houses Plc. (Property Development)

Mr. Visit Tantichaipakorn Age 63 years**Position**

- Senior Vice President (Finance Department)

Appointed Date as Senior Vice President 1 February 2022**Education/Trainings**

- Bachelor of Communication Arts, Sukhothai Thammathirat Open University

% of Shareholding as 31 December 2022

0.00

Family Relationship among Directors and Executives

- None -

5-year Past Experiences**Listed Company**

2022 - Present	Senior Vice President (Finance Department) Land and Houses Plc. (Property Development)
2014 - 2022	Vice President (Finance Department) Land and Houses Plc. (Property Development)
2002 - 2013	Assistant Vice President (Finance Department) Land and Houses Plc. (Property Development)

Attachment 2

Detail of Management positions in the Company, subsidiaries, associated and related companies.

List of Companies		Company	Subsidiaries								Associated Companies				
Name		LH	LHMH	LHH LHM LHR	LHN LHNE	AR SN SR	LA LT	LM	LH USA	LHP	LH BANK LHFG	Q-CON	LHPF-II	QH	HMPRO
Mr. Pakhawat Kovithathanapong		/, A1, I													
Mr. Bundit Pitaksit		/, A, I													
Mr. Piphob Veraphong		/, A, I									/, A1, I				
Mr. Naporn Sunthomchitharoen (Chairman)		X, /, ///	/		/	/	/	/	/	/	/	/	/	/	/
Mr. Wit Tantiworawong (Managing Director)		/, //	/	/	/	/	/	/	/	/					
Mr. Watcharin Kasinrerk (Managing Director)		/, //			/	/	/	/							
Mr. Chokchai Walitwarangkoon (Managing Director)		/, //													
Mr. Nantawat Pipatwongkasem (Senior Executive Vice President)		/			/	/	/	/	/	/					
Mr. Achawin Asavabhokhin		/												/	/
Note : / = Director X = Chairman of the Board of Directors // = Member of the Executive Committee /// = Chairman of the Executive Committee A = Member of the Audit Committee A1 = Chairman of the Audit Committee I = Independent Director															
AR	= Atlantic Real Estate Co., Ltd.		LHM	= L&H Management Co., Ltd.											
HMPRO	= Home Product Center Plc.		LHN	= Land and Houses North Co., Ltd.									LHPF-II	= Land and Houses Property and Loan Fund-II	
LA	= LH Asset Co., Ltd.		LHP	= L&H Property Co., Ltd.									LH BANK	= Land and Houses Bank Plc.	
LH	= Land and Houses Plc.		LHR	= L&H Retail Management Co., Ltd.									LH USA	= Land and Houses U.S.A. Inc.	
LM	= LH Muang Mai Co., Ltd.		LHFG	= LH Financial Group Plc.									QH	= Quality Houses Plc.	
LT	= LH Realestate Co., Ltd.		LHMH	= LH Mall and Hotel Co., Ltd.									Q-CON	= Quality Construction Products Plc.	
LHH	= L&H Hotel Management Co., Ltd.		LHNE	= Land and Houses Northeast Co., Ltd.									SN	= Siam Tanee Property Co., Ltd.	
													SR	= Siam Tanee Real Estate Co., Ltd.	

