



TRANSFORM FOR BETTER LIVING

ANNUAL REPORT 2022



56-1 ONE REPORT

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED



TRANSFORM FOR BETTER LIVING



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L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED



| | |
|------------------------------------|---|
| • MESSAGE FROM THE CHAIRMAN | 4 |
| • BOARD OF DIRECTORS | 6 |
| • SUMMARY OF FINANCIAL INFORMATION | 8 |

01

| | |
|-----------------------------------|----|
| STRUCTURE AND BUSINESS OPERATIONS | 10 |
|-----------------------------------|----|

| | |
|---|----|
| • BUSINESS POLICY AND OVERVIEW | 11 |
| - VISION 2023-2026 | |
| - MISSION 2023 | |
| • LPN WAY : MOVING THE ORGANIZATION TOWARDS SUSTAINABILITY | 12 |
| • SUMMARY OF OPERATIONAL PERFORMANCE IN 2021 | 14 |
| • DEVELOPMENT BUSINESS STRATEGY MAP 2022 | 16 |
| • AWARDS OF PRIDE 2021 | 19 |
| • COMPANY HISTORY | 20 |
| • DEVELOPMENT OF CONDOMINIUM, BRAND AND "LIVABLE COMMUNITY" | 24 |
| • CHANGES TO THE MANAGEMENT STRUCTURE | 26 |
| • REVENUE STRUCTURE | 28 |
| • PRODUCT INFORMATION | 30 |
| • INNOVATION DEVELOPMENT | 42 |
| • SUMMARY OF REAL ESTATE BUSINESS SITUATIONS IN 2022 | 44 |
| • 2022 COMPETITION | 49 |
| • REAL ESTATE MARKET OUTLOOK 2023 | 51 |
| • DETAILS OF PROJECTS | 56 |
| • SHAREHOLDING STRUCTURE OF THE COMPANY | 64 |
| • SECURITIES AND SHAREHOLDING INFORMATION | 67 |

02

| | |
|-----------------|----|
| RISK MANAGEMENT | 72 |
|-----------------|----|

| | |
|--|----|
| • RISK MANAGEMENT POLICY AND PLAN 2022 | 73 |
| • BUSINESS RISK FACTORS OF THE COMPANY | 74 |

03

DRIVING BUSINESS FOR SUSTAINABILITY 80

- POLICY AND SUSTAINABLE MANAGEMENT GOAL 82
- LPN AND SUSTAINABLE DEVELOPMENT CONCEPT 83
- STAKEHOLDER ENGAGEMENT & MATERIALITY ANALYSIS 88
- LPN SUSTAINABLE STRATEGY 92
- CORPORATE ENVIRONMENTAL AND SOCIAL RESPONSIBILITY (IN PROCESS) 93

04

ANALYSIS AND EXPLANATION OF THE MANAGEMENT 102

- MANAGEMENT DISCUSSION AND ANALYSIS IN 2022 103
- FINANCIAL HIGHLIGHTS 126
- COMPANY'S LOAN 138

05

GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION 139

06

CORPORATE GOVERNANCE POLICY 143

- CORPORATE GOVERNANCE 144

07

GOVERNANCE STRUCTURE AND KEY DATA ON THE BOARD OF DIRECTORS 180

- MANAGEMENT STRUCTURE 181
- BOARD OF DIRECTORS 182
- SUBCOMMITTEES 190
- EXECUTIVES 199
- STAFF 203
- OTHER SIGNIFICANT INFORMATION 211

08

CORPORATE GOVERNANCE PERFORMANCE REPORT 213

- NOMINATION, REMUNERATION AND GOOD CORPORATE GOVERNANCE COMMITTEE REPORT 214
- EXECUTIVE COMMITTEE REPORT 216
- RISK MANAGEMENT COMMITTEE REPORT 217
- CORPORATE ENVIRONMENTAL AND SOCIAL RESPONSIBILITY COMMITTEE REPORT 218

09

INTERNAL CONTROL AND CONNECTED TRANSACTIONS 219

- INTERNAL CONTROL 220
- CONNECTED TRANSACTIONS 223

10

FINANCIAL STATEMENT 226

- REPORT ON THE RESPONSIBILITY OF THE BOARD OF DIRECTORS ON FINANCIAL REPORTS 227
- INDEPENDENT AUDITOR'S REPORT 228
- STATEMENTS OF FINANCIAL 240
- NOTES TO INTERIM FINANCIAL STATEMENTS 250


11

APPENDIX 306

- BOARD OF DIRECTORS 308
- POSITIONS HELD BY THE COMPANY DIRECTORS IN SUBSIDIARIES AND ASSOCIATES 323
- INTERNAL AUDIT SUPERVISOR 324
- THE COMPANY OPERATIONS SUPERVISOR 324
- ASSETS USED IN BUSINESS OPERATION 325
- CODE OF CONDUCT 332
- AUDIT COMMITTEE REPORT 2022 346
- OVER 130 QUALITY PROJECTS BY LPN CREATING HAPPINESS IN LIVABLE COMMUNITY 348



MESSAGE FROM THE CHAIRMAN



2022 was another year that demonstrates organizational competency and collaboration of every team member to drive the organization through hurdles of economic uncertainty and volatility. I would like to express my thanks to the dedication of all executive members, staff members and business partners in the past year. Thanks also go for confidence and trust of all the shareholders. Every support is a great encouragement for LPN to never stop developing best products and services.

Dear all Shareholders,

2022 was the year in which the global economy has entered recession due to multiple crises. This included the crisis caused by the pandemic of coronavirus disease 2019 (COVID-19), which is still active today. While situations have improved when compared to 2020-2021, the crisis still has impact on the growth of global economy, coupled with geopolitical crisis of the Russia and Ukraine War. A direct impact has been felt on economic drive due to the fact that Russia is a strategic global energy source. As a result, energy costs have risen and there has been general inflation. The global economy has recessed. The World Bank has predicted that the world economy in 2022 would grow by 2.9 per cent, when compared to a prior forecast of 4.1 per cent.

While the Thai economy in 2022 was recovering from impact of COVID-19, it had to face with the global economic recession and energy price rise. Thai people's costs of living were higher and the inflation rate was at 6.08 per cent which was the highest in 24 years according to the Ministry of Commerce's report. The inflation that went on throughout the year has resulting in the Bank of Thailand and the National Economic and Social Development Board adjusting the estimation of Thai economic growth rate from 3.5-4.5 per cent down to 3.2-4.2 per cent.

Under such circumstances, LPN has adjusted its business strategy to prepare the organization to move forward and suffer the least impact from the Volatility, Uncertainty, Complexity and Ambiguity of the Thai economy which is driving by unpredictable changes of the global economy.

LPN has improved its products, services, internal procedures to increase sale volumes and decrease expenses. Business strategies have been adjusted to correspond with incurring changes through development of living units that respond to needs of all levels of buyers under the concept of "Living Livable". A new project has been designed taking into account comfort as well as Smart & Wellbeing under the brand "168".

2022 was another year that demonstrates organizational competency and collaboration of every team member to drive the organization through hurdles of economic uncertainty and volatility. I would like to express my thanks to the dedication of all executive members, staff members and business partners in the past year. Thanks also go for confidence and trust of all the shareholders. Every support is a great encouragement for LPN to never stop developing best products and services under the aspiration of building quality "Homes" that deliver true happiness of living to all Thai people and of creating sustainable growth for the organization and all groups of stakeholders.



(Amornsak Noparumpa)
Chairman of the Board



BOARD OF DIRECTORS



01

MR. AMORNSUK NOPARUMPA

Chairman of the Board of Directors
and Independent Director

02

MR. VUDHIPHOL SURİYABHIVADH

Vice Chairman of the Board of Directors,
Chairman of Audit Committee
and Independent Director

03

MR. TIKHAMPORN PLENGSRISUK

Vice Chairman
of the Board of Directors

04

MR. KHANCHAI VICHAKKHANA

Director, Audit Committee Member,
Chairman of Nomination, Remuneration
and Good Corporate
Governance Committee
and Independent Director

05

MR. KRIRK VANIKKUL

Director, Audit Committee Member,
Nomination, Remuneration
and Good Corporate
Governance Committee Member
and Independent Director

06

MR. WEERASAK WAHAWISAL

Director, Audit Committee Member,
Nomination, Remuneration
and Good Corporate
Governance Committee Member
and Independent Director



07

MR. PICHET SUPAKIJJANUSAN

Director and Nomination, Remuneration
and Good Corporate Governance
Committee Member

08

MRS. YUPA TECHAKRAISRI

Director

09

MR. KUMPEE CHONGTHURAKIT

Director

10

MR. OPAS SRIPAYAK

Director, Chief Executive Director,
Chief Executive Officer,
Nomination, Remuneration
and Good Corporate Governance
Committee Member,
Chairman of Risk Management
Committee, and Managing Director

11

MR. APICHART KASEMKULSIRI

Director, Executive Director,
Risk Management Committee Member
and Chief Financial Officer

12

MR. SURAWUT SUKCHAROENSIN

Director, Executive Director,
Risk Management Committee Member
and Chief Strategy Officer

SUMMARY OF FINANCIAL INFORMATION

(Revised)

| Assets | 2018 | 2019 | 2020 | 2021 | 2022 |
|---|-----------|-----------|-----------|-----------|-----------|
| Total assets | 21,250.21 | 23,473.35 | 23,618.74 | 23,776.63 | 24,114.08 |
| Land and cost of project under development | 9,243.16 | 9,614.33 | 8,074.95 | 9,027.77 | 11,041.82 |
| Inventories | 7,684.91 | 9,429.68 | 9,090.76 | 8,838.04 | 7,119.35 |
| Land and cost of project held for development | 943.10 | 648.74 | 1,004.44 | 537.14 | 538.58 |
| Asset for investment | 1,624.88 | 1,928.09 | 3,099.67 | 3,140.45 | 2,993.98 |
| Liabilities and Shareholders' Equity | | | | | |
| Short-term loans | 3,246.08 | 3,475.64 | 6,587.89 | 7,104.67 | 6,740.17 |
| Long-term loans | 1,989.16 | 4,148.00 | 3,093.24 | 3,316.47 | 3,835.88 |
| Total liabilities | 8,315.57 | 10,314.25 | 11,796.83 | 12,379.43 | 12,246.56 |
| Issued and fully paid-up share capital | 1,475.70 | 1,475.70 | 1,475.70 | 1,475.70 | 1,454.20 |
| Shareholders' equity | 12,934.64 | 13,159.10 | 11,821.91 | 11,397.20 | 11,867.53 |
| Operational Performance | | | | | |
| Total revenues | 11,301.89 | 10,040.40 | 7,457.74 | 5,598.05 | 10,301.32 |
| Revenues from sale | 10,187.25 | 8,717.30 | 6,001.26 | 4,044.14 | 8,422.98 |
| Sale cost | 7,059.97 | 5,954.24 | 4,283.93 | 3,096.07 | 6,633.60 |
| Gross profit from sale | 3,127.28 | 2,763.06 | 1,717.33 | 948.07 | 1,789.38 |
| Net profit (Loss) | 1,367.27 | 1,256.04 | 716.35 | 302.34 | 612.14 |
| Financial Ratio | | | | | |
| Book value per share (THB/Share)* | 8.77 | 9.04 | 8.13 | 7.84 | 8.16 |
| Net profit per share (THB/Share)* | 0.93 | 0.86 | 0.49 | 0.21 | 0.42 |
| Net profit margin (%) | 12.10 | 12.51 | 9.61 | 5.40 | 5.94 |
| Return on Equity (%) | 10.79 | 9.63 | 5.74 | 2.60 | 5.26 |
| Return on Assets (%) | 6.47 | 5.62 | 3.04 | 1.28 | 2.56 |
| Dividend per share (THB/Share) | 0.60 | 0.60 | 1.40 | 0.15 | **0.22 |

* Weighted average shares

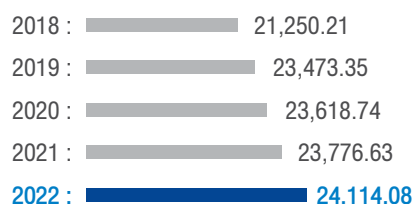
** Pending Approval from the Annual General Meeting of Shareholders 2023

Note : Information from Consolidated Financial Statements

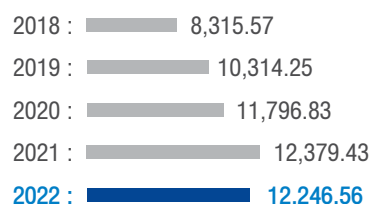
Balance Sheet 2022

Unit : Million THB

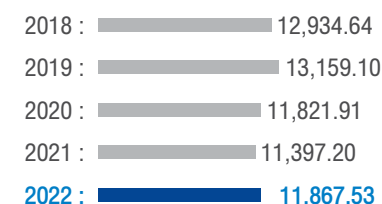
Total assets

24,114.08

Total liabilities

12,246.56

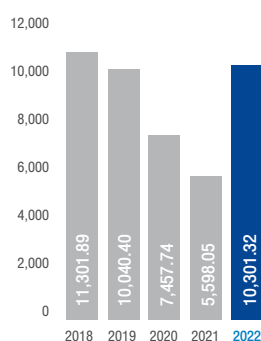
Shareholder's equity

11,867.53

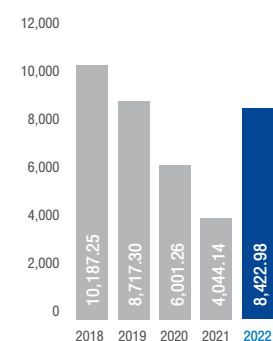
Income Statement 2022

Unit : Million THB

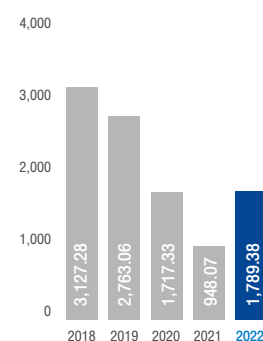
Total revenues

10,301.32

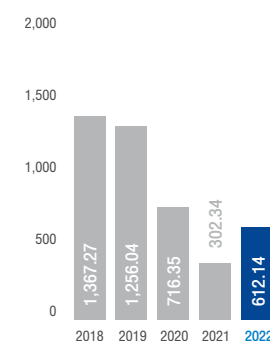
Revenues from sale

8,422.98

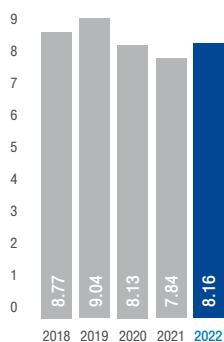
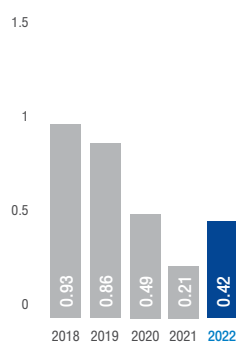
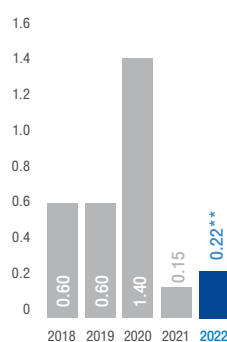
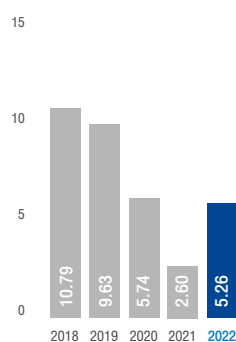
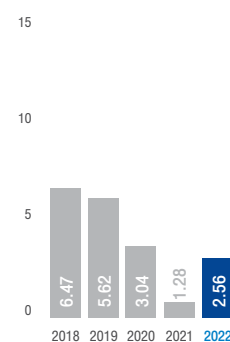
Gross profit from sale

1,789.38

Net profit

612.14

Financial Ratio 2022

Book value per share
(THB/Share)**8.16**Net profit per share
(THB/Share)**0.42**Dividend per share
(THB/Share)***0.22**Return on Equity
(%)**5.26**Return on Assets
(%)**2.56**

01

STRUCTURE AND BUSINESS OPERATIONS



BUSINESS POLICY AND OVERVIEW

SUSTAINABILITY GOALS

The Board of Directors considers and approves the vision, mission, strategy and business plans of the Company, subsidiary companies and associated companies. The vision of the Company has been revised every three years in order for the Company to achieve sustainable growth targets by taking into account the balance of both quantitative and qualitative rewards for all stakeholders as well as social and environmental responsibilities. The operation of the Company is in accordance with the principles of good governance. A mission statement is developed annually to reflect the changing environments. The organization is driven by the LPN Way which is derived from the extensive experiences in business operation.

Vision 2023-2026

Increase performance in financial dimensions while maintain equilibrium and accountability towards stakeholders for sustainability.

Organizational Mission 2023

Towards Shareholders SUSTAINABILITY

Increase performance in financial dimensions under risk management and good governance principles.

Towards Customers LIVABLE SOCIETY

Create a “livable” society under the spirit of value for money, quality and care.

Towards society and environment COMPLIED WITH ESG GOALS

Develop business procedures that comply with the principles and goals of ESG.

Towards business partners PARTNERSHIP

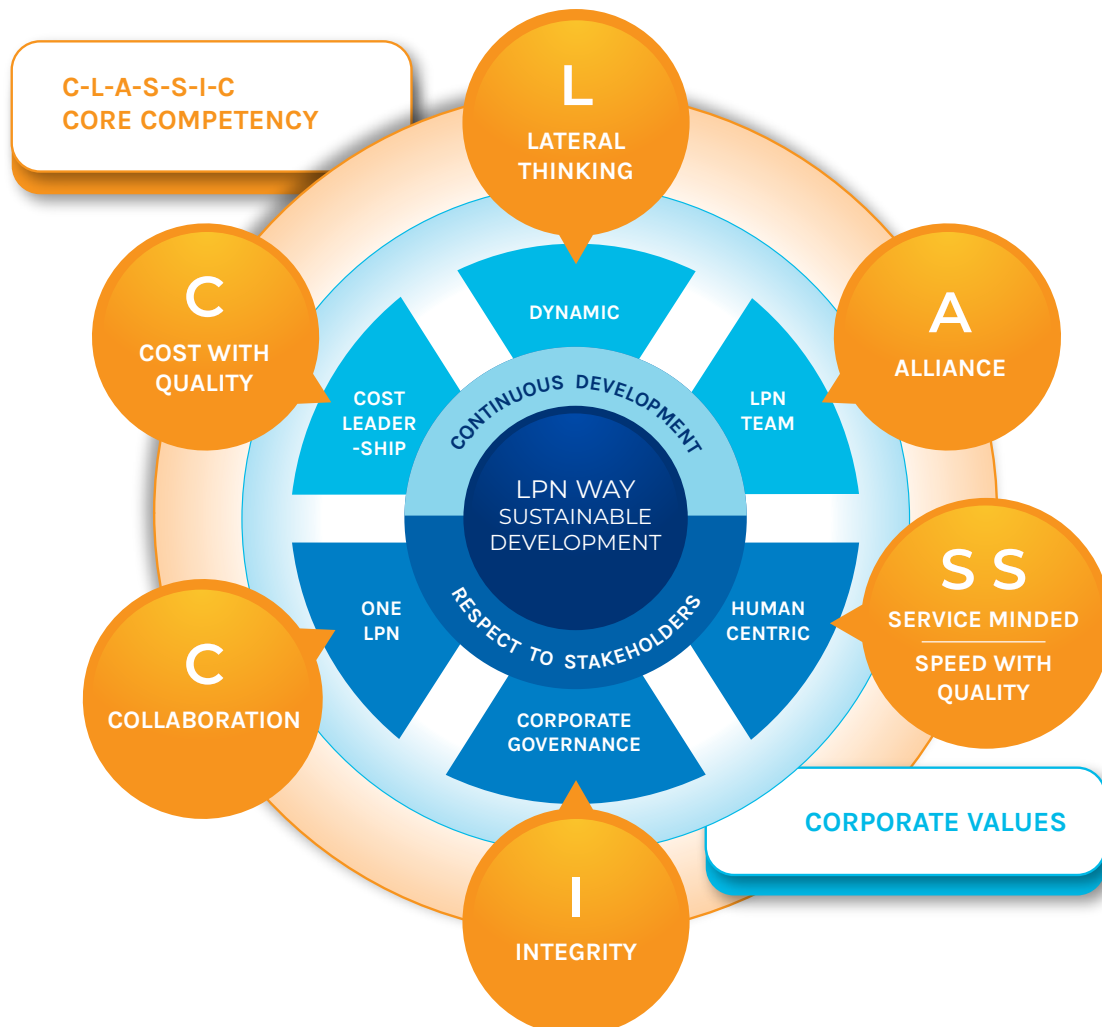
Collaborate to develop working procedures for business advancement and growth.

Towards employees SMART WORKFORCE

Strengthen employees’ potential for competence with skills, know-how and work accountability.

LPN WAY: MOVING THE ORGANIZATION TOWARDS SUSTAINABILITY

LPN Way comprises two milestone values i.e. “continuous development” and “respect for stakeholders”. The seven components of the values are “C-L-A-S-S-I-C” which is integrated into the operation of the Company and is adhered to by all segments of the Company. It has been developed into the organization values (LPN Values) and LPN Way with an aim to achieve the goal of the operation both in terms of quality and quantity and to drive the Company towards “Sustainable Development”.



C-L-A-S-S-I-C (Core Competency)



COST WITH QUALITY

The project management which realizes the importance of the careful utilization of resources and the efficiency of project management which focuses on the reduction of direct costs and hidden costs as well as the reduction of extra expenses in all departments without affecting the planned target and quality.



LATERAL THINKING

The new way of thinking that is flexible and different without any fear of obstacles in order to improve, change, develop and create new products and services. The implementation and assessment of the new process must be possible. The aim is to add value to the products and services as well as the growth of the organization.



ALLIANCE

The way of treating long-time and trustworthy business alliances with trust and fairness with the willingness to collaborate and develop the work continuously as if being in the same organization for the achievement of a common goal.



SPEED WITH QUALITY

The focus on the development of the working and problem-solving process that is quick and attentive to details for the quality of the work and the completion before deadline to be one step ahead of others.



SERVICE MINDED

The care for all groups of customers at all times by putting ourselves in their shoes and showing willingness and enthusiasm to provide full services that exceed their expectations in order to add value to services and create good impression.



INTEGRITY

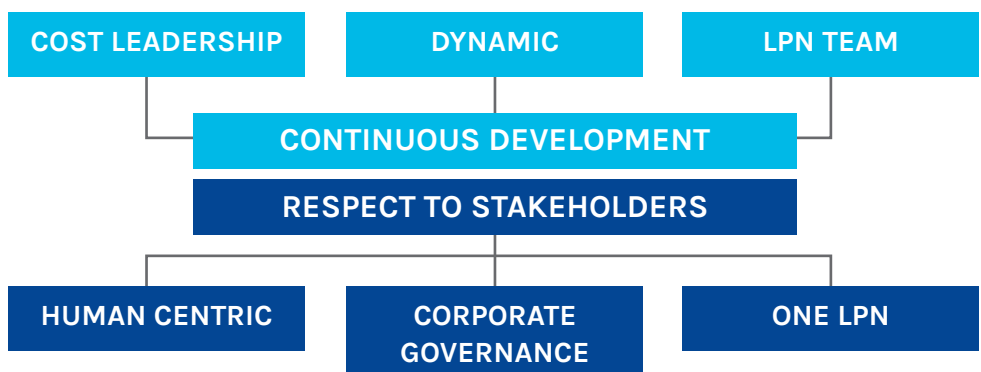
The action towards the organization and related business partners which is honest, responsible, transparent, fair and ethical at all times.



COLLABORATION

The sense of collaboration from staff at all levels in the operation or activity of the Company for the achievement of the common goal.

CORPORATE VALUE





SUMMARY OF OPERATIONAL PERFORMANCE IN 2022

In 2022, real estate business faced challenges from multiple crises including the elongated coronavirus disease 2019 (COVID-19) pandemic which entered its third year. Although the situations improved when compared to 2020-2021, people still had to be cautious living in this society and face economic recession. Inflation hit a 24-year high of 6.08 percent. As a result, construction costs rose in accordance with the rise in energy prices. This was a consequence of the protracted war between Russia and Ukraine that began in February 2022 until the end of 2022 and continued into 2023.

Under such circumstances, real estate developers had to adjust its business strategy to correspond with incurring situation. L.P.N. Development Public Company Limited (LPN) also had to revise its business plan and drive the organization toward resilience in response to economic uncertainty and volatility. In 2022, LPN has applied cost management practices in response to rising construction costs resulting from prices of lands and construction materials that rose along with energy prices, inflation and higher interest rate in 2022. Both financial cost management and construction cost management were implemented in order to develop projects at a reasonable price in line with existing purchasing power in the market while maintaining targeted profitability.

In the meantime, LPN has reorganized its business structure by separating the service business, LPP Property Management Company Limited, aiming to expand its service business to other business groups outside LPN business group. Moreover, LPN has also reconfigured management structure of its real estate development segment into 4 main income-generating business units including condominiums, 'Value' residential homes, 'Premium' residential homes and residential and commercial property rental business.

In addition to reorganizing to be consistent with its business plan, LPN has adjusted its project launch plans. In 2022, the Company launched eight new projects with a combined value of 10.7 billion THB. Five of them are residential condominium projects with a combined value of 8.83 billion THB namely Lumpini Place Chaengwattana-Pakkret Station, Place 168 Pinklao, Lumpini Ville Charan-Faichai, Ville 168 Bangwa and Park 168 Onnut 19. Three are 'Value' residential home projects with a combined value of 1.87 billion THB namely Venue 168 Ratchaphruek, Venue 168 Westgate and Venue 168 Khukhot Station. This adjustment was done in response to weakening tendency of purchasing power in the market in the latter half of 2022. As the economy tended to slow down, rising inflation rate led to higher costs of living which rose along with commodity prices.

In 2022, LPN adjusted its marketing strategy and created a new brand, "168", to expand its customer base among new generation, ages 25 to 35, (Gen Y) who was first jobbers and entrepreneurs, including start-up groups. The Company's logo has been redesigned to be in line with future business strategy and approaches.

Sales and Revenue Targets

Due to the uncertainty of geopolitical issues between Russia and Ukraine which affected energy prices and led to global recession, economic growth was lower than expected. Although there was business reorganization, marketing strategy adjustment and reduction in the number of new project launches in 2022, the Company was able to generate sales of 10.95 billion THB, increasing by 23 percent from 2021. This was because of the marketing plan and sales strategy that stimulated purchasing power and the online and offline sales.

In 2022, the net profit of LPN was 612 million THB or increased by 102 percent from year 2021. The total revenue was 10.301 billion THB increasing by 4.073 billion THB or 84 percent. The increase came mainly from the income from ownership transfers of real estate development business which was 8.423 billion THB, increasing by 4.379 billion THB or 108 percent. Forty-five percent of that were revenue recognized from residential condominium projects. Thirty percent were revenue recognized from office building projects. Twenty-five

percent were revenue recognized from residential home projects. The Company offered sales promotions to stimulate sales and decorated products to add value to the project. As a result of external factors, the economy started to return to normal. In addition, the government maintained measures to support real estate sectors almost throughout the year. Income from rental and service business increased by 13 percent because rental continued to rise as a result of the relaxation of the COVID-19 situation. Income from management fees increased by 23 percent due to the constant rises in project management services, engineering services and other services.

In 2022, seven projects, with an approximated combined value of 5.715 billion THB, were completed and ready to be handed over including four residential condominium projects, two residential home projects and one commercial building projects as follows.

Residential condominium projects with an approximate combined value of 4.405 billion THB namely

1. Lumpini Place Taopoon-Interchange;
2. Lumpini Selected Charan 65-Sirindhorn Station;
3. Lumpini Ville Chaengwattana 10;
4. Lumpini Ville Chaengwattana-Pakkret Station.

Residential home projects with an approximate value of 1.2 billion THB namely

1. Maison 168 Latphrao 101;
2. Lumpini Townville Saimai 18-Phahonyothin.

A commercial building project with an approximate value of 110 million THB namely

1. Lumpini Ladkrabang-Suvarnabhumi commercial building

Cost Control and Cost Reduction to Increase Work Efficiency

LPN developed a cost reduction plan by bringing in digital technology to help increasing efficiency of all operating segments, generating more recurring income from existing assets, e.g., renting out condominium units that were for sale, eliminating unnecessary expenses as well as speeding up the construction of projects with purchasing volumes to be completed and handed over to customers as planned. The Company also adapted itself and revised the operation of various segments to be in line with the situations. It also enhanced the financial liquidity by carefully managing cash flow to ensure that it would be sufficient for the business operation for no less than 6 months. The Company still upheld the financial discipline, maintained a debt equity ratio of not more than 1:1 according to the Company's policy as well as kept the investment portfolio balanced for future growth.

At the end of 2022, the interest-bearing debt to equity ratio of LPN decreased to 0.89:1 from 0.91:1 and the debt to equity ratio decreased to 1.03:1 from 1.09:1 in 2021.

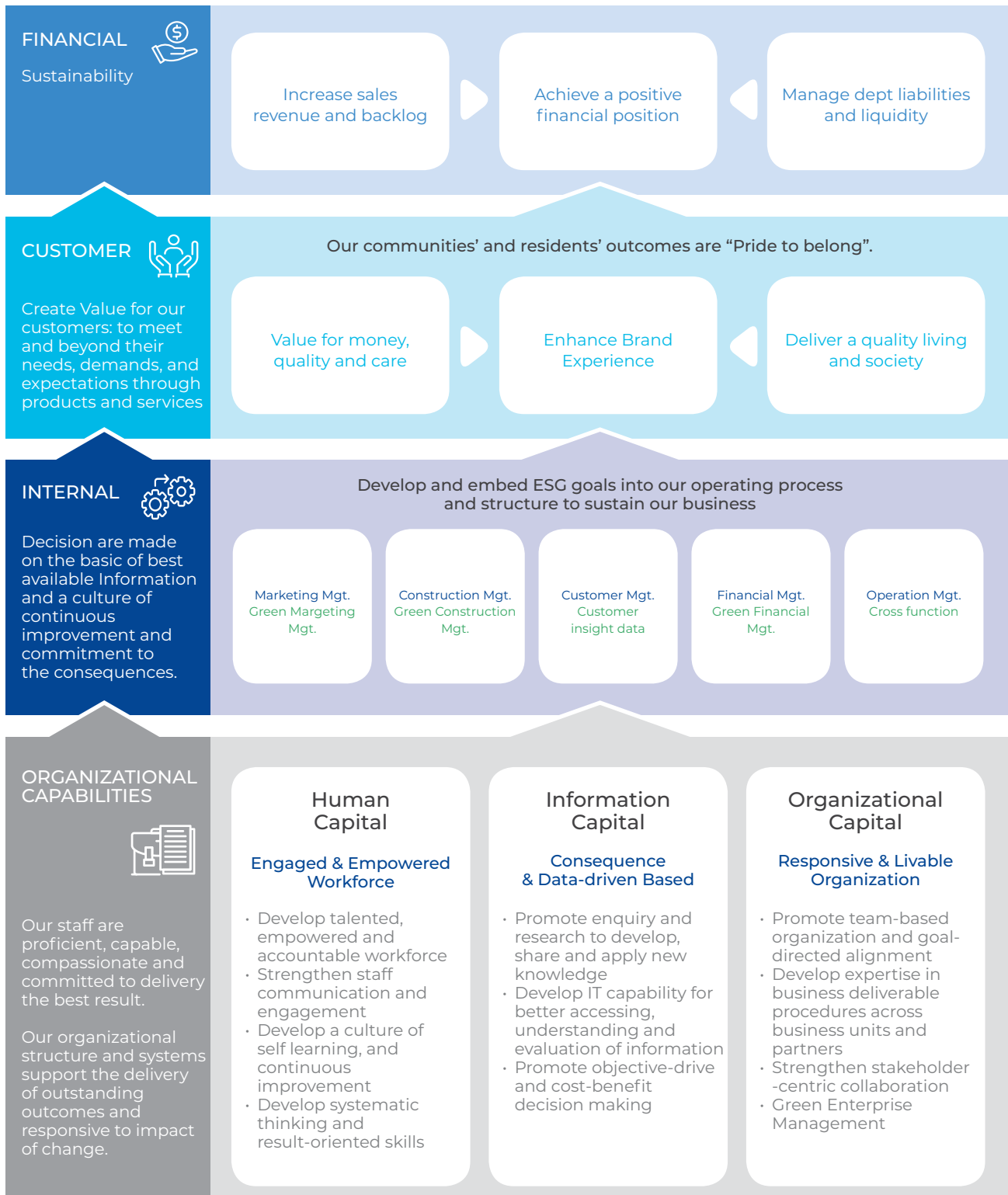
Taking Care of Stakeholders and Being Socially Accountable

Since employees have been the heart and engine of the organization, LPN has had a way of taking care of employees by communicating consistently with them, providing health care and preparing for situations that arose by allowing employees to Work from Home. Although the COVID-19 pandemic situations were improved, LPN still applied its monitoring measure and took care of co-owners of the Company-managed communities by strictly implementing various measures than had been formulated from 2000 to today.

In addition, the Company has continued to focus on social care through L.P.C. Social Enterprise Co., Ltd., a subsidiary company that creates job opportunities for underprivileged women and elderly people. The Company employed 1,630 underprivileged women and elderly people with an aim to employ and create opportunities for at least 2,000 underprivileged women and elderly people in 2025.

From the business plan adjustment and performances in 2022, the Board of Directors' Meeting No. 1/2023 held on 16th February 2023 resolved to approve an annual dividend for fiscal year 2022 of 0.22 THB per share. On 1st September 2022, the Company paid an interim dividend of 0.10 THB per share. The remaining dividend to be paid is 0.12 THB per share. The ex-dividend date (XD) was fixed on the 1st March 2023 and the record date was set on 2nd March 2023. The dividend was payable on 18th April 2023.

DEVELOPMENT BUSINESS STRATEGY MAP 2023



Business Operation Direction 2022

2023 is another year in which the real estate business continues to experience the economic uncertainty and volatility following the uncertainty from the protracted war between Russia and Ukraine that has been going on since 2022, the geopolitical tensions between China-Taiwan and the Korean Peninsula as well as the situation of the COVID-19 pandemic which is still active today. Such multiple crises push the global economy into recession and affect Thailand's economic drive in 2023. As the Thai economy is facing volatility, uncertainty, complexity and ambiguity (VUCA), it poses challenges for organizational leaders. They have to understand and adapt to the current political, economic and social changes.

Under such circumstances, L.P.N. Development Public Company Limited, therefore, designates Year 2023 as the Year of Change in order to drive the organization to overcome business risks and restrictive business practices and become an organization with sustainable revenue and profit growth by balancing the 3 pillars of sustainability or 3 P - Profit (Profit), People (Society) and Planet (Environment) - through the operation in the following 4 dimensions as follows.

1

Organizational Management Dimension



In 2023, the Company has adjusted its business strategies. It plans to develop both residential condominium projects and residential home projects that respond to needs of buyers under the concept of "Living Livable". A new brand, "168", has been launched to expand its customer base from the existing groups of customers to new groups of customers.

In the meantime, the Company has restructured its revenue-generating tasks into four revenue-generating business units namely a business unit responsible for condominium development, a business unit responsible for the development of 'value' residential homes, a business unit responsible for the development of 'premium' residential homes and a rental business unit responsible for both residential and commercial property.

The goal of such restructuring is to reach revenue target. Each business unit is expected to maintain a revenue growth rate of no less than 10 percent in 2023, when compared to 2022. This will allow each business unit to work with agility on both project design and project development so that it can rapidly response to the needs of buyers in each segment and meet the targeted customers' demand more accurately.

2

Financial Dimension



In 2023, the Company places an importance on stable growth within the framework of "increasing income, increasing profitability and controlling expenses".

How to "increase income"

1. Increase the share of income from residential home development to no less than 40 percent of total income in 2023 in order to be in line with needs and behaviors of current buyers who increasingly prefer residential homes. The Company plans to launch 11 residential home projects valued around 8.4 billion THB.
2. Maintain the proportion of income growth from residential condominium development in 2023 at no less than 10 percent when compared to 2022. The Company plans to launch 4 new projects in 2023, worth no less than 5 billion THB, and liquidate the inventories worth 11 billion THB in approximate to reduce financial costs.
3. Generate additional income from existing assets such as generating rental income from existing condominium units, developing existing assets to create additional income, etc.

How to "control expenses"

1. Control the operational expense to reduce management cost.
2. Adopt design and construction technologies that can help control design and construction costs, such as BIM (Building Information Modeling), to reduce construction costs. A 3D virtual technology is also used to support and increase sales and marketing efficiency.



3

Customer Dimension



2023 is the year in which the Company, analyzing customers' behaviors and needs from the Big Data, emphasizes on developing products and services that respond to the customer insight by adjusting its project development transformation plan. The Company plans to develop smaller residential projects, both residential condominiums and residential homes, to meet the needs of new generations who prefer freedom, privacy and uniqueness. "LPN Design" concept is used in the designing process to ensure that the living units are "Living Livable". Under the brand, "168", appropriate technologies are used in developing living units that suit the needs of new generations and people of all ages in the family, such as interior energy saving, EV Charger system, Active Airflow System and Touchless technologies for hygienic living.

4

Employee Dimension



Increase efficiency and skills of employees by applying digital technology in their skill development and adapting it to suit the work process which will sustainably increase efficiency and reduce operational cost in the long run.



AWARDS OF PRIDE



L.P.N. Development Public Co., Ltd.
won a Corporate Governance award.

The Company achieved the corporate governance scoring
at an “Excellent” level of recognition (5 stars)

in the 2022 Thai Listed Companies’ corporate governance assessment conducted
by the Thai Institute of Directors Association (IOD)
with support from the Stock Exchange of Thailand (SET).

COMPANY HISTORY

1989

Starting The Business : The Beginning of Success

The Company started by developing "Lumpini Tower" project, a 38-story high office building on Rama 4 Road.



1992

Lumpini Property Management Co., Ltd. was established with an aim to provide real estate management services after handover.

1994 - 1996

- The Company registered to become a public company with the aspiration of "sincere commitment and creation."
- The Company jointly invested in Elec & Eltek (Guangzhou) Real Estate Development Ltd. which was a real estate developer in China.
- The Company jointly invested in N.T.N. Concrete Co., Ltd. which was a company engaged in construction materials business.

2001

Discovering the Identity of LPN: The Development of City Condo, The Identity of LPN as well as the Business Opportunity in Time of Crisis Were Discovered.

- The Company initiated the development of City Condo and LPN Design unit with the size of 30 sq.m.
- Construction process was developed. The construction of each project was completed within 1 year.
- Core competency was established and defined as "CLASSIC".
- Grand Unity Development Co., Ltd. was established jointly with Uni-Venture Public Co., Ltd. to develop "unfinished buildings".

1998 - 1999

- The Company withdrew its investment from Elec & Eltek (Guangzhou) Real Estate Development Ltd.
- The Company withdrew its investment from N.T.N. Concrete Co., Ltd.
- The Company successfully restructured its debt with financial institutions at the amount of 3,705 million THB.

1997

Encountering Economic Crisis In Thailand: Crisis of The Organization

- The Company suffered from the national economic crisis.
- The debt to equity ratio was 3:1. There was a severe lack of cash.
- The number of staff was reduced but the sales activities were continued and supported by business alliances, staff and all related parties.

2002

- Developing "Livable Community"
- The Company paid off all the debts following the debt restructuring plan and increased the capital for business expansion.
- All the projects of city condo of the Company were highly successful.