Changes in Shareholding Position of Directors and Executives in 2022

No.	Name	Position	No. of Shares as at January 1, 2022	Changes in No. of Shares Increased/ (Decreased) during 2022	No. of Shares as at December 31, 2022	Shareholding (%) as at December 31, 2022
1.	Mr. Naporn Sunthornchitcharoen	Chairman	27,489,859	-	27,489,859	0.23
	Spouse and Children under the legal age		-	-	-	-
2.	Mr. Watcharin Kasinrer	Director Managing Director (Operations-low-rise project development)	450,000	100,000	550,000	0.00
	Spouse and Children under the legal age		-	-	-	-
3.	Mr. Nantawat Pipatwongkasem	Director Company Secretary	12,099	-	12,099	0.00
	Spouse and Children under the legal age		-	-	-	-
4.	Mr. Pakhawat Kovithvathanapong	Independent Director	363,597	-	363,597	0.00
	Spouse and Children under the legal age		-	-	-	-
5.	Mr. Piphob Veraphong	Independent Director	-	-	-	-
	Spouse and Children under the legal age		-	-	-	-
6.	Mr. Bundit Pitaksit	Independent Director	-	-	-	-
	Spouse and Children under the legal age		-	-	-	-
7.	Mr. Achawin Asavabhokhin	Director	1,586,028	-	1,586,028	0.01
	Spouse and Children under the legal age		-	-	-	-
8.	Mr. Wit Tantiworawong	Director Managing Director (Support)	3,027,118	-	3,027,118	0.03
	Spouse and Children under the legal age		-	-	-	-
9.	Mr. Chokchai Walitwarangkoon	Director Managing Director (Operations-high-rise project development)	30,954	-	30,954	0.00
	Spouse and Children under the legal age		-	-	-	-
10.	Mr. Teera Benjasilarak	Executive Vice President (Accounting Department)	1,110,417	-	1,110,417	0.01
	Spouse and Children under the legal age		688,000	-	688,000	0.00
11.	Mr. Visit Tantichaipakorn	Senior Vice President (Finance Department)	-	-	-	-
	Spouse and Children under the legal age		-	-	-	-

Attachment 3

Detail of Head of Internal Audit

Name - Surname : Mr. Pornchai Kiatkajornvirat

Position : Senior Vice President of Internal Audit and System Development

Education :

- Bachelor of Business Administration, Accounting
- Master of Business Administration, Faculty of Management Science

Work Experiences :

- 1986 - 1989 Accountant
- 1990 - 1991 Assistant Vice President of Accounting Department
- 1992 - 2014 Vice President of Internal Audit and System Development
- 2015 - Present Senior Vice President of Internal Audit and System Development

Trainings :

- Important Internal Auditing Procedure
- Full Scale Internal Auditing
- Internal Control Seminar
- Codes of Conduct
- Corporate Governance, Risk Management and Internal Audit in tomorrow's Leading Organization
- Audit Committee (Promotion Mechanism for Good Corporate Governance)
- Risk Management
- AGM Assessment Project
- How can an internal auditor support the Audit Committee?
- IT Auditing in practice
- Business Risk Management
- CG Forum 3/2556 : Conflict of interest : Fighting abusive RPT
- Guideline on the disclosure of Corporate Social Responsibility in Form 56-1

Attachment 4

Land use for operating projects

The land that the Company has used for operating projects as of December 31, 2022, consists of land, land improvement, utilities and construction works as detailed below :

No.		Name of Project	Land area (Rai)	Net Cost Value (MB)	Ownership	Collateral
1	074	Chaiyapruet Chiang Mai	3.43	10.5	LH	
2	075	Nantawan Chiang Mai 2	3.67	48.3	LH	
3	107	Chonlada Chiang Mai	7.45	42.6	LH	
4	140	Siwalee Klongchon Chiang Mai	1.59	40.1	LH	
5	188	Villaggio Bangna	2.87	82.7	LH	
6	201	Ladawan Chiang Mai	45.71	121.3	LH	
7	203	Nantawan Serene Lake-Chiang Mai	19.16	314.7	LH	
8	223	Mantana Westgate	4.16	149.5	LH	
9	224	The Bangkok Sathorn	1.62	38.5	LH	
10	229	Siwalee-Sankampaeng Chiang Mai	10.60	150.0	LH	
11	240	Villaggio-Pinklao-Salaya	0.88	23.3	LH	
12	243	Siwalee-Mittraphap Road (Nakhon Ratchasima)	1.35	43.5	LH	
13	246	Siwalee Maliwan Road-Khon Kaen	12.54	175.6	LH	
14	249	Villaggio Rangsit Khlong 2	6.06	129.5	LH	
15	253	Nantawan-Udonthani	10.83	217.9	LH	
16	254	Siwalee-Udonthani	8.32	189.3	LH	
17	258	North 3	0.79	12.4	LH	
18	259	North 4	0.09	1.4	LH	
19	260	North 5	1.09	17.3	LH	
20	261	North 6	2.32	40.1	LH	
21	266	Siwalee Svieng-Chiang Rai	13.65	250.4	LH	
22	272	Mantana - Bypass	57.09	561.0	LH	
23	286	Siwalee Maha Sarakham	13.72	247.3	LH	
24	288	Ladawan Rama 2	0.76	55.2	LH	
25	292	Villaggio Phet Kasem-Sai 4	1.27	47.0	LH	
26	293	The Room Charoenkrung	1.78	82.0	LH	
27	304	Mantana Serene Lake	5.37	138.6	LH	
28	318	The Bangkok Thonglor	16.40	1,381.4	LH	