2003

- The sale of Lumpini Suite Sukhumvit 41 was closed within one hour.

2004

- LPN Family Day activity was organized to thank the customers and build good relationship with them.
- The Company increased shareholding ratio in Grand Unity Development Co., Ltd. from 25% to 33.33%.

2005

"Livable Community"

- The "Livable Community" strategy was initiated focusing on the management of quality of life of the residents. The Company focused on the development of Small Size Township projects.

2006

- All Lumpini brands were highly accepted by the customers. The innovation in sale i.e. tagging strategy was initiated.

2007

- Lumpini brand was communicated through "30 Happy Days" campaign. The happiness of the residents was reflected through more than 3,000 stories of door hanging.

2012

- The Company gave importance to elderly people with the "Pleasure Family" concept in order for the "Livable Community" to be able to respond to the lifestyle of both working and elderly people.
- LPN Academy was founded to develop knowledge and provide trainings to staff.

2011

The Company expanded the project development to other provinces.

- The Company expanded the project development to other provinces under "Lumpini Park Beach" brand.
- In collaboration with TK Park, the Company developed and promoted learning in community via "Living Library" concept.
- Lumpini Property Service and Care Co., Ltd. was established to run cleaning services business to create jobs, income and good quality of life to underprivileged women. The long-term goal was for the company to become a social enterprise.

2008 - 2010

- The projects were developed with "LPN Green" concept focusing on the responsibilities towards the environment and society.
- "From Corporate CSR to Community CSR" concept was initiated resulting in the establishment of many Lumpini clubs with the objective of running socially beneficial activities.

2013

- "Township" concept with more than 10,000 condominium units was initiated to respond to the needs to buy the first home. Lumpini Township Rangsit-Klong 1 was developed on the land with the size of around 100 rai.
- The Lumpini 24 project on Sukhumvit Road was developed to reach out to the customers in the higher income group.
- The Company started using the Building Information Modeling system to develop the project design and construction management system.
- The Company withdrew the investment in Grand Unity Development Co., Ltd.

2014

The Company strived to be a "Value Organization" that gave importance to the sustainability in all aspects according to "6 Green LPN" concept.

- The "Livable Community Model" concept was initiated to enhance sustainable "Livable Community" under the culture of "Togetherness, Care and Share".
- LPN Signature Green Project was developed. The project design was environmentally friendly. The first project developed under this concept was Lumpini Park Nawamin-Sriburapa.

2015

The concept of sustainable development and growth was strengthened with "6 Green LPN" strategy which showcased the responsibility towards the impacts on eight groups of stakeholders and ten processes of property development. The first home was handed over to the members of "Livable Community" in Lumpini Township Rangsit-Klong 1 Phase 1.

2016

- “Livable Community” was developed into “Livable Community for All” strategy to respond to the changes in the Thai society. The product value was developed by embracing the universal design for the benefit of residents of all age groups. In terms of service value, activities were organized to enhance the good quality of life of the residents.
- The Lumpini 24, the special project developed on the occasion of the 24th anniversary of the Company, was completed. The ownerships were being transferred. It was the first high-end project of the Company and was extremely successful in terms of sales volume.
- Lumpini Park Beach Cha-am, the first resort condominium on Cha-am beach, was handed over to the customers. In this “LPN Signature Green Project”, the services provided are of five-star quality and the buildings were designed to be environmentally friendly. Original trees of more than a hundred years old were preserved on the project site.

2017

Adapting to Real Estate Crisis to Maintain Organizational Balance

- The strategy was established in response to the economic slowdown and to create continuity in business operation. The business of the Company was categorized into two business groups, namely, real estate development business and service business in a relation to real estate. The service was also provided not only to projects developed by the Company but also other organizations in order to showcase the capacity and professionalism of the Company to create value and sustainable growth.
- The Company acquired Wisdom and Solution Co., Ltd. and changed the company's name to Lumpini Wisdom and Solution Co., Ltd. The company would be responsible for product and service research and development for associated companies.
- The Company developed residential condominiums to serve the needs of all target groups and rebranded the organization to be in accordance with the new strategy and target group.
- The Company jointly invested in the establishment of Kamala Senior Living Co., Ltd. with Nye Estate Co., Ltd., CH. Karnchang Public Co., Ltd. and Chewathai Public Co., Ltd. to develop premium senior lifestyle and living project in Phuket. The target group was retired foreign nationals.

2018

- The structure of the Board of Directors and the Management structure were changed. Two high-ranking executives including Chief Strategy Officer (CSO) and Chief Financial Officer (CFO) were appointed.
- The Company expanded its business to “office condominium” comprising of office buildings and residential condominiums in the same area. The pilot project of this mixed-use development was “Lumpini Vibhavadi-Chatuchuk” which received good feedback and all units available for sale were 100% sold.
- The Company generated recurring income from renting out Ready to Move projects i.e. “Lumpini Township Rangsit-Klong 1” and “Lumpini Ville Ratchapruet-BangWaek”. All amenities were included. This was to accommodate the demand of customers who want to have a house but are not ready to buy one as well as investors' demand.

2020

COVID-19, a Crisis to Overcome

- The Company responded and adapted rapidly in the wake of the COVID-19 crisis that affected the economy and lives of people in society. It urgently assessed the situation and reviewed its business plan and established strict measures and guidance in every dimension including business and the care of Lumpini Communities, employees and stakeholders. As a result, all related sectors have gone through difficult situations together in a stable manner and been ready for a sustainable growth.
- Information systems and technology were developed to support the Work from Home measures such as a sign-in system, an online accounting system, online sales offices as well as a communication and customer service system such as Line Official Account: LPN Connect.

2019

- By adjusting its launch plan and sales strategy through the tele sale team, Lumpini Place Taopoon-Interchange project has successfully sold more than 300 units, accounting for 70% of the number of units available for reservation.
- The Company generated incomes by boosting sales volume and managing inventory with financial and marketing tools such as the Investor Project, “Buy Condos with Tenants” Project, Staff Gets Member Project and online trading platform partnership.
- Lumpini Property Management Company Limited (LPP) established LSS Solutions Security Guard Company Limited (LSS) as its subsidiary to cover and support comprehensive community services along with highlighting the strength of using security technology together with quality personnel.
- TRIS Rating affirmed the company rating of our company at A-. It reflected the stability of the organization, its remarkable performances, the clarity of products and service groups, the ability to manage construction cost as well as the concise financial policy which brings about financial stability and adequate financial liquidity.
- The Company jointly invested in the establishment of Dolsiri Development Co., Ltd. with Nye Estate Co., Ltd. to develop office buildings and retail stores for rent on the potential location on Rama 4 Road.

2021

- Lumpini Property Management Company Limited (LPP), a community management subsidiary, has changed its name to "LPP Property Management Company Limited." It has gone through business restructuring to create clarity in management and for the sake of future business expansion. LPN will perform the residential development business for both condominiums and homes, while LPP will mainly focus on real estate service business.
- The development of Lumpini Tower Vibhavadi, a new office building on Vibhavadi Road, is completed and plays a part in social care by becoming a COVID-19 vaccination center for both Thai and foreign construction workers.
- "Lumpini Town Ville Phahoyothin-Saphanmai" created a phenomenal sale by completing sales of the entire project which has 262 units within just 1 year and 10 months. This is a significant success for "Baan Lumpini" brand which is growing well against the tide of COVID-19 situation that still directly affects the business.

2022

- In 2022, the Company has started the implementation of its 5-year roadmap plan (2022 – 2026), with an aim to boost the overall revenue to 50 billion THB by improving its management model and designing residential units that suit the lifestyle of customers at all level.
- A new corporate logo has been developed to reflect operating concept and continuous development of LPN brand toward sustainable strength.
- LPN has entered a new dimension which enabled the Company to truly achieve sustainable growth through the 5 transformations namely corporate transformation, management transformation, project development transformation, digital transformation and brand transformation.
- The reconfiguration of internal project development management structure into several business units has been done to enhance corporate agility and to be in line with the plan to drive the Company forward in the future.
- LPN strives to improve its brand awareness under the brand "168" to deliver good experience to targeted customers and to expand its customer base by putting customer needs at the center of all activities.
- Under the new project development concept, three '168-brand' condominium projects were launched, including 168 Pinklao, Ville 168 Bang Wa and the unique Park 168 Onnut 19.



DEVELOPMENT OF CONDOMINIUM, BRAND AND “LIVABLE COMMUNITY”



The beginning of the establishment of the organization and Lumpini Property Management Co., Ltd. to provide after-sale services to Lumpini Tower, Lumpini Place (Sai Kraisri) and L.P.N. Tower.

The success of the development of projects leads to the registration in the Stock Exchange of Thailand in 1994. Various types of projects are developed such as mini office, mini factory and townhouse.

During the major economic crisis of the country in 1997, the debt burden of the Company was more than three billion THB. The Company needed to enter the debt restructuring process. However, LPN still continued to develop residential condominium projects.

LPN is widely accepted as the leader in the development of City Condo. The business identity as well as opportunity are discovered.

“LPN Design” condominium units have also been accepted for its maximum functionalities. Combining with the model of City Condo and condominium units at the price of around one million THB located near BTS stations, all projects of LPN create a phenomenon in the condominium market.

The Company is able to close the sales of the projects in no time and is outstanding in terms of construction speed which is completed within only one year.

Medium-rise condominium and a new brand, Lumpini CondoTown, are developed to respond to the residential needs of the middle to low income target group. It has become the flagship of the project development of the Company until nowadays.

“Livable Community” strategy is implemented to manage communities developed by the Company. With the confidence in the market, the Company starts developing projects of larger scale that are equipped with full facilities suitable for city living under the concept of “Small Size Township”.

The Company is in search of the identity of “Lumpini” brand to establish a strategy and develop the brand to be the household name among city dwellers.

“Suan Ruam Jai” adds value to the product as it is a large garden designed to enhance a good quality of life of urban residents and “Livable Community” concept.

The project development is expanded to other cities such as Chonburi, Udon Thani and Pattaya. “Lumpini Park Beach”, a new brand, is developed as a seaside weekend home. “Lumpini Township” is initiated as the model of the first home in a large city.

“Livable Community” is developed into “Model Community” which is concretely managed by “Livable Community” standard.

6 Green LPN focuses on social and environmental responsibility in order for the Company to become a sustainable "Value Organization".



2014 - 2016

108 Projects
110,000 Units

It is the start of the fifth cycle of the vision. The business operation puts emphasis on environmental and social responsibility in all processes along the line of 6 Green LPN concept, paving the way towards being a "Value Organization" and taking responsibility towards all stakeholders for sustainable growth and social development.

"Lumpini" brand has continuously been strengthened through delivering product and service values to the customers and initiating "Livable Community For All" for sustainable "Livable Community".

The knowledge of staff at all levels is developed in an integrated manner via "LPN Academy".

"Lumpini Township Rangsit-Klong 1" is developed on more than 100 rais of land as a model community and the first home.

The skills and quality of life of underprivileged women are developed, jobs opportunities are created and income are generated through the operation of Lumpini Property Service and Care Co., Ltd., a social enterprise providing cleaning services to the community.

The new brand, Lumpini Mixx, is developed on new location, Teparak-Srinakarin, to match the needs of a wider group of customers.

The Company is rebranded to be consistent with the new strategy and target groups. From our brand standpoints, each stakeholder is of paramount importance.



2017-2019

130 Projects
116,000 Units

The Company is rebranded to be consistent with the new strategy and target groups. From our brand standpoints, each stakeholder is of paramount importance.

Premium residential homes are developed under the brand "Baan 365". It is a high-quality residential development project that matches the needs of the Company's existing group of customers who are planning to extend their family and live under the same roof.

The Company adjusts its project development strategy by developing mixed-use projects where office buildings and residential condominiums are in the same area. This business expansion into "office condominium" development is done in response to the increased demand for office buildings.

A marketing communication is done to raise awareness and understanding of LPN brand. "The Better Balance" concept is created to address LPN's home building philosophy which adheres to customers' needs. This makes LPN home a suitable home for real life in term of design, construction, after-sale service and community management that focuses on building a Livable Community. Attention is paid to every detail of living under the environmental and social responsibility framework.

The Company responds and adapts rapidly to overcome the difficult situation during the COVID-19 crisis. Along with elevating operational management for strong and sustainable growth.



2020-2022

142 Projects
123,500 Units

Technologies such as a Line Official Account: LPN Connect and an application: LPN vCare are introduced to make lives more convenient. They allow residents to manage various transactions in their own home easily at their fingertips no matter contacting juristic persons, reserving the use of common area, receiving online documents such as invoices or receipts and contacting home maintenance through LPN Living Solution service.

The culture of Togetherness, Care and Share is communicated through 2 short films, Stop & Think and Sharing from Home, to encourage residents of Lumpini communities to live together with understanding, compassion, and support in order to create a strong "Livable Community" that can overcome the crisis together.

The building management business is expanded to cover the upper-level target groups. Security services are increased to support the growth of Lumpini Property Management Co., Ltd., the "Prestige Management by LPP" business unit and the LSS Security Solutions Co., Ltd.

The logo has been changed once more which can be considered as resetting the brand to reflect the operating concept of the Company and strengthen the brand in a sustainable manner.

A new brand named '168' has been established with an aim to modernize brand image and products that satisfy the needs of new generations covering both residential condominium projects and residential home projects at various price level.



CHANGES TO THE MANAGEMENT STRUCTURE

Year 2020

- Lumpini Property Management Co., Ltd., a subsidiary company in the service business group, has established and registered a new subsidiary company with the Department of Business Development, Ministry of Commerce, namely LSS Security Solutions Co., Ltd. The registered capital is one million THB. The main objective is to provide security service in accordance with the service business expansion strategy. Therefore, the LSS Security Solutions Co., Ltd. has become a subsidiary company of the Company.
- The Board of Directors' Meeting Ref. 4/2020 on 22 May 2020 resolves to approve the Treasury Stock Project. The objective of the share repurchase is for financial management. Maximum fund for the share repurchases is 500 million THB. The number of shares to be repurchased is no more than 126 million shares or 8.54% of all shares sold. The shares are to be repurchased from 5 June 2020 to 4 December 2020. The Treasury Stock project for financial management has ended and the Company has not repurchased any share during the repurchase period.

Year 2021

- Lumpini Property Management Co., Ltd., a subsidiary in the service business group of the Company, has changed its name to "LPP Property Management Company Limited" to create "LPP" brand clarity preparing to become a leader in the comprehensive real estate service business.
- The Board of Directors' Meeting Ref. 6/2021 on 18 November 2021 resolved to approve the committee restructuring of LPP Property Management Company Limited as follows.

| | | |
|-----------------|----------------|---------------------------|
| 1) Mr. Kirk | Vanikkul | Chairman of the Committee |
| 2) Mr. Pichet | Supakijjanusan | Committee member |
| 3) Mr. Apichart | Kasemkulsiri | Committee member |
| 4) Ms. Somsri | Techakraisri | Committee member |
| 5) Mr. Surawut | Sukcharoensin | Chief Executive Officer |
- The Company issues private placement debentures and offers for sale three times from the outstanding balance approved by the Annual General Meeting of Shareholders 2019 as follow.

| | |
|---|-------------------|
| - For sale to institution investors and major investors | 1,500,000,000 THB |
| - For sale in the Private Placement | 48,000,000 THB |
| - For sale in the Private Placement | 400,000,000 THB |
| Total balance | 1,948,000,000 THB |

Year 2022

- The Board of Directors' Meeting No. 4/2022, held on 4 August 2022, resolved to approve changes of shareholding structure in subsidiaries of LPN to facilitate management and for a clearer classification of business segment in the future. Details are as follows:

- 1) Lumpini Project Management Service Co., Ltd. (LPS), a subsidiary of the Company, sold 299,998 shares directly held in Lumpini Wisdom and Solution Co., Ltd. (LWS) to the Company, accounting for 99.9 percent of LWS's total shares.
- 2) The Company sold 9,999,997 shares directly held in LPS, accounting for 99.9 percent of LPS's total shares, to LPP Property Management Co., Ltd. (LPP), the Company's subsidiary in which the Company directly holds 99.9 percent of its total share.
- 3) The Company sold 1,000 shares directly held in LPC Social Enterprise Co., Ltd. (LPC SE), accounting for 10 percent of total shares of LPC SE to LPP, the Company's subsidiary in which the Company directly holds 99.9 percent of its total share.

These changes in shareholding structure within the company group was consistent with the original shareholding proportion. The Company had changed the registration with Ministry of Commerce on 30 of September 2022.

- The Board of Directors' Meeting No. 4/2022, held on 4 August 2022, resolved to approve the decrease in paid-up capital of the Company by writing off the unsold amount of the repurchased shares, totaling 21,500,000 shares to comply with Ministerial Regulation Prescribing Rules and Procedures for the Repurchase of Shares, Disposal of Repurchased Shares and Deduction of Repurchased Shares of Companies, B.E. 2544 (2011). The Company had decreased the paid-up capital from 1,475,698,768 THB to 1,454,198,768 THB and registered this amendment to paid-up capital with the Ministry of Commerce on 5th September 2022.
- The Company issued debentures once, from the outstanding balance of 1.052 billion THB approved by the Annual General Meeting of Shareholders 2019 and the balance of 448 million THB approved by the Annual General Meeting of Shareholders 2022, totaling 1.5 billion THB. It will be offered to general investors and institutional investors.

REVENUE STRUCTURE

Revenue Structure of the Business

Revenue Structure of the Business in which the Company Holds at least 20% of Shares

(ended at 31 December 2022, 2021 and 2020)

Unit : Milion THB

| Operated by | Type of Business | Percentage of Shareholding of the Company | Revenue 2022 | | Revenue 2021 | | Revenue 2020 | |
|---|---|---|--------------|--------|--------------|--------|--------------|--------|
| | | | Amount | % | Amount | % | Amount | % |
| L.P.N. Development Public Co., Ltd. | Residential Condominium Developer | - | 7,575.78 | 73.54 | 3,266.22 | 58.35 | 5,171.16 | 69.34 |
| Pornsanti Co., Ltd. | Non-Condominium Residential Project Developer | 99.99 | 1,173.95 | 11.40 | 1,069.68 | 19.11 | 1,146.61 | 15.37 |
| LPP Property Management Co., Ltd. (an indirect shareholder in subsidiary, LSS Solutions Security Guard Co., Ltd., at 100%) In Q3/2022, holding shares in subsidiary, Lumpini Project Management Service Co., Ltd., at 100% | Comprehensive Community Management Service Provider | 99.99 | 1,061.67 | 10.31 | 806.86 | 14.41 | 695.26 | 9.32 |
| Lumpini Project Management Service Co., Ltd. | Construction Management Service Provider | 99.99 | 2.35 | 0.02 | 9.61 | 0.17 | 22.13 | 0.30 |
| LPC Social Enterprise Co., Ltd | Community Service Provider | 99.95 | 486.14 | 4.72 | 445.68 | 7.96 | 422.58 | 5.67 |
| Lumpini Wisdom and Solution Co., Ltd. | Advisory Services and Management Provider for Project Development | 99.99 | 1.43 | 0.01 | - | - | - | - |
| Kamala Senior Living Co., Ltd. | Developer of Real Estate Projects for the Elderly | 25.00 | - | - | - | - | - | - |
| Dolsiri Development Co., Ltd. | Developer of Real Estate Projects for Rent, Real Estate Management Service Provider | 49.99 | - | - | - | - | - | - |
| * Note: Information from consolidated financial statements classified by company | | | 10,301.32 | 100.00 | 5,598.05 | 100.00 | 7,457.74 | 100.00 |

Business Revenue

Revenue Classified by Core Business of the Company and Subsidiary Companies

Unit: Million THB

| Revenue Categorized by Products | 2022 Revenue | | 2021 Revenue | | 2020 Revenue | |
|---|------------------|---------------|-----------------|----------------|-----------------|----------------|
| | Million THB | % | Million THB | % | Million THB | % |
| Real Estate Development for Sale | | | | | | |
| Residential Condominiums | 6,358.56 | 61.73 | 2,526.42 | 45.13 | 4,351.44 | 58.35 |
| Single Homes and Townhouses | 2,064.42 | 20.04 | 1,517.72 | 27.11 | 1,649.82 | 22.12 |
| Total Revenue from Sale | 8,422.98 | 81.77 | 4,044.14 | 72.24 | 6,001.26 | 80.47 |
| Growth Rate | | 108.28 | | (32.61) | | (31.16) |
| Real Estate Development for Rent | | | | | | |
| Office Buildings | 7.70 | 0.07 | 7.87 | 0.14 | 4.42 | 0.06 |
| Residential Condominiums | 300.31 | 2.92 | 264.69 | 4.73 | 220.77 | 2.96 |
| Total Revenue from Rental | 308.01 | 2.99 | 272.56 | 4.87 | 225.19 | 3.02 |
| Growth Rate | | 13.01 | | 21.03 | | 30.16 |
| Revenue from Management | 1,544.76 | 15.00 | 1,253.28 | 22.39 | 1,136.38 | 15.24 |
| Growth Rate | | 23.26 | | 10.29 | | 6.82 |
| Other Revenues ** | 25.58 | 0.25 | 28.08 | 0.50 | 94.91 | 1.27 |
| Total Revenue | 10,301.32 | 100.00 | 5,598.05 | 100.00 | 7,457.74 | 100.00 |
| Growth Rate | | 84.02 | | (24.94) | | (25.72) |

** Other revenues include ownership transfer fee, confiscated contract deposits, contract amendment fee, interest received, commission, etc.

Revenue Classified by Core Business of the Company

Unit: Million THB

| Revenue Categorized by Products | 2022 Revenue | | 2021 Revenue | | 2020 Revenue | |
|---|-----------------|---------------|-----------------|----------------|-----------------|----------------|
| | Million THB | % | Million THB | % | Million THB | % |
| Real Estate Development for Sale | | | | | | |
| Residential Condominiums | 6,358.56 | 77.90 | 2,526.42 | 75.72 | 4,351.44 | 83.89 |
| Single Homes and Townhouses | 896.30 | 10.98 | 452.65 | 13.57 | 507.07 | 9.78 |
| Total Revenue from Sale | 7,254.86 | 88.88 | 2,979.07 | 89.29 | 4,858.51 | 93.67 |
| Growth Rate | | 143.53 | | (38.68) | | (35.16) |
| Real Estate Development for Rent | | | | | | |
| Office Buildings | 12.67 | 0.16 | 11.83 | 0.35 | 8.88 | 0.17 |
| Residential Condominiums | 290.51 | 3.56 | 258.39 | 7.74 | 215.83 | 4.16 |
| Total Revenue from Rental | 303.19 | 3.71 | 270.23 | 8.10 | 224.71 | 4.33 |
| Growth Rate | | 12.20 | | 20.26 | | 27.53 |
| Dividend Received | 555.99 | 6.81 | 53.99 | 1.62 | - | - |
| Other Revenues ** | 48.43 | 0.59 | 33.28 | 1.00 | 103.81 | 2.00 |
| Total Revenue | 8,162.47 | 100.00 | 3,336.57 | 100.00 | 5,187.03 | 100.00 |
| Growth Rate | | 144.64 | | (35.67) | | (33.36) |

** Other revenues include ownership transfer fee, confiscated contract deposits, contract amendment fee, interest received, commission, etc.



ACCUMULATED UNPAID DEBTS

As of 31 December 2022
-None-

PRODUCT INFORMATION

Types of Products




The Company and subsidiary companies conduct businesses in two business groups i.e. real estate development business and real estate related service rendering business. The details are as follows:

1

Real Estate Development Business

L.P.N. Development Public Company Limited operates real estate development business with an aim to sell residential projects targeting middle to lower-middle income earners (Focus Strategy). Since 2017, the target group of customers and the product development have been expanded to include lower-middle to upper income earners. The differentiation strategy in creating uniqueness in terms of products and services is applied. The condominiums units and common area of the projects developed by the Company are developed under “LPN Design” concept which is in accordance with the Principles of Universal Design. The common area is specially designed as a co-living space for the residents of all age groups. Moreover, after-sale service in the form of community management under “Livable Community for All” strategy has been developed. The strategy helps create the uniqueness of the Company and builds confidence among customers.

The Company has identified the position of each product for clarity and to cover the Company's target group. The products of the Company are categorized by objectives into two groups, namely, the urban residential condominium and vacation condominium project and the residential home project. In 2022, the Company launched a new master brand “168” to modernize brand image and products in response to the needs of new generations. The new brand comprises mid-to high-end residential condominium projects and residential home projects at various price levels.

| | CLASSIC | | STYLISH | |
|----------|--|-----------|---------------|-----------------|
| | LUMPINI | | 168 | |
| SEGMENT | CONDOMINIUM | HOUSING | CONDOMINIUM | HOUSING |
| PREMIUM |  | BAAN 365 | | RESIDENCE |
| STANDARD | SUITE PARK SELECTED PLACE | TOWNPLACE | PLACE PARK | VILLA MAISON |
| VALUE | VILLE CONDOTOWN TOWNSHIP | TOWNVILLE | VILLE | HAUS venue |
| SPECIAL | PARKBEACH SEAVIEW   | | | |

1.1 The urban residential condominium:

Apart from developing residential condominiums in Bangkok and peripheral area, since 2012 the Company has also developed projects in other provinces i.e. Chonburi, Udonthani, Phetchaburi and Pattaya. The brand positioning is as follows:



1) “The Lumpini”

It is the premium brand developed for the special occasion of the 24th year of operation of the Company. The project is located on the highest potential location in Soi Sukhumvit 24 surrounded by convenient facilities. The Lumpini is perfect for luxurious, high class living reflecting the success of a superior life.



2) “Lumpini Suite”

It is the high-end brand developed in response to residential needs of business owners or high-ranking executives who are in search of aesthetic life that is simple and yet luxurious. The location for the development of such projects, therefore, is in central business district near major transportation systems such as BTS and MRT stations and major expressways. The project is fully equipped with amenities. The number of units is minimal so the residents are able to enjoy the privacy.



3) “The Selected by L.P.N.”

It is the mid-to-high-end brand whose product value is developed to match the unique lifestyle of target groups in each project. The first project development is located opposite to Kasetsart University. Therefore, the project is developed as a campus condominium. The design of common areas is perfect for studying i.e. spaces for group working, quiet reading corners and areas for brainstorming, exercising, and outdoor activities.



4) “Lumpini Place”

It is the mid-to-high-end brand developed for the working-age target group. The project location is in densely populated area and near main streets. It may be in or around central business districts and is conveniently located near modern transportation system. The project is fully equipped with technologies and amenities for everyday living. “Lumpini Place” is the model of City Condo along BTS and MRT route with the price of around one million THB developed by the Company since 2001. It was initiated under “LPN Design” concept which focuses on the functionality of space. City Condo projects are successful and positively received by the customers since it meets the needs of the working people in the city.



5) “Lumpini Park”

It is the mid-to-high-end brand developed for large-scale community. “Suan Ruam Jai,” a community park which is a green and shady area where family members and residents of the projects can do activities together, is initiated to add value to the product and service. It is in line with the concept of creating a “Livable community” in which residents live together in harmony under “Togetherness, Care and Share” culture. The first project is Lumpini Park Pinklao.



6) “Lumpini Ville”

It is a mid-end brand developed from “Lumpini Place” for professionals looking for their first private homes for the convenience in transportation and privacy. The project is located in densely populated area and near workplace and convenient facilities such as department stores, schools, etc. “Lumpini Ville” brand is thus an alternative for young people who want to live a life of their own while still maintaining a close bond with their family.

**LUMPINI
CONDOTOWN**

7) “Lumpini CondoTown”

It is the mid-to-low-end brand focusing on building a residence for a great quality of life of those who just start their career and are freelancers. The locations of the projects will be in the fringe of urban-outer area which is densely populated. This is a large group of people who are in need of a residence. It is to be the first quality home and the starting point for those who are about to start their lives and build a happy family.

**LUMPINI
TOWNSHIP**

8) “Lumpini Township”

It is the large-scale, mid-to-low-end brand developed to create an opportunity of owning a home at an affordable price. The “Livable Township” strategy is initiated for middle-and lower-income groups. The first project with over 10,000 units is developed on a 100-rai plot of land is “Lumpini Township Rangsit-Klong 1. The project is fully equipped with convenient facilities such as various recreational areas for a large number of residents, a community mall and convenient stores to enhance the quality of life as well as great environment and society for the residents.

PLACE 168

9) “Place 168”

This mid-to high-end brand located in prime business districts is developed as a continuation of the Lumpini Place brand, a prototype of the Company’s City Condominium. Commuting is convenient since projects are either on main road or near major public transportation nodes. Its residential design supports the lifestyles of new-gen urban people. The design of new functions for living moves life forward. Technologies are utilized to make life easier. Spaces for relaxation and work are created in order to fulfill the desire to succeed professionally and personally.

PARK 168

10) “Park 168”

This mid-to high-end brand is developed as a continuation of Lumpini Park brand. Its design emphasizes on living urban life in harmony with nature. Proper technologies are selected in order to create balance in life. Residents can rest in relaxing green atmosphere and dwell in happiness that infiltrates everyday life.

VILLE 168

11) “Ville 168”

This mid-end brand is developed as a continuation of Lumpini Ville brand to accommodate the needs for privacy of target groups who want to start their families in their first owned home. It is a home that will recharge your life with positive energy, both energy for work and energy to cope with various things in daily life, and create inspiration. You can release your imagination to enjoy a good rest physically and mentally and design your own days as you wish to rejuvenate your life and make you ready to roll on any day.

1.2 Vacation Condominium Project:

In addition to living in urban area, which is close to workplace and amenities, the Company has initiated the development of a vacation condominium as the second home. The pilot project is firstly developed in Pattaya and then Cha-am in Phetchaburi Province.

**LUMPINI
PARKBEACH**

1) “Lumpini ParkBeach”

It is the mid-to-high-end brand developed from “Lumpini Park” which combines the atmosphere of Suan Ruam Jai with the liveliness of the seaside atmosphere. The first project developed is Lumpini ParkBeach Jomtien. All the condominium units are designed to have the ocean view. The price is also extremely affordable. Since the project is well-received, the Company has decided to develop another project of the same brand in Cha-am, Phetchaburi Province in 2015.

LUMPINI SEAVIEW

2) “Lumpini Seaview Jomtien”

It is the mid-end brand for professionals who would like to buy a vacation home by the beach. “Lumpini Seaview Jomtien,” is the first project developed in Pattaya, not far from “Lumpini ParkBeach Jomtien” which is the first resort condominium of the Company. It is designed as an affordable vacation home for the customers in the middle-income range who are the main target customers of the Company. The residents can enjoy panoramic view of the ocean. The project is managed under the “Livable Community” concept and provides services that cater to the lifestyle of people who want to stay at a resort style condominium.

1.3 Residential Home Project

In 2011, to build on the customer base, the Company has expanded the scope of project development to middle to lower-middle residential homes and townhouses, applying the strengths of the residential condominium development namely LPN Design, effective cost management and after-sales service according to “Livable Community for All” strategy. In 2017 the Company expanded the development of projects to cover customers who want premium homes. The product position set by the Company is as follows:

BAAN 365

1) “BAAN 365”

It is a flagship project of premium single house and townhome of the Company. The location is meticulously selected. The first project is developed on Rama 3 Road as it is right in the city and yet private. It responds to the need of customers with high purchasing power who tend to expand their family and prefer a city home that can accommodate 3 generations under one roof.

LUMPINI TOWNPLACE

2) “Lumpini Townplace”

It is the mid-to-high-end housing brand developed for professionals (35 years older). The Company has selected locations that can be accessed from several routes and are close to amenities making everyday life more perfect. It fits the new normal city lifestyle perfectly. The design of the common area and the body of the house are suitable for living. Materials are of good quality. It improves the quality of life and social quality.

LUMPINI TOWNVILLE

3) “Lumpini Townville”

It is the mid-end housing brands developed to meet the needs of residential condominium customers who want to expand the functional space. It is suitable for professionals 25-35 years of age who want to expand their family due to an increase in family members. The house is designed to meet their needs providing proper space allocation to all members at an affordable price. The interior is very functional with the living room, the kitchen, the bedrooms and the elderly room. The provided common areas such as gardens and clubhouses serve as gathering places for residents allowing them to perform social activities together under the “Togetherness, Care and Share” concept.

RESIDENCE 168

4) “Residence 168”

As a new definition of premium home, the Residence 168 brand pays attention to every detail in life. Designed with understanding, it clearly reflects resident's personalities. It is outstanding, unique and charming and complements every aspect of life at any moment to ensure that this place is the most perfect place for you.



5) “Villa 168”

This is a mid-to high-end resort-style detached-home brand, designed for privacy and for residents to enjoy the best moment. It is suitable for those who want to relax in a quiet, private and resort-like atmosphere, experience a comfort life with no rush and be ready for the best moment that can happen every day.



7) “Haus 168”

This mid-end detached-home brand offer new-generation houses for modern living. It is developed to accommodate small single families, offers privacy and caters to lifestyle that prefers convenient living and working conditions. Each function in the house can be freely adjusted to suit every lifestyle of modern families.



6) “Maison 168”

This is a mid-to high-end townhome brand developed to perfectly meet lifestyle of people nowadays. The house is simple but airy and full functional.



8) “Venue 168”

This mid-to low-end brand is designed according to lifestyle of new-gen urban families which is considered the utmost importance. It caters to needs of anybody looking for a full functional house to start a family. Areas are adjustable which provide flexibility for current and future living.

2

Real Estate Related Service Rendering Business

It is the policy of the Company to provide after-sale services to customers in all projects. Five subsidiary companies are established to provide various services related to property development as follows:

1. LPP Property Management Co., Ltd. (LPP)

For both condominiums and residential homes developed by LPN and provides management service to external projects as follows:



1.1 Community management

It is responsible for community management that focuses on adding value of services delivered after the project is handed over to the customers via “Livable Community” strategy which is developed into “Livable Community for All” strategy. It is to uphold the reputation and value of the projects developed by the Company and residential communities. Professional community management team will manage the property, budget, quality of life, environment, safety and stakeholders such as residents, community management team and condominium juristic person committee under F-B-L-E-S+P strategy.

1.2 Management of residential condominiums, offices and commercial buildings

is responsible for management of common assets and common areas for the sake of building efficiency. It does not only make the building suitable for its use but also take care of operational efficiency under an adequate and suitable environment. Other services include providing management service for rental asset management system, setting up and operating condominium management system and managing office buildings, commercial buildings, superstores or other business buildings as required by clients.

In addition to providing building management services and building supervision to ensure the suitability of the building for its uses, the company supervises the operational efficiency under a suitable and worthwhile environment starting from planning, controlling, evaluating, managing database and auditing by personnel and teams who have high experiences in all fields.

1.3 Brokerage services

It focuses on managing residential condominium units that the buyers (investors) wish to rent out or sell. The renters are also carefully selected to ensure the safety of the community.

1.4 Engineering service

is responsible for providing comprehensive condominium engineering services according to customers' needs. The operation includes supervision of the maintenance and repair of condominiums, such as electrical system, sanitation system, fire prevention system, air-conditioning system, building painting work, etc. Work plan and cost control plan are done by our expert and experienced personnel for the highest benefits such as repairing the interior of condominium units, designing and renovating wastewater treatment system and improving M&E system.

2. Lumpini Project Management Service Co., Ltd. (LPS)



provides project management service to the Company and subsidiary companies. The company is supported by more than 20 companies in LPN Team. In 2017, the business base is expanded to include service rendering to external organizations. The emphasis is put on project management in order to deliver product values to customers as well as quality management, costs control and management, speed of completion, environmental responsibility and safety of construction workers and related parties under "Q-C-S-E-S+P" strategy. In 2019 the company has achieved ISO 9001:2015 Quality Management System Certification and ISO 14001:2015 Environmental Management System Certification.

3. LSS Solution Security Guard Co., Ltd. (LSS)



is responsible for security services by integrating people and system technology. It focuses on providing services to projects developed by the Company to support the comprehensive community service policy, supervise security performance and maintain the quality of "Livable Community" management. In addition, the company provides comprehensive security services to external projects as well.

4. LPC Social Enterprise Co., Ltd. (LPC)



is responsible for community service works. It provides cleaning services and comprehensive services to both internal projects developed by the Company and external projects. It was originally called Lumpini Property Service and Care Co., Ltd. Established with an aim to create jobs, incomes and dignity to underprivileged women, it has expanded the target groups to persons with disabilities and elderly people. In 2013 the company has been among the first group of companies that were certified as social enterprises by the Department of Social Development and Welfare, Ministry of Social Development and Human Security. Together with LPP, in 2019 the company has achieved ISO 9001:2015 Quality Management System Certification.

5. Lumpini Wisdom and Solution Co., Ltd. (LWS)



is responsible for providing product and service research and development to the Company and subsidiary companies. The company also provides consultation and research services on green operation, sustainable development and Building Information Modeling (B.I.M.) to the Company and other domestic and international organizations outside LPN Group. The achievement of ISO 9001:2015 Quality Management System Certification of the three affiliated companies namely LPP, LPC and LPS has raised the standard of service business, increased competitive potential and built customer confidence in brand. Moreover, it can reduce cost in the long run and reduce work procedure and errors, resulting in decreasing complaints, maintaining of service standard and positive customer perception.

Marketing of Products and Services

The Company has established an after-sale service policy to continuously take care of customers in every project. It sets up 3 companies that offer business services relating to real estate development. The services are as follows:



**Marketing
Strategy**



Marketing



**Customer
Characteristics**



**Customer
Characteristics**



**Sale and Sale
Channel**



**Status and Ability
to Compete**

1

Marketing Strategy

Apart from focusing on the ability to compete in the market, the Company also emphasizes the marketing strategy which is different from project to project on various aspects as follows:

- **Research**

The Company establishes a guideline and direction of project management, chooses a location and analyzes target group of customers through survey and data collection so that the products can be released into the market properly. Moreover, after the residents have already moved in, the information on the residents living in various projects is compiled. Their lifestyle and needs will be analyzed to develop a product and service that match the customers' needs for the development of products and services using human-centric design to meet customer needs to have a good life and to live happily with a balance in the Livable Community.

- **Selling Price Establishment**

The basic factor for selling price establishment is the selling price of the competitors' projects located in the same neighborhood in the market. Also, the Company gives importance to the direct and indirect project costs control which is another variable that allows the Company to establish appropriate selling price while also maintaining the planned returns of investment even in severe competitive situation, that suits the needs of target groups while maintaining the planned returns of investment even in severe competitive situation.

- **Marketing Communication**

The Company will survey the market and analyze competitors before establishing a market communication plan to communicate with target customers. The Company focuses on communicating, advertising and promoting the projects directly to the target group of customers who have dispersed around the project area.

Customers who used to visit the projects are also communicated to via big and small advertisement billboards and direct mails. Special offers are also available to motivate the customers to reserve to buy a condominium unit at the launching event. The use of online media to reach the target groups is promoted. The Company can maintain very low marketing expenses which is around 1% of the income from sales.

- **Customers' Experience Management**

In order to provide services to the customers, the Company designs the standard of the touch points to impress the customers and create impressive experiences. Any recommendations or complaints of customers will be responded to. Activities will also be organized on a regular basis to build relationship with customers. All of the above have built confidence in the brand and enabled the customers to proudly make a referral to others. The success of this strategy can be seen from the sale of new projects launched, most of which is a result of referral which has been increasing every year. On average, 50% of the sale volume of a project is from referral.

- **Organizational Image Management Through Brand Communication**

The Company has launched a campaign to communicate the "the Better Balance" concept which LPN determines to incorporate into every work process to ensure that LPN's "home" is the most balanced "home" for living. The 3 components of balance in the Better Balance concept are perfectly included in all LPN project developments.

2 Marketing

The marketing, marketing communication and marketing activities have been in place especially during the opening of new projects when there is the highest number of customers visiting the projects. Marketing activities include:

- **Direct Mail and SMS:**

When new projects are launched, the Company will send out a direct mail and SMS to the customers to promote the projects and offer special discount on the project opening day. Interested customers can contact the Sales Department or visit the show units at the projects as stated in the direct mail.

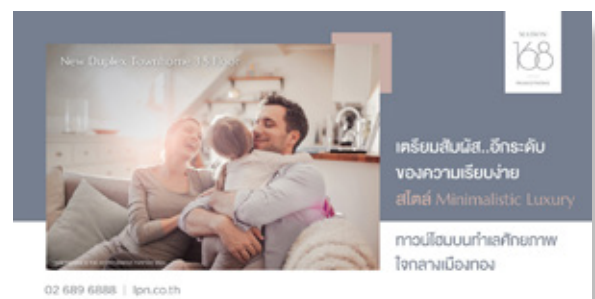
Offline media: The advertisement is done through various media such as billboards in the area surrounding the project sites and in the department stores, printed media like magazines and pamphlets, etc.

Online media: Nowadays marketing communication through digital media such as internet, mobile application, social media and online marketing is important for the organization and customers. They are used as a communication tool and widely accepted because they can efficiently reach target groups, reduce cost, and control expenses. The communication can be done anytime and anywhere. The Company has continuously developed online media as a channel to communicate project information and progress to the customers in a timely and convenient manner. In addition, the interaction between the Company and customers brings about perception, acceptance, acquaintance, trust, reliability and positive image building and leads to the creation of reciprocal participation.

Direct Mail and SMS: When new projects are launched, the Company will send out a direct mail and SMS to the customers to promote the projects and offer special discount on the project opening day. Interested customers can contact the Sales Department or visit the show units at the projects as stated in the direct mail.

Exhibition Booth: It is the proactive approach to public relations with the focus on having an exhibition booth at department stores close to the project location and business center or at the House and Condo Show which is organized annually in order to reach the target group of the projects.

Special Offer: Special offer is available to customers who reserve to buy condominium units at the opening of the project such as special price which is offered only on the opening day or free furniture, kitchen set or air-conditioners, etc.



3 Customer Characteristics

The target group of customers of the Company is the people who are looking for a residence that is conveniently located in a densely populated area, not far from transportation system or expressways and equipped with convenient facilities. It includes the people of all age groups i.e. children, young people, working people and the elderly who are middle to low-income earners and are currently live in a rented house, apartment or live with their parents but wish to have a place of their own to build a new family.

From 2018, the Company has developed new projects to serve the needs of the customers in the middle to low-income group who are looking for a vacation home by the beach or with an ocean view. The projects are developed in Pattaya and Cha-am.

4

Customer Characteristics

The customers are categorized by the characteristics and purpose of buying/renting as follows:

4.1 Customers by Characteristics

- 1) **Suspects:** are the target customers who have never visited any projects but the Company has their contact information and is able to contact them.
- 2) **Prospects:** are the target customers who have visited the projects developed by the Company and the Company has their contact information.
- 3) **Customers:** are the customers who have already reserved to buy a condominium unit.
- 4) **Co-owners:** are the customers who have already transferred the ownership of a condominium unit and become a joint owner.
- 5) **Tenant** are the customers who rent for residential purpose and for commercial purpose.

4.2 Real Estate Project Buyer

The customers in this group are individuals who buy condominium unit mainly for residential purpose. At present, the number of customer base in this group is more than 100,000 people, some of whom are from referral as a result of trust in “Lumpini” brand. According to the data collection of LPN Wisdom, the customers can be categorized by the buying objectives and behaviors into six groups as follows:

- 1) **Group of buyers for their first home** - who are at the start of their career and in need of owning a quality residence with reasonable price.
- 2) **Group of buyers for their second home** - who needs a residence located in the business center to save traveling expenses and time.
- 3) **Group of buyers for expansion of their family** - who own a business near the project location and look for a residence which is nearby or who are looking to expand the family of their children in the future.
- 4) **Group of buyers for their children** - who look to buy a condominium that is close to an education institution that their children are going to.

- 5) **Group of buyers for investment** - who want to make a long-term investment in a property. This could be in the form of buying a condominium to rent it out because the projects of the Company are in good locations and the return of investment rate of rental is higher than the interest rate.
- 6) **Group of profit speculators** - who want to make a short-term investment. They could be customers who are paying installments for down payment or those who are selling the condominium units before the ownership is transferred.

4.3 Real Estate Lessees

Real estate lessees can be divided into two groups as follows:

- 1) **Rental for Residential Purposes:** The majority of this group of customers is Thai and foreign high-ranking executives with high income level who are looking for a residence not far from work. Projects of the Company can respond well to the needs of this group of customers.
- 2) **Rental for Commercial Purposes:** This group of customers runs a variety of business in the Company's condominiums. The Company aims to build a network of retail business in the condominiums in order to provide full services to customers as well as expand to other sources of income than that from sale.

4.4 Real Estate Service Receivers

The service received is community management which is operated by Lumpini Property Management Co., Ltd. The communities managed will only be those fully developed by the Company in order to build a positive image of the Company. It is also a strategy to create uniqueness in terms of service.

5 Sale and Sale Channel

The selling method of the Company is direct sale by the Sales Team of the Company which comprises salespersons who are experienced and have very good knowledge and understandings of the products and services of the Company. The team will provide information and recommendations for customers for their decision. The staff of other departments such as Accounting Department and Administrative Department can also act as salespersons during the launch of new projects as they are regularly trained about the products and basic sale technique.

Moreover, the Company gives importance to the decoration of the sale office which is the main channel of sale, as well as the presentation of the show unit and the site to create a good impression and confidence in visitors.

6 Status and Ability to Compete

At present, the real estate business has become more competitive both for horizontal and high-rise projects. Apart from major business operators listed in the Stock Exchange of Thailand, other operators also start gaining increasing share in the property market. However, the strategy of the Company is to specifically focus on the middle to upper-middle income group of customers who are in need of buying the first home. Community management under “Livable Community” strategy is the force that is driving the organization forward. Also, it is the policy of the Company to build a home at he affordable price for the customers. Therefore, the Company remains one of the major business operators, commanding the market share of almost 13%.

Furthermore, the customer base of the Company has been expanded to create opportunity for growth. The location of project development is expanded from central business district to the fringe of outer-urban area such as Rangsit and other provinces. The Company increases its ability to compete to maintain the market share by:

6.1 Being a Leader in Cost

Cost Leadership is the strength of the Company. The executives of the Company comprise experienced architects and engineers who deeply understand cost issues. The business alliances have been working with the Company for so long that they understand the direction and share the same goal of ensuring the efficiency of construction. The construction of a large number of projects is completed in a timely and efficient manner. All of these factors lead to new innovations which are unique to the Company.

6.2 Building Product Differentiation

To ensure utmost customer satisfaction, the Company has never stopped searching for a balance that is suitable for customers' lifestyle. It chooses to differentiate its products by designing the products under “LPN Design” concept which focuses on the design that is adequate and has usable space that perfectly responds to the lifestyles of the residents. The Company also builds a service differentiation with the emphasis on the services and the management after move-in which does not only support a private living but also encourages a perfect togetherness of everybody on the same basis and focuses on the quality of life of the residents of all age groups.

Procurement of Products and Services

1

Provision of Products and Services

The main products of the Company in 2017 are residential condominiums for the target group in the middle to upper range who are in need of quality residence with reasonable price which is safe, equipped with facilities and locates near public transportation system or expressways. In order to respond to the competitive situation of the market, laws and changing costs, the Company has established a project development guideline and processes as follows:

1. Survey the demands in the market in various locations

both in Bangkok and peripheral areas as well as in provinces with high economic growth rate. The information received from the survey will be used to decide project locations in order to expand the customer base and locations of projects. The market situation, competitors, demand and supply and economic and social situations at the time will also be surveyed.

2. Analyze the project

plan marketing goal, consider to purchase a land and analyze the location, shape, size, surroundings, regulations of the government which can affect the project as well as competitors to decide the characteristics, size, development process and product value of the project based on the returns of investment, the suitability of the location and the format of project development.

3. Plan and design the project to be in line with the survey

result by selecting quality architects and project consultants who understand the concept of the Company. The architects and engineers are very important since their performance will directly affect the costs especially indirect costs such as the sale space to land ratio which reflects the efficiency in design. Indirect cost control is one of the cost leadership strategies of the Company to maintain its ability to compete in the market.

4. Produce project development plan, financial plan, project financing plan

sale management and marketing plan as well as community management after handover plan.

5. Prepare the team and decide manpower

for the management of the project i.e. sale team, construction team, ownership transfer and handover team and community management team.

6. Manage sale and marketing work

as follows:

- Planning of sale i.e. sale price establishment, planning of customer payment and provision of sources of loan during the ownership transfer period by considering the financial institution which offers highest benefit to the customers, sale target set up and sale team training.
- Preparation of marketing plan i.e. advertisement and promotion plan to reach the target group, production of sale materials, schedule and sale opening process.

7. Manage construction work with the following stages:

- Coordinate with and provide project information to all stakeholders i.e. government agencies and especially neighboring communities who will be directly affected by the development.
- Prepare the Environmental Impact Assessment report for the approval of the Office of Natural Resources and Environmental Policy and Planning and seek approval for the construction from related departments respectively.
- Prepare the construction plan and select a contractor. The construction period up to the project launch is limited to 18 months for high-rise buildings and 12 months for the buildings that are not higher than eight stories in height. The Company has developed the construction system and technique and used readymade materials. A subsidiary company is responsible for managing and controlling all process of the construction according to the roles and responsibilities assigned.
- Report project progress to customers on a regular basis.

8. Assess and follow-up the sale result

and profits of the project by producing a summary report as an information and case study for the next project of the Company.

9. Manage the community after the handover

under “Livable Community For All” strategy with an aim to create a good quality of life for the residents and be responsible for the environment and society.

2

Production Capacity and Volume

The Company does not have the production capacity and volume directly but hires construction contractors who are business alliances and have been working closely with the Company (they are referred to as LPN Team) with experiences appropriate for each project to carry on the construction work. A subsidiary company is responsible for managing and controlling construction work closely and arranging an auction and a price investigation to decide a proper cost of the construction. A construction package deal including materials and wage will be agreed to reduce the risk of the cost fluctuation in construction materials and supplies. In addition, the policy of the Company is not to depend only on one contractor but will arrange separate auctions for each type of work such as foundation piles, structure, ceilings, windows, aluminum and electricity and water supply system to reduce risks and indirect costs. All contractors will coordinate with each other for speedy and quality construction. The main contractor and subsidiary company will be the coordinators of all the works. In some cases, the Company will purchase some materials directly such as elevators which have high purchase volume and require services from the seller directly. The process above has been followed efficiently both in terms of costs and timing as a result of the strengths and reliability of the alliances (LPN Team). This is considered to be the competitive advantage of the Company.

3

Provision of Raw Materials

The Company hires construction contractors who are business alliances of the Company with experiences appropriate for each project to carry on the construction. A construction package deal including materials and wage will be agreed to reduce the risk of the cost fluctuation in construction materials and supplies. However, the land for project development is the most important raw material. The Company determines the following factors as criteria for the provision of a plot of land to be developed:

1. The location of the land

must be in densely populated area on a main road, equipped with full facilities, near workplace or large scale communities, near transportation system or expressways and conveniently accessible.

2. The width and shape of land

must be suitable and in line with the Building Control Act for the best use of the land. It also has to be in accordance with the land use regulations.

3. Land price

must not be higher than 30% of the project costs so that the Company would be able to maintain the selling price and return of investment to be in accordance with the policy and competitive strategy of the Company.

4. The provision of land is also done by publishing an announcement on the Company's website to directly contact the owner of the land or through a broker or offering to buy from a financial institutions and Thai Asset Management Cooperation (TAMC).

The Company establishes a Department to be directly responsible for seeking and checking land qualifications. The Company will inform the Stock Exchange of Thailand when a land is purchased to ensure transparency. Land appraisal will be done by an independent appraiser to double check the price of the land. The value of all plots of land the Company purchases is lower than the appraised value.



INNOVATION DEVELOPMENT

L.P.N. Development PCL has given importance to the innovation development and promotes an atmosphere to foster innovation in all operational processes. “Lateral thinking” is identified as one of the core competencies of the organization that will motivate new innovative creations of products and services of the organization. The innovative operation of the Company can be categorized into three levels as follows:



Strategic Innovation

is the innovation that supports the vision and strategy of the organization e.g., Digital Transformation, development of Livable Home concept, Virtual Reality (VR). The Company has applied Digital Transform to facilitate employees to work from home. It also increases efficiency of the expense and cost management and improves the internal organization management to suit today's growing digital era such as applying more sales technology and touchless 3D-visual or VR tours of a project.



Product Innovation

is the innovation that adds value to a product, e.g., designing projects according to Green Building Standards, developing condominium units and residential homes that promote well-being of residents or applying Smart Living Technology with sustainable development concepts, to ensure that the Company's products and services best meet customer needs. The Company uses the Design Thinking process in combination with Big Data and customer feedback to develop products and services that can meet their needs, create a good customer experience, and accurately improve the issues that cause both current and next-generation customers dissatisfaction, such as EV chargers for residents' electric cars and solar PV on rooftop of sales offices as a renewable energy source.



Process Innovation

is the implementation of a significantly improved operating process or provision of services to enhance team efficiency and increase Service Excellence in order to meet customer needs and continually up-level the work. In 2022 the Company has focused on developing work processes to complement diverse lifestyles of its residents through the development of digital transformation services to reduce mistakes at work and labor consumption, such as organizing project management data on Connect Dashboard, managing workflow with QR Auto Report, using QR technology to track maintenance works, providing Aircon Saver, a Smart Living Technology, for residents.

Model Units - 3D Virtual Solution

Year 2022 was the year which the Company continued to use digital technologies to support its marketing and sales. One of them was virtual reality (VR) technology which became significant after COVID-19 situations. The Company adapted to offer a new touchless experience through 360° 3D virtual tours of its properties. The pilot test of the tour started in 2021 and it would be widely used in 2022 in sales offices and online sales of “168” properties, new projects of LPN group. This application of digital transformation responds to the needs for convenience and modernity of new generations. The virtual tour can be done anytime (24 hours) from anywhere.



(Examples of 3D virtual displays of Park 168 Onnut Project)

Customers can use their smartphones to scan the QR code from web page, e-brochure or a sign posted in front of sales offices. Then, the 3D Virtual system will display model units in 3D allowing customers to switch perspective from 2D to 3D to make the images of both room design and interior design of the model units more realistic and beautiful in response to the living concept of customers who want to see images that approximate reality. In addition, it enables the Company to collect data for more accurate analysis for the improvement of sales operation and to reduce construction costs, labor costs and product and service development costs to meet diverse customers' needs and demand for greater speed in this era.

Summary of real estate business situations in 2022

Real Estate Market in 2022



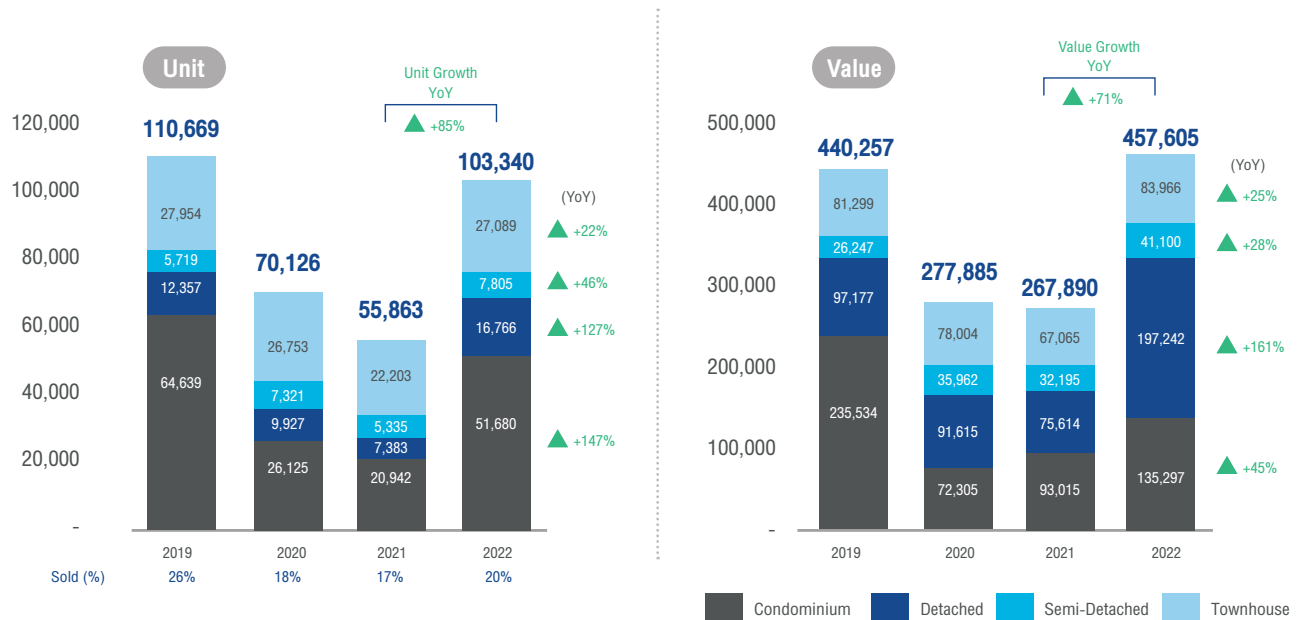
Year 2022 was the year which real estate market affected from higher costs of lands, construction materials and labors that rose along with inflation. The inflation rate rose from 1.23 percent in 2021 to 6.5 percent in 2022 as a result of a rise in energy prices caused by the war between Russia and Ukraine that has continued on from the end of February 2022 to early 2023. Coupled with the crisis caused by the pandemic of coronavirus disease 2019 (COVID-19), which is still active today even though situations have improved when compared to 2021, they became double crises. However, the real estate developers have gone forward with continuous launches of new projects to compensate with the delay in planned launches of projects in 2020-2021.

According to a survey done by Lumpini Wisdom and Solution Co., Ltd. (LWS), the real estate research and development company of L.P.N. Development Public Company Limited, the number of new residential supply launched in Bangkok and its peripheral areas in 2022 was 394 projects comprising 103,340 units with a value of 457.605 billion THB, increasing by 85 percent and 71 percent respectively when compared to the 555,863 newly launched units valuing 265.558 billion THB in 2021. This was the first increase in two years since the COVID-19 outbreak. It increased to nearly the same level as in 2018, before the COVID-19 outbreak.

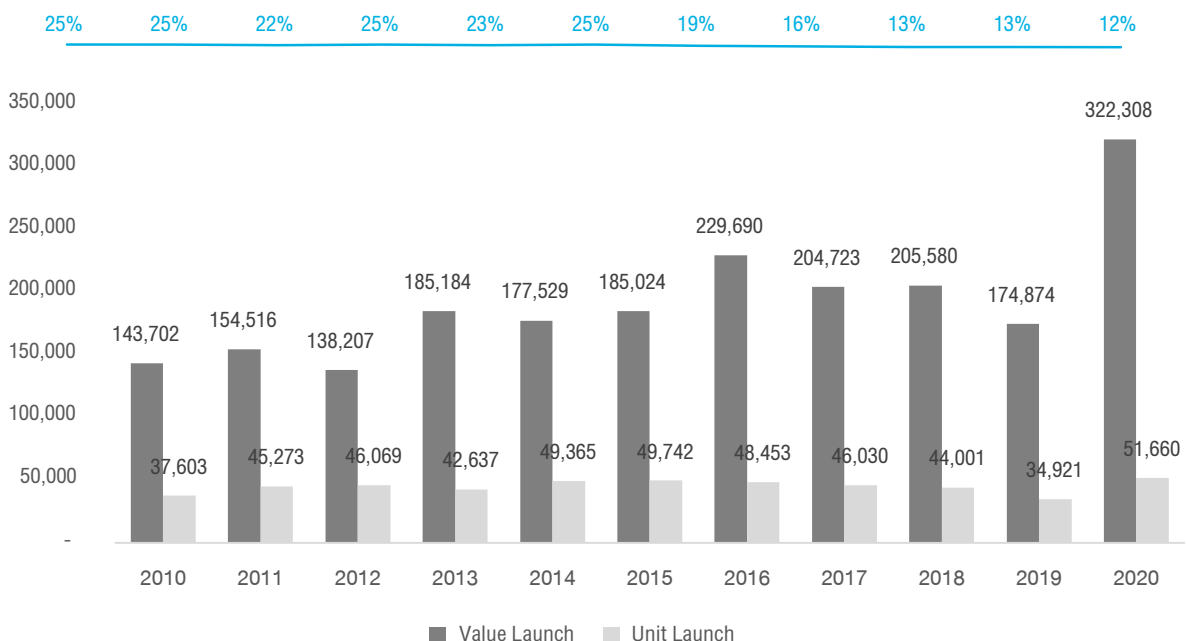
Regarding the launches of new projects in 2022, 92 condominium projects were launched, comprising 51,680 units with a value of 135.297 billion THB, increasing by 147 percent and 45 percent when compared to 2021. The average sales rate at launch date was 29 percent. 302 residential home projects were launched, comprising 51,660 units with a value of 322.308 billion THB, increasing by 48 percent and 84 percent respectively when compared to 2021. The average sales rate at launch date was 12 percent.

Newly-launched Residential Market Situation, Classified by Year

Bangkok and its peripheral areas, cumulative from Jan-Dec, 2019-2022



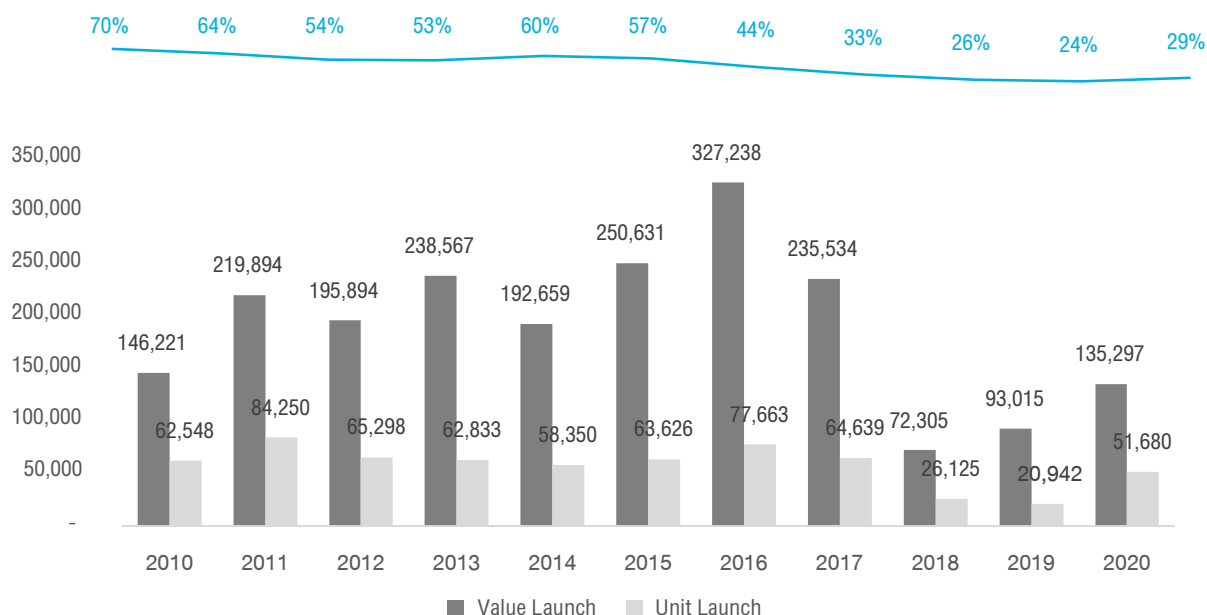
Number of Launched Units and Sales of Residential Home, 2018-2022



Source: LPN Wisdom IIa: Agency for Real Estate Affairs



Number of Launched Units and Sales of Condominium, 2018-2022

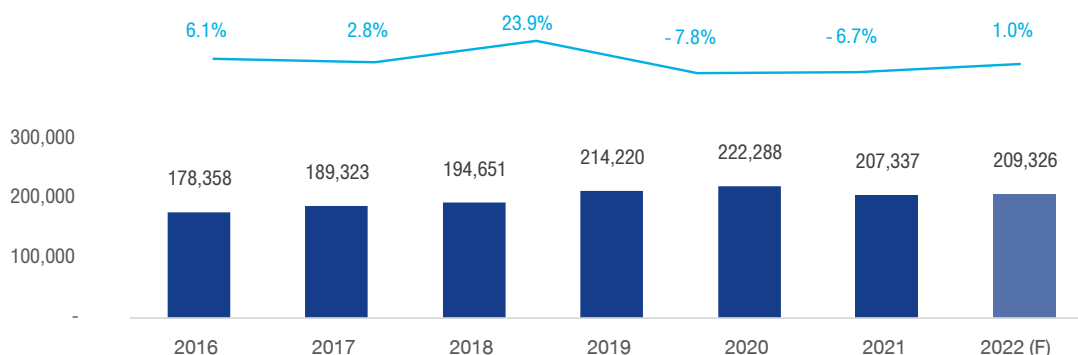


Source : LPN Wisdom IIa: Agency for Real Estate Affairs

The rise in the number of new projects launched in 2022 was due to the continuing delay of project launches by real estate developers in 2020-2021 which caused a decline in 2022 finished goods inventory. Thus, real estate developers decided to continually launch both new residential home and residential condominium projects. The average sales rate of new projects launched in 2022 was 20 percent of total number of units available for sale. It increased when compared to the 17-percent average sales rate of new project launched in 2021.

As a result of the increase in the number of new projects launched in 2022, the number of ready-for-sale residential supply available in the real estate market in Bangkok and its peripheral areas in 2022 was 209,326 units, or increasing by 1% when compared to 207,337 units in 2021.

Number of Housing Unit Inventory in Bangkok and its Peripheral Areas, 2018-2022



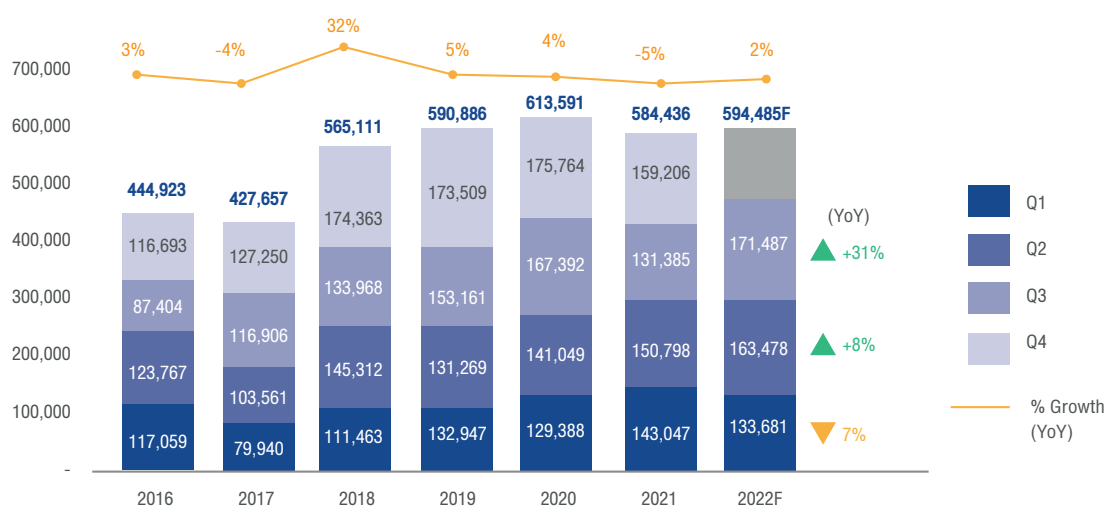
Source : LPN Wisdom IIa: Agency for Real Estate Affairs



The value of ownership transfers increased by 8 percent.

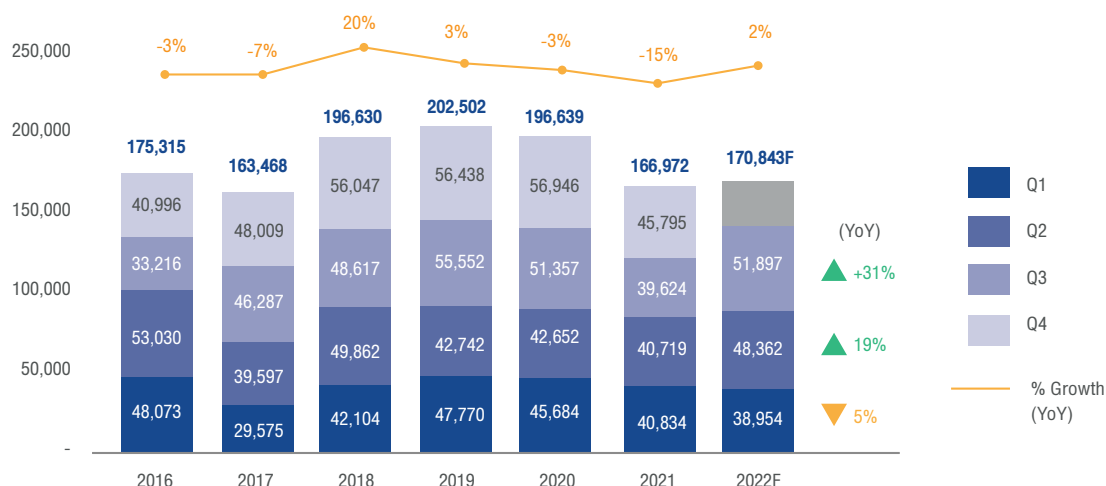
In addition to the increase in number of new projects launched in 2022, the value of housing transfers nationwide in 2022 also increased. In 2022, it was estimated that there would be housing transfers of 373,253 units valuing 997.471 billion THB, increasing by 8.59 percent and 5.61 percent respectively when compared to those in year 2021. 279,447 of them were residential home transfers and 93,806 of them were residential condominium transfers. Meanwhile the number of housing transfers in Bangkok and its peripheral areas in 2022 was approximately 171,000 units valuing 595 billion THB or accounting for 45 percent and 60 percent respectively when compared to the housing transfers nationwide in 2022.

Value of Housing Transfers in Bangkok and Its Peripheral Areas, 2018-2022



Sources: Real Estate Information Center, Government Housing Bank and Lumpini Wisdom and Solution Co., Ltd.

Number of Housing Transfers (unit) in Bangkok and Its Peripheral Areas, 2018-2022



Sources: Real Estate Information Center, Government Housing Bank and Lumpini Wisdom and Solution Co., Ltd.

The increase in number and value of ownership transfers in 2022 was a consequence of the economic recovery in 2022 which strengthened purchasing power. In addition, the Bank of Thailand announced an easing of Loan-to-Value (LTV) measures allowing financial institutions to approve housing loans of up to 100 percent on all types of mortgages. As a result, the housing loan approval rate in 2022 was at 40.3 percent, higher than the loan approval rate of 20-30 percent in 2020-2021.

Value of the Releases of New Loans and Outstanding Loans for New and Second-hand Housing, 2018-2022

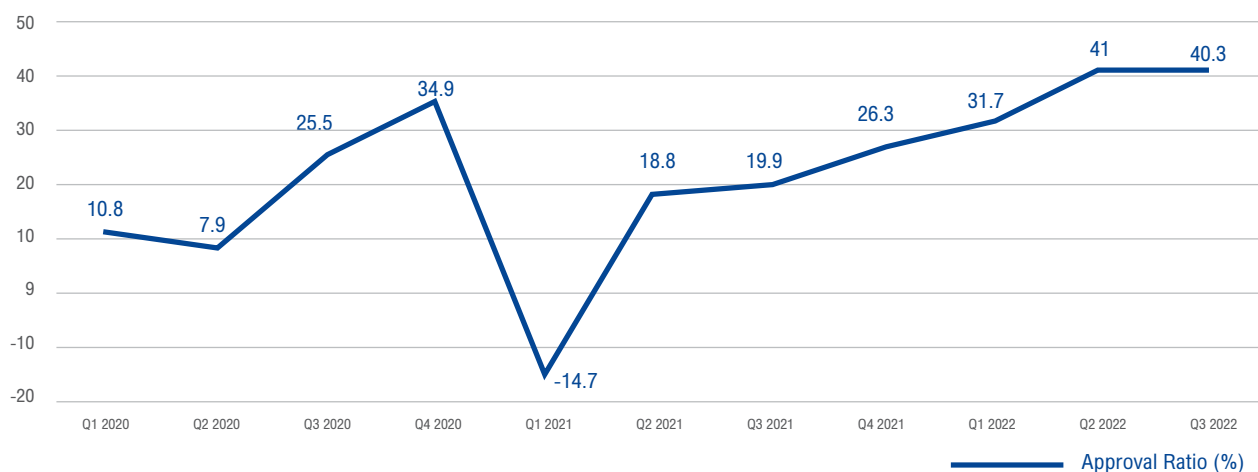
| Year | New Loan Value (million THB) | Percent Changes | Outstanding Loans (million THB) | Percent Changes |
|-------|------------------------------|-----------------|---------------------------------|-----------------|
| 2018 | 348,717 | +16.47 | 8,679,735 | +6.57 |
| 2019 | 332,313 | -7.28 | 9,304,964 | +7.22 |
| 2020 | 345,198 | +3.87 | 9,749,869 | +4.78 |
| 2021 | 332,330 | -3.72 | 10,324,814 | +5.89 |
| 2022* | 318,630 | +35.73 | 7,926,082 | +2.80 |

Note: *The percent change in 2022 was a comparison between the 9-month period in 2022 and the 9-month period in 2021.

Source: The Bank of Thailand

Housing Loan Approval Rate from 2020 to the Q3/2022

Housing loan approval tended to improve in 2022 when compared to 2020-2021 although the rates remain low but there are good signs of residential purchases in 2023.



Sources: Real Estate Information Center, Government Housing Bank and the Bank of Thailand



2022 COMPETITION

The situations of coronavirus disease 2019 (COVID-19) pandemic have improved and Thailand has reopened to foreign tourists to stimulate its tourism sector which led to a more than twice increase in number of tourist arrivals to Thailand. According to the Tourism Authority of Thailand, the number of inbound visitors was 11.8 million. However, the outbreak of war between Russia and Ukraine in February 2022 has caused global energy prices to rise, followed by high costs of living. In addition, there has been general inflation resulting from the rising of costs all over the world including Thailand. As a consequence of the war, operating costs of various business sectors including real estate sector rose along with inflation which rose from 1.23 percent in 2021 to 6.2 percent in 2022.

Under such circumstances, real estate developers reduced the construction and selling costs by building smaller-sized residences so that the sales price remained the same. This would maintain customer base that had limited purchasing power due to the impact of rising costs of living. At the same time, real estate developers had to utilize several marketing strategies, especially price strategies and promotion strategies, to stimulate the purchasing power of the market especially the inventories of 207,337 ready-to-move in units valuing around 800 billion THB at the end of 2021 that were available in the market.

Price strategies adopted by real estate developers in 2022 included discounts ranging from 100,000 THB to 1 million THB depending on the property prices, helping to pay 50 percent of installment payment, an installment payment of 2,000 THB per 1 million THB, an exemption of maintenance charges for a maximum of 4 years as well as a flat interest rate of 2 percent for 3-year period. Regarding promotion strategies, the real estate developers gave free housing for 24 to 36 months, decorated condominium units and houses until they are ready for moving in with no additional charge, offered sales with additional interior decoration service and gave free electrical appliances to ensure that customers were able to move in. This was to reduce long-term costs and ownership costs.

According to a survey done by Lumpini Wisdom and Solution Co., Ltd., the real estate research and development company of L.P.N. Development Public Company Limited, the number of launches of new residential condominium projects and residential home projects including detached houses, semi-detached houses and townhouses in Bangkok and peripheral areas in 2022 were 103,340 units. This was an 85 percent increase when compared to the total number of projects launched in 2020. Meanwhile, the value of new project launches was 457,605 billion THB, increasing by 71 percent when compared to 2021. The absorption rate of newly launched projects was at 20%, increasing from 17% absorption rate of newly launched projects in 2020.

Comparing the proportion of residential home project launches with condominium project launches over the past five years, it was found that the development of residential condominium projects increased significantly. At the same time the developers continued to keep the level of residential home launches in line with the growing market demand for residential homes especially during the adaptation to new normal lifestyle which focuses on social distancing and health and wellbeing. The working style was also adjusted to comply with diverse needs and more Work from Home was allowed as a consequence of the COVID-19 pandemic and the completion of mass transit system that served outskirts locations. In 2022, the proportion of residential condominium launches were 50 percent, increasing from 37 percent in 2021.

Comparison of Newly Launched Residential Projects from 2018 to 2022

| Type | 2018 | 2019 | 2020 | 2021 | 2022 |
|---------------------|------|------|------|------|-------|
| Over 5 million THB | 22% | 15% | 28% | 17% | 7.3% |
| 3-5 million THB | 28% | 19% | 16% | 16% | 17.5% |
| 1-3 million THB | 46% | 54% | 52% | 59% | 72.8% |
| Below 1 million THB | 4% | 13% | 4% | 8% | 2.4% |

Sources: LPN Wisdom and Agency for Real Estate Affairs

In 2021, around 51,660 units of landed residential projects such as detached houses, semi-detached houses, and townhouses, were launched. L.P.N. Development Public Company Limited launched approximately 826 units, accounting for a 1.3 percent market share of residential home projects launched in 2022.

Market Share of Newly Launched Residential Homes from 2018 to 2022

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|-----------------------|--------|--------|--------|--------|--------|
| Overall Number (Unit) | 48,081 | 45,959 | 44,001 | 34,921 | 51,660 |
| LPN (Unit) | 248 | 428 | 748 | 483 | 826 |
| LPN Market Share (%) | 0.5 | 0.9 | 1.7 | 1.4 | 1.3 |

Sources: LWS Wisdom and Agency for Real Estate Affairs

2022 saw a significant increase in the number of new condominium and residential home project launches when compared to 2021. They were expanded to various locations to increase sales volumes in 2022. Newly launched residential condominiums and residential homes that sold well on launch dates were the ones at a price of not more than 5 million THB, especially the residential condominium projects near sky train lines in On Nut, Tha Phra, Ladprao and Ratchada and the residential home projects near sky train lines in Rama 2, Ramkhamhaeng and Rattana Thibet.

In addition, the Company developed a variety of real estate projects to meet the needs of all buyer groups, starting from a little bit over a million THB projects to over 10 million THB projects. This would expand its customer base and increase sales volume in order to occupy the largest market share and reduce risks incurred from customer's loan rejections by strict financial institutions. While in 2023, real estate developers keep using various strategies to reach sales and revenue targets including penetration into both domestic and foreign investor markets. After China reopened its country, there tends to be more Chinese investors coming to Thailand to buy properties. The developers focus on launching new projects with affordable prices, not more than 5 million THB and condominium and residential home projects with a price higher than 10 million THB since these are markets that still have purchasing power for both living and investment purposes.