No.		Name of Project	Land area (Rai)	Net Cost Value (MB)	Ownership	Collateral
29	323	Indy Westgate	9.42	329.0	LH	
30	324	Chaiyaphruek Ram Intra-Chatu Chot	5.22	106.5	LH	
31	329	Siwalee Srinagarindra-Rom Klao	10.58	251.3	LH	
32	333	Indy Bang Yai (2)	0.22	7.6	LH	
33	337	anya WESTGATE	10.81	352.9	LH	
34	338	Villaggio San Sai - Chiang Mai	10.93	251.6	LH	
35	339	Chaiyaphruek Westgate	0.40	9.0	LH	
36	341	Villaggio 2 Ayutthaya	30.48	478.2	LH	
37	342	inizio 4 Pinklao-Wongwaen	4.37	147.9	LH	
38	344	Mantana San Sai - Chiang Mai	20.41	370.3	LH	
39	345	The Room Sukhumvit 38	32.23	1,942.9	LH	
40	346	Indy 2 Srinakarin	0.17	5.6	LH	
41	347	The Room Phayathai	28.48	1,346.3	LH	
42	349	Villaggio 2 Srinakarin-Bangna	19.83	470.7	LH	
43	354	Villaggio Bangyai	42.46	592.3	LH	
44	357	The Key MRT Phetkasem 48	22.38	669.3	LH	
45	362	Mantana 2 Motorway-New Krungthepkreetha	15.43	454.4	LH	
46	369	The Key Rama 3	0.52	14.4	LH	
47	370	Indy Srinagarindra - Phraeksa	0.72	17.6	LH	
48	372	Mantana Ratchaphruek-Nakhon In	45.61	1,284.0	LH	
49	375	Villaggio Suksawat Prachauthit	33.24	541.3	LH	
50	376	Chaiyaphruek Bangna Km.15	29.80	914.6	LH	
51	379	Nantawan Rama 9 New Krungthepkreetha	28.63	1,189.4	LH	
52	383	Prueklada Ratchaphruek-34	36.04	645.5	LH	
53	384	inizio Bangna	35.54	728.4	LH	
54	390	inizio Ratchaphruek-Rattanaibet	4.63	166.5	LH	
55	391	Nantawan Pinklao-Kanchana	53.51	1,598.3	LH	
Subsidiaries						
56	NE407	Siwalee 3 Ayutthaya	0.1	5.7	NE	
57	NE408	Villaggio Srinakarin	11.31	358.9	NE	
58	NE410	inizio Suksawat-Prachauthit	16.95	354.2	NE	
59	NE411	CHAIYAPRUEK Ayutthaya	11.80	287.6	NE	
60	NE416	Vive Rama 9	6.82	422.3	NE	