Not only the launches of new projects in Bangkok and its peripheral areas in 2022 rose, the value of housing ownership transfers in Bangkok and its peripheral areas in 2022 also increased. In 2022, it was estimated that the ownership transfer value would be 594.5 billion THB, increasing by 1.7 percent from the value of ownership transfers in Bangkok and its peripheral areas in 2021 which was 584.436 billion THB. Meanwhile the number of ownership transfer units in 2022 should be 170,850 units, increasing by 2.3 percent when compared to 166,972 transfer units in 2021.

Housing Transfer in Bangkok and its Peripheral Areas, 2018-2022

| | 2018 | 2019 | 2020 | 2021 | 2022 |
|------------------------|---------|---------|---------|---------|---------|
| Overall number (units) | 182,613 | 198,033 | 196,639 | 166,972 | 170,850 |
| Value (Million THB) | 492,060 | 572,367 | 613,591 | 584,436 | 594,500 |

Note: *Estimates Sources: Department of Lands and LPN Wisdom

The increase in the number of units and the value of ownership transfers in 2022 showed that, overall, the COVID-19 pandemic had been well-controlled. However, the impact of the pandemic on economy and employment still affected purchasing power and loan repayment ability. Consequently, financial institutions were cautious in lending out mortgage loans. As a result, the housing loan rejection rate was around 50 percent which was equal to the rate in 2021. Newly-released personal housing loans have recovered. In Q3/2022, it increased by 6.9 percent when compared to the previous quarter and increased by 13.2 percent YoY. In Q4/2022 it tended to rise as a result of domestic economic recovery and inventory liquidation by developers. Accumulated loans in the first 9 months of 2022 of both residential home segment and condominium segment decreased by 9.5 percent YoY and 3.0 percent YoY respectively due to the fact that financial institutions had a stringent loan approval measure to prevent household debt burden which exceeded 90 percent of gross domestic product (GDP).

In 2023, the price competition will be likely to remain and intensify due to the economic uncertainty and volatility that persist amid the need to adapt and recover economically. In addition, the volume and value of ready-to-sell inventory remain high. From Lumpini Wisdom's estimation, at the end of 2022 there could be 209,330 units of housing inventory in Bangkok and its peripheral areas, with an approximate value of at 950 billion THB. Under current sales rates, it would take at least 24–36 months to sell them off. Hence, it is important for the property developers to continuously liquidate the existing inventories, launch new projects where the purchasing power exists and consider adjusting the project development model to be in line with the economic and social situation as well as the changing needs and lifestyles of today's consumers and real estate investors.



REAL ESTATE MARKET OUTLOOK 2023

The Bank of Thailand and the Office of the National Economics and Social Development Council has forecast the trend of Thai economy in 2023 to be on the increase at 3.2–4.2 percent as results of Thailand's ability to curb the spread of the coronavirus disease 2019: COVID-19 and of the policy to reopen the country in July 2022. These efforts have resulted in increasing numbers of foreign tourists visiting Thailand to 11.8 million in 2022. Domestic spending and consumption have risen accordingly. It is forecast that the number of tourists would increase not less than 20 million persons in 2023. This has been coupled with China reopening its country as from 8 January 2023. The Thai economy tends to be on the rise in 2023 even though the global economy will face with recession and uncertainty from the protracted war between Russia and Ukraine, and tensions between China-Taiwan and the Korean Peninsula.

Even though Thailand's economy tends to grow in 2023 and shows positive signs for the real estate business in 2023, there have been government policies that reduce spending power on the real estate sector and that have been in force since 1st January 2023, including:

- The Bank of Thailand has not extended the easing of loan-to-value (LTV) measures for mortgage loans, which had expired on 31 December 2022. This has affected purchasing power to buy a second house onwards. Buyers are required to make down-payments of 10–20 percent for a property of less than 10 million THB and 30 percent of a property of more than 10 million THB. This measure had an immediate effect as of 1 January 2023.
- The Cabinet has issued a resolution to increase property transfer fees from the 0.01 percent of the appraised value to 1 percent of the appraised value. The 0.01 percent was a reduction from the normal 2 percent of the appraised value and had been applied until 31 December 2022. In the meanwhile, the mortgage fees remain at a reduced rate of 0.01 percent instead of 1 percent normal rate.

Aside from cancellation of the government support measures, the increase in interest rates by the Monetary Policy Committee of the Bank of Thailand to resolve inflation and capital outflow problems has a direct effect on financial costs of both entrepreneurs and property buyers. In addition, there has been an announcement to enforce new land appraisal prices that have risen by 8–10 percent while minimum wages have increased by 5–8 percent. This would increase new house prices in 2023 by 3–5 percent when compared to 2022.

Based on positive and negative factors affecting the real estate sector as mentioned above, the Lumpini Wisdom and Solutions Co., Ltd. (LWS), a research and development company in the L.P.N. Development PCL. group, has forecast that, the launches of new projects (Supply) by real estate entrepreneurs in the Thai real estate market in 2023 tends to grow at 5–15 percent, when compared to 2022 while the new property transfers in 2023 are likely to remain relatively the same as that of 2022 or a growth rate of 5–10 percent. Such forecast of growth depends on Thailand's economic growth rate in 2023 whether or not it would be along the line of the forecast by the Bank of Thailand and by the Office of the National Economics and Social Development Council, as well as on political climate within the country after the election in the second quarter of 2023. In the meantime, the trend of the global economy, the impact of Russo-Ukrainian war and the tension between China-Taiwan and the Korean Peninsula would have to be considered.

The prediction of LWS regarding the real estate market outlook in 2023 covers three scenarios, by referring to the global economy forecast of 2023 by the World Bank, the Bank of Thailand and the Office of the National Economics and Social Development Council, the ability to control COVID-19 pandemic after the reopening of China, the situation of Russo-Ukrainian war, the tension between China-Taiwan and the Korean Peninsula as well as the arrival of foreign investors, especially the Chinese in Thailand's real estate market.

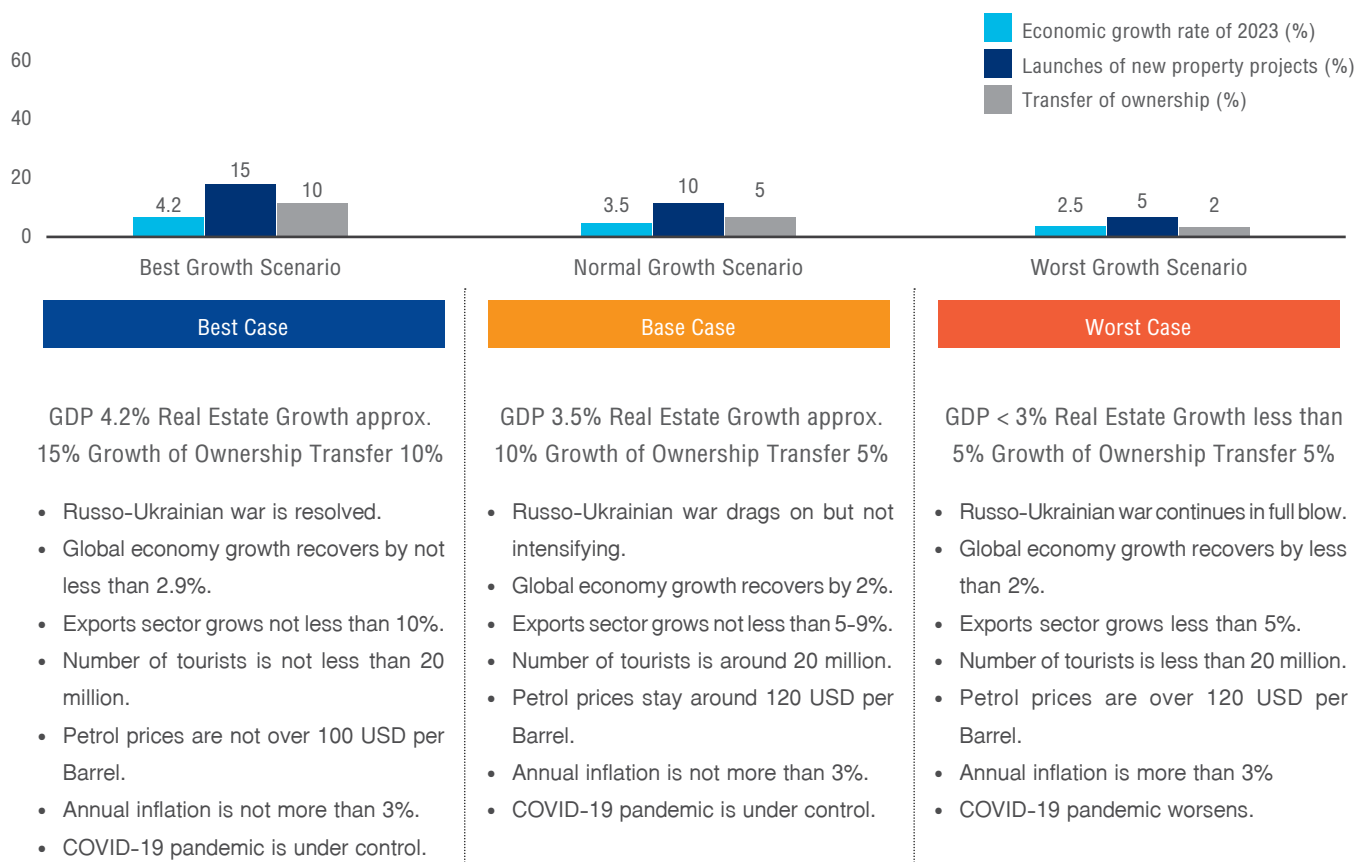


- In case that the Russo-Ukrainian war situation is resolved, and the global economy recovers, that Thailand can implement its economic policies according to plan after the general election in the second quarter of 2023, and that more foreign investors expand their investment in real estate business in Thailand (**Best Case**). Export sectors would grow by 5-8 percent; the number of foreign tourists would be over 20 million; the Global economy would grow at 2.9 percent as predicted by the World Bank; the Thai economy would grow by 3.3-4.2 percent according to forecast of the Bank of Thailand and the Office of the National Economics and Social Development Council; and the real estate market in Bangkok and periphery growth trend would be 12-15 percent when compared to 2022 by estimating that the number of new project launches would be 105,000-110,000 units with an approximate combined values of 500,000-550,000 million THB.
- In case that the situation of Russo-Ukrainian war continues to be ambiguous but does not intensify, that the global economy grows according to the World Bank's forecast, that Thailand is able to implement its economic policies according to plan after the general election in the second quarter of 2023, that foreign investors increase its investment in Thailand's real estate business (**Base Case**). The impact would be felt directly in the global economy, exports and tourism sectors which would increase the growth of global economy by 2.9 percent and Thai economy by 3-3.5 percent in 2023; and the real estate section would have a growth rate of 5-10 percent in 2023 with a forecast of new project launches at 95,000-100,000 units, with an approximate combined value of 450,000-500,000 million THB.
- In case that the situation of Russo-Ukrainian war and conflicts in China-Taiwan and the Korean Peninsula worsen, that the global economy grows at the lower rate than that predicted by the World Bank, impacting exports and tourism sectors, that Thailand's economic growth is also lower than forecast, and that foreign investors postpone investment plans in real estate business in Thailand (**Worst Case**). This would affect the Thai economy and its growth would be lower than 3 percent; exports sector will be lower than 5 percent; the number of tourists would be less than 20 million; the global economy would grow at less than 2.9 percent; the real estate markets in Bangkok and periphery would tend to stabilize at the rate equivalent to 2022 or would not grow more than 5 percent, with a forecast that property entrepreneurs would slow down its new project launches; and the number of new project launches would be 90,000-95,000 units with an approximate combined value of 400,000-450,000 million THB.

THREE SCENARIOS: FORECAST OF THE 2023 REAL ESTATE MARKET

Estimation taking into account the Russo-Ukrainian war, Thailand's and global economic growth and COVID-19 pandemic.

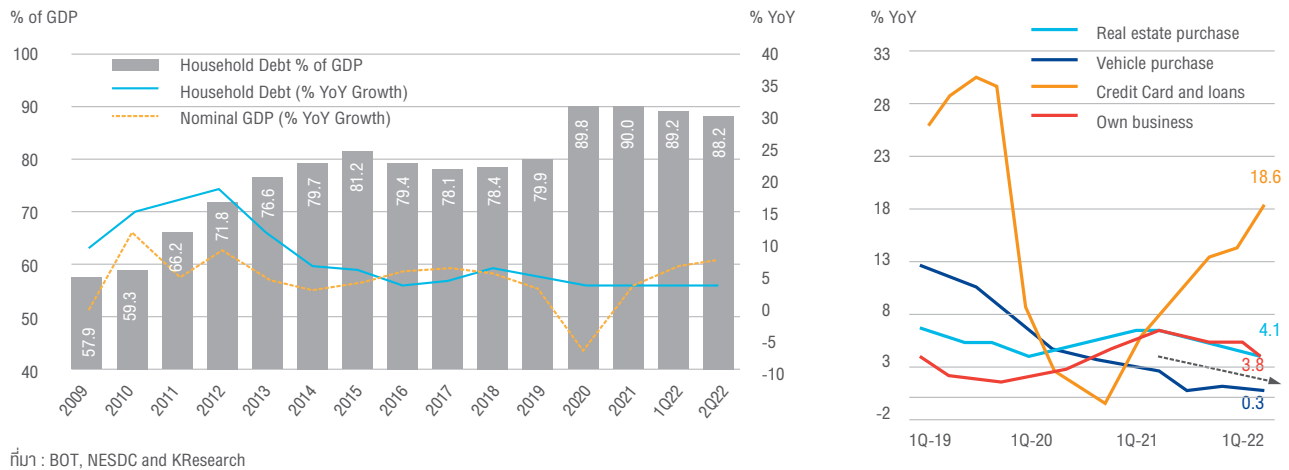
Estimation of Thailand's Economic Growth and the Real Estate Market Growth in 2023



Even though the Real Estate Market in 2023 will encounter with several risk factors, the recovery of the Thai economy thanks to the recovery in tourism sector as well as the increase in employment in the tourism and manufacturing sectors to absorb increasing domestic consumption. The household debt burden per gross domestic products (GDP) tends to be stable. Financial institutions have started to relax their criteria for granting housing loans. The loan approval rate in 2022 was higher than the rate in 2020-2021.

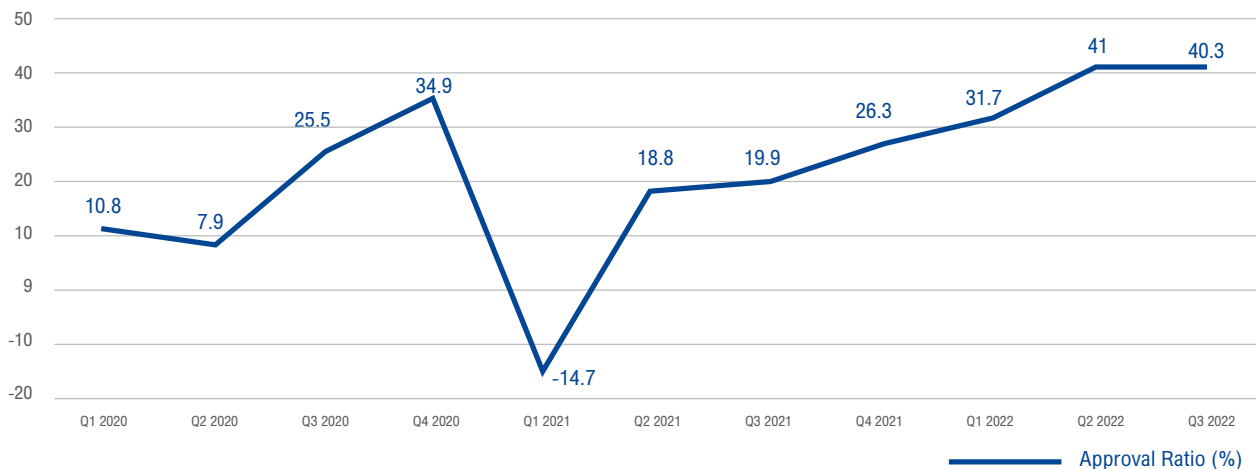
HOUSEHOLD DEBTS HAVE INCREASED IN A SLOW PACE BUT THERE ARE SIGNS OF HOUSEHOLDS SLOWING DOWN IN TAKING LARGE SUMS OF LOANS.

(for example, housing debts, vehicle debts, occupation-related debts)



HOUSING LOANS APPROVAL RATE FROM 2020 TO THE 3RD QUARTER OF 2022.

Housing loans approval tended to improve in 2022 when compared to 2020-2021 although the rates remain low but there are good signs of property purchases in 2023.



Source: The Bank of Thailand

Real estate entrepreneurs in the market have applied marketing strategies, especially price strategy to stimulate purchasing power and increase sales on a continuous basis. This has resulted in the growth of Real Estate Market in 2023 at 5-15 percent when compared to 2022 when the rate of new project launches increased by 90% when compared to 2021.

HOUSING MARKET CONTINUES GROWING.

From the three possible scenarios of the real estate market outlook in 2023, the housing market including detached houses, semi-detached houses and town-houses is considered a group of products that would have a lot of launches in 2023, continuing from 2022. It is expected that the new project launches will increase by 40-50 percent when compared to 2021. This is in response to the growing demand for residential homes and as results of Work from Home regime that has changed homebuyers' behaviors to preferring larger space and more privacy. The predicted number of new residential home units to be launched in 2022 is 50,000-55,000 units with an approximate value of 250,000-300,000 million THB. Although there is an inventory of 126,363 residential home units in the system, entrepreneurs can better manage costs of residential homes than residential condominiums because over 60 percent of residential homes in the market are built to order. Thus, property entrepreneurs can decide to launch many more residential home projects than residential condominium projects.

While the residential condominium project launches in 2023 tend to rise by 10-15 percent when compared to 2022, real estate entrepreneurs have accelerated launching a lot of residential condominium projects. This has then resulted in an inventory of 86,500 unsold units in 2022 which is an increase of 1.4 percent when compared to 2021. The launch of new residential condominium projects will therefore increase in a smaller proportion than the residential home projects in 2023.

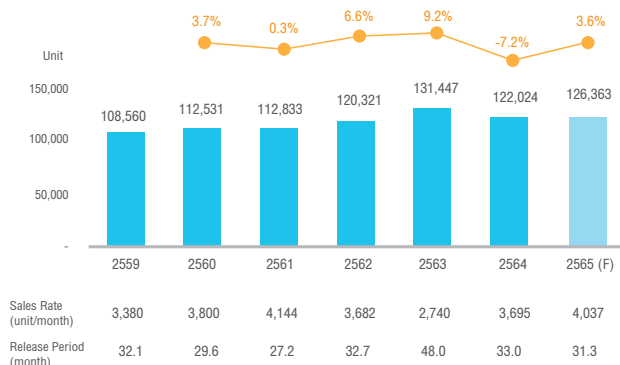
ESTIMATION OF RESIDENTIAL UNITS INVENTORY AS AT THE END OF 2022.

Categorized by Residential Home and Residential Condominium projects.



Residential Home Category

Residential home inventory has increased by 3.6 percent when compared to 2021, as a result from large launching of residential home projects, with a 51-percent increase in newly-launched units when compared to 2021, while the sales volume remains relatively the same as in 2021.

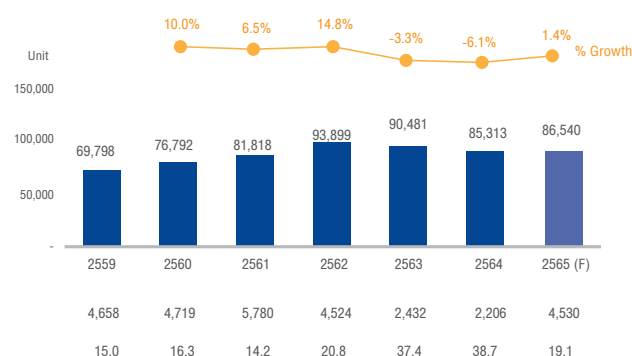


Source: AREA, LWS



Residential Condominium Category

Condominium inventory has increased slightly due to acceleration of new project launches in 2023, with a 156-percent increase in newly-launched units when compared to 2021, while the sale volumes are higher than in 2021, resulting in an increase of condominium inventory by 1.4 percent (YoY).



Regarding purchasing power and demand for accommodation in the market in 2023, residential homes and residential condominiums at the prices of 3-5 million THB are in demand. Locations along the sky train lines are especially preferred and well responded to by the market. Such locations include the Green Line Extension, Red Line Extension and Yellow Line Extension in Rangsit-Navanokorn, Srinakarin-Suvarnabhumi, On Nut-Bangna, Don Mueang-Phaholyothin, for example.

While the housing prices in 2023 tend to be on the rise due to increasing land prices along with development of urban rail transport systems that link areas between inner and outer Bangkok. The new appraised land prices have increased by 8-10 percent including the increase in building material prices by 6 percent. It is estimated that housing prices will increase by 5-10 percent, depending on the market demand in each location.

DETAILS OF PROJECTS

Completed Projects

Details of Completed Projects Information as of 31 December 2022

Details of Completed Projects of L.P.N. Development Public Co., Ltd.

| Project | | Size (rai-ngarn-wa) | Height (Floor) | No. of Buildings | No. of Units | Project Value (million THB) | Development and Construction |
|--------------------------------|---|------------------------|-------------------|---------------------|-----------------|-----------------------------------|------------------------------------|
| Residential Condominium | | | | | | | |
| 1 | Lumpini Place (Soi Kraisi) | 1-3-26.00 | 19 | 1 | 34 | 408.00 | 1991-1994 |
| 2 | Siphaya Riverview | 2-0-16.60 | 31 | 1 | 310 | 1,100.00 | 1994-1998 |
| 3 | Lumpini Center Building A-H | 12-2-26.00 | 7, 8 | 20 | 1,765 | 857.00 | 1999-2002 |
| 4 | Lumpini Place Sathorn Building A-D | 3-2-52.60 | 9 | 4 | 603 | 726.00 | 2001-2002 |
| 5 | Lumpini Residence Sathorn | 0-1-99.00 | 9 | 1 | 37 | 95.00 | 2002-2003 |
| 6 | Lumpini Center Ladprao 111 Building A-G | 6-2-17.00 | 8 | 7 | 856 | 663.00 | 2002-2004 |
| 7 | Lumpini Place Suanplu-Sathorn | 2-2-22.50 | 9 | 2 | 281 | 372.00 | 2002-2003 |
| 8 | Lumpini Place Rama 4-Sathorn | 2-0-38.00 | 9 | 2 | 231 | 405.00 | 2002-2003 |
| 9 | Lumpini Place Narathiwas 24 | 2-0-25.00 | 9 | 2 | 190 | 353.00 | 2002-2003 |
| 10 | Lumpini Ville Mary-Sathorn | 2-3-65.00 | 9 | 2 | 300 | 457.00 | 2003-2004 |
| 11 | Lumpini Place Rama 3-Charoenkrung | 2-3-79.00 | 9 | 2 | 312 | 485.00 | 2003-2004 |
| 12 | Lumpini Place Narathiwassatchanakarin | 2-2-11.20 | 9 | 2 | 233 | 481.00 | 2003-2004 |
| 13 | Lumpini Suite Sukhumvit 41 | 1-2-78.00 | 9 | 2 | 159 | 486.00 | 2003-2004 |
| 14 | Lumpini Place Rama 3-Riverview | 3-0-65.10 | 19 | 1 | 497 | 1,031.00 | 2004-2005 |
| 15 | Lumpini Center Sukhumvit 77 | 6-2-30.20 | 9 | 5 | 872 | 898.00 | 2004-2005 |
| 16 | Lumpini Ville Phahol-Sutthisarn | 5-0-76.90 | 21 | 2 | 861 | 1,408.00 | 2004-2005 |
| 17 | Lumpini Center Nawamin | 3-2-65.70 | 8 | 3 | 442 | 389.00 | 2005-2006 |
| 18 | Lumpini Ville Sukhumvit 77 | 4-3-29.80 | 23 | 3 | 987 | 1,561.00 | 2004-2006 |
| 19 | Lumpini Place Pinklao | 3-0-33.00 | 22 | 1 | 580 | 1,107.00 | 2005-2006 |
| 20 | Lumpini Ville Thailand Cultural Center | 12-2-63.00 | 8 | 9 | 1,324 | 1,956.00 | 2005-2006 |
| 21 | Lumpini Place Narathiwas-Chaophraya | 9-0-72.00 | 29 | 3 | 1,306 | 3,598.00 | 2005-2007 |
| 22 | Lumpini Place Pahol-Saphankwai | 7-1-68.00 | 29 | 2 | 1,093 | 2,237.00 | 2006-2007 |
| 23 | Lumpini Place Pinklao 2 | 3-3-83.30 | 26 | 1 | 651 | 1,138.00 | 2006-2007 |
| 24 | Lumpini Place Ratchada-Thaphra | 6-2-26.00 | 29, 4 | 3 | 898 | 1,650.00 | 2006-2008 |
| 25 | Lumpini Ville Ramkhamhaeng 44 | 4-2-56.00 | 23 | 2 | 827 | 1,304.00 | 2006-2008 |
| 26 | Lumpini CondoTown Bodindecha-Ramkhamhaeng | 32-3-28.00 | 8 | 14 | 3,445 | 3,074.00 | 2007-2008 |
| 27 | Lumpini CondoTown Ramindra-Laksi | 13-0-40.00 | 8 | 7 | 1,568 | 1,272.00 | 2007-2008 |
| 28 | Lumpini Ville Ramindra-Laksi | 7-2-58.30 | 14 | 1 | 1,271 | 1,388.00 | 2007-2008 |
| 29 | Lumpini Ville Prachachuen-Phongphet | 7-3-83.80 | 19 | 2 | 958 | 1,360.00 | 2007-2009 |
| 30 | Lumpini CondoTown Rattanathibes | 19-0-59.10 | 8 | 8 | 1,944 | 1,796.00 | 2007-2009 |

Note: * Combined size of all phases

| Project | | Size (rai-ngarn-wa) | Height (Floor) | No. of Buildings | No. of Units | Project Value (million THB) | Development and Construction |
|--------------------------------|--|------------------------|-------------------|---------------------|-----------------|-----------------------------------|------------------------------------|
| Residential Condominium | | | | | | | |
| 31 | Lumpini Suite Pinklao | 3-1-67.00 | 21 | 1 | 547 | 1,353.00 | 2007-2009 |
| 32 | Lumpini Ville Ramkhamhaeng 26 | 10-2-74.00 | 8 | 5 | 998 | 1,388.00 | 2008-2009 |
| 33 | Lumpini Place Rama 8 | 9-3-4.40 | 13 | 2 | 1,131 | 1,956.00 | 2008-2009 |
| 34 | Lumpini Suite Rama 8 | 1-3-55.90 | 12 | 1 | 182 | 518.00 | 2008-2009 |
| 35 | Lumpini Place Ramindra-Laksi | 4-1-96.30 | 14 | 1 | 516 | 925.00 | 2009-2009 |
| 36 | Lumpini Place Rama 9-Ratchada Phase 1 | 6-0-19.00 | 25, 30 | 2 | 1,165 | 2,910.00 | 2008-2010 |
| 37 | Lumpini Ville Bangkhuae | 1-2-68.00 | 22 | 1 | 271 | 318.00 | 2009-2010 |
| 38 | Lumpini Ville Rasburana-Riverview | 5-0-38.80 | 29, 31 | 2 | 1,028 | 1,317.00 | 2009-2010 |
| 39 | Lumpini CondoTown Nawamin-Ramindra Building A, B | 6-1-51.58 | 25 | 2 | 1,120 | 1,028.00 | 2009-2010 |
| 40 | Lumpini CondoTown Bangkhuae | 7-3-94.00 | 8 | 4 | 795 | 702.00 | 2010-2010 |
| 41 | Lumpini CondoTown Nawamin-Ramindra Building C | 3-1-29.50 | 25 | 1 | 739 | 732.00 | 2009-2010 |
| 42 | Lumpini Ville Ladprao-Chokchai 4 | 7-1-70.00 | 18 | 2 | 1,026 | 1,438.00 | 2009-2010 |
| 43 | Lumpini Place Rama 9-Ratchada Phase 2 | 5-0-95.00 | 29, 24 | 2 | 1,165 | 2,649.00 | 2009-2010 |
| 44 | Lumpini CondoTown Nawamin-Ramindra Building D | 3-3-5.00 | 24 | 1 | 709 | 576.00 | 2010-2011 |
| 45 | Lumpini Park Pinklao | 12-0-11.20 | 30 | 2 | 2,702 | 3,793.00 | 2009-2011 |
| 46 | Lumpini Place Rama 4-Kluaynamthai | 4-1-4.00 | 26 | 1 | 887 | 1,580.00 | 2010-2011 |
| 47 | Lumpini Place Ratchayothin | 15-1-78.00 | 20 | 4 | 1,827 | 3,217.00 | 2010-2011 |
| 48 | Lumpini CondoTown Nida-Serithai | 6-2-00.00 | 5, 8 | 4 | 598 | 472.00 | 2011-2012 |
| 49 | Lumpini Ville Lasalle-Bearing | 7-1-58.00 | 15, 20 | 4 | 1,032 | 927.00 | 2011-2012 |
| 50 | Lumpini CondoTown Nida-Serithai 2 | 7-2-46.50 | 5, 8 | 6 | 696 | 590.00 | 2011-2012 |
| 51 | Lumpini Park Riverside-Rama 3 | 14-1-42.10 | 3, 5, 36 | 4 | 2,405 | 5,963.00 | 2010-2012 |
| 52 | Lumpini Ville Pibulsongkram-Riverview | 3-1-41.70 | 27 | 1 | 768 | 952.00 | 2011-2012 |
| 53 | Lumpini Ville Pattanakarn-New Petchaburi | 13-2-96.80 | 8 | 7 | 1,489 | 1,761.00 | 2011-2012 |
| 54 | Lumpini Ville Chaengwattana-Pakkred | 6-0-75.00 | 32 | 1 | 1,622 | 1,754.00 | 2011-2012 |
| 55 | Lumpini CondoTown North Pattaya-Sukhumvit | 7-0-66.80 | 32 | 2 | 1,448 | 1,305.00 | 2011-2012 |
| 56 | Lumpini CondoTown Ramindra-Ladplakao | 9-3-46.40 | 8 | 4 | 1,035 | 1,046.00 | 2011-2012 |
| 57 | Lumpini Ville Sukhumvit 109-Bearing | 6-2-0.00 | 8 | 4 | 742 | 952.00 | 2011-2013 |
| 58 | Lumpini Megacity Bangna | 17-2-29.00 | 18, 28, 29 | 5 | 4,046 | 4,466.00 | 2011-2013 |
| 59 | Lumpini ParkBeach Jomtien | *19-1-33.00 | 30 | 1 | 1,846 | 4,254.00 | 2011-2013 |
| 60 | Lumpini Ville Naklua-Wongamart | 12-2-65.90 | 20, 28, 30 | 3 | 2,168 | 2,914.00 | 2011-2013 |
| 61 | Lumpini Ville Sukhumvit 77 (2) | 6-1-46.00 | 16, 18 | 4 | 956 | 1,197.00 | 2012-2013 |
| 62 | Lumpini CondoTown Chonburi-Sukhumvit | 37-2-25.00 | 8 | 19 | 4,101 | 2,743.00 | 2012-2013 |
| 63 | Lumpini Ville Ramkhamhaeng 60/2 | 8-0-89.40 | 15, 25 | 3 | 1,212 | 1,503.00 | 2012-2013 |
| 64 | Lumpini Condotown Ramindra-Ladplakao 2 | 4-3-78.00 | 8 | 2 | 532 | 563.00 | 2013-2014 |
| 65 | Lumpini Ville Onnut-Ladkrabang | 11-3-40.00 | 8 | 4 | 1,118 | 1,091.00 | 2013-2014 |
| 66 | Lumpini Ville Prachachuen-Pongphet 2 | 10-0-80.70 | 32 | 2 | 1,395 | 2,027.00 | 2012-2014 |
| 67 | Lumpini Ville Onnut 46 | 14-2-30.90 | 8 | 7 | 1,450 | 1,436.00 | 2014-2014 |
| 68 | Lumpini Ville Onnut-Pattanakarn | 15-3-0.00 | 8 | 7 | 1,594 | 1,948.00 | 2014-2014 |
| 69 | Lumpini Seaview Jomtien | *19-1-33.00 | 30 | 1 | 1,154 | 1,303.00 | 2014-2014 |
| 70 | Lumpini Place Udon-Posri | 13-1-53.50 | 14 | 3 | 1,370 | 2,114.00 | 2013-2014 |
| 71 | Lumpini Place Suksawasdi-Rama 2 | 4-0-18.00 | 32 | 1 | 750 | 1,100.00 | 2013-2015 |

| Project | | Size (rai-ngarn-wa) | Height (Floor) | No. of Buildings | No. of Units | Project Value (million THB) | Development and Construction |
|--------------------------------|---|------------------------|-------------------|---------------------|-----------------|-----------------------------------|------------------------------------|
| Residential Condominium | | | | | | | |
| 72 | Lumpini Place Srinakarin-Huamark Station | 7-1-77.00 | 25 | 1 | 1,613 | 3,000.00 | 2013-2015 |
| 73 | Lumpini Park Rattathibes-Ngarmwongworn | 14-2-75.60 | 29, 30 | 5 | 2,826 | 4,000.00 | 2012-2015 |
| 74 | Lumpini Park Rama 9-Ratchada | 9-3-90.30 | 24 | 1 | 1,540 | 2,600.00 | 2013-2015 |
| 75 | Lumpini Ville Onnut-Ladkrabang 2 | 10-3-69.00 | 8 | 4 | 1,043 | 1,100.00 | 2014-2015 |
| 76 | Lumpini Township Rangsit-Klong 1 (Phase 1) | *89-1-10.70 | 8 | 16 | 3,472 | 2,400.00 | 2013-2015 |
| 77 | Lumpini Place Borom Ratchachonni-Pinklao | 6-1-0.00 | 25 | 1 | 992 | 1,660.00 | 2014-2015 |
| 78 | Lumpini CondoTown Romklao-Suvarnabhumi | 18-1-82.00 | 8 | 7 | 1,959 | 1,564.00 | 2014-2016 |
| 79 | Lumpini Park Nawamin-Si Burapha | 15-1-61.40 | 15 | 7 | 1,831 | 2,248.00 | 2014-2016 |
| 80 | Lumpini ParkBeach Cha-am | 15-2-95.00 | 4 | 10 | 413 | 1,091.00 | 2015-2016 |
| 81 | The Lumpini 24 | 3-0-96.70 | 8, 46 | 2 | 436 | 3,175.00 | 2013-2016 |
| 82 | Lumpini Township Rangsit-Klong 1 Phase 2 | *89-1-10.70 | 8 | 18 | 3,674 | 2,748.00 | 2016-2016 |
| 83 | Lumpini Park Phetkasem 98 (Phase1) | *19-0-79.50 | 20, 21 | 2 | 1,352 | 1,850.00 | 2014-2016 |
| 84 | Lumpini Ville Nakhon In-Riverview | 8-0-51.00 | 26 | 1 | 1,544 | 2,078.00 | 2015-2016 |
| 85 | Lumpini Mixx Thepharak-Srinakarin | 22-2-53.00 | 8 | 7 | 2,041 | 1,893.00 | 2015-2016 |
| 86 | Lumpini Ville Sukhumvit 76-Bearing Station | 8-2-70.00 | 8 | 4 | 895 | 1,100.00 | 2015-2017 |
| 87 | Lumpini Ville Ratchaphruek-Bang Waek | 11-1-87.00 | 8 | 5 | 1,085 | 1,300.00 | 2016-2017 |
| 88 | Lumpini Park Phetkasem 98 (Phase 2) | *19-0-79.50 | 20, 21 | 2 | 1,320 | 1,850.00 | 2016-2017 |
| 89 | Lumpini Seaview Cha-Am (B) | *7-1-81.00 | 20 | 1 | 453 | 570.00 | 2016-2017 |
| 90 | Lumpini Place Bang Na KM.3 | 5-3-10.5 | 8 | 3 | 609 | 1,000.00 | 2017-2017 |
| 91 | Lumpini Ville Ratburana-Riverview 2 | 6-1-82.00 | 8 | 4 | 696 | 900.00 | 2017-2018 |
| 92 | Lumpini ParkBeach Cha-am 2 | 4-1-26.00 | 4 | 4 | 124 | 430.00 | 2017-2018 |
| 93 | Lumpini Ville Pranangkla-Riverview | 9-2-52.50 | 8 | 4 | 905 | 1,000.00 | 2017-2018 |
| 94 | Lumpini Seaview Cha-Am (A) | *7-1-81.00 | 20 | 1 | 536 | 700.00 | 2017-2018 |
| 95 | The Selected Kaset-Ngamwongwan by LPN | 2-3-5.58 | 20 | 1 | 307 | 1,000.00 | 2017-2018 |
| 96 | Lumpini Suite Phetchaburi-Makkasan | 3-0-71.1 | 35 | 1 | 636 | 2,700.00 | 2017-2018 |
| 97 | Lumpini Suite Din Daeng-Rachaprorop | 2-2-25.5 | 30 | 1 | 491 | 1,750.00 | 2017-2018 |
| 98 | Lumpini Park Phahon 32 | 4-0-11.2 | 30 | 1 | 546 | 2,000.00 | 2017-2019 |
| 99 | Lumpini Place Ratchada-Sathu | 2-2-26.1 | 35 | 1 | 543 | 1,500.00 | 2017-2019 |
| 100 | Lumpini Ville Sukhumvit 76-Bearing Station 2 | 3-2-94.50 | 8 | 2 | 406 | 700.00 | 2018-2019 |
| 101 | Lumpini Selected Sutthisan-Saphan Khwai | 1-3-55.0 | 28 | 1 | 389 | 1,200.00 | 2018-2019 |
| 102 | Lumpini Park Vibhavadi-Chatuchak | 4-1-39.60 | 21 | 1 | 736 | 2,000.00 | 2018-2019 |
| 103 | Lumpini Ville Suksawat-Rama 2 | 2-0-86.00 | 26 | 1 | 377 | 700.00 | 2018-2019 |
| 104 | Lumpini Place Rama 3-Riverine | 3-2-43.20 | 35 | 1 | 719 | 1,640.00 | 2017-2020 |
| 105 | Lumpini Park Borom Ratchachonni-Sirindhorn | 5-1-78.00 | 22, 23, 24 | 3 | 649 | 1,524.00 | 2018-2020 |
| 106 | Lumpini Ville Phattanakan-Srinakarin | 6-1-18.00 | 32 | 1 | 795 | 1,508.00 | 2018-2020 |
| 107 | Lumpini Ville Sukhumvit 101/1-Punnawithi | 3-0-20.00 | 8 | 2 | 328 | 608.00 | 2019-2020 |
| 108 | Lumpini Place Taopoon-Interchange | 3-1-56.2 | 30 | 1 | 710 | 1,700.00 | 2020-2022 |
| 109 | Lumpini Selected Charan 65-Sirindhorn Station | 5-2-47.5 | 8 | 3 | 514 | 1,100.00 | 2020-2022 |
| 110 | Lumpini Ville Chaengwattana 10 | 4-1-72 | 8 | 2 | 476 | 540.00 | 2020-2022 |
| 111 | Lumpini Ville Chaengwattana-Pakkret Station | 3-2-9.70 | 21 | 1 | 647 | 1,065.00 | 2020-2022 |

Note: * Combined size of all phases

| Project | | Size (rai-ngarn-wa) | Height (Floor) | No. of Buildings | No. of Units | Project Value (million THB) | Development and Construction |
|----------------------------|---|------------------------|-------------------|---------------------|-----------------|-----------------------------------|------------------------------------|
| Office Building | | | | | | | |
| 1 | Lumpini Tower | 2-3-33.00 | 38 | 1 | 113 | 2,118.00 | 1989-1992 |
| 2 | L.P.N. Tower | 1-2-42.00 | 18 | 1 | 76 | 564.00 | 1989-1992 |
| 3 | L.P.N. Mini Office | 0-0-90.00 | 7 | 1 | 1 | 29.00 | 1994-1994 |
| 4 | Lumpini Tower Vibhavadi-Chatuchak (A) | 1-3-53.50 | 21 | 1 | 105 | 1,912.67 | 2018-2021 |
| 5 | Lumpini Tower Vibhavadi-Chatuchak (B) | 2-2-55.20 | 18 | 1 | 102 | 865.00 | 2018-2021 |
| Horizontal Building | | | | | | | |
| 1 | Ban Lumpini Bang Bua Tong (Townhouse) | 36-1-31.20 | - | - | 704 | 725.00 | 1994-1996 |
| 2 | Ban Lumpini 2 Bang Bua Tong (Commercial Building) | 2-1-84.90 | - | - | 35 | 97.00 | 1997-1999 |
| 3 | Lumpini Center (Commercial Building) | 1-1-81.20 | - | - | 23 | 62.00 | 1999-2000 |
| 4 | Baan 365 Rama 3 | 22-0-42.80 | 3, 4 | - | 99 | 3,200.00 | 2018-2020 |

Details of Current Projects under Development of Pornsanti Co., Ltd.

| Project | | Size (rai-ngarn-wa) | Height (Floor) | No. of Buildings | No. of Units | Project Value (million THB) | Development and Construction |
|--------------------------------|---|------------------------|-------------------|---------------------|-----------------|-----------------------------------|------------------------------------|
| Residential Condominium | | | | | | | |
| 1 | P.S.T. Condoville Tower 1, 2 | 6-2-78.70 | 22 | 2 | 1,548 | 1,944.00 | 1990-1994 |
| 2 | P.S.T. Cityhome | 4-1-34.20 | 29 | 1 | 764 | 1,480.00 | 1994-1999 |
| Office Building | | | | | | | |
| 1 | P.S.T. Mini Office | 4-1-35.00 | 7 | 5 | 10 | 131.00 | 1992-1993 |
| 2 | Commercial Building Phahol-Sutthisarn 2 | 0-1-87.00 | 5 | 1 | 1 | 44.00 | 2009-2010 |
| 3 | Home Office Pinklao | 0-1-58.00 | 4 | 1 | 1 | 36.00 | 2010-2011 |
| Horizontal Building | | | | | | | |
| 1 | Commercial Building Cultural Center | 0-1-50.00 | - | - | 5 | 41.00 | 2007-2007 |
| 2 | Commercial Building Nawamin | 0-0-34.30 | - | - | 1 | 12.00 | 2007-2007 |
| 3 | Townhome Ramindra-Laksi | 0-0-82.00 | - | - | 4 | 16.46 | 2008-2009 |
| 4 | Commercial Building Phahol-Sutthisarn 1 | 0-0-49.00 | 4 | 1 | 1 | 10.00 | 2009-2010 |
| 5 | Lumpini Townplace Ratchayothin-Sena | 6-3-39.00 | 3 | - | 71 | 375.00 | 2011-2012 |
| 6 | Lumpini Town Residence Ladprao Station | 4-0-79.40 | 3 | - | 46 | 423.00 | 2011-2012 |
| 7 | Lumpini Townplace Sukhumvit 62 | 9-0-22.00 | 3 | - | 73 | 470.00 | 2013-2014 |
| 8 | Lumpini Townville Srinakarin-Bearing | 7-2-61.00 | 3 | - | 93 | 340.00 | 2013-2014 |
| 9 | Lumpini Town Residence Bangna-Srinakarin | 4-1-60.00 | 3 | - | 27 | 220.00 | 2013-2014 |
| 10 | Baan Lumpini Suan Luang Rama 9 (Phase 1) | 10-0-70.25 | 3 | - | 38 | 437.11 | 2013-2016 |
| 11 | Baan Lumpini Suan Luang Rama 9 (Phase 2) | 9-0-69.12 | 2, 3 | - | 37 | 420.70 | 2016-2017 |
| 12 | Baan Lumpini Suan Luang Rama 9 (Phase 3) | 6-2-63.63 | 2 | - | 29 | 283.45 | 2017-2019 |
| 13 | Baan Lumpini Townville Suksawat-Rama II | 14-0-42.90 | 2 | - | 143 | 472.51 | 2014-2016 |
| 14 | Baan Lumpini Townville Chaengwattana-Tiwanon | 10-1-94.50 | 2 | - | 122 | 300.00 | 2015-2016 |
| 15 | Baan Lumpini Townville Ratchaphruek-Nakhon In | 12-1-68.10 | 2 | - | 142 | 372.16 | 2015-2017 |
| 16 | Baan Lumpini Townville Ratchapruek-Pinklao (Phase 1) | 6-1-12.56 | 2 | - | 66 | 176.44 | 2017-2018 |
| 17 | Baan Lumpini Townville Permsin-Watcharapol | 21-0-27.60 | 2 | - | 250 | 705.02 | 2015-2019 |
| 18 | Baan Lumpini Townville Ladpladuk-Bangpai Station (Phase 1) | 8-1-69.15 | 2 | - | 111 | 178.60 | 2017-2019 |
| 19 | Baan Lumpini Townville Rangsit Klong 2 (Phase 1) | 9-2-85.96 | 2 | - | 134 | 241.50 | 2016-2020 |
| 20 | Baan Lumpini Townville Rangsit Klong 2 (Phase 2) | 9-1-83.04 | 1 | - | 128 | 160.00 | 2019-2020 |
| 21 | Baan Lumpini Townville Ratchapruek-Pinklao (Phase 2.1) | 10-1-64.79 | 2 | - | 110 | 334.23 | 2018-2020 |
| 22 | Baan Lumpini Town park Thakham-Rama 2 | 26-1-12.10 | 2 | - | 248 | 962.69 | 2018-2020 |
| 23 | Lumpini Townville Ratchaphruek-Pinklao (Phase 2.2) | 9-0-9.81 | 2 | - | 52 | 270.00 | 2019-2021 |
| 24 | Lumpini Townville Phahonyothin-Saphanmai | 21-3-96.40 | 2 | - | 262 | 700.00 | 2020-2021 |
| 25 | Lumpini Townville Ladpladuk-Bangpai Station (Phase 2) | 6-3-3.95 | 2 | - | 89 | 175.70 | 2020-2021 |
| 26 | Commercial Building Ladkrabang-Suvarnabhumi (A) | 0-3-98 | 3 | - | 6 | 49.00 | 2021-2022 |
| 27 | Commercial Building Ladkrabang-Suvarnabhumi (B) | 0-4-22 | 3 | - | 8 | 61.53 | 2021-2022 |

Current Projects under Development

Details of Current Projects under Development (Information as of 31 December 2022)

Details of Current Projects under Development of L.P.N. Development Public Co., Ltd.

| Project | | Size (rai-ngarn-wa) | Height (Floor) | No. of Buildings | No. of Units | Project Value (million THB) | Development and Construction |
|--------------------------------|---|------------------------|-------------------|---------------------|-----------------|-----------------------------------|------------------------------------|
| Residential Condominium | | | | | | | |
| 1 | Lumpini Condotown Ekachai 48 | *20-0-29.80 | 8 | 8 | 1,784 | 2,270.80 | 2020-2022 |
| 2 | Lumpini Ville Charan-Fai Cha | 7-1-49.65 | 21, 22, 23 | 3 | 1,482 | 3,000.00 | 2020-2023 |
| 3 | Lumpini Place Chaengwattana-Pakkred Station | 3-1-2.40 | 26 | 1 | 536 | 1,155.00 | 2022-2024 |
| 4 | Park 168 Onnut 19 | 7-1-96 | 8 | 3 | 761 | 1,634.24 | 2022-2024 |
| 5 | Ville 168 Bangwa | 9-1-33.80 | 8 | 4 | 875 | 1,409.27 | 2022-2024 |
| 6 | Place 168 Pinklao | 6-1-21.20 | 27, 28 | 4 | 842 | 2,308.88 | 2022-2024 |
| Horizontal Building | | | | | | | |
| 1 | Lumpini Town Place Sukhumvit-Srinakarin | 15-1-58.00 | 2, 3 | - | 133 | 746.30 | 2020-2021 |
| 2 | Maison 168 Muangthong | 25-2-67.00 | 2, 3, 4 | - | 190 | 2,635.91 | 2020-2022 |

Note: * Combined size of all phases

Details of Current Projects under Development of Pornsanti Co., Ltd.

| Project | | Size (rai-ngarn-wa) | Height (Floor) | No. of Buildings | No. of Units | Project Value (million THB) | Development and Construction |
|----------------------------|--|------------------------|-------------------|---------------------|-----------------|-----------------------------------|------------------------------------|
| Horizontal building | | | | | | | |
| 1 | Lumpini Townplace Rama 2-Tha Kham | 16-1-6.00 | 2 | - | 108 | 646.40 | 2019-2023 |
| 2 | Lumpini Townville Ladkrabang-Suvarnabhumi | 39-1-9.00 | 2,3 | - | 334 | 1,486.00 | 2020-2023 |
| 3 | Lumpini Townville Ratchaphruek-Pinklao (Phase 3) | 10-2-19.08 | 2 | - | 121 | 359.30 | 2020-2023 |
| 4 | Maison 168 Latphrao 101 | 8-2-33 | 3.5 | - | 95 | 600.00 | 2021-2023 |
| 5 | Lumpini Townville Saimai 18-Phahonyothin | 14-2-84 | 2 | - | 184 | 560.82 | 2021-2023 |
| 6 | Venue 168 Ratchaphruek | 14-1-81.21 | 2 | - | 169 | 512.27 | 2022-2024 |
| 7 | Venue 168 Khukhot | 25-0-45.15 | 2 | - | 276 | 691.78 | 2022-2024 |
| 8 | Venue 168 Westgate | 20-3-81.38 | 2 | - | 235 | 605.95 | 2022-2024 |

Projects Pending Ownership Transfer

Projects Pending Ownership Transfer (Information as of 31 December 2022)

Details of Projects Pending Ownership Transfer of L.P.N. Development Public Co., Ltd.

| No. | Year of Project Completion | Project | No. of Units | Project Value (million THB) |
|-----|----------------------------|---|--------------|-----------------------------|
| 1 | Before 2023 | Others | 265 | 261.45 |
| 1 | 2023 | Lumpini Condotown Ekachai 48 | 200 | 273.06 |
| 1 | 2024 | Lumpini Ville Charan-Fai Cha | 206 | 412.28 |
| 2 | | Park 168 Onnut 19 | 35 | 82.40 |
| 3 | | Ville 168 Bangwa | 21 | 37.42 |
| 4 | | Lumpini Place Chaengwattana-Pakkred Station | 51 | 108.78 |
| 1 | 2025 | Place 168 Pinklao | 65 | 183.40 |
| | | | 843 | 1,358.79 |

Investment in Land

In 2022, the Company bought 9 plots of land with a combined value of 3,429.89 million THB to develop new projects as follows:

| Location | Project | Ownership Transfer Date | Size (sq.wa) | Price (THB/sq. wa) | Total Value (million THB) | Appraised Price (million THB) |
|---|-------------|-------------------------|--------------|--------------------|---------------------------|-------------------------------|
| 1. Residential Condominium | | | | | | |
| - Park 168 Onnut 19 | Condominium | 27 Oct 22 | 7-1-96.0 | 170,000 | 509.32 | 539.28 |
| - Ram Inthra 103/3 | Condominium | 21 Jun 23 | 10-2-40.0 | 105,000 | 445.20 | - |
| 2. Baan Lumpini | | | | | | |
| - Venue 168 Pracha Uthit 90 | Residential | 12 Oct 22 | 53-1-71.20 | 21,000 | 448.80 | 454.14 |
| - Bang Yai | Residential | 31 Oct 22 | 50-3-10.80 | 18,429 | 374.32 | 388.70 |
| - Haus 168 Bang Yai | Residential | 20 Dec 22 | 53-0-58.20 | 14,783 | 314.25 | 319.95 |
| - Nakhon Pathom | Residential | 22 Mar 23 | 18-3-30 | 20,000 | 150.60 | - |
| - Rom Klao | Residential | 27 Mar 23 | 26-3-49 | 32,054 | 344.55 | - |
| 3. Baan 365 | | | | | | |
| - Residence 168 On nut 46 | Residential | 7 Nov22 | 9-3-64.0 | 108,000 | 428.11 | 455.86 |
| - Nonthaburi 1 Rd. (Maha Chesadabodindranusorn Bridge) | Residential | 31 Jan 23 | 22-3-59.40 | 51,067 | 467.74 | - |
| Total in 2022 | | | | | 3,429.89 | million THB |

The Company has a policy to reduce risks from relevant laws and regulations. Prior to purchasing the land, a department of the Company will be assigned to conduct a feasibility study in terms of marketing, construction, design, legal regulations as well as finance. The Company will buy the land after it is considered to be suitable and feasible for the development of new projects following the strategies of the Company.

Moreover, it is a common practice of the Company to hire an independent appraiser to appraise the price of every piece of land the Company is going to buy to ensure transparency and appropriateness of the price of the land. The Company will also report all information regarding the purchase of all lands to the Stock Exchange of Thailand in compliance with the good corporate governance principles. All lands purchased by the Company are in line with the strategy in terms of size, price and strategic location.

Security Valuation

The security valuation of the Company and subsidiary companies including assets for investment, office equipment, assets for sale and assets for development in 2021 is done by property appraisers in the capital market that are recognized and approved by the Securities and Exchange Commission and the Stock Exchange of Thailand, namely, Sims Property Consultant Co., Ltd.

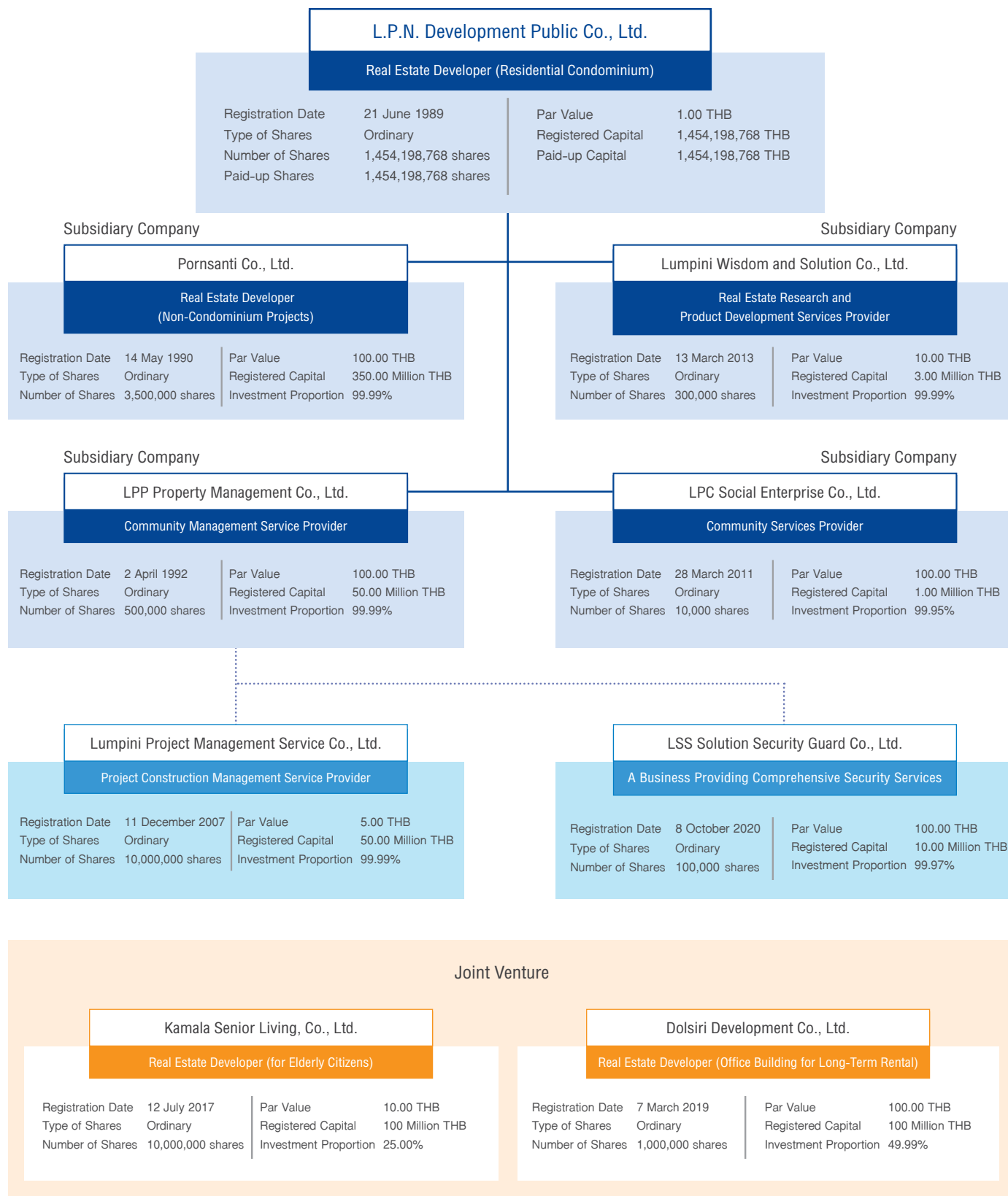
SHAREHOLDING STRUCTURE OF THE COMPANY

Operation and investment of subsidiary companies

It is the policy of the Company to separate the operation of the companies in the group. It has invested in five subsidiary companies and two joint stock companies. The business operation of each company is categorized as follows:



As of the end of 2022, the shareholding structure in the subsidiary companies is as follows:



Investment Structure of the Company

| Company | Paid-up Capital (Million THB) | Date* | Shareholding (%) | Equity Method (Million THB) | Investment Cost (Million THB) |
|--|----------------------------------|-------------|------------------|--------------------------------|----------------------------------|
| Subsidiary Companies | | | | | |
| 1. Pornsanti Co., Ltd. | 350.00 | 30 Sep 1993 | 99.99 | - | 473.04 |
| 2. LPP Property Management Co., Ltd. (an indirect shareholder in subsidiary, LSS Solutions Security Guard Co., Ltd., at 100%), in Q3/2022, indirectly held shares in subsidiaries namely Lumpini Project Management Service Co., Ltd. at 100% and LPC Social Enterprise Co., Ltd. at 10%. | 10.00 | 25 Mar 1992 | 99.99 | - | 49.99 |
| 3. LPC Social Enterprise Co., Ltd. | 1.00 | 28 Mar 2011 | 89.95 | - | 0.89 |
| 4. Lumpini Wisdom and Solution Co., Ltd. | 3.00 | 30 Sep 2022 | 99.99 | - | 39.99 |
| Joint Stock Companies | | | | | |
| 1. Kamala Senior Living Co., Ltd. | 100.00 | 12 Jul 2017 | 25.00 | 5.86 | 25.00 |
| 2. Dolsiri Development Co., Ltd. | 100.00 | 7 Mar 2019 | 49.99 | 48.17 | 49.99 |

* Referring to the date when the investment fund is paid.

Investment Policy in Subsidiary Companies and Joint Stock Companies

| Investment Policy in Subsidiary Companies and Joint Stock Companies | 31 Dec 2022 | 31 Dec 2021 | 31 Dec 2020 |
|--|-------------------|-------------------|-------------------|
| Investments in subsidiaries and associates | 638,935,417.15 | 632,595,422.15 | 632,595,422.15 |
| Total assets - Separate financial statements | 21,633,554,955.12 | 21,696,010,956.68 | 22,159,435,161.63 |
| Ratio of investments to total assets - Separate financial statements | 2.95% | 2.92% | 2.85% |
| Total assets - Consolidated financial statements | 24,114,083,287.79 | 23,776,626,733.44 | 23,618,740,016.05 |
| Ratio of investments to total assets - Consolidated financial statements | 2.65% | 2.66% | 2.68% |



SECURITIES AND SHAREHOLDING INFORMATION

Registered Capital and Paid-Up Capital

1. The Company is registered in the Stock Exchange of Thailand and the registered capital is 1,475,698,768 THB which is a paid-up capital of 1,475,698,768 THB with ordinary shares value of 1,475,698,768 THB and a par value of 1.- THB (One Baht Only).
2. The Company does not issue any other types of shares apart from ordinary shares.

Shareholders

The Company compiled the list of shareholders on the record date (RD), 18 August 2022. Top ten shareholders are categorized as follows.

Top Ten Major Shareholders

| No. | Shareholders | No. of Shares (Million Shares) | % |
|-------|--|-----------------------------------|-------|
| 1 | Miss Varanya Chatphiriyaphan | 116.10 | 7.87 |
| 2 | Thai NVDR Co., Ltd.* | 69.07 | 4.68 |
| 3 | Social Security Office | 66.61 | 4.51 |
| 4 | Mr. Sumet Techakraisri | 38.74 | 2.63 |
| 5 | L.P.N. Development Public Company Limited | 21.50 | 1.46 |
| 6 | Mr. Suthilak Chirativat | 19.82 | 1.34 |
| 7 | Mr. Supachai Suttipongchai | 18.48 | 1.25 |
| 8 | SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED | 18.34 | 1.24 |
| 9 | Mr. Wiboon Apornwirat | 18.32 | 1.24 |
| 10 | Mr. Kumpee Chongthurakit | 18.00 | 1.22 |
| Total | | 404.98 | 27.44 |

Note: 1.* Thai NVDR Co., Ltd. is a subsidiary company of the Stock Exchange of Thailand that operates the business by issuing Non-Voting Depository Receipt (NVDR) bond. It is a listed security in the Stock Exchange of Thailand in order to be sold to investors. The money gained from the sale of NVDR will be invested in the Stock Exchange of Thailand. The investors holding NVDR will receive a dividend as other shareholders of listed companies but do not have the right to vote in the Annual General Meeting of Shareholders. For more information on the investment of Thai NVDR Co., Ltd., please visit www.set.or.th.

2. The Company does not have shareholding agreement with major shareholders or other shareholders in the issue that affects the management of the Company.

Top Ten Minor Shareholders

| No. | Shareholders | No. of Shares (Million Shares) | % |
|-------|------------------------------|-----------------------------------|-------|
| 1 | Miss Varanya Chatphiriyaphan | 116.10 | 7.87 |
| 2 | Mr. Sumeth Techakraisri | 38.74 | 2.63 |
| 3 | Mr. Suthilak Chirativat | 19.82 | 1.34 |
| 4 | Mr. Supachai Suttipongchai | 18.48 | 1.25 |
| 5 | Mr. Viboon Apornwirat | 18.32 | 1.24 |
| 6 | Mr. Kumpee Chongthurakit | 18.00 | 1.22 |
| 7 | Mrs. Yupa Techakraisri | 14.66 | 0.99 |
| 8 | MR. Thiva Chiraphadhanakul | 13.65 | 0.92 |
| 9 | Mrs. Nuanchan Panchasap | 12.00 | 0.81 |
| 10 | Catholic Mission | 12.00 | 0.81 |
| Total | | 281.77 | 18.95 |

The shareholding of institutional investors of the Company is more than 5% of all shareholders. The top ten shareholders are as follows:

Top Ten Thai Institutional Shareholders

| No. | Shareholders | No. of Shares (Million Shares) | % |
|-------|-----------------------------|-----------------------------------|------|
| 1 | Social Security Office | 66.61 | 4.51 |
| 2 | BBASICDLTF | 13.96 | 0.94 |
| 3 | Bualuang Infrastructure RMF | 7.93 | 0.53 |
| 4 | BBASICRMF | 4.95 | 0.33 |
| 5 | Dhipaya Insurance (PCL) | 4.67 | 0.31 |
| 6 | BBASIC | 3.43 | 0.23 |
| 7 | Ocean Life Insurance (PCL) | 2.80 | 0.18 |
| 8 | BSIRICG | 2.47 | 0.16 |
| 9 | BSIRIRMF | 2.35 | 0.15 |
| 10 | B-INFRA | 2.06 | 0.13 |
| Total | | 111.23 | 7.47 |

Top Five Foreign Shareholders

| No. | Shareholders | No. of Shares (Million Shares) | % |
|-------|------------------------|-----------------------------------|------|
| 1 | CITI | 35.64 | 2.41 |
| 2 | Standard Chartered | 25.70 | 1.74 |
| 3 | Mr. Kenneth Rudy Kamon | 7.91 | 0.53 |
| 4 | HSBC | 3.18 | 0.21 |
| 5 | Others | 0.18 | 0.01 |
| Total | | 72.61 | 4.92 |

Foreign Shareholding Limit

The foreign shareholding limit of the Company is 39% of all the shares of the Company. This is in accordance with No. 5 of the Article of Association of the Company. As of the book closing date on 28 August 2022 for interim dividend payment, the foreign shareholding of the Company is 6.34% of all shares of the Company.

Cross Shareholding

The Company does not have cross shareholding or pyramid shareholding structure in the company group and does not have cross shareholding with major shareholders or other shareholders. Therefore, there is no conflict of interest or business takeover process.

Minor Shareholders (Free Float)

As of 24 February 2022 which is the book closing date for Annual General Meeting of Shareholders 2022, the total number of shareholders of the Company is 27,876 shareholders. Of all the shareholders, 27,744 are minor shareholders (free float), holding 73.28 % of all shares.

Issuance of other securities

Private Placement Debentures

The Annual General Meeting of Shareholders of L.P.N. Development Public Co., Ltd. resolved to approve the issuance of and offer for sale of private placement debentures as follows:

1. The Annual General Meeting of Shareholders 2010 of L.P.N. Development Public Co., Ltd. on 8 April 2010 resolved to approve the issuance of and offer for sale of private placement debentures at the amount of not exceeding two billion THB. The details are as follows:

| No. | Issue Date | Tenor (year) | Interest Rate (per year) | Maturity Date | Value as of the Issue Date |
|---|-------------|--------------|--------------------------|---------------|----------------------------|
| 1/2018 | 17 Aug 2018 | 3 years | 3.95% | 17 Aug 2021 | 500,000,000 THB |
| 2/2018 | 26 Oct 2018 | 3 years | 3.95% | 26 Oct 2021 | 480,000,000 THB |
| 1/2019* | 12 Apr 2019 | 3 years | 2.95% | 12 Apr 2022 | 1,168,000,000 THB |
| Total (from year 2018 resolution and excluding matured debentures) | | | | | 1,020,000,000 THB |

Note: 1. As at 31 December 2022, all debentures from year 2018 resolution were matured.

2. The Company paid for the issuance of the debenture no. 1/2019 at the amount of 1,168,000,000 THB using money from two sources. The amount of 1,020,000,000 THB came from the credit balance as approved by the Annual General Meeting of Shareholders 2018 and the amount of 148,000,000 THB was approved by the Annual General Meeting of Shareholders 2019.

2. The Annual General Meeting of Shareholders 2019 on 28 March 2019 resolved to approve the issuance of and offer for sale of private placement debentures at the amount of not exceeding four billion THB. The details are as follows:

| No. | Issue Date | Tenor (year) | Interest Rate (per year) | Maturity Date | Value as of the Issue Date |
|--|-------------|--------------|--------------------------|---------------|----------------------------|
| 1/2019* | 12 Apr 2019 | 3 years | 2.95% | 12 Apr 2022 | 1,168,000,000 THB |
| 2/2019 | 10 Oct 2019 | 3 years | 2.70% | 10 Oct 2022 | 1,000,000,000 THB |
| 1/2021 | 13 May 2021 | 3 years | 3.95% | 13 May 2024 | 1,500,000,000 THB |
| 2/2021 | 4 Apr 2021 | 2 years | 3.00% | 4 Apr 2023 | 48,000,000 THB |
| 3/2021 | 17 Sep 2021 | 3 years | 3.95% | 17 Sep 2024 | 400,000,000 THB |
| 1/2022* | 13 May 2022 | 3 years | 4.10% | 13 May 2025 | 1,500,000,000 THB |
| Total (from year 2019 resolution) | | | | | 3,000,000,000 THB |

Note: 1. As at 31 December 2022, the debentures no. 1/2019 and 2/2019 were matured.

2. The Company paid for the issuance of the debenture no. 1/2019 at the amount of 1,168,000,000 THB using money from two sources. The amount of 1,020,000,000 THB came from the credit balance as approved by the Annual General Meeting of Shareholders 2018 and the amount of 148,000,000 THB was approved by the Annual General Meeting of Shareholders 2019.

3. The Company paid for the issuance of the debenture no. 1/2022 at the amount of 1,500,000,000 THB using money from two sources. The amount of 1,052,000,000 THB came from the credit balance as approved by the Annual General Meeting of Shareholders 2019 and the amount of 448,000,000 THB was approved by the Annual General Meeting of Shareholders 2022.

3. The Annual General Meeting of Shareholders 2022 on 24 March 2022 resolved to approve the issuance of and offer for sale of private placement debentures at the amount of not exceeding four billion THB. The details are as follows:

| No. | Issue Date | Tenor (year) | Interest Rate (per year) | Maturity Date | Value as of the Issue Date |
|---------------------------------------|-------------|--------------|--------------------------|---------------|----------------------------|
| 1/2022* | 13 May 2022 | 3 years | 4.10% | 13 May 2025 | 1,500,000,000 THB |
| Total (from the year 2022 resolution) | | | | | 448,000,000 THB |

Note: *The Company paid for the issuance of the debenture no. 1/2022 at the amount of 1,500,000,000 THB using money from two sources. The amount of 1,052,000,000 THB came from the credit balance as approved by the Annual General Meeting of Shareholders 2019 and the amount of 448,000,000 THB was approved by the Annual General Meeting of Shareholders 2022.

Dividend Payment Policy

Dividend Payment Policy of the Company

The Board of Director's Meeting Ref. 6/2011 on 15 December 2011 resolved to approve the dividend payment to shareholder at the rate of no less than 50% of the net profit from the consolidated financial statements.

In 2022, the net profit of the Company in the consolidated financial statements is 612,139,644.75 THB (Six Hundred and Twelve Million One Hundred Thirty-Nine Thousand Six Hundred Forty-Four and Seventy-Five Satang) and the net profit per share is 0.42 THB (Forty-Two Satang). The Board of Directors' Meeting Ref. 1/2023 on 16 February 2023 resolved to propose to the Annual General Meeting of Shareholders 2022 to be held on 3 April 2023 to approve the dividend payment at the rate of 0.22 THB (Twenty-Two Satang). The Company has paid the interim dividend for the performance during the period of six months at the end of Q2/2022 at the rate of 0.10 THB (Ten Satang) per share. The payment was made on 1 September 2022. The details of the dividend payment of the Company from 1994 to 2022 are as follows:

| Year | Net Profit per Share (THB) | Dividend Paid | | Interim Dividend Paid |
|------|----------------------------|---------------|----------|-----------------------|
| | | (THB/Share) | Rate (%) | |
| 1994 | 4.98 | 2.50 | 50.20 | - |
| 1995 | 5.14 | 2.75 | 53.50 | - |
| 1996 | 3.81 | 1.00 | 26.25 | - |
| 1997 | - | - | - | - |
| 1998 | - | - | - | - |
| 1999 | - | - | - | - |
| 2000 | - | - | - | - |
| 2001 | - | - | - | - |
| 2002 | 2.01 | 1.00 | 49.75 | - |
| 2003 | 0.50 | 0.25 | 50.00 | - |
| 2004 | 0.41 | 0.20 | 48.78 | - |
| 2005 | 0.43 | 0.22 | 51.16 | - |
| 2006 | 0.52 | 0.26 | 50.00 | 0.08 |
| 2007 | 0.62 | 0.32 | 51.61 | 0.10 |
| 2008 | 0.80 | 0.41 | 51.44 | 0.14 |
| 2009 | 0.95 | 0.50 | 52.63 | 0.16 |
| 2010 | 1.11 | 0.56 | 50.45 | 0.18 |

| Year | Net Profit per Share (THB) | Dividend Paid | | Interim Dividend Paid |
|--------|----------------------------|---------------|----------|-----------------------|
| | | (THB/Share) | Rate (%) | |
| 2011 | 1.30 | 0.65 | 50.00 | 0.21 |
| 2012 | 1.50 | 0.76 | 50.67 | 0.23 |
| 2013 | 1.58 | 0.84 | 53.16 | 0.26 |
| 2014 | 1.37 | 0.80 | 58.39 | 0.26 |
| 2015 | 1.64 | 0.90 | 55.03 | 0.30 |
| 2016 | 1.47 | 0.90 | 61.03 | 0.30 |
| 2017 | 0.72 | 0.50 | 69.46 | 0.15 |
| 2018 | 0.93 | 0.60 | 64.52 | 0.20 |
| 2019 | 0.86 | 0.60 | 69.47 | 0.20 |
| 2020 | 0.49 | 1.40 | 285.71 | 1.00 |
| 2021 | 0.21 | 0.15 | 71.43 | 0.10 |
| 2022 * | 0.42 | 0.22 | 52.38 | 0.10 |

Note:

1. The dividend payment policy of the Company is as follows:
 - 1.1 Year 1994 - 2006: The dividend was paid from the net profit from consolidated financial statements.
 - 1.2 Year 2007 - 2010: The dividend was paid from the net profit from separate financial statements.
 - 1.3 From 2011 onwards: The dividend was paid from the net profit from consolidated financial statements.
2. The Annual General Meeting of Shareholders in 2004 on 7 April 2004 approved the change in the par value from 10.- THB to 1.- THB per share. Therefore, the dividend for the performance in the year 2003 was paid at the par value of 1 THB per share accordingly.
3. * Pending approval from the Annual General Meeting of Shareholders 2022.

Dividend Payment Policy of Subsidiary Companies

The dividend payment policy of subsidiary companies is to be in accordance with the performance of the operation and financial structure and status of the Company in each year. The profits will not be transferred from the subsidiary companies to the Company. The policy of the Company and subsidiary companies is to disclose the information in an accurate and transparent manner as according to the corporate governance principles.

In 2022, the interim dividend paid to the Company from subsidiary companies is as follows:

| Subsidiary Company | Dividend Value (THB) | Dividend (THB/Share) |
|-----------------------------------|----------------------|----------------------|
| LPP Property Management Co., Ltd. | 55,993,840.00 | 560.00 |
| Pornsanti Co., Ltd. | 499,991,428.58 | 142.86 |

02

**RISK
MANAGEMENT**

RISK MANAGEMENT POLICY AND PLAN 2023



In order to achieve the set goals, the Company places importance on risk management by appointing a risk management committee to develop risk management policies and approaches covering all processes. Various risk factors related to business are analyzed, identified and used as a guideline for developing a risk management strategy. The Committee also conducts risk assessment, monitors, controls and reports risks to the Board of Directors every quarter.

The risk management process of the company consists of:



Strategic Risk



Financial Risk



Compliance Risk



Corruption Risk



Operation Risk

The Risk Management Committee, together with senior executives from the Management, organizes meetings to follow up and assess the risk management result to make sure that it is at an acceptable level. In addition, they adjust the strategy according to the overall economic situation and the situation of real estate business that has been affected by VUCA (volatility, uncertainty, complexity and ambiguity) following multiple crises including the prolonged Russo-Ukrainian War which lasted from 2022 to 2023, the geopolitical conflict between China and Taiwan and the Korean Peninsula as well as the ongoing pandemic of Coronavirus Disease 2019 (Covid-19). As a result, energy prices rise, affecting cost structures and causing an increase in inflation around the world. This has pushed the global economy into recession in 2022, which continued into 2023. It creates a direct impact on the Thai economy. The Company has expanded its revenue base from related service businesses in order to increase revenue and reduce expenses. The Company's important policies are communicated to employees at all levels through the Company's communication channel to ensure the staff participation in the risk management. Thus, it enables the Company to supervise the risk management efficiently.

BUSINESS RISK FACTORS OF THE COMPANY

1

Strategic Risk



Risks from marketing competition and competition

In 2022, L.P.N. Development Public Company Limited has a “proactive” business strategy accelerating the launch of new small sized projects in every location to meet the demand of all customer groups. This enables the Company to increase sales and achieve sales target. At the same time, in real estate market in 2022, there is high competition among real estate developers. They particularly use price strategies which limit the Company’s ability to increase profitability. However, the Company is able to maintain revenue and profit margin as planned.



Risk Management

As proactive strategies have been established since 2022, in 2023 the Company still continues the implementation of proactive policy as follows:

1. To maintain balance and competitiveness in 2023, the Company plans to launch new small sized projects in every location in order to meet the demand of all customer groups and close deals quickly increasing financial liquidity for the business. Under the brand “168”, the Company changes the style of housing design making the housing more diverse and modern. The “Living Livable” concept will bring the residential innovation and technology into projects in response to buyers’ needs. Hence, the projects will be uniquely distinguished from competitors’ projects available in the market.
2. The Company expands its sales target to groups with purchasing power and expands its customer base to the new generation. It also approaches investors by guaranteeing the return on investment.
3. The Company avoids developing projects in locations where there are excessive inventories. In developing new projects, the Company surveys the location and the market demand before making land purchase decisions. It also considers the number of existing products of other developers and of the Company in those locations before deciding to develop projects. The Company will avoid developing projects in locations where there are high levels of inventory since it is an indication of limited buying demand in such locations. This can reduce competition risks, price wars and holding of more inventory. The Company aims to develop projects in high purchasing power locations where there are small number of inventories to reduce investment risks and stimulate sales volume in order to generate income for the Company.
4. The development of residential home projects is increased in response to the increasing market demand for residential homes. The Company plans to increase the proportion of residential home development to add product varieties. The goal is to increase the share of estimated income from residential homes in 2026 to at least 50% compared to residential condominiums. It focuses on customers who want to buy homes that are not exceeding 10 million THB which are the main group of customers at present and increases numbers of customers with high purchasing power who want to buy homes that are more than 10 million THB.



Financial risk factors from the stringent project loan and home loan approval imposed by financial institutions and financial liquidity

In 2023, the Bank of Thailand continues to implement strict monetary policies requiring financial institutions to strictly regulate lending both project loans and home loans to the real estate sector. This is to protect the financial institutions from an increase in non-performing loans which forces them to set aside more doubtful debt reserves. These will directly affect the country's financial business operations. As a result, financial institutions are stringent in considering the approval of real estate development project loans. They determine the proportion of project sales before considering project loan approval. Therefore, the Company must be cautious and focused on choosing a location and developing projects to meet buyers' demand in order to ensure that sales volume at project launches is in accordance with the agreement with financial institutions.

At the same time, the financial institutions continue to be stringent in loan approval. The Bank of Thailand does not extend the easing of loan-to-value (LTV) measures for second and subsequent home. The maximum loan-to-value ratio is 80 percent and 70 percent for buying a second and third home priced below 10 million THB and above 10 million THB respectively. As a result, the financial institutions continue to be stringent in housing loan approval. At the end of 2022, the housing loan approval rate is at 40 percent. This is due to the concern about the ability to repay debts since the household debt burden is still high. It is estimated that the household debt burden to GDP (Gross Domestic Product) ratio is at 89 percent in 2022, decreasing from 90 percent in 2021. The financial institutions' rejection of housing loans to customers who have high debt burden has made them unqualified to receive loans from the financial institutions. This has a direct impact on financial liquidity of the Company since the Company cannot transfer the housing units to customers and has to resale them which is a cost burden and a financial risk for the organization.