No.	Name of Project		Land area (Rai)	Net Cost Value (MB)	Ownership	Collateral
61	LHM	Phuket 4 Project	56.12	1,216.2	LHM	Loan
62	SA007	anya Phet Kasem Sai 4	19.38	153.6	SA	
63	LA016	Inizio Chiang Mai	23.54	225.5	LA	
64	LA020	Siwalee Maliwan Road-Khon Kaen	66.71	179.3	LA	
65	LA023	Mantana Phet Kasem-Sai 4	10.83	311.5	LA	
66	LA024	Indy Ayutthaya	2.32	68.9	LA	
67	LA025	Prueklada Ramindra Expressway-Chatuchot	29.68	612.4	LA	
68	LA027	Indy 2 Bangna-Ramkhamhaeng 2	0.25	26.2	LA	
69	LA028	Siwalee Phet Kasem 69	0.67	17.4	LA	
70	LA029	anya Ratchaphruek Nakhon In	5.13	222.5	LA	
71	LA030	MANTANA Bangna km.15	56.12	1,295.2	LA	
Total			1,104.37	25,255.32		

Remark: NE = Land and Houses Northeast Co., Ltd
LA = LH Asset Co, Ltd.

LHM = LH Muang Mai Co., Ltd.
SA = Siam Tanee Property Co., Ltd.

The ongoing projects, the projects under preparation, and the land held for development as of December 31, 2022 bear the cost of land, interest on land, land filling, utility development and construction costs in total of 53,446.09 million Baht. The Company and its subsidiaries has pledged land and work in progress value of 9,475 million Baht as collateral for the long-term loans from the banks.

Awards of Pride



The BCI Asia Top 10 Developers Award 2022

is a prestigious award for influential and green real-estate developers in the construction industry. Three award-winning LH projects were Mantana Ratchaphruek-Nakorn In, Chaiyapruet Bangna Km.15, and Prueklada Ratchaphruek-345 Projects. In 2022 the annual BCI Asia Award was held for the 17th consecutive year in seven Asian markets: Hong Kong, Indonesia, Malaysia, Philippines, Singapore, Vietnam, and Thailand. BCI Asia Construction Information Co., Ltd., annually selected only ten projects that proved outstanding in various aspects and met the contest criteria. BCI Asia Top 10 Developers Award 2022 honored the best architecture firms, designers, and real-estate developers with key roles in driving Thailand's construction industry. The criteria consisted of the highest gross value of projects under construction during the past calendar year and continued efforts to develop high-quality, sustainable, and reliable projects that attract investors to Thailand. The rest was Green Certification Rating and Project Category score rating set by BCI Asia.



Honorary plaques in Pollution Source Control for organizations that passed the wastewater management evaluation (gold level)

were awarded to the Company for its best compliance with environmental laws in Fiscal Year 2022. Out of 655 participating projects, two awards went to the Mantana Srinakarin-Bangna Project and the Mantana 2 Bangna Km.7 Project. Land and Houses passed the evaluation for its efficient wastewater management that met environmental laws and passed the random inspection by the Office of Environment and Pollution Control 1-16, Pollution Control Department, under the Pollution Source Control Project. The awards encourage companies to abide by environmental laws and honor organizations participating in environmental conservation through efficient wastewater management. Furthermore, it created a network to integrate environmental quality management at the site level. The criteria for assessing wastewater management of pollution sources served as a tool for measuring operational efficiency, covering all aspects of pollution source wastewater management.

The Credence Award



At the TERRAHINT Brand Series 2022: Rebranding : Investing for the Future event, hosted by Terra Media and Consulting Co., Ltd., Land and Houses proudly received the Credence Award from TerraBKK for being a brand that set a quality baseline and best fulfilled customers' dreams. Land and Houses sets the standard for housing development projects for construction quality, material selection, aesthetic designs, and the allocation of utility space that truly served residents' needs. Furthermore, its house construction work was completed before sale. The projects valued residents' quality of life by paying attention to every single detail in each step until the Company hands over high-quality houses in the projects to consumers to best fulfill their dreams.



This book was printed on Green Ocean paper, using soy-based ink and eco-friendly production process to reduce CO₂ emissions which amounted to a total of 196.699 kg.CO₂eq for this book production.

The carbon emission has been offset to net zero. The process was operated under good conscience, reflecting the organization that is “environmentally conscious”



1 Q. House Lumpini Building,
37-38th fl., South Sathon Road.,
Thung Mahamek, Sathon,
Bangkok 10120

www.lh.co.th