Risk Management

Under such trend, the Company has planned and prepared the financial liquidity of the Company so that it is able to continuously support expansion and investment. In addition, it has planned and been finding ways to help customers to get loan approval from financial institutions. The operations are as follows:

1. The Company maintains the interest-bearing debt-to-equity ratio at no greater than 1: 1 to reassure financial institutions to approve project finance.
2. The Company has done a market research and survey before deciding to invest in a land for residential project development. As a result, the newly launched housing properties, both residential condominiums and residential homes, can reach the sales target set by the financial institutions.
3. The Company has a policy to manage investment plans properly including land purchases, launches of new projects with sales volume risks, delays of construction work of projects with low sales volumes and acceleration of construction of projects with high sales volumes. As a result, the Company is able to hand over projects to customers and recognize its revenue as planned in order to increase cash flow and manage financial liquidity during the recession.
4. The Company assists customers by offering them a deferred down payment to make it less necessary for the customers to apply for home loans from financial institutions. In addition, there is a "Move in First" project (Baan Sarn Fun) which will help easing the financial burden of customers and reducing the inventories of the Company.
5. The Company gives customers additional tools for the retail loan approval, such as providing hire purchase service to assure financial institutions of customers' financial status.

After implementing various measures, the Company has sufficient financial liquidity. As at 31 December 2022, the Company has a credit facility of 1.5-2.5 billion THB in average. It is to be used for project developments and as a reserve for crisis situations.

3

Compliance Risk



Risk factors from changes in government policies and measures

Main business of L.P.N. Development Public Company Limited is residential property development, both condominiums and houses. This business is the major source of income of the Company. In 2022, it generates not less than 80 percent of total income which is 10.3 billion THB. Changes in government policies and measures towards property development will directly affect the project development of the Company. For example, the Bank of Thailand does not extend the easing of its loan-to-value (LTV) policy and set the loan-to-value ratio limit to 80 percent and 70 percent for buying second and subsequent home priced below 10 million THB and above 10 million THB. The property transfer fee is increased from 0.01 percent to 1 percent (the normal rate is 2 percent) and the mortgage fee is lowered from 1 percent to 0.01 percent for properties with an estimated value of no more than 3 million baht, effective from 1 January 2023 to 31 December 2023. In addition, there is a potential increase in interest rate as a result of higher inflation rate.

Meanwhile, the royal decree, which was issued under the Land and Building Tax Act B.E. 2562 (2019), maintains the legal land and building tax rates for 2022 after the reduction in 2020 and 2021. These 4 factors pose negative impacts on real estate developers in 2023. Besides, there is a chance that the government will introduce additional measures, including rules and regulations, to prevent social and environmental impacts which will affect project development costs.



Risk Management

Under such circumstances, the Company has planned to manage business risks arising from various government measures as follows.

1. The Company is prepared to manage the risks arising from changes in government policies as a result of the enforcement of new laws relating to the business, which will affect the business operation. The Company manages to develop lands immediately after purchase without keeping them as land waiting for development for a long time. This is to reduce the risks arising from the government policy change and reduce land holding costs.
2. The Company reduces the risk of acquiring land in locations where the project cannot be developed as planned in order to reduce the burden and financial cost of land holdings.

4

Corruption Risk



Risk factors on corruption

As a real estate developer, the risks of employee corruption may occur in the Company's business operation process, from land procurement and construction management to handover process, particularly the passive bribery in the procurement process of land, materials, equipment, and etc.



Risk Management

Throughout the 34 years of the establishment of the organization, the Company has rigorously set an operational standard and a rigorous audit standard. The operations are regularly audited by the Internal Audit Office. The Company also places a great emphasis on the whistleblower process in order to prevent corruption in every work process, such as the process of land procurement for project development. The Company has the following operating measures.

1. The land procurement is to be considered and approved by the Executive Committee.
2. The land procurement information is to be disclosed to public via the Stock Exchange of Thailand.
3. The value of procured land is to be appraised by an independent certified appraiser.

In addition, the Company has established the following measures to prevent fraud in the procurement process.

1. Develop an international-standard procurement process.
2. Perform a price comparison before purchasing and hiring.
3. Audit the procurement process by the Internal Audit Office.

5

Operation Risk



Safety risk factor

In real estate business, there are safety risks from on-site construction work processes. Hence, the construction operation in project site will focus on safety issues. There is a policy to ensure “zero” accident in construction site.



Risk Management

1. The Company managed the risks by the proper provision of personal protective equipment according to the type of work.
2. Site management is done to prevent impact on communities and areas surrounding the under-construction project. Good hygiene of team members and residents of the surrounding communities is taken into account.
3. The Company applies Green Construction Process Standard in its construction process to minimize environmental and social impacts, ensure safety and achieve “zero-accident” at construction sites.

Risk factors regarding construction impact on neighboring communities

The construction of both residential condominium and residential home projects does affect communities and neighborhoods, especially during construction, which will affect the construction of the project.



Risk Management

1. In the construction of every project, the Company takes into account the government and community participation in studying and assessing the projects' impacts on environmental quality and community members' health.
2. Public hearing processes are organized to seek public and stakeholders' opinions. Independent organizations consisting of representatives of environmental and health NGOs and representatives of higher education institutions offering courses on environment, natural resources or health issues, are consulted for opinions before the start of construction of every project managed by the Company.

Labor Risk Factors

As a result of the recovery of the Thai economy that has begun in 2022 and continued into 2023, real estate developers have accelerated the launch of their projects. At the same time, the government has continued investment in infrastructure development resulting in increasing demand for labor in the construction sector. Since there are not enough available workers participating in the labor market to meet the increasing demand, the Company has managed labor risks by taking the following actions.



Risk Management

1. The Company manages the risks posed by labor shortages by partnering with alliances and building a network of construction contractors so that there are sufficient teams to complete construction and hand over projects as planned.
2. Manage the labor in each suitable construction area in accordance with the construction plan.

Risk factors related to environmental impacts

Real estate business is one of the businesses that cause environmental pollution throughout the construction process. Therefore, the Company has measures to take care of the construction sites of every project from its commencement to the present day using the concept of Green Construction Process for project development. In addition, the Company incorporate the Environmental Impact Assessment (EIA) of the Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment, in the reduction of environmental impacts.



Risk Management

“Environment” is one of the key principles in the Company’s business operation. Hence, the Company emphasizes on environmental management in every work process by adhering to the Environmental Impact Assessment standard of the Office of Natural Resources and Environmental Policy and Planning, Ministry of Natural Resources and Environment. The operating procedures are as follows.

1. In the construction of every project, the Company takes into account the government and community participation in studying and assessing the projects’ impacts on environmental quality and community members’ health. Public hearing processes are organized to seek public and stakeholders’ opinions. Independent organizations consisting of representatives of environmental and health NGOs and representatives of higher education institutions offering courses on environment, natural resources or health issues, are consulted for opinions before the start of construction of every project managed by the Company.
2. In the work process of each project, the Company will monitor the performances, or the implementation of the environmental mitigation measure under the Green Construction Process and environmental impact monitoring measure as proposed in the Environmental Impact Assessment Report. The monitoring report will be submitted to the Permitting Agency and the Office of Natural Resources and Environmental Policy and Planning in accordance with the guidelines for submitting Environmental Mitigation and Monitoring Report.
3. The Company is concerned about occupational health and work safety of the communities and related parties. In a construction process, the communities may be affected from dust, noise pollution, water pollution, soil pollution, vibration of the project sites during construction and traffic in the vicinity of the workplace.
4. In order to reduce waste and dust from the construction process, Building Information Modeling (BIM) is used in the design process to reduce the loss of construction materials and the waste in construction sites. The GREEN design concept has been applied in the design and construction of projects in order to deliver environmentally friendly housing to customers.
5. The Company has rendered a community management service that includes an environmental management system and a community waste reduction system, through the management of a subsidiary company, LPP Property Management Co., Ltd. who supervises and manages projects after the project handover.

6. The Company has joined the Low Emission Support Scheme: LESS and has created its carbon footprint report from 2019 to present. The Company has also purchased carbon credits to offset its total greenhouse gas emissions. Moreover, it received Carbon Footprint for Organization label and Carbon Neutral label from the Thailand Greenhouse Gas Management Organization (Public Organization). This is a part of environmental management in the work process of the organization.

Risk factors regarding social Impacts

Although the COVID-19 situation has subsided in 2022 and is expected to continue to subside in 2023, the global economic recession and higher inflation have led to layoffs, insufficient income to cover expenses, informal debt problem and social problems. At the same time, the country's population structure is shifting toward an aging population which directly affects the real estate sector.



Risk Management

The Company has managed the arising social risks as follows.

1. The Company has ongoingly developed real estate projects amid the COVID-19 pandemic and the economic slowdown by adjusting the style of its projects to meet the market demand. As a result, the Company can sustain employment, alleviate social problems and increase educational opportunities for children of workers so that they can enhance their living status in the future.
2. The Company continues its project construction, despite the economic uncertainty, to mitigate the economic impacts on trade partners and business alliances, enabling the distribution of income to trade and service sectors, as well as creating economic circulation in the vicinity of construction sites. It also stimulates buying and selling conditions in the construction equipment and building materials industry causing the circulation of currency in the economy which affects the overall economic condition of the country.
3. The Company has prepared for economic and social changes and changes in the population structure by designing and developing housing that takes into consideration the cohabitation of family members of all ages. When the Company develops project designs for both residential condominiums and residential homes, it takes into account the livelihood well-being by choosing non-polluting construction materials and appropriate technologies. Functionality is taken into account in the housing design to accommodate lifestyle of current and future customers. As a result, the Company is able to maintain its sales amid the economic slowdown. The presale at the end of 2022 is 10.95 billion THB and the handover of housing units to the customers can be done as planned.

Risk factors affecting rights or investments of shareholders

Since the Company has a large free float, there is no major shareholder holding more than 5% of shares. This poses takeover risk from investors who accumulate shares which may lead to changes in management structure and the management of the Company.



Risk Management

The Management has discussed the issues with each group of shareholders so that it is sufficient for the opening of the shareholders' meeting and making the resolution to appoint a management team to manage the organization by bearing in mind the Company's sustainability philosophy.

03

**DRIVING
BUSINESS FOR
SUSTAINABILITY**



POLICY AND SUSTAINABLE MANAGEMENT GOAL

The business operation of the Company has always been done in a socially and environmentally responsible manner in all processes and in every step. This is to prevent and minimize possible environmental and social impacts and take proper care of stakeholders according to the organization's sustainability management guideline or LPN Platform 3-6-8-10, which has been refined and constantly developed throughout 30 years of its operation. Triple Bottom Line framework, a principle of sustainability development that focuses on the 3 ultimate components in economy, society and environmental has been applied in the establishment of the operational goal of the Company. "6 Green LPN" strategy showcases the responsibility towards eight groups of stakeholders from ten property development processes in order to maintain the balance of the business operation and enhance stable growth. The ultimate goals of the three components of our business operation are as follows:

3P



PROFIT ECONOMIC

Create the balance of adequate and regular profits from the operation on the basis of good corporate governance, responsibility and transparency in business operation, appropriate risk management and the consideration for profit-sharing with all stakeholders.



PEOPLE SOCIETY

Take social responsibility not only for internal stakeholders but also external parties including trade partners, customers, residents and neighboring communities, construction workers as well as the national society at large.



PLANET ENVIRONMENT

Reduce the impacts of the project development (In Process) in terms of the project design and construction and takes care of the environment and quality of life of the residents and neighboring communities after the handover of the project.



For those who are interested in the operating performances of 6 GREEN LPN and other sustainable operations in details, further information can be found in LPN's 2022 Sustainability Report.

LPN AND SUSTAINABLE DEVELOPMENT CONCEPT

Commercial Value Chain

ROAD MAP PLATFORM

6 8 10



6 GREEN LPN

Concept which showcases the responsibility towards



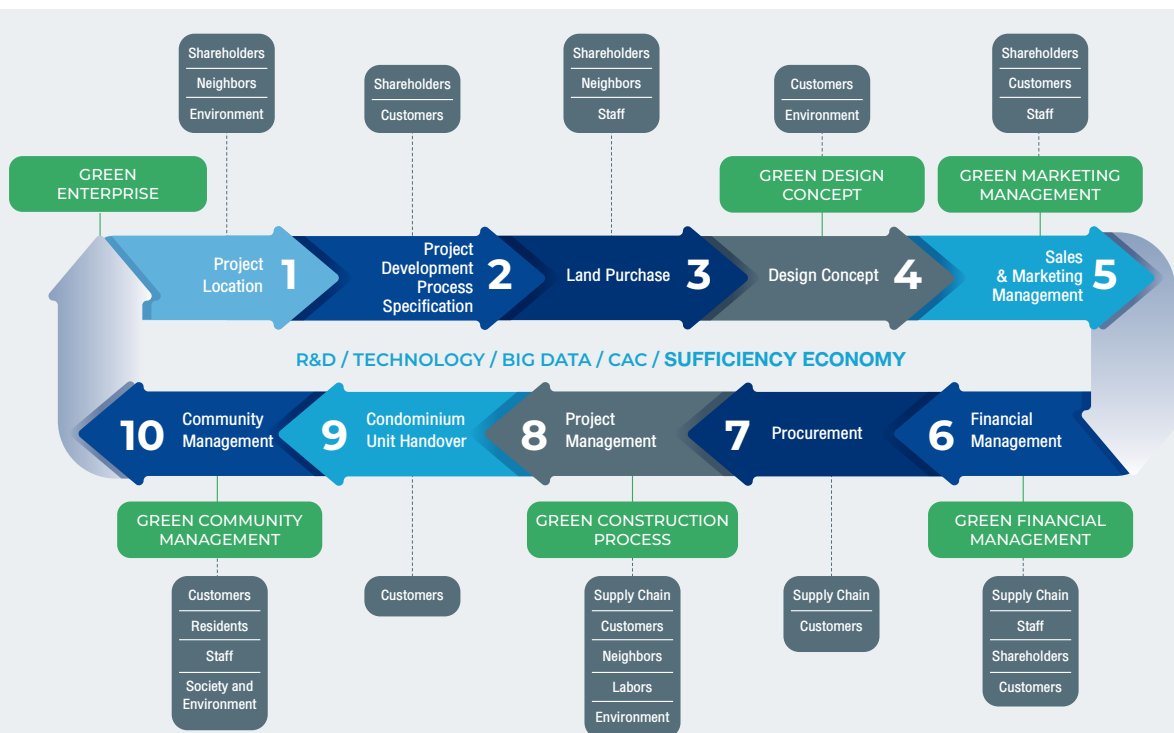
8 STAKEHOLDERS

8 groups of stakeholders from



10 PROCESSES

10 property development processes.



Usually, the responsibility of a real estate developer comes to an end after the product or condominium units are handed over to customers. On the contrary, the Company realizes how significant it is to ensure that the quality of life of the residents of the projects developed by the Company is enhanced and taken care of as they have trust in Lumpini brand and decide to make our condominium unit their “home”. This is the beginning of the development of “Livable Community” concept which is an after-sale service offered both in terms of building management and community management. The concept has been implemented for more than 30 years. The responsibility towards all stakeholders of the Company has started from the policy level within the organization. It follows the Philosophy of Sufficiency Economy that emphasizes on creating integrated values in all sectors for sustainable development and focuses on using the information obtained from the study, research and development and the use of technology for decision-making based on good governance that takes into account all stakeholder groups in all 10 core processes of the property development of the Company as follows:

6 GREEN LPN

All through the 30 years, the business operation of the Company has always been done in a socially and environmentally responsible manner in all processes. “6 GREEN LPN” concept is developed from our extensive experiences in property development and community management as a practice to ensure a balanced and sustainable operation for the benefit of all stakeholders. At present, 6 GREEN LPN concept is inclusive of six aspects of environmental and social responsibility as follows:

1



GREEN ENTERPRISE

The business operation that focuses on human resources management and human capital.

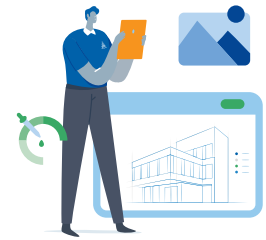
2



GREEN FINANCIAL MANAGEMENT

The appropriate returns and growth of the organization.

3



GREEN DESIGN CONCEPT

The product design that is environmentally responsible.

4



GREEN MARKETING MANAGEMENT

The marketing strategy that is fair for the consumers and competitors.

5



GREEN CONSTRUCTION PROCESS

The management of environmental and social impacts from construction process.

6



GREEN COMMUNITY MANAGEMENT

The care for and management of the quality of life of the residents after the handover of the project.

ROAD MAP PLATFORM



8 STAKEHOLDERS

The Company identifies the first tier stakeholders involved in various operational processes based on the assessment of the level of involvement of each group of stakeholder. The level of involvement of the stakeholders is assessed by the level of influence they have on the organization and operation along with the level of impacts from the operation of the Company in order to be able to identify the importance of each stakeholder and establish a strategy to encourage their participation. The operational framework is established and the impacts on all stakeholders are minimized to enhance sustainable development and growth. The first tier stakeholders of the Company is categorized into eight groups as follows:

| | | | |
|---|--|--|---|
| <p>1 SHAREHOLDERS</p> <p>refer to shareholders of the Company, whether they be companies, funds or individuals who are benefited from the operation that emphasizes good corporate governance and environmental and social responsibility.</p> | <p>2 STAFF</p> <p>refer to those who are working for the Company and driving the operation of the Company to move forward in a sustainable manner, inclusive of staff in the operational level and managerial level.</p> | <p>3 CUSTOMERS</p> <p>refer to those who are interested in the project developed by the Company and have reserved to buy and made a down payment. In the future, when the project is completed, the customers will become joint owners /residents. In addition, the customers also refer to those who are interested in renting the Company's condominium units and have made rental contracts and paid rental fees. In the future, this group of customers may become buyers and residents.</p> | <p>4 SUPPLY CHAIN</p> <p>refers to trade partners or business alliances of the Company who take part in the design and construction of projects as if they are one of the staff of the Company. The objective is to achieve the mutual goal. LPN team also refers to co-investors in project development. They can be persons or companies.</p> |
| <p>5 NEIGHBORS</p> <p>refer to those who live in the communities surrounding the projects of the Company that are under construction and are affected by the impacts from the start of the project development through to after the project is being handed over.</p> | <p>6 RESIDENTS</p> <p>refer to those who live in the project of the Company that has been handed over as customers or renters and are parts of the community taken care of by the Company.</p> | <p>7 LABORS</p> <p>refer to workers of the business alliances (trade partners) that are responsible for constructing the projects of the Company, inclusive of Thai and migrant workers.</p> | <p>8 ENVIRONMENT</p> <p>refers to the components of sustainability that is at the foundation of all business operations. The operation of real estate development business directly impacts the environment, therefore, the Company focuses on the conservation of environment nearby the project.</p> |

10 PROCESSES

PROCESS 01

Project Location



The development concept is designed to be appropriate with the project location. The two concepts for project development are pilot project i.e. project development in new locations with minimum competition (Blue Ocean Strategy) and expanded project i.e. project development in highly successful locations where demands for residential property are high.

PROCESS 02

Project Development Process Specification



Projects are analyzed and development goals are set in order to specify project's characteristic and size and development steps, including brand and product value that will be delivered to customers, by considering the return on investment, the location suitability and the project development pattern.

PROCESS 03

Land Purchase



The decision made by the Management to buy a piece of land is based on the vision as well as information from the Research and Development Department and Marketing Department. The demand, supply and feasibility for project development are carefully studied beforehand in order to ensure that the project development is in accordance with the strategy of the organization and customers' needs.



PROCESS 04

Design Concept



Products are designed with environmental and social responsibility in mind in response to the needs that are in 'balance' with every dimension of living. It uses the LPN Green Design Concept Standard which is developed by LPN and is consistent with internationally accepted Green Building Standard. This is to standardize the product making it a residence that promote resource conservation and truly minimize environmental impact.

PROCESS 05

Sales & Marketing Management



The marketing activity of the Company is "Human Centric" or directly focuses on the needs of the customers. The policy of the Company is to build the first home for those who do not yet own a house. It is to give something back to the society. Furthermore, the Company respects the rights of customers and keeps our promise.

PROCESS 06

Financial Management



The business growth and returns for stakeholders are identified in line with the annual business plan. The construction costs and profit of each individual project is appropriately prepared. The financial statements are accurate and reliable and are prepared in a transparent and auditable manner without any hidden agendas. In addition, financial risks have always been managed.

PROCESS 07

Procurement



Operational standard is set and the procurement inspection is regularly and concisely performed according to international standard. This includes choosing quality and environmentally friendly materials and promoting the use of materials that contained recycled content to reduce the natural resource consumption.

PROCESS 08

Project Management



The Company does not only apply Q-C-S-E-S+P strategy in its management, but also keeps in mind the impact on surrounding society, community and environment in every dimension. Moreover, it manages possible risks during construction by cooperating with alliances and following the Green Construction Process Standard strictly.

Financial Management **6**Procurement **7**Project Management **8**Condominium Unit Handover **9**Community Management **10**

PROCESS 09

Condominium Unit Handover



The quality of condominium units and common area is fully inspected before the condominium units are handed over to reassure the customers that they receive up-to-standard and good quality products. As a preparation before moving in, the Livable Community policy and residential rules are communicated and informed to residents to create understanding, acceptance and happiness in living together.

PROCESS 10



Community Management



“Livable Community Strategy” is one of the core strategies of the organization. The Company does not only manage the building but also the quality of life, society and environment and promote “togetherness, care and share” culture.

STAKEHOLDER ENGAGEMENT & MATERIALITY ANALYSIS

The Company is able to identify major stakeholders who are involved in different operational processes. It is based on the assessment of the level of their involvement both in terms of their influence that affects the Company and its operation as well as the impacts from the operation of the Company. The level of importance is measured following the guidelines of the Stock Exchange of Thailand (SET), Thai Institute of Directors (IOD) and ASEAN Corporate Governance Scorecard. The treatment, method and frequency of communication and expectation of each group of stakeholder are established as follows:

| Stakeholder (8S) | Treatment of Stakeholder |
|--|--|
| SHAREHOLDERS  | <ul style="list-style-type: none"> • Respect basic shareholders' rights in accordance with the law and Articles of Association. • Treat all stakeholders equally. • Have a mechanism in place that will ensure shareholders that they will receive accurate information and a sound profit and dividend according to the policy of the Company. • Monitor connected transactions, determine measures to prevent conflict of interest and prevent the use of internal confidential information for personal benefit. |
| SUPPLY CHAIN  | <p>Business alliances are trade partners of the Company. It is the network of entrepreneurs such as architects, engineers, consultants, construction companies, construction materials manufacturers, transport companies and security services providers.</p> <ul style="list-style-type: none"> • Promote collaboration among "alliances" by developing LPN Team which is treated as a subsidiary company of the Company. • Offer appropriate return, do not exploit trade partners or only take into account the profit of the Company, conduct business based on fairness. • Set out clear purchasing policy. All trade partners must submit a cost proposal and the Company will select the one with fair and reasonable price and high-quality services based on the purchasing guideline of the Company. |
| STAFF  | <ul style="list-style-type: none"> • Treat staff with fairness in regard to career opportunity, remuneration and appointment or transfer, all of which should correspond to the performance of each staff and business success of the Company. • Establish a short-term structure of remuneration of staff which is decided from the profit of the Company and the staff's contribution to the success of the Company each year. • Consider the overall remuneration of staff based on Key Performance Indicators (KPIs). The remuneration rate must be in accordance with the market rate. The knowledge, ability, experience and performance of each staff will be taken into account, as well as equality and fairness, inflation rate and Gross Domestic Product. • Offer annual bonus based on the annual performance of the Company. • Provide welfares e.g. health insurance, annual medical check-up, provident fund, financial loan, financial aid in case of death of staff's parents or spouse and fitness area. • Promote work-life balance of staff and regular workplace inspection. Provide safety equipment to staff and organize fire drills. |
| CUSTOMER  | <ul style="list-style-type: none"> • Give importance to and be responsible for all customers on a regular basis. Enhance customers' satisfaction and confidence, develop products, be liable for the quality and standard of products as promised, improve customer service quality and maintain customer confidentiality. • Establish a Call Center and Customer Experience Management Department Tel. 02-689-6888 to receive complaints. |

| Concern and Expectation | Method of Promoting Participation | Frequency |
|--|---|---|
| <ul style="list-style-type: none"> • Generate appropriate growth and profit. • Take environmental and social responsibilities. • Generate a balanced return for all stakeholders. • Adhere to corporate governance principles. • Manage risks. • Act against corruption. • Respect shareholders' right. • Implement 6 GREEN LPN policy to achieve sustainable development. | <ul style="list-style-type: none"> • Annual Report and Sustainable Development Report • Annual General Meeting of Shareholders • Shareholders' Newsletter • Project visit • Meeting with analysts • Meeting with Investors and Fund Managers • Project progress report | Annually Annually Quarterly Annually Quarterly Regularly Regularly |
| <ul style="list-style-type: none"> • Promote unity. • Establish a joint business plan. • Share knowledge. • Generate a balanced return. • Support organizational development process of trade partners. • Build environmental and social awareness to mutually achieve growth and development. | <ul style="list-style-type: none"> • Meeting with LPN Team (Executive Level) • Meeting with LPN Team (Operational Level) • Training and knowledge sharing • Relationship building activities | Quarterly Regularly Monthly Quarterly |
| <ul style="list-style-type: none"> • Promote work-life balance. • Promote learning and career advancement. • Promote "Livable Organization" concept and happiness at work. • Build capacity and promote organization values. • Provide appropriate remuneration and welfare. • Promote equality and basic rights. | <ul style="list-style-type: none"> • Happiness at Work Survey • LPN Academy • Activities promoting participation • Staff Relations Team • Performance Evaluation • Internet website and email • Executive Knowledge Sharing • Welfare Committee • WhatsApp / Line OA | Quarterly Regularly Regularly Ad Hoc Half-yearly Regularly Regularly Ad Hoc Daily |
| <ul style="list-style-type: none"> • Build affordable home with appropriate and fair price. • Promote product and service value and brand's credibility. • Enhance customers' satisfaction and manage complaints. • Respect consumers' rights. | <ul style="list-style-type: none"> • Call Center • Various activities • Satisfaction Survey • Lumpini Family Day • Touchpoint • Customer Experience Management • Market Research • www.lpn.co.th • Line OA | Daily Ad Hoc Regularly Annually Regularly Regularly Regularly Regularly Regularly |

| Stakeholder (8S) | Treatment of Stakeholder |
|--|---|
| <p>RESIDENTS</p>  | <ul style="list-style-type: none"> Enhance the quality of life and build good relationship with residents through various activities on a regular basis. |
| <p>LABORS</p>  | <ul style="list-style-type: none"> Enhance the quality of life of construction workers and provide necessities of life such as food and sanitation. Accommodation of construction workers in construction sites is inspected to ensure the cleanliness and tidiness of the site and provide assistance if needs be. Various activities are regularly organized, for example, <ul style="list-style-type: none"> Provision of free haircut and lunch to construction workers. Drug test. Monitoring the amount of waste at the site for proper waste management. First aid training and training on medicine use. Annual medical check-up and vaccination. |
| <p>NEIGHBORS</p>  | <ul style="list-style-type: none"> Monitor the environmental quality in construction sites. Manage wastewater and waste in Lumpini communities. |
| <p>ENVIRONMENT</p>  | <ul style="list-style-type: none"> Establish a clear policy and guideline to build awareness of staff, trade partners and communities managed by the Company. Appoint a Corporate Environmental and Social Responsibility Committee to monitor the operation and ensure that it is in line with the policy. A Charter is to be established. Crucial operational processes are to be supervised by high-ranking executives. Apply the Triple Bottom Line (3P- Profit, Planet, People) approach in the operation, establish 3-6-8-10 guideline i.e. 6 GREEN LPN, 8 Stakeholders, 10 Processes and emphasize CESR In Process. The concept of 6 GREEN LPN includes the six areas of environmental and social responsibilities as follows: <ol style="list-style-type: none"> Green Enterprise Green Design Concept Green Financial Management Green Marketing Management Green Construction Process Green Community Management Regularly organize CESR Out Process activities. |

| Concern and Expectation | Method of Promoting Participation | Frequency |
|---|---|--|
| <ul style="list-style-type: none"> Promote product and service value. Enhance customers' satisfaction and manage complaints. Respect consumers' rights. Promote "care and share" culture. Promote participation in CESR activities. Promote learning among youth residents. Provide an opportunity for the residents to decide the guidelines for management of community. | <ul style="list-style-type: none"> Annual General Meeting of Joint Owners Mobile App Call Center Various activities Satisfaction Survey Lumpini Family Day Chairman of Juristic Persons Seminar Touchpoint Customer Experience Management Market Research www.lpn.co.th Line OA | Annually Regularly Daily Ad Hoc Regularly Annually Annually Regularly Regularly Regularly Regularly Regularly |
| <ul style="list-style-type: none"> Ensure safety at work. Enhance the quality of life and sanitation of construction workers. Offer standard remuneration rate and respect basic rights. Treat all workers equally. | <ul style="list-style-type: none"> QCSSES+P Activities promoting the quality of life of construction workers Medical check-up | Daily Ad Hoc Annually |
| <ul style="list-style-type: none"> Minimize noise, dust and impacts from construction. Be open to suggestions. Comply with the Environmental Impact Assessment Report. Take sustainability of the neighboring area into consideration in project design. | <ul style="list-style-type: none"> Public Hearing Visiting, Meeting, Discussing Increase of Green Space Space Improvement Sustainable Project Design Suggestion Box | Ad Hoc Daily Regularly Regularly Regularly Weekly |
| <ul style="list-style-type: none"> Minimize construction impacts. Campaign for waste segregation in communities managed by the Company. Promote energy conservation. Use resources efficiently. Promote sustainable project design. Raise CESR awareness in communities managed by the Company. Create jobs and enhance quality of life of underprivileged women. Share knowledge with other organizations via LPN Academy. | <ul style="list-style-type: none"> 6 GREEN LPN LPN Green Signature Project QCSSES+P | Regularly Ad Hoc Regularly |

LPN SUSTAINABLE STRATEGY

The operation of property development business directly impacts the environment and society especially the development of large-scale projects. It can be seen that low quality properties usually cause serious environmental and social problems. The Company has thus given importance on business operation that is environmentally and socially responsible as well as incorporated the Corporate Environmental and Social Responsibility (CESR) into the business plan in order to pave the way towards sustainability. We do not only focus on **CESR In Process** along the thinking of “6 GREEN LPN” but also on **CESR Out Process** by supporting activities that promote “Togetherness, Care And Share” culture.

Moreover, the Company has established organizations, the operation of which is separated from the core business operation of the Company but is partly related to the business processes. The purpose of the organizations is not to seek profits but to support the society. This is considered **CESR As Process**. The two organizations are LPN Academy, the center for human resources development and knowledge sharing and LPC Social Enterprise Co., Ltd. the center for the development of quality of life of underprivileged women.

Components in the Operation of the Corporate Environmental and Social Responsibility of the Company

1 In Process

The responsibility towards the impacts of all processes of the business operation of the organization on the stakeholders, environment and society.

2 Out Process

The participation in and support for environmental and social activities that are not related to the operation of the organization.

3 As Process

The support for and implementation of environmental and social activities that are not involved with the core business of the organization but are partly related to the business process.



1

GREEN ENTERPRISE

The Business Strategy that Emphasizes the Management for Sustainability and the Management of Human Capital

In 2021, amidst the ongoing global economic crisis and pandemic, the Company still placed an importance on and operated its business with social and environmental responsibility in all processes and in every step as usual. This was to prevent and mitigate possible environmental and social impacts. The Company maintained its concepts and practices to take proper care of 8 groups of stakeholders according to the 6 Green LPN strategy which would lead to a sustainable business conduct. Corporate policy and operational standards across all areas of the business have been established. The Company also mitigated and alleviated burdens or impacts on stakeholders of these crises in full capacity. The tasks were divided into 2 categories namely Sustainability Management and Human Capital Management

Sustainability Management

1. Appropriate Growth and Profit

The Company has developed the management guideline and strategy by establishing appropriate growth and profit target giving sustainable and substantial returns to all stakeholders. In the past year (2021) in particular, the Company has taken into account the development and sustainable solutions in a more systematic manner since it was the year that real estate businesses experience the consequence of the COVID-19 crisis in 2020.

2. Affordable Home

Adhering to the Philosophy of Sufficiency Economy which promotes social well-being, the product development policy of the Company intends to build residence that is "suitable" for living as well as create a better quality of life for residents in every dimension.

3. Good Quality of Life in Great Culture

Apart from developing residential condominiums and homes, the Company also enhances the quality of life of all members of the community under the "Livable Community for All" strategy. The projects are equipped with convenient facilities and safety systems. More importantly, "togetherness, care and share" culture is promoted through various activities to raise awareness of a harmonious community.

4. Balanced Profit for Stakeholders

The Company focuses on long-term growth which is consistent with the governance and sustainability principles. There is a policy to generate various forms of profits for all stakeholders in a balanced and appropriate manner.

5. Risk Management and Corporate Governance

All aspects of risks are managed to be under control and the returns are determined upon the competitive situation and performance of the Company. Risks are reduced by reserving fund to maintain the liquidity of the Company. All of the above are done in a responsible, transparent and auditable manner in accordance with sustainability principles. The Company does not exploit others or focuses only on profit.

6. Anti-Corruption

The Company is against all forms of corruption, whether it be internal or external, by establishing concise operational process to reduce risks, communicating the importance of anti-corruption policy to employees, identifying integrity as one of the values of the organization, declaring the intention against corruption and complying with law and regulations and paying taxes.

7. Environmental and Social Awareness and Responsibility

The Company takes responsibility for the operational impacts with the 6 GREEN LPN and operational standards in every departments. It also promotes environmental and social awareness and encourage staff participation through various environmental and social operations and activities.

8. Giving Back to the Society

Operating through LPC Social Enterprise Co., Ltd., an affiliated company of L.P.N. Development Group, the Company takes part in building a great society by creating job opportunities for underprivileged women so that they have stable jobs, earn income to enhance their families' quality of life and develop a better quality of life for themselves. In addition, the Company also imparts knowledge and experiences to the society.

Human Capital Management

1. Corporate Value

The Company puts emphasis on the development of human resources to carry on the success of the Company. LPN Way is developed from the core competency of staff to be the guideline that will promote the sustainability in the management of human resources in an integrated manner, to build the identity of the organization and be the operational standard. LPN Way comprises two milestone values i.e. “continuous development” and “respect for stakeholders”. The seven components of the values are “C-L-A-S-S-I-C” as follows:

2. Livable Organization

The concept of the management of human capital of the Company is based on the enhancement of happiness through the six factors at work by continuously developing the quality of staff, promoting exchanges of experiences and knowledge in order to become a learning organization and developing the operation guideline under the culture and values of the organization (LPN Way).



3. Learning & Growth

With the commitment to develop the organization towards sustainability, the Company has established LPN Academy to develop the capacity of staff to be able to support the business expansion and carry on the values and culture of the organization in accordance with the LPN Way via training courses and curriculums. It is also aimed to transfer the knowledge to external organizations in the future.

4. Work-Life Balance

The Company takes care of the quality of life of staff and encourages them not to over work and to spend time with their family. The Company sets appropriate working hours per week and encourages all staff to take annual leave.

2

GREEN FINANCIAL MANAGEMENT

The Strategy to Achieve Appropriate Return and Organization Growth

Green Financial Management is the management of finance with the objective of achieving stable and sustainable business growth, operating performance that have appropriate and continuous profitable growth and balanced allocation of profit among all stakeholders. The financial ratio and expenses of the Company and subsidiary companies are properly managed to suit the income target and business plan of the organization. It includes the distribution of the dividend at the rate of no less than 50% of net income to shareholders, the appropriate remuneration for executives and staff as well as the establishment of selling price of condominium units to be cheaper than those of the competitors for the benefit of the customers. The Company has also allocated a budget to promote the quality of environment and society during project construction.

Furthermore, the preparation of the financial statement is transparent and auditable. Documents have been prepared on a quarterly basis to communicate the performance of the Company to the shareholders in order to build their confidence and showcase the importance of the financial discipline and financial risk management.

Accountability Financial Statement

The Company realizes the importance of the accuracy and transparency of the financial statement and has arranged appropriate and efficient internal control system. Significant information is disclosed in the notes to financial statement along with the explanation and analysis to ensure that the accounting information is accurate and complete for the utmost benefit of the shareholders and investors in using the financial statement. The components of the accountable financial statement are as follows:

1. Transparency

The financial statement of the Company is prepared in a transparent manner in accordance with the good corporate governance principles. The appropriate and efficient internal control system is arranged. The Board of Directors of the Company has appointed an Audit Committee comprising four independent directors, three of whom are knowledgeable in finance and accounting, to review the accounting policy and audit the quality of the financial statement as well as the internal control system. The report of the Audit Committee will be included in Form 56-1 and the Annual Report of the Company.

2. Auditability

The Board of Directors of the Company has appointed the Audit Committee to oversee the operation and review both annual audit plan and long-term audit plan. The items in the financial statement are to be randomly audited and the outcome of the revision will be considered on a quarterly basis. Any issues found will be addressed in a timely manner. The Audit Committee opines that the internal control system of the Company is sufficient and effective and supports the development of the quality of audit work both in terms of personnel and operation to be of international standard.

3. Disclosure without Hidden Agenda

The Company discloses sufficient significant information in the notes to financial statement along with the explanation and analysis to ensure the accuracy and completion of the financial information record for the utmost benefit of the shareholders and investors in using the financial statement, especially the disclosure and report of the prices of all pieces of land bought to the Stock Exchange of Thailand.

4. Measurable

In order to ensure the transparency of the audit standard which will entail the sustainability of the Company, the financial statement of the Company is prepared in accordance with the financial reporting standard as prescribed by the Accounting Profession Act B.E. 2547. The brief items in the financial statement are prepared in compliance with the notification of the Department of Business Development, the Ministry of Commerce in 2011 regarding the requirement for the brief items to be shown in the financial statements, and in compliance with the regulations of the Securities and Exchange Commissions regarding the Preparation and Presentation of Financial Statements under the Securities and Exchange Act B.E. 2535.

5. Discipline

The discipline and auditability in the financial management of the Company are ensured. The investment is controlled so that the capital of the Company is not invested in the business that is outside the area of expertise or in the activities that have conflict of interest with the Company. It is also made sure that the circulating capital of the Company is sustained to be sufficient for the payment of the remuneration for staff and all stakeholders.

6. Risk Management

Risks are taken into account in the investment or financial operation of the Company. Investments will not be made if the Company has to borrow more than we can afford to repay. Instead, the Company will invest with the existing resources and knowledge. The debt to equity ratio is maintained not to exceed 1:1 and is audited by the Risk Management on a regular basis.



3

GREEN DESIGN CONCEPT

The Environmentally Responsible Design of Products

GREEN Design concept is the environmentally responsible design of products. The Company gives importance to the “Balance” of design and development of project from the process of designing the product and the layout of the project to minimize environmental impact and better suit all living lifestyles.

THE ENVIRONMENTALLY RESPONSIBLE DESIGN OF PRODUCTS

GREEN DESIGN CONCEPT

1. Strategic Location

The location must be close to convenient facilities, public transportation system and express ways to reduce environmental impacts from large-scale project development as well as energy usage in transport.

2. LPN Green Design Concept Standard

LPN's buildings are designed with an aim to generate a holistic approach to performance while creating spaces that are reliable, safe, comfortable and truly responding to residents' needs. In the designing LPN has followed the **LPN Green Design Concept Standard** developed from the Green Building Standard of the U.S.A or LEED (Leadership in Energy and Environmental Design) and the Green Building Standard of Thailand or TREES (Thai's Rating of Energy and Environmental Sustainability). Energy saving, environmental conservation and worthy utilization of resources are taken into consideration.

In addition, the Company has also applied international well-being standards like the WELL building standard in the design so that it can promote the living quality. Residents would, then, have good and sustainable physical and mental health. Main topics of the LPN Green Design Concept Standard are as follows:



Sustainable Site Development

The environmental impacts from project development are minimized by selecting the project locations which are highly populated on a main road and near convenient facilities. It must also be close to public transportation system and express ways which will directly help ease the traffic and reduce energy usage.



Energy Efficiency

LPN's building design is an energy-efficient design. Having skylights lets in the natural light which will minimize the need for electric lighting. Insulation sheets and tinted glasses are installed to reduce heat transfer from outside which can save air-conditioning electricity. In addition, all LPN buildings must be assessed in accordance with the Building Energy Code of the Ministry of Energy since the design phase. This will ensure that the actual energy consumption can be reduced as set forth.



Water Efficiency

LPN opts for water-conserving sanitary ware within the projects according to the Green Label standard. Treated wastewater is used for the irrigation of green space in the project to reduce water usage as well as the discharge of wastewater into public drainage system.



Material and Resources

To ensure good quality products, the Company meticulously selects building materials considering from the durability, low maintenance and environmental friendliness. To reduce the use of primary resource, the design of LPN follows the Modular System concept to avoid material cutting and reduce residues. In addition, LPN also promotes the use of materials that contain recycled materials to reduce natural resources consumption. It also has a policy to promote the use of domestically produced products.

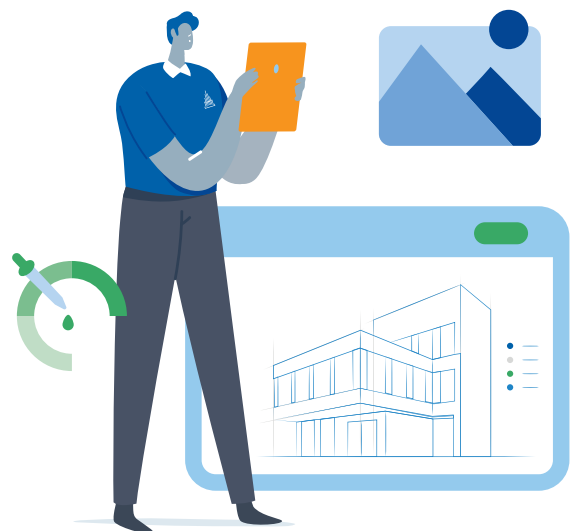


Indoor Environmental Quality

For healthy living and a good quality of life in every dimension, LPN gives emphasis on the design of space that promotes the creation of good and pollution-free health, the design of well-ventilated common areas and the installation of air purifier to enhance indoor air quality. Green space and exercising space both outdoors and indoors are provided to encourage residents' exercising activities. In addition, the universal design principle is used to ensure that everybody in the community can fully and equally benefit from the space. In addition, the focus is on building discipline and culture of living together under the "Livable Community for All" concept.

3. Real Pleasure of Living

With an intention to deliver the "Real Pleasure of Living", every inches of LPN projects are designed using the information from our research and development so that the products and services can respond best to the needs of target groups in term of living and lifestyle. Moreover, the Company gives an emphasis to the increase of living value by developing common area and green space into community activity area in accordance with the "Livable Community for All" concept.



4

GREEN MARKETING MANAGEMENT

The marketing activities that are fair to the customers and competitors

The marketing strategy of the Company is designed to be in accordance with our determination to build the first high quality home at affordable price for the middle to lower-middle income earners in order to create a great quality of life and society for the residents in a responsible manner both before and after project handover. The marketing policy of the Company is fair, respects consumers' right and treats the competitors with fairness. The 6Ps Marketing Strategy is as follows:



1P

Product Strategy

The Company strives to deliver unique product values both in condominium units and common area to the customers. The product values are developed from knowledge and experiences in project development to accommodate the lifestyle of the residents.



2P

Price Strategy

By managing costs and expenses in all production processes, the selling price of the product is affordable and competitive. The profit and terms and conditions of the installment payment for down payment are determined in line with the status of the target group. The Company also provides financial management services to customers to facilitate their loan application and create an opportunity for them to own a home.



3P

Place Strategy

The location of the sales office must be on or near project development site so that it would be accessible to the customers. All the details must clearly be stated and easy to understand without any hidden agendas.



4P

Promotion Strategy

In conducting sales promotion, the Company takes the benefits of customers and the Company into account. The sales conditions are fair and clear. The advertisement is creative with no hidden agenda.



5P

People Strategy

The Company gives a great deal of importance to customers' satisfaction. The standard of touch points e.g. sales officer, maid and security officer has been established and trainings which are in accordance with LPN Service Culture (S-E-R-V-I-C-E-S) are provided on a regularly basis to bring about positive customer experiences and build up sales volume from referral. The net promoter score measuring customer loyalty is the guarantee for after-sale services. There are also various channels for submission of complaints and suggestions for service improvement.



6P

Process Strategy

All processes must provide convenience for customers. The reservation making and contract signing processes must be simple and speedy. Various payment channels and methods must be in place. The deposit forfeit and return must be considered carefully and consider the concerns of customers. Also, the Company makes an attempt to minimize complaints arising from high expectations of customers by highlighting important issues in the reservation agreement and communicating with customers for mutual understanding.

5

GREEN CONSTRUCTION PROCESS

The Management of Environmental and Social Impacts from Construction Process

Green Construction Process is the management of environmental and social impacts from the construction process which affects the environment and society the most. The Company has continuously developed the construction process by increasing the efficiency of the operation and reducing the environmental and social impacts through new technology and innovation. The Q-C-S-E-S+P strategy is developed as a guideline for construction operation for both the staff of the Company, business alliances who design the project and contractors. The environmental responsibility and safety of workers and related persons are particularly emphasized. The Q-C-S-E-S+P strategy is as follows:



Q

Quality of Product

It is the management of project construction by emphasizing the quality of products i.e. common area and condominium units that meet the expectation of the customers.



C

Cost Control and Management

The costs are carefully controlled and managed not to exceed the estimated amount. Both direct and indirect costs such as material costs, labor costs and other construction and operation expenses are managed to maintain the benefits of all stakeholders.



S

Speed of Delivery

It is to ensure that the construction and operational process are completed in a timely manner to reduce the risk of project delay.



E

Environmental Responsibility

It is the responsibility towards the environment to reduce the impacts both in the construction site and on neighboring communities during the construction process. The measures to reduce the environmental impacts indicated in the Environmental Impact Assessment (EIA) report are to be strictly implemented.



S

Safety of Workers and Participants

The Company ensures the safety of construction workers and related parties during construction by establishing a strict operational standard in terms of safety to prevent any accidents that may occur. Moreover, the Company also stresses the importance of occupational health and good quality of life of construction workers.



+P

People Management

It is to manage the impacts on the stakeholders. The Company gives importance to the labor rights and quality of life of the construction workers that are normally ignored by other business operators, the responsibility towards neighboring communities of the construction site as well as mutual growth and development with the business alliances or trade partners. The communities and environment surrounding the construction site are also developed.



6

GREEN COMMUNITY MANAGEMENT

Management of Quality of Life of Residents after Handover

The responsibility of real estate developers should not be ended when the “residence” is handed over to the customers. The building and environment should also be managed and maintained afterwards. However, the Company has realized that there are more to project development and thus developed building management guideline and community management strategy to promote gracious culture and harmony of living together in the society.

During the past 32 years, the Company has created and handed over a “home” to members of more than 130,000 “Lumpini” families and taken care of the environment and quality of life of the residents and neighboring communities via “Livable Community” strategy. The Company does not only ensure the safety and standard of the equipment but also the safety of the community, the happiness of the residents as well as environmental awareness of the residents on a regularly basis in accordance with the F-B-L-E-S+P guideline. It is developed from extensive community management experiences with the aim to deliver a great quality of life, environment and society to the residents. The details are as follows:

**F****Facility Management**

It is to maintain the efficiency of common properties including facility usage management during the Covid 19 outbreak. There must be cleanliness standards and social distancing while using, no matter they are architectural structure, convenient facilities or various systems in the building e.g. elevator, electricity generator, electrical system and sanitation system, to ensure that all components of the building function normally and are safe to operate.

**L****Life Quality Management**

It is the management of the quality of life of residents encouraging them to comply with the regulations of condominium and single home, ensuring their comfort and convenience and issuing COVID-19 prevention measures in the residential area. This is to entail the harmony of living together happily and “Togetherness, Care and Share” culture. Various activities are organized to build good relationship within the family and for community development among “Lumpini” members.

**B****Budgeting Management**

It involves the management of budget for condominium juristic person to be in line with the policy approved by the Annual General Meeting of Joint Owners as well as the management of the stability of the fund for the financial stability of the community. A financial report that is easy to understand, transparent and auditable will also be prepared.

**E****Environment Management**

The Company puts very much emphasis on environmental issues. Green Clean Lean concept is promoted and various activities are implemented such as tree planting activity, increase of green space in the community and neighboring community, waste segregation program, effective infectious waste disposal, waste water treatment, reuse of treated waste water in the project, energy conservation campaign and promotion of renewable energy.



Security & Safety Management

The security and safety management starts from designing the project plan, inspecting and maintaining the standard of equipment system such as closed-circuit television, alarm system and communication system and training security officers regularly, including COVID-19 prevention training and hygiene project monitoring. Participation of community members and related government agency is also promoted to enhance the utmost security of the members of the community.



People Management

The Company gives importance to the management of related persons in community management work whether it be Community Management Department, Juristic Persons Committee or the residents to ensure their cooperation and satisfaction. The problems and conflicts of residents that may affect the community are also managed. The focus is on attitude and skills of staff. Communication approaches are established to enhance knowledge and understanding on community management of Juristic Persons Committee especially the Chairman so that they are on the same page. The following components are important in building sustainable communities.

- Internal staff
- Residents
- Juristic Persons Committee

Internal staff

i.e. executives, Community Managers and the management team, all of whom play an important role in promoting the sustainability of the community. The Company has developed their capacity through various training programs as well as promoted service culture for the success of the “Vibrant Community” strategy.

Residents

i.e. the residents in the project inclusive of the joint owners and renters. Different activities are organized by the management to promote the concept of co-existence in the community, reduce environmental impacts, promote a good society and create vibrant community.

Juristic Person Committee

i.e. the representatives of the stakeholders in the project. They drive forward the process of implementing the concept of vibrant community in the project by building the knowledge and understanding of the Chairman and committee members.

04

ANALYSIS AND EXPLANATION OF THE MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS IN 2022

Overall operating results in 2022

The Company's operating results can be categorized by business segments as follows:

- 1. Real Estate Development Business** increased by 4.37884 billion THB or 108.28%, divided as follows:
 - 1) Revenue from residential condominiums increased by 1.24274 billion THB or 49.19% when compared to the revenue in 2021.
 - 2) In 2022, revenue from ownership transfers of office buildings was 2.5894 billion THB. In 2021 there was no ownership transfer.
 - 3) Revenue from residential homes increased by 546.70 million THB or 36.02% when compared to the revenue in 2021.
- 2. Rental Business** With the relaxation of the COVID-19 situation, the income from rental business of the Company still increased from 272.56 million THB to 308.01 million THB or increasing by 13.01%.
- 3. Service Business** The continuous expansion of the Company's service business caused a 23.26% increase in the operating results, from 1.25328 billion THB to 1.54476 billion THB.

In 2022, the net profit of the Company and its subsidiaries increased by 309.80 million THB, or 102.47% when compared to the previous year. This was because income from the main business increased by 4.70577 billion THB or 84.48%. A part of these was income from real estate business which increased by 108.28%. The Company had offered sales promotions to stimulate sales and decorated products to add value to the project. From external factors, the economy has started to return to normal. In addition, the government maintained measures to support real estate sectors almost throughout the year. Forty-five percent were revenue recognized from residential condominium projects. Thirty percent were revenue recognized from office building projects. Twenty-five percent were revenue recognized from residential home projects. Income from rental and service business increased by 13.01% because rentals continued to grow as a result of the subsiding of COVID-19 pandemic. Income from management fees increased by 23.26% due to the constant rises in the provision of project management services, engineering services and other services. Therefore, the gross profit from main business increased from 1.3807 billion THB to 2.25258 billion THB or increasing by 63.15%.

Overall Information on Projects Completed, New Projects Launched, Sales Volume and Backlog in 2022

| Item | Completed | | New Projects Launched | | Sales Volume (Million THB) | Backlog (Million THB) | Total Revenue 10,301.32 million THB |
|----------------------------|--------------------|------------------------|-----------------------|------------------------|-------------------------------|--------------------------|--|
| | No. of Projects | Value (Million THB) | No. of Projects | Value (Million THB) | | | |
| 1. Residential Condominium | 4 | 4,520 | 5 | 8,600 | 8,350 | 1,850 | Profits of the parent company is 612.14 million THB |
| 2. Residential Home | 2 | 1,170 | 3 | 1,850 | | | |
| 3. Commercial Building | 1 | 110 | - | - | | | |
| Total | 7 | 5,800 | 8 | 10,450 | | | |

The details are as follows:

1. Projects Completed and Ready to be Handed Over in 2022

There were 7 projects with an approximated combined value of 5.8 billion THB, namely,

- 1) Four residential condominium projects i.e., Lumpini Place Taopoon-Interchange, Lumpini Selected Charan 65-Sirindhorn Station, Lumpini Ville Chaengwattana 10 and Lumpini Ville Chaengwattana-Pakkret Station, valuing approximately 4.52 billion THB.
- 2) Two residential home projects of subsidiaries i.e., Maison 168 Latphrao 101 and Lumpini Townville Saimai 18-Phahonyothin, valuing approximately 1.17 billion THB.
- 3) One commercial building project of subsidiaries i.e., Town Ville Ladkrabang-Suvarnabhumi, valuing approximately 110 million THB.

2. New Projects Launched:

The Company launched eight new projects with an approximate combined value of 10.45 billion THB, namely,

| Residential Condominium | | Residential Home | |
|--|------------------------|---|------------------------|
| Project | Value (Million THB) | Project | Value (Million THB) |
| 1. Lumpini Place Chaengwattana-Pakkret Station | 1,200 | 1. Venue 168 Ratchaphruek | 500 |
| 2. Place 168 Pinklao | 2,300 | 2. Venue 168 Westgate | 630 |
| 3. Lumpini Ville Charan-Faichai Building AB | 2,100 | 3. Venue 168 Khukhot Station | 720 |
| 4. Ville 168 Bangwa | 1,400 | | |
| 5. Park 168 Onnut 19 | 1,600 | | |
| Five projects in total with an approximate combined value of | 8,600 | Three projects in total with an approximate combined value of | 1,850 |
| Eight projects in total with an approximate combined value of 10,450 million THB | | | |

3. Sales Volume and Backlog

- The sales volume was 8.35 billion THB.
 - 70% of which was from residential condominium projects.
 - 30% of which was from residential home projects.
- The backlog was 1.85 billion THB which would gradually be recognized in 2023 and 2024.

Sales Volume and Backlog as at 31 December 2022.

| Sales Volume | 2022 | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|
| | Q 1 | Q 2 | Q 3 | Q 4 | Total |
| 1. Residential Condominium | 1,660 | 1,840 | 1,250 | 1,100 | 5,850 |
| Proportion (%) | 75% | 70% | 64% | 70% | 70% |
| 2. Residential Home | 560 | 740 | 700 | 500 | 2,500 |
| Proportion (%) | 25% | 30% | 36% | 30% | 30% |
| Total Sales Volume | 2,220 | 2,580 | 1,950 | 1,600 | 8,350 |

| Backlog | 2023 | 2024 | To be handed over in |
|----------------------------|--------------|------------|----------------------|
| 1. Residential Condominium | 530 | 830 | 1,360 |
| Proportion (%) | 52% | 100% | 74% |
| 2. Residential Home | 490 | - | 490 |
| Proportion (%) | 48% | - | 26% |
| Total Backlog | 1,020 | 830 | 1,850 |

Real Estate Business Outlook and Business Plan of the Company in 2023

2023 is another year in which the real estate business continues to experience the economic uncertainty and volatility following the uncertainty from the protracted war between Russia and Ukraine that has been going on since 2022, the geopolitical tensions between China-Taiwan and the Korean Peninsula as well as the situation of the COVID-19 pandemic which is still active today. These crises push the global economy into recession and affect overall economic sector. Under such circumstances, the Company still strives to drive the organization to overcome business risks and restrictive business practices and become an organization with sustainable revenue and profit growth.

The Company has adjusted its business strategies. It plans to develop both residential condominium projects and residential home projects that respond to needs of customers. A new brand, “168”, has been launched to expand its customer base. At the same time, the Company has restructured its revenue-generating tasks into business units since the previous year. The goal of such restructuring is to expand the Company’s revenue base, develop competitive strength, allow agile working in order to better meet demand of target customer groups and enhance work efficiency. Each business unit is expected to maintain a revenue growth rate of no less than 10 percent in 2023, when compared to 2022.

The Company’s policy is established within the framework of “increasing income, increasing profitability and controlling expenses” as follows:

1. Increase the share of income from residential home development to no less than 40 percent of total income in 2022. The Company plans to launch 13 residential home projects with a project value of 9 billion THB.
2. Maintain the proportion of income growth from residential condominium development in 2023 at no less than 10 percent when compared to 2022. The Company plans to launch 4 new projects in 2023 with a project value of 5 billion THB.
3. Generate additional income from existing assets such as generating rental income from existing condominium units.
4. Control the operating expense to reduce management cost and adopt design and construction technologies that can help control design and construction costs.
5. Emphasize on developing products and services that respond to the customer insight.
6. Increase efficiency and skills of the organization’s employees which will sustainably increase efficiency and reduce operating cost in the long run.

2022 Operational Performance in Detail

Profit (Loss) Statement

1. Net Profit

| Item | For the year ended 31 December | | | | | |
|---|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Gross income | 7,457.73 | (25.72) | 5,598.05 | (24.94) | 10,301.32 | 84.02 |
| Net profit of the year | 717.76 | (43.04) | 302.36 | (57.87) | 612.16 | 102.46 |
| Net profit - of the parent company | 716.35 | (42.97) | 302.34 | (57.79) | 612.14 | 102.47 |
| Net profit margin - of the parent company (%) | 9.61 | (2.90) | 5.40 | (4.21) | 5.94 | 0.54 |
| Earnings per Share (THB) | 0.49 | (43.02) | 0.21 | (57.79) | 0.42 | 102.40 |

The net profit in 2020 was 716.35 million THB or 9.61% of the gross income, decreasing by 539.69 million THB or 42.97% from the previous year. The earnings per share was 0.49 THB. The main factor was the 2.71604 billion THB decrease in income from sales of real estate or decreasing by 31.16% as a result of the crisis from the COVID-19 pandemic.

The net profit in 2021 was 302.34 million THB or 5.40 % of the gross income, decreasing by 414.01 million THB or 57.79 % from the previous year. The earnings per share was 0.21 THB. The main factor was the 1.95713 billion THB decrease in income from sales of real estate or decreasing by 32.61% as a result of the postponement of the handover of 4 projects to 2022 as mentioned above. The only source of income comes from the sales of ready-to-move in residential condominium units. The increase in finance cost in 2021 was another factor.

The net profit of the Company in 2022 increased by 309.80 million THB, or 102.47% from the previous year. This was because the income from the main business increased by 4.70577 billion THB or 84.48%. A part of these was the income from real estate business which increased by 108.28%. The Company has offered sales promotions to stimulate sales and decorated products to add value to the project. From external factors, the economy started to return to normal. In addition, the government maintained measures to support real estate sectors almost throughout the year. Income from rental and service business increased by 13.01% because rentals were growing as a result of the subsiding of COVID-19 pandemic. Income from management fees increased by 23.26% due to the constant rises in the provisions of project management services, engineering services and other services.

2. Gross Income

| Types of Income | For the year ended 31 December | | | | | |
|---|--------------------------------|---------------|---------------------|---------------|---------------------|---------------|
| | 2020 Million THB | Percentage | 2021 Million THB | Percentage | 2022 Million THB | Percentage |
| Residential Condominium Projects | 4,283.28 | 57.43 | 2,526.42 | 45.13 | 3,769.16 | 36.59 |
| Proportion (%) | 71.37 | | 62.47 | | 44.75 | |
| Office Building Projects | - | - | - | - | 2,589.40 | 25.14 |
| Proportion (%) | - | - | - | - | 30.74 | |
| Residential Home Projects | 1,717.99 | 23.04 | 1,517.72 | 27.11 | 2,064.42 | 20.04 |
| Proportion (%) | 28.63 | | 37.53 | | 24.51 | |
| Total Income from sales of real estate | 6,001.26 | 80.47 | 4,044.14 | 72.24 | 8,422.98 | 81.77 |
| Income from rental and service business | 225.19 | 3.02 | 272.56 | 4.87 | 308.01 | 2.99 |
| Income from management business | 1,136.38 | 15.24 | 1,253.28 | 22.39 | 1,544.76 | 15.00 |
| Total Main Income | 7,362.83 | 98.73 | 5,569.97 | 99.50 | 10,275.74 | 99.75 |
| Other Incomes ¹ | 94.91 | 1.27 | 28.08 | 0.50 | 25.58 | 0.25 |
| Overall Income | 7,457.73 | 100.00 | 5,598.05 | 100.00 | 10,301.32 | 100.00 |

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

In 2020, the gross income of the Company and subsidiary companies decreased by 2.58267 billion THB or 25.72% from the previous year. The operational performance could be categorized by business types as follows.

1. Real Estate Development Business

The income from real estate development business was slightly higher than the set target. Seventy percent were the revenue recognized from residential condominiums. Thirty percent were revenue recognized from residential homes. The details were as follows:

- 1) The income from residential condominiums decreased by 1.89836 billion THB or 30.71% from the income in 2019.
- 2) The income from residential homes decreased by 817.67 million THB or 32.25% from the income in 2019.

2. Rental Business

The income from rental business has been increasing continually. In 2020 it increased by 30.15% from the previous year as a result of the policy to expand the income base to rental business which derived from ready-to-move in condominium units in several projects.

3. Service Business

The income from service business is higher. The policy to expand income base from managing several external projects has made the income from service business increase from 1.0638 billion THB to 1.13638 billion THB or increasing by 6.82%.

In 2021, the gross income of the Company and subsidiary companies decreased by 1.85969 billion THB from 7.45774 billion THB to 5.59805 billion THB or 24.94%. The net profit decreased by 4.3% from the same period in the previous year. This was because the 32.61% decrease in the income from sale. Sixty-two percent were the revenue recognized from residential condominium projects. Thirty-eight percent were revenue recognized from residential home projects. Meanwhile, the income from rental and service business and management income increased by 21.03% and 10.29% respectively from the previous year as a result of the policy to continually expand income base to leasing and facilities management business.

In 2022, the gross income of the Company increased from 5.59805 billion THB to 10.30132 billion THB, or increasing by 84.02% due to the fact that the income from main business this year increased from 5.56997 billion THB to 10.27574 billion THB, or increasing by 84.48%, mainly as a result of the aforementioned factors.

3. Income from, and Cost of, Real Estate Sold

| Item | For the year ended 31 December | | | | | |
|---|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Income from real estate sold | 6,001.26 | (31.16) | 4,044.14 | (32.61) | 8,422.98 | 108.28 |
| Cost of real estate sold | 4,283.93 | (28.05) | 3,096.07 | (27.73) | 6,633.60 | 114.26 |
| Cost/income ratio from real estate sold (%) | 71.38 | 3.08 | 76.56 | 5.18 | 78.76 | 2.20 |
| Gross Profit (%) | 28.62 | (3.08) | 23.44 | (5.18) | 21.24 | (2.20) |

In 2020 gross profit from sale decreased by 3.08% when compared to 2019 due to the COVID-19 pandemic which widely affected the world. Moreover, economic activities in most of the countries were halted which affected the decisions to buy goods such as real estates. The Company launched more sales promotion campaigns reducing gross profit margin. Price strategy was introduced, and cash discounts were given to customers to liquidate inventories to stimulate sales volume and ownership transfers. As a result, cost/income ratio from real estate sold increased in accordance with the market's conditions.

In 2021, the income from real estate sold decreased more than the decrease of the cost of real estate sold. As a result, the gross profit from sale decreased by 5.18% when compared to 2020. The main cause was that in 2021, the Company was still under income pressure due to the consequences of the COVID-19 pandemic which continued on from 2020. In particular, during the severe outbreak in the middle of the year, the government had a measure to shut down the construction workers' camps. Hence, the project handover had to be delayed to 2022. This was the main reason that the revenue recognition and the ownership transfer of all projects that were completed and handed over in 2021 could not be done.

In 2022, the income from real estate business increased by 108.28% while the gross profit margin decreased by 2.20%. This was because the Company had offered sales promotions to stimulate sales and decorated products to add value to projects with an aim to liquidate inventories. Moreover, there were supportive external factors including the economy that was returning to normal and the government measures to support real estate sectors that had been maintained almost throughout the year. These factors led to the increase of income in this business segment.

4. Income from, and Cost of, Rental and Service Business

| Item | For the year ended 31 December | | | | | |
|--|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Income from rental and service business | 225.19 | 30.15 | 272.56 | 21.03 | 308.01 | 13.01 |
| Cost of rental and service business | 130.62 | 19.87 | 174.38 | 33.51 | 203.78 | 16.86 |
| Cost/income ratio of rental and service business (%) | 58.00 | (4.98) | 63.98 | 5.98 | 66.16 | 2.18 |
| Gross Profit (%) | 42.00 | 4.98 | 36.02 | (5.98) | 33.84 | (2.18) |

In 2020, the Company's rental market penetration strategy implemented since 2018 led to the continuing increase in the income from this business which was 30.15%. Most of them was rental income from Lumpini Township Rangsit-Klong 1 (Building F1-8) project which twice increased. At the same time the cost of this business increased by 21.65 million THB or 19.87% due to the increase in operating costs. As a result, gross profit of the rental and service business increased by 4.98% when compared to 2019.

Although the Company continued to face the COVID-19 pandemic in 2021, the income from rental and service business increased by 21.03% when compared to 2020 as a result of the rental business expansion policy that has been going on since the end of 2018. However, the rental income has not been increased to its full capacity. The situation caused a 33.51% increase in the cost of this business. As a result, gross profit of the rental and service business decreased by 5.98% from the gross profit in 2020.

In 2022, the income from rental and service business increased by 13.01 due to the subsiding of COVID-19 pandemic which led to more rentals even though the gross profit margin decreased by 2.18%.

5. Income from, and Cost of, Management Business

| Item | For the year ended 31 December | | | | | |
|--|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Income from management business | 1,136.38 | 6.82 | 1,253.28 | 10.29 | 1,544.76 | 23.26 |
| Cost of management business | 743.61 | 7.69 | 918.82 | 23.56 | 1,185.79 | 29.05 |
| Cost/income ratio of management business | 65.44 | 0.53 | 73.31 | 7.87 | 76.76 | 3.45 |
| Gross Profit (%) | 34.56 | (0.53) | 26.69 | (7.87) | 23.24 | (3.45) |

In 2020, the income from management business was higher than the previous year because of increased management income from the community management service that was extended to 19 additional projects, 74% of which were external projects. In addition, the social enterprise business provided cleaning service to 20 additional projects. At the same time, most of the increased costs were outsourcing costs and condominium repair costs. Nevertheless, the outsourcing costs of some construction management were reduced while the minimum wages increased by 2% resulting in a 0.53% decrease in gross profit from management business when compared to 2019.

In 2021, the income from management business was 10.29% higher than the previous year because of the constant increase in income from facilities management and other service works.

In 2022, the income from management business increased by 23.26% when compared to the previous year due to the constant rises in project management services, engineering services and other services.

6. Selling and Administrative Expenses

| Item | For the year ended 31 December | | | | | |
|--|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Selling Expenses | 371.99 | (44.49) | 266.66 | (28.31) | 624.99 | 134.37 |
| Administrative Expenses | 815.04 | (12.72) | 562.89 | (30.94) | 642.59 | 14.16 |
| Total Selling and Administrative Expenses | 1,187.03 | (26.00) | 829.55 | (30.12) | 1,267.57 | 52.80 |
| Ratio of Selling and Administrative Expenses to gross income (%) | 15.92 | (0.06) | 14.82 | (1.10) | 12.30 | (2.52) |

In 2020 the selling and administrative expenses of the Company and the subsidiary companies decreased by 416.95 million THB or 26% when compared to 2019. It was because of the followings:

1. Selling expenses decreased by 298.13 million THB or 44.49% when compared to 2019 as the consequence of the followings:
 - 1.1 The plan to reduce marketing and selling expenses such as sales promotion expenses, advertising expenses and sales commission expenses led to a decrease of 178.75 million THB or 61.91%
 - 1.2 Ownership transfer expenses decreased by 110.58 million THB or 32.23% because the transfer of ownership and the recognition of sales revenue were less than those of 2019.
2. The administrative expenses decreased by 118.82 million THB or 12.72% when compared to 2019. This was because the Company established a plan to reduce operating expenses.

In 2021 the selling and administrative expenses of the Company and the subsidiary companies decreased by 357.48 million THB or 30.12% when compared to 2020. It was because of the followings:

1. Selling expenses decreased by 105.32 million THB or 28.31% when compared to 2020 as the consequence of the followings:
 - 1.1 The selling and marketing expense management plan led to a decrease of such expense from 139.42 million THB to 106.49 million THB or decreasing by 32.93 million THB or 23.62%.
 - 1.2 Ownership transfer expenses decreased by 72.39 million THB or 31.13% because the transfer of ownership and the recognition of sales revenue were 32.61% less than 2020.
2. The administrative expenses decreased by 252.15 million THB or 30.94 as a result of structuring the costs and administrative expenses to be in accordance with the income from management business including formulating a plan to reduce operating expenses and increase operational efficiency.

In 2022 the selling and administrative expenses of the Company and the subsidiary companies increased from 829.55 million THB to 1.26757 billion THB, or increasing by 52.80%. It was because of the ownership transfer expenses that increased in accordance with an increase in previous year's sales revenue, a better market condition and an increase in operating expenses incurred for current and future operation of the business. In addition, the Company has been placing an importance on and cautious about expenses.

7. Finance Cost

| Item | For the year ended 31 December | | | | | |
|---|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Finance Cost | 97.54 | 2,157.87 | 189.31 | 94.08 | 190.88 | 0.83 |
| Ratio of Finance Cost to Gross Income (%) | 1.31 | 1.27 | 3.38 | 2.07 | 1.85 | (1.53) |

In 2020, the finance cost of the Company and subsidiary companies was 97.54 million THB which increased 23 times. There were financial risks as a result of COVID-19 pandemic in 2020. Hence, the Company needed to increase the financial liquidity by increasing cash on hand and the amount of credit available from various financial institutions. As a result, the cost of operating interest paid has increased when compared to 2019.

In 2021, the finance cost of the Company and subsidiary companies was 189.31 million THB increasing by 91.77 million THB or 94.08% when compared to the previous year as a result of borrowing for project development and operation as well as liquidity enhancement in preparation for the crisis.

In 2022, the finance cost of the Company and subsidiary companies was 190.88 million THB, increasing slightly from the previous year. Most of them were loans for project development and for the operation.

8. Share of profit (loss) of associates

Associates are those entities in which the Company has significant influence. The Company has the power to participate in the financial and operating policy decisions, but not control or joint control of those policies. The Company has invested in two associates conducting real estate business. The share of profit (loss) is as follows:

| Associates | Percentage of shareholding | | | Share of profit (loss) (million THB) | | |
|--------------------------------|----------------------------|-----------|-----------|--------------------------------------|---------------|---------------|
| | Year 2020 | Year 2021 | Year 2022 | Year 2020 | Year 2021 | Year 2022 |
| Kamala Senior Living Co., Ltd. | 25.00 | 25.00 | 25.00 | (7.85) | (4.08) | (1.16) |
| Dolsiri Development Co., Ltd. | 49.99 | 49.99 | 49.99 | 0.04 | (0.66) | (0.57) |
| Total | | | | (7.81) | (4.75) | (1.74) |

9. Income Tax Expense

| Item | For the year ended 31 December | | | | | |
|---|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Income tax expense | 217.40 | (32.19) | 82.80 | (61.91) | 205.81 | 148.56 |
| Ratio of Income tax expense to Gross Income (%) | 2.92 | (0.27) | 1.48 | (1.44) | 2.00 | 0.52 |

divided into

| | | | | | | |
|---|---------------|----------------|--------------|----------------|---------------|---------------|
| 1. Current tax: | | | | | | |
| Corporate income tax for the year | 255.30 | (21.99) | 92.02 | (63.96) | 179.38 | 94.94 |
| Adjustments in respect of prior year's income tax | (0.28) | (82.61) | (1.05) | 275.00 | 0.23 | (121.90) |
| 2. Deferred tax: | | | | | | |
| Deferred tax derived from temporary differences and reversal of temporary differences | (37.62) | 644.95% | (8.17) | (78.28) | 26.20 | (420.68) |
| Net - Corporate income tax expense | 217.40 | (32.19) | 82.80 | (61.91) | 205.81 | 148.56 |

The income tax expense in 2020 was 217.40 million THB or 2.92% of the gross income, decreasing by 103.22 million THB or 32.19% from the previous year. It was because the main income of the Company and subsidiary companies decreased by 2.59129 billion THB or 26.03%. The corporate income tax rate in 2020 was at 20%.

The income tax expense in 2021 was 82.80 million THB or 1.48% of the gross income, decreasing by 134.60 million THB or 61.91% from the previous year. The main factor was the 32.61% decrease in the income from real estate sold. The corporate income tax rate in 2021 remained the same as last year at 20%.

The income tax expense in 2022 increased from 82.80 million THB to 205.81 million THB, or increasing by 148.56%. The main factor was a significant increase of 108.28% in the revenue recognized from real estate business. The corporate income tax rate in 2022 remained the same as last year at 20%.

Statement of Financial Position

1. Assets

| Item | For the year ended 31 December | | | | | |
|--|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Cash and cash equivalents | 916.70 | 82.86 | 334.95 | (63.46) | 508.09 | 51.69 |
| Trade and other current receivables | 357.04 | 9.47 | 748.45 | 109.63 | 734.86 | (1.82) |
| Short-term loans to related parties | 124.75 | 80.80 | 202.13 | 62.02 | 297.88 | 47.37 |
| Land and costs of project under construction | 8,074.95 | (16.01) | 9,027.77 | 11.80 | 11,041.82 | 22.31 |
| Inventory - Finished goods | 9,090.76 | (3.59) | 8,838.04 | (2.78) | 7,119.35 | (19.45) |
| Total current assets | 18,564.19 | (6.90) | 19,151.34 | 3.16 | 19,701.99 | 2.88 |
| Investment in associates | 60.51 | (11.43) | 55.77 | (7.84) | 54.03 | (3.12) |
| Other long-term investments | - | (100.00) | - | - | - | - |
| Land and costs of project held for development | 1,004.44 | 54.83 | 537.14 | (46.52) | 538.58 | 0.27 |
| Investment property | 3,099.67 | 60.76 | 3,140.45 | 1.32 | 2,993.98 | (4.66) |
| Property, plant and equipment | 291.27 | 1.86 | 280.18 | (3.81) | 266.07 | (5.03) |
| Right-of-use asset - leasehold right | 194.16 | 100.00 | 186.69 | (3.85) | 179.22 | (4.00) |
| Right-of-use asset | 21.27 | 100.00 | 13.59 | (36.11) | 11.75 | (13.51) |
| Goodwill | 32.76 | - | 32.76 | - | 32.76 | - |
| Intangible asset | 8.92 | (22.50) | 7.61 | (14.63) | 6.39 | (16.04) |
| Deferred tax asset | 185.78 | 21.91 | 193.95 | 4.40 | 149.11 | (23.12) |
| Other non-current assets | 155.76 | (17.70) | 177.14 | 13.72 | 180.19 | 1.72 |
| Total non-current assets | 5,054.55 | 43.07 | 4,625.29 | (8.49) | 4,412.09 | (4.61) |
| Total assets | 23,618.74 | 0.62 | 23,776.63 | 0.67 | 24,114.08 | 1.42 |

As at 31 December 2020, the value of the total assets of the Company and subsidiary companies increased from 23.47335 billion THB to 23.61874 billion THB, or 0.62%. This was because of the following factors.

Decreasing items

Projects under development decreased by 1.53938 billion THB or 16.01% from 9.61433 billion THB to 8.07495 billion THB as there were 9 projects completed in 2020, four of which were residential condominium projects and five were residential home projects.

1. Other long-term investment funds had all decreased as the mutual fund was sold in Q2/2020.

Increasing items

1. The amount of cash increased by 415.40 million THB or 82.86% when compared to 2019 as a result of the liquidity reserve in preparation for the time of crisis.
2. The deposit for plots of land in Soi Charansanitwong 22 and Ladprao 101 Yaek 56 bought for future development was paid.
3. Other non-current assets increased by 1.52168 billion THB or 43.07%, from 3.53287 billion THB to 5.05455 billion THB, due to the following factors.
 - 1) Two plots of land purchased for future development of Lumpini Place Chaengwattana-Pakkret Station and Lumpini Townville Lat Krabang-Suvarnabhumi projects.
 - 2) Investment property increased by 1.17158 billion THB or 60.76% including Lumpini Township Rangsit Klong 1 Building F 7-8, Lumpini Park Phahon 32, Lumpini Place Rama 3-Riverine and Lumpini Selected Sutthisan-Saphan-Khwai. At the same time, the Mini Mall project at Naklua-Wongamart was sold.

As at 31 December 2021, the value of the total assets of the Company and subsidiary companies increased by 157.89 million THB from 23.61874 billion THB to 23.77663 billion THB or increasing by 0.67%. This was because of the followings:

Increasing items

1. The deposit for four plots of land purchased for future development of residential condominium projects and residential home projects i.e., a plot of land on Liab Klong 3 Lam Luk Ka road, a plot of land around Ratchaphruek Road, a plot of land around Borom Ratchachonni-Pinklao Road and a plot of land around Latpladuk Road.
2. Plots of land, costs of projects under construction and inventories increased by 700.10 million THB or 4.08%, from 17.16571 million THB to 17.86581 million THB, from two completed projects that were ready to be handed over i.e., one office building project and one single home project. The Company bought two more plots of land around Ratchaphruek Road and Saimai Road. A residential home project and a commercial building project are also developed on two plots of land from the land bank.
3. The short-term loan to related parties increased by 77.38 million THB or 62.02% due to the increase in lending to associated companies of 87.88 million THB and a loan amount of 10.5 million THB was repaid during the period.

Decreasing items

1. Cash and Cash Equivalents decreased from 916.70 million THB to 334.95 million THB or decreasing by 581.75 million THB or 63.46%. The main reason was the relaxation of the liquidity reserve policy in preparation for crisis management.
2. Investments in associates decreased by 7.84 % from the previous year, driven by a 4.75 million THB increase in share of losses of associates. As a result, investments in associates have been reduced.
3. The land and project costs of projects held for development decreased by 467.29 million THB from 1.04444 billion THB to 537.14 million THB or decreasing by 46.52% from the previous year. This was because a residential home project and a commercial building project were developed on land from the land bank in 2021.

As at 31 December 2022, the value of total assets of the Company increased by 1.42% or 337.46 million THB, from 23.77663 billion THB to 24.11408 billion THB. The main reasons were as follows:

1. Cash and Cash Equivalents increased by 173.13 million THB or 51.69% due to the fact that the ownership transfer target was achieved and the liquidity was reserved for normal business operation of the Company.
2. Land and costs of project under construction increased by 2.01405 billion THB whereas inventories decreased by 1.71869 million THB. When considered together, it increased by 295.36 million THB or 1.65%, from 17.86581 billion THB to 18.16117 billion THB. This was because of the following reasons.
 - 2.1 There were 7 completed projects including 4 residential condominium projects, 2 residential home projects and 1 commercial building projects as mentioned above. The approximate combined value of the projects was 5.8 billion THB. Moreover, there was an ownership transfer of one office building project that was ready to be handed over with a project value of 2.6 billion THB.
 - 2.2 Payment for land purchased for development of 9 projects in 2022 and deposits for 4 plots of land for future development were made as follows.

| Land Payment in 2022 for development of 9 projects | | Deposits for 4 plots of land in 2022 |
|---|--|---|
| Three residential condominium projects | Six residential home projects | |
| 1. Place 168 Pinklao 2. Ville 168 Bangwa 3. Park 168 Onnut 19 | 1. Venue 168 Khukhot Station 2. Venue 168 Westgate 3. Venue 168 Pracha Uthit 90 4. House168 Bang Yai 5. House 168 Kaew-In 6. A plot of land in Onnut 46 | 1. A plot of land in Ratchaphruek-Nonthaburi 2. A plot of land on Utthayan Road 3. A plot of land in Srinakarin-Romklao 4. A plot of land in Nakhon Pathom |

3. The short-term loan to related parties increased by 95.75 million THB or 47.37%, to 297.88 million THB, from 202.13 million THB in the previous year, for use in the operation of associated companies.
4. Other non-current assets decreased by 213.19 million THB as a result of the depreciation in asset value in 2022 and the sale of some assets together with the decrease in 2 main items in the deferred tax assets such as the income tax from the asset sale contract with a buy-back option for customers and the income tax from the reserve for long-term employee benefits which decreased as a consequence of the higher discount rate.

From the 4 aforementioned reasons, the value of total assets increased by 337.46 million THB or 1.42%.

1. Cash and cash equivalents

At the end of 2020, 2021 and 2022, the Company and the subsidiary companies had cash and cash equivalent of 916.70 million THB, 334.95 million THB and 508.09 million THB, respectively. In 2022, the cash and cash equivalent increased from the previous year due to the fact that the ownership transfer target was achieved and it was reserved for normal business operation of the Company.

2. Trade and other current receivables

Trade Receivable is the amount of money that customers need to pay for the purchase of goods and services rendered in the normal course of business.

As at 31 December 2020 trade and other current receivables of the Company and subsidiary companies increased by 30.88 million THB or 9.47%, from 326.16 million THB in 2019 to 357.04 million THB. This was because the deposit for 2 plots of land, one in Soi Charansanitwong 22 and another one in Ladprao 101 Yaek 56 bought for future project development was paid. In addition, there was an increase in advance payment for operation and an increase in accrued receivables resulting from transaction activity of the Company.

As at 31 December 2021 trade and other current receivables of the Company and subsidiary companies increased from 357.04 million THB to 748.45 million THB. This was because the deposit for 4 plots of land bought for future development of residential condominiums and residential homes i.e., a plot of land on Liab Klong 3 Lam Luk Ka road, a plot of land around Ratchaphruek Road, a plot of land around Borom Ratchachonni - Pinklao Road and a plot of land around Latpladuk Road. In addition, there were an increase in accrued receivables resulting from the transaction activity of the Company and accrued interest receivables of the associate companies.

As at 31 December 2022 trade and other current receivables of the Company and subsidiary companies slightly decreased from 748.45 million THB to 738.86 million THB.

3. Short-term Loan to Related Parties

| Item | For the year ended 31 December | | | | | |
|---|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| 1. Kamala Senior Living Co., Ltd. | 70.75 | 10.55 | 75.63 | 6.90 | 79.38 | 4.96 |
| 2. Dolsiri Development Co., Ltd. | 54.00 | 980.00 | 126.50 | 134.26 | 218.50 | 72.73 |
| Short-term Loan to Related Parties in Total | 124.75 | 80.80 | 202.13 | 62.03 | 297.88 | 47.37 |

In 2020, 2021 and 2022, the short-term loan to related parties given by the Company and its subsidiaries was 124.75 million THB, 202.13 million THB and 297.88 million THB respectively. This item had increased for 3 consecutively years according to the operation plan and the project development plan of the associate companies.

4. Land and Costs of Projects under Construction

As at 31 December 2020 the value of Land and Costs of Projects under Construction of the Company and subsidiary companies decreased by 1.53938 billion THB or 16.01%, from 9.61433 billion THB to 8.07495 billion THB, as a result of the completion of nine projects comprising 4 residential condominium projects and 5 residential home projects.

As at 31 December 2021 the value of Land and Costs of Projects under Construction of the Company and subsidiary companies increased by 952.82 million THB or 11.80% from 8.07495 billion THB to 9.02777 billion THB. It was because in 2021, two more plots of land were purchased for project development i.e., a plot of land on Sai Mai Road and a plot of land on Ratchaphruek Road. One residential home project and one commercial building project were developed on land from the land bank.

As at 31 December 2022 the value of Land and Costs of Projects under Construction of the Company and subsidiary companies increased by 2.01405 billion THB or 22.31% from 9.02777 billion THB to 11.04182 billion THB. It was because in 2022, there were payment for plots of land for development of 9 projects including 3 residential condominium projects and 6 residential home projects and deposits for 4 plots of land as mentioned in detail above.

5. Finished Goods Inventory

As at 31 December 2020, the balance of the inventory of the Company and subsidiary companies decreased by 338.92 million THB or 3.59%, from 9.42968 billion THB in the previous year to 9.09076 billion THB. It was because of the completion of 9 projects in 2020, comprising 4 residential condominium projects and 5 residential home projects, with a combined value of 5.32016 billion THB and the repurchase of 1 ready-to-move in condominium unit valuing 3.77 million THB. The decrease from sales and transfer of ownership was 4.42270 billion THB and inventories with a value of 1.24016 billion THB were converted into ready-to-move in condominiums for rent i.e., Lumpini Township Rangsit-Klong 1, Building F1-F8 and other ready-to-move in projects.

As at 31 December 2021, the balance of the inventory of the Company and subsidiary companies decreased by 252.72 million THB or 2.78%, from 9.09076 billion THB in the previous year to 8.83804 billion THB. It was because in 2021 one office building project was completed valuing 2.97461 billion THB. The decrease from sales and transfer of ownership was 3.09625 billion THB and inventories with a value of 131.08 million THB were converted into ready-to-move in condominiums for rent.

As at 31 December 2022, the balance of the inventory of the Company and subsidiary companies decreased by 1.71869 billion THB or 19.45%, from 8.83804 billion THB in the previous year to 7.11935 billion THB. It was because in 2022 seven projects was completed, including 4 residential condominium projects, 2 residential home projects and one commercial building projects, with an approximate combined value of 5.8 billion THB. In addition, there was a handover of one office building project with a total value of 2.6 billion THB.

6. Investment in Subsidiaries and Associates

Investments in subsidiaries and associates in the separate financial statements are recorded using the cost method, less impairment loss allowance (if any). Investments in associates in the consolidated financial statements are recorded using the equity method.

| Item | Separate Financial Statement | | | | Consolidated Financial Statement | | | |
|--|------------------------------|-------|---------------------------|---------------|--|--------------|--------------------------------------|---------------|
| | Percentage of Shareholding | | Cost method (Million THB) | | Equity method (Million THB) | | Share of profit (loss) (Million THB) | |
| | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 |
| <u>Subsidiaries</u> | | | | | - Connected Transactions are derecognized so there is no investment in subsidiaries in the consolidate financial statement.- | | | |
| PORNSANTI CO., LTD. | 99.99 | 99.99 | 473.04 | 473.04 | | | | |
| LPP PROPERTY MANAGEMENT CO., LTD. ¹ | 99.99 | 99.99 | 10.00 | 50.00 | | | | |
| LUMPINI PROJECT MANAGEMENT SERVICES CO., LTD. ² | 99.99 | - | 73.56 | - | | | | |
| L P C SOCIAL ENTERPRISE CO., LTD. | 99.95 | 89.95 | 1.00 | 0.90 | | | | |
| LUMPINI WISDOM AND SOLUTION CO., LTD. | - | 99.95 | - | 40.00 | | | | |
| Total investment in subsidiaries | | | 557.60 | 563.94 | | | | |
| <u>Associates</u> | | | | | | | | |
| KAMALA SENIOR LIVING CO., LTD. | 25.00 | 25.00 | 25.00 | 25.00 | 7.02 | 5.86 | (4.08) | (1.16) |
| DOLSIRI DEVELOPMENT CO., LTD. | 49.99 | 49.99 | 50.00 | 50.00 | 48.75 | 48.17 | (0.66) | (0.57) |
| Total investment in associates | | | 75.00 | 75.00 | 55.77 | 54.03 | (4.75) | (1.74) |
| Total investment in subsidiaries and associates | | | 632.60 | 638.94 | 55.77 | 54.03 | (4.75) | (1.74) |

1 is an indirect shareholder in subsidiary of LSS Solutions Security Guard Co., Ltd. at 100% and in the third quarter of 2022 indirectly held shares in subsidiary of Lumpini Project Management Services Co., Ltd. at 100% and L P C Social Enterprise Co., Ltd. at 10%.

2 is an indirect shareholder in subsidiary of Lumpini Wisdom and Solution Co., Ltd. at 100%

As at 31 December 2020 the amount of investment in associates of the Company and subsidiary companies decreased by 7.81 million THB or 11.43%, from 68.32 million THB in 2019 to 60.51 million THB. This was because of the decrease in the operational performance of both associated companies.

As at 31 December 2021 the amount of investment in associates of the Company and subsidiary companies decreased by 4.75 million THB or 7.84%, from 60.51 million THB in 2020 to 55.77 million THB. This was because of the decrease in the operational performance of both associated companies.

As at 31 December 2022 the amount of investment in associates of the Company and subsidiary companies decreased by 1.74 million THB or 3.12%, from 55.77 million THB in 2021 to 54.03 million THB. This was because of the decrease in the operational performance of both associated companies.

7. Other Long-Term Investments

In 2020 the Company has sold the Equity Mutual Fund - LH in full amount. In 2020 and 2021, the Company has reclassified investment amount of 2 million THB in Thaipat Institute as other current assets since it is a philanthropic investment. Thaipat Institute will use the return on investment for charitable purposes and will repay the principal amount of 2 million THB within 5 years after the investment date in 2019.

8. Land and Costs of Project Held for Development

As at 31 December 2020, the land and project costs of projects held for development of the Company and subsidiary companies increased by 355.70 million THB, from 648.74 million THB to 1.00444 billion THB. This was because of the 2 plots of land held for future project development namely Lumpini Place Chaengwatthana-Pakkret Station and Lumpini Townville Lat Krabang-Suvarnabhumi.

As at 31 December 2021, the land and project costs of projects held for development of the Company and subsidiary companies decreased by 467.29 million THB, from 1.00444 billion THB to 537.14 million THB. This was because one plot of land bank was developed into a residential home project and another plot into a commercial building.

As at 31 December 2022, the land and project costs of projects held for development of the Company and subsidiary companies slightly increased by 1.44 million THB, from 537.14 million THB to 538.58 billion THB, or decreasing by 0.27%.

9. Investment Property

As at 31 December 2020, the investment property of the Company and subsidiaries increased by 1.17158 billion THB or 60.76%, from 1.92809 billion THB in 2019 to 3.09967 billion THB as a result of continuous expansion of rental business at Lumpini Township Rangsit Klong 1 (Phase 3) Building F 7-8, Lumpini Park Phahon 32, Lumpini Place Rama 3-Riverine and Lumpini Selected Sutthisan-Saphan-Khwai. At the same time, one Mini Mall building at Lumpini Ville Naklua-Wongamart project was sold.

As at 31 December 2021, the investment property of the Company and subsidiaries increased by 40.78 million THB or 1.32%, from 3.09967 billion THB in 2020 to 3.14045 billion THB as a result of renting out more ready-to-move in residential condominiums and selling some rental properties.

As at 31 December 2022, the investment property of the Company and subsidiaries decreased by 146.47 million THB or 4.66%, from 3.14045 billion THB in 2021 to 2.99398 billion THB as a result of renting out more ready-to-move in residential condominiums. At the same time, the asset's value decreased with depreciation in 2022 amounting 66.83 million THB and more rental properties were sold when compared to the previous year.

10. Property, Plant and Equipment

As at 31 December 2020, the value of property, plant and equipment of the Company and subsidiary companies slightly increased by 5.31 million THB or 18.6%, from 285.96 million THB to 291.27 million THB, due to the following reasons. Some assets, under the condition of the Thai Financial Reporting Standard 16 - Leases, were classified as right-of-use assets. Rental condominium units of Lumpini Township Rangsit-Klong 1 (phase 3), building F7-8, were decorated. In addition, one car that was end of life during the year was sold.

As at 31 December 2021, the value of property, plant and equipment of the Company and subsidiary companies decreased by 11.09 million THB or 3.81% since more office assets were purchased during the year, and two cars that were end of life during the year were sold.

As at 31 December 2022, the value of property, plant and equipment of the Company and subsidiary companies decreased by 14.11 million THB or 5.03% since three cars that were end of life during the year were sold and the term of the office equipment lease agreement ended.

11. Right-of-Use Asset - Leasehold

The Company entered into a land lease agreement with the Crown Property Bureau (lessor) to build residential condominiums for rent for the period of 30 year.

In 2016, the construction of residential condominiums on the land leased from the Crown Property Bureau was completed. It was ready to be subleased for the period of 30 years, ending on 22 December 2046. Right-of-use assets - leasehold right are amortized on a straight-line basis over the 30-year lease term as stated in the lease agreement.

Right-of-Use Asset - Leasehold

| Item | As at 31 December | | |
|---|--------------------------|--------------------------|--------------------------|
| | Year 2020 Million THB | Year 2021 Million THB | Year 2022 Million THB |
| 1. Net leasehold value | 201.66 | 194.16 | 186.69 |
| 2. Less Amortization | (7.49) | (7.49) | (7.47) |
| 3. Value of the leasehold at the end | 194.16 | 186.69 | 179.22 |

12. Right-of-Use Assets

The Company signed lease agreements relating to leases of office building and leases of vehicles. Both are right-of-use assets recognized at the commencement date of the lease. Right-of-use assets were stated at cost, less any accumulated depreciation and provision for impairment (if any) and adjusted for any remeasurement of lease liabilities (if any). Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the lease term and the estimated useful lives for each of right-of-use assets.

Right-of-Use Assets

| Item | As at 31 December | | | | | |
|--|---------------------------------|--------------------------|--------------------------|------------------------------|--------------------------|--------------------------|
| | Consolidate Financial Statement | | | Separate Financial Statement | | |
| | Year 2020 Million THB | Year 2021 Million THB | Year 2022 Million THB | Year 2020 Million THB | Year 2021 Million THB | Year 2022 Million THB |
| Cost | | | | | | |
| Buildings | 66.59 | 66.59 | 45.41 | 66.59 | 66.59 | 45.41 |
| Office Supplies | 2.21 | 1.92 | 1.74 | 2.25 | 0.96 | 0.90 |
| Vehicles | 41.10 | 37.08 | 40.62 | 38.30 | 32.69 | 32.81 |
| Total cost | 109.91 | 105.59 | 87.77 | 106.15 | 100.24 | 79.12 |
| Less Accumulated | | | | | | |
| Buildings | 3.33 | 6.66 | 9.38 | 3.33 | 6.66 | 9.38 |
| Office Supplies | 1.67 | 1.79 | 0.20 | 0.97 | 0.90 | 0.11 |
| Vehicles | 20.37 | 23.61 | 30.41 | 19.14 | 21.55 | 26.97 |
| Total Accumulated Depreciation | 25.38 | 32.06 | 39.99 | 23.44 | 29.11 | 36.45 |
| Right- of-use assets, less accumulated depreciation | 84.53 | 73.52 | 47.78 | 82.70 | 71.13 | 42.67 |
| Less Connected Transaction | 63.27 | 59.94 | 36.03 | - | - | - |
| Right-of-Use Assets - Net | 21.27 | 13.59 | 11.75 | 82.70 | 71.13 | 42.67 |

13. 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 recognized as gain in profit or loss.

On 22 September 2017, Lumpini Project Management Service Co., Ltd. (a subsidiary company) acquired 100% of the shares of Lumpini Wisdom and Solution Co., Ltd. to expand the business base of the company. The company provides construction management and advisory services. Lumpini Project Management Service Co., Ltd. paid 40 million THB for the acquisition which was 32.76 million THB higher than the fair value of the asset as of the purchase date. It was shown as goodwill in consolidated financial statements.

On September 30, 2022, the shareholding percentage under the same control was changed. The Company currently owns 99.99% of shares in Lumpini Wisdom and Solution Co., Ltd. which was previously owned by Lumpini Project Management Service Co., Ltd.

14. Intangible Assets

Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses (if any) of such assets. Intangible assets are measured at cost and amortized over their estimated useful lives using the straight-line basis. The asset is computer software with an estimated useful life of 5 years.

As at 31 December 2020, the value of intangible assets of the Company and subsidiary companies decreased by 2.59 million THB or 22.50%, from 11.51 million THB in the previous year to 8.92 million THB. There was an interim investment and the decrease was from depreciation.

As at 31 December 2021, the value of intangible assets of the Company and subsidiary companies decreased by 1.30 million THB or 14.63%, from 8.92 million THB in the previous year to 7.61 million THB since there was an interim investment and the decrease was from depreciation.

As at 31 December 2022, the value of intangible assets of the Company and subsidiary companies decreased by 1.22 million THB or 16.04%, from 7.61 million THB in the previous year to 6.39 million THB due to the amortization of program development costs since there was no further system development. In addition, there was an interim investment and the decrease was from depreciation in 2022.

15. Deferred Tax Assets

Accounting Standard No. 12 states that a company must calculate and recognize the amount of income tax resulted from the difference between the accounting profit and taxable profit in the financial statements.

As at 31 December 2020, the value of the deferred tax assets of the Company and subsidiary companies increased by 33.39 million THB or 21.91%, from 152.39 million THB in 2019 to 185.78 million THB. Most of them were from the revenue recognized from sale of real estate on tax base in the Investors Campaign and the increase in the reserve for long-term employee benefits.

As at 31 December 2021, the value of the deferred tax assets of the Company and subsidiary companies increased by 8.17 million THB or 4.40%, from 185.78 million THB in 2019 to 193.95 million THB. Most of them were from the increase in the reserve for long-term employee benefits.

As at 31 December 2022, the value of the deferred tax assets of the Company and subsidiary companies decreased by 44.84 million THB or 23.12%, from 193.95 million THB in 2021 to 149.11 million THB. The main factors were from these 2 items namely the income tax from asset sale contract with a buy-back option for customers and the income tax from the reserve for long-term employee benefits that decreased as a result of higher discount rate.

Deferred-Tax Assets

| Item | As at 31 December | | |
|---|--------------------------|--------------------------|--------------------------|
| | Year 2020 Million THB | Year 2021 Million THB | Year 2022 Million THB |
| 1. Revenue recognition from sale of real estate on tax base | 29.90 | 31.86 | 0.70 |
| 2. Provision for devaluation of assets | 78.37 | 78.37 | 78.37 |
| 3. Reserve for long-term employee benefits | 70.83 | 76.87 | 63.17 |
| 4. Expense provisions | 5.94 | 5.94 | 5.92 |
| 5. Financial lease | 0.74 | 0.92 | 0.95 |
| Total deferred tax assets | 185.78 | 193.95 | 149.11 |

16. Other Non-Current Assets

Other non-current assets included income tax deducted at source, utilities insurance, deposit at bank with obligation and other receivables.

As at 31 December 2020, the value of other non-current assets of the Company and subsidiary companies decreased by 33.50 million THB or 17.70%, from 189.26 million THB in 2019 to 155.76 million THB since the Company's withholding taxes were over-withheld awaiting for filing a tax return.

As at 31 December 2021, the value of other non-current assets of the Company and subsidiary companies increased by 21.38 million THB or 13.72%, from 155.76 million THB in 2020 to 177.14 million THB. This was mainly due to the over-withheld taxes and the restricted bank deposit that was higher than the previous year.

As at 31 December 2022, the value of other non-current assets of the Company and subsidiary companies increased by 3.05 million THB or 1.72%, from 177.14 million THB in 2021 to 180.19 million THB. This was mainly due to the restricted bank deposit that was higher than the previous year.

2. Liabilities

| Item | For the year ended 31 December | | | | | |
|---|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Bank overdraft and short-term borrowings from financial institutions | 4,601.28 | 32.66 | 4,832.99 | 5.04 | 6,666.04 | 37.93 |
| Trade and other current payables | 1,266.63 | (31.34) | 1,169.67 | (7.66) | 942.24 | (19.44) |
| Current long-term borrowings | - | - | 97.55 | 100.00 | - | (100.00) |
| Current portion of debentures | 1,980.00 | 100.00 | 2,168.00 | 9.49 | 47.59 | (97.80) |
| Current portion of liabilities under sale contract of assets granted customers to resell | - | - | - | - | 22.13 | 100.00 |
| Current portion of finance lease liabilities | 6.61 | (8.32) | 6.13 | (7.26) | 4.40 | (28.22) |
| Current income tax payable | 92.18 | (25.54) | 4.29 | (95.35) | 18.31 | 327.09 |
| Total current liabilities | 7,946.70 | 45.96 | 8,278.62 | 4.18 | 7,700.72 | (6.98) |
| Unearned leasehold right income | 260.86 | (3.85) | 250.42 | 4.00 | 239.98 | (4.17) |
| Long-term borrowings | - | - | 455.00 | 100.00 | 450.23 | (1.05) |
| Debentures | 2,168.00 | (47.73) | 1,936.23 | (10.69) | 3,385.65 | 74.86 |
| Liabilities under sale contract of assets granted customers to resell | 925.24 | 100.00 | 925.24 | - | - | (100.00) |
| Lease liabilities | 10.82 | 100.00 | 5.19 | (52.03) | 5.60 | 8.02 |
| Non-current liabilities - provisions of for employee benefits | 403.15 | 11.01 | 438.40 | 8.74 | 371.73 | (15.21) |
| Other non-current liabilities | 82.06 | 17.08 | 90.32 | 10.07 | 92.64 | 2.57 |
| Total non-current liabilities | 3,850.13 | (20.94) | 4,100.80 | 6.51 | 4,545.84 | 10.85 |
| Total liabilities | 11,796.83 | 14.37 | 12,379.43 | 4.94 | 12,246.56 | (1.07) |

As at 31 December 2020, total liabilities of the Company and subsidiary companies increased by 1.48258 billion THB or 14.37%, from 10.31425 billion THB in 2019 to 11.79683 billion THB. The main reason was the 2.05093 billion THB increase in the borrowings from financial institutions for operating purpose. It increased by 26.84%, from 7.64102 billion THB to 9.69195 billion THB.

As at 31 December 2021, total liabilities of the Company and subsidiary companies increased by 582.60 million THB or 4.94%, from 11.79683 billion THB in 2020 to 12.37943 billion THB. The main reason was the 734.38 billion THB increase in the borrowings from financial institutions for investment in project development and operation. It increased by 7.58%, from 9.69195 billion THB to 10.42633 billion THB.

As at 31 December 2022, total liabilities of the Company decreased by 1.07% or 132.87 million THB, from 12.37943 billion THB to 12.24356 billion THB. It was mainly because of the following reasons.

1. The Company had higher liquidity from ownership transfers enabling it to make loan repayment to financial institutions. As a result, the short-term debt burden decreased by 364.50 million THB or 5.13%. At the same time there was a 519.82 million THB (or 15.65%) increase in the long-term borrowings from financial institutions for future project development. As a result, net liabilities from financial institutions increased by 155.32 million THB or 1.49%.
2. The value of trade and other payables decreased by 227.42 million THB or 19.44% since payments for construction works and interests were made and there were more ownership transfers when compared to the previous year. This caused a decrease in deferred income.
3. The income tax payable increased by 14.02 million THB due to the fact that total revenue increased by 84.02% from the previous year.
4. The value of non-current liabilities, including unearned leasehold right income, provisions of non-current liabilities for employee benefits and other liabilities, decreased by 74.39 million THB. This was because of the 66.67 million THB decrease in provisions for employee benefits, caused by higher discount rate, together with retired employees in 2022 as well as a 10.39 million THB decrease in unearned leasehold right income recognized as a rental income during 2022.

As a result of the 4 aforementioned reasons, the total liabilities decreased by 132.87 million THB or 1.07%. Hence the interest-bearing debt to equity ratio and the total debt to equity ratio decreased from 0.91:1 to 0.89:1 and from 1.09:1 to 1.03:1 as at 31 December 2022 and 2021 respectively. The Company has strictly upheld the financial discipline, maintained the debt-to-equity ratio according to the Company's policy as well as kept the investment portfolio balanced for future growth.

Debt Ratio

| Item | As at 31 December | | |
|---|-------------------|----------------|----------------|
| | 2020 (Time) | 2021 (Time) | 2022 (Time) |
| Total debt to equity ratio | 1.00 : 1 | 1.09 : 1 | 1.03 : 1 |
| Total interest-bearing debt to equity ratio | 0.82 : 1 | 0.91 : 1 | 0.89 : 1 |

1. Bank Overdraft and Short-Term Borrowings from Financial Institutions

As at 31 December 2020, the bank overdraft and short-term borrowings from financial institutions of the Company and subsidiary companies increased by 1.13286 billion THB or 32.66%, from 3.46842 billion THB to 4.60128 billion THB. During the year, there were withdrawal and repayment for investment in projects under construction and various operations.

As at 31 December 2021, the bank overdraft and short-term borrowings from financial institutions of the Company and subsidiary companies increased by 231.71 million THB or 5.04%, from 4.60128 billion THB to 4.83299 billion THB. During the year, there were withdrawal and repayment for investment in projects under construction and various operations.

As at 31 December 2022, the bank overdraft and short-term borrowings from financial institutions of the Company and subsidiary companies increased by 1.83306 billion THB or 37.93%, from 4.83299 billion THB to 6.66604 billion THB. During the year, the withdrawal of short-term borrowings was 9.97974 billion THB and the repayment of short-term borrowings was 8.14198 billion THB. This was for investment in projects under construction and various operations.

2. Trade and Other Current Payables

As at 31 December 2020, the value of trade and other current payables of the Company and subsidiary companies decreased by 578.24 million THB or 31.34%, from 1.84487 billion THB to 1.26663 billion THB. This was because the payment for construction payables in 2020 was 258.75 million THB higher than in 2019. Since there were project handovers and ownership transfers, the advance down payment received from customers decreased by 251.65 million THB. Moreover, other payables decreased by 93.11 million THB from the previous year. As a result, the overall trade and other current payables decreased.

As at 31 December 2021, the value of trade and other current payables of the Company and subsidiary companies decreased by 96.97 million THB or 7.66%, from 1.26663 billion THB to 1.16967 billion THB. This was because during the year the payment for construction payables and for the retention were 238.82 million THB. The items that increased from the previous year included the advance down payment received from customers, accrued interest payable of financial institutions, accrued property expense and other current payables.

As at 31 December 2022, the value of trade and other current payables of the Company and subsidiary companies decreased by 227.42 million THB or 19.44%, from 1.16967 billion THB to 942.24 million THB. This was due to payment for construction and interest payment as well as an increase in ownership transfers when compared to the previous year. As a result, the advance income from sale of property decreased.

3. Current Long-Term Borrowings

This is long-term borrowings from financial institutions which in 2022 the current long-term borrowings of the Company and subsidiary companies were 97.55 million THB. In 2020 and 2021, the Company and subsidiary companies had no current long-term borrowings.

4. Current portion of debentures

These debentures are name-registered, unsubordinated and unsecured without a Debentureholders' Representative. The interest rate was 4.10-2.70%. As at the end of 2021 and 2022, the current portion of debentures of the Company and the subsidiary companies was 1.98 billion THB, 2.168 billion THB and 47.98 million THB respectively.

5. Current portion of liabilities under sale contract of assets granted customers to resell

The Company has entered into contracts with several customers. It transferred the ownership of condominium units to customers who agreed to let the Company renting out the condominium units or gaining other benefits from the condominium units for 36 months. The current portion of liabilities under such contract in 2022 was 22.13 million THB.

6. Current portion of finance lease liabilities

This comprises liabilities from finance lease of cars and copying machines. The current portion of borrowings and finance lease liabilities of the Company and subsidiary companies at the end of 2020, 2021 and 2022 were 6.61 million THB, 6.13 million THB and 4.40 million THB respectively. As at 2022, the amount was lower than the previous year because the lease period of some finance leases had come to an end.

7. Corporate Income Tax Payable

At the end of 2020, 2021 and 2022, the corporate income tax payable of the Company and subsidiary companies were 92.18 million THB, 4.29 million THB and 18.31 million THB, respectively. It was proportional to the income of each year.

8. Unearned leasehold Income

In 2016, the construction of residential condominiums on the land leased from the Crown Property Bureau was completed. It was ready to be subleased for the period of 30 years, ending on 22 December 2046.

At the end of 2020, 2021 and 2022, the amount of unearned leasehold income was 260.86 million THB, 250.42 million THB and 239.98 million THB, respectively. It was the advance received from the 30-year rental contract of Lumpini Place Rama 4-Ratchadapisek which was gradually recognized.

Unearned leasehold Income

| Item | For the year ended 31 December | | |
|--|--------------------------------|---------------------|---------------------|
| | 2020 Million THB | 2021 Million THB | 2022 Million THB |
| Unearned rental income | 281.77 | 271.30 | 260.86 |
| <u>Less</u> Recognized as rental income during the year | (10.47) | (10.44) | (10.44) |
| Unearned rental income before income recognized within 1 year | 271.30 | 260.86 | 250.42 |
| <u>Less</u> Unearned rental income recognized within 1 year | (10.44) | (10.44) | (10.44) |
| Net unearned rental income | 260.86 | 250.42 | 239.98 |

9. Long-term Borrowings

As at 31 December 2020, the Company and subsidiary companies had no long-term borrowings. As at 31 December 2021 and 2022, the long-term borrowings of the Company and subsidiary companies were 455 million THB and 450.23 million THB. They were borrowings from financial institutions to be used in project development.

10. Debentures

The Company emphasizes the importance of efficient management of financial structure to be flexible in time of economic fluctuations and maintains the financial costs to be appropriate for business operation in the future. The financial policy is carefully implemented to enhance financial stability and liquidity as well as the confidence in the performance of the Company.

At the end of 2020, 2021 and 2022, the value of long-term debentures of the Company and subsidiary companies was 2.168 billion THB, 1.93623 billion THB and 3.38565 billion THB. The debentures were issued to pay back short-term loan to financial institutions and reduce finance costs. The debentures were name-registered, unsubordinated and unsecured without a Debenture holders' Representative. The interest rates were 4.10 - 2.70. In 2020, 2021 and 2022, 1.98 billion THB, 2.168 billion THB and 47.59 million THB of debentures were classified as current portion of debentures due within one year.

| Item | For the year ended 31 December | | |
|---|--------------------------------|---------------------|---------------------|
| | 2020 Million THB | 2021 Million THB | 2022 Million THB |
| Debentures | 4,148.00 | 4,116.00 | 3,448.00 |
| <u>Less</u> Deferred debentures issuance expenses | - | (10.00) | (14.35) |
| <u>Less</u> Prepaid interest expenses | - | (1.77) | (0.41) |
| <u>Less</u> Current portion of debentures | (1,980.00) | (2,168.00) | (47.59) |
| Debentures - Net | 2,168.00 | 1,936.23 | 3,385.65 |

11. Liabilities under sale contract of assets granted customers to resell

The Company has entered into contracts with several customers. It receives payment according to the selling price and transfers the ownership of condominium units to customers who agreed to let the Company renting out the condominium units or gaining other benefits from the condominium units for 36 months starting from the ownership transfer date. The Company will pay compensation to the customers for the use of condominium units for 36 months. In addition, the contract allows the customers to sell the condominium units back after the 36th month at the repurchase price specified in the contract which is equal to the initial price when the units are sold/transferred to the customers. If the customers wish to sell back, they have to notify the Company on the 25th month and allow the Company to resell the units to other persons.

Liabilities under sale contract of assets granted customers to resell

| Item | For the year ended 31 December | | |
|--|--------------------------------|---------------------|---------------------|
| | 2020 Million THB | 2021 Million THB | 2022 Million THB |
| Liabilities under sale contract of assets granted customers to resell | 925.24 | 925.24 | 924.24 |
| <u>Less</u> Payments for liabilities under sale contracts of assets from customers exercised right under resell contract | - | - | (840.95) |
| <u>Less</u> Liabilities under sale contracts of assets from customers had not exercised right under resell contract | - | - | (62.17) |
| <u>Less</u> Current portion of liabilities under sale contract of assets granted customers to resell | - | - | (22.13) |
| Liabilities under sale contract of assets granted customers to resell - Net | 925.24 | 925.24 | - |

12. Lease Liabilities

At the end of 2020, 2021 and 2022 the finance lease liabilities of the Company and subsidiary companies were 10.82 million THB, 5.19 million THB and 5.60 million THB respectively. They were finance lease liabilities of cars and copying machines. Lease liabilities amounting 6.61 million THB, 6.13 million THB and 4.40 million THB respectively were classified as current portion of lease liabilities.

13. Non-current liabilities – provisions for employee benefits

The Company and subsidiary companies provide for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis. The principal actuarial assumptions used include discount rate, mortality, employee turnover, salary increase rate and other variables.

At the end of 2020, 2021 and 2022, the non-current liabilities provisions for employee benefits after termination of employment of the Company and subsidiary companies were 403.15 million THB, 438.40 million THB and 371.73 million THB respectively. In 2022, it increased by 66.67 million THB when compared to 2021. This was because the provisions for employee benefits decreased as a result of higher discount rate which included post-employment benefits in 2022.

Non-current liabilities - Provisions for employee benefits

| Item | For the year ended 31 December | | |
|---|--------------------------------|---------------------|---------------------|
| | 2020 Million THB | 2021 Million THB | 2022 Million THB |
| Beginning balance as at January 1 | 363.17 | 403.15 | 438.40 |
| Current cost of service | 61.85 | 47.45 | 50.79 |
| Interest cost | 5.84 | 6.54 | 7.21 |
| Actuarial (gains) losses | | | |
| - Post-employment benefits | (21.24) | - | (94.95) |
| - Other long-term benefits | 2.32 | - | 6.10 |
| Employee benefit paid | (8.79) | (18.74) | (35.82) |
| Ending balance, as at 31 December 2022 | 403.15 | 438.40 | 371.73 |

14. Other Non-Current Liabilities

Other non-current liabilities include rental and service security deposit, damage deposit, and other deposits. At the end of 2020, 2021 and 2022, the value of other non-current liabilities of the Company and subsidiary companies was 82.06 million TH, 90.32 million THB and 92.64 million THB respectively.

3. Cash flow statement

| Item | For the year ended 31 December | | | | | |
|---|--------------------------------|--------------------------------------|---------------------|--------------------------------------|---------------------|--------------------------------------|
| | 2020 Million THB | Increase (Decrease) Percentage | 2021 Million THB | Increase (Decrease) Percentage | 2022 Million THB | Increase (Decrease) Percentage |
| Authorized share capital (with the par value at 1 Baht per share) | 1,475.70 | - | 1,475.70 | - | 1,454.20 | (1.46) |
| Issued and fully paid-up share capital (with the par value at 1 Baht per share) | 1,475.70 | - | 1,475.70 | - | 1,454.20 | (1.46) |
| Treasury share | (142.11) | - | (142.11) | - | - | (100.00) |
| Share premium | 441.81 | - | 441.81 | - | 44.81 | - |
| Share premium on treasury share | 39.06 | - | 39.06 | - | - | (100.00) |
| Gains (losses) on changes in shareholding proportion in subsidiaries | (1.05) | (110.30) | (1.05) | - | (1.05) | - |
| Retained earnings | | | | | | |
| Appropriated - legal reserve | 148.00 | - | 148.00 | - | 148.00 | - |
| Appropriated - reserve for treasury share | 142.11 | - | 142.11 | - | - | (100.00) |
| Unappropriated | 9,718.21 | (11.82) | 9,293.48 | (4.37) | 9,824.35 | 5.71 |
| Other components of the capital - Gains (losses) on remeasuring investments held as available for sale | - | (100.00) | - | - | - | - |
| Equity of the parent company | 11,821.72 | (10.00) | 11,396.99 | (3.59) | 11,867.31 | 4.13 |
| Non-controlling interests | 0.19 | (99.20) | 0.21 | 9.55 | 0.22 | 6.09 |
| Total shareholders' equity | 11,821.91 | (10.16) | 11,397.20 | (3.59) | 11,867.53 | 4.13 |

As at 31 December 2020, the shareholders' equity of the Company and subsidiary companies decreased by 1.33719 billion THB or 10.16%, from 13.15910 billion THB in the previous year to 11.82191 billion THB. The main reason was from the 539.69 million THB or 42.97% decrease in the 2020 performance. The interim dividend paid was 2.03583 billion THB. The profit of 18.77 million THB which was estimated in accordance with actuarial science was amended. There was a sale of equity mutual fund - LH in full amount and the loss was 1.58 million THB.

As at 31 December 2021, the shareholders' equity of the Company and subsidiary companies decreased by 424.71 million THB or 3.59%, from 11.82191 billion THB in the previous year to 11.3972 billion THB. The main reason was from the 414.01 million THB or 57.79% decrease in the 2021 performance. The interim dividend paid was 727.07 million THB.

As at 31 December 2022, the shareholders' equity increased from 11.3972 billion THB to 11.86753 billion THB or increasing by 4.13% as a result of a capital reduction of 21.50 million treasury shares. The retained earnings, then, increased by 60.56 million due to the reduction of the share capital. There was a recalculation of the provisions for employee benefits in accordance with the discount rate that increased from 1.19-2.28% to 1.37-5.22% which caused an increase in the retained earnings. The dividend paid to shareholders decreased by 508.94 million THB to 218.12 million THB from 727.07 million THB in the previous year. The 2022 profit increased by 309.80 million THB from the previous year. The aforementioned factors caused a 4.13% increase in the shareholders' equity.

4. Cash flow statement

As at 31 December 2020 cash and cash equivalents of the Company and subsidiary companies increased by 415.40 million THB or 82.86%, from 501.30 million THB in the previous year to 916.70 million THB. It will be mainly used in project development and kept in reserve for crisis situation.

As at 31 December 2021 the total net cash flow of the Company and subsidiary companies decreased by 581.75 million THB or 63.46%, from 916.70 million THB to 334.95 million THB as a result of the policy to relax liquidity reserves to prepare for the crisis from the COVID-19 pandemic. However, the Company still had a high working capital ratio. As at 31 December 2021, the Company had current assets to current liabilities ratio of 2.31 to 1. The Company has enough liquid assets to pay off interests and short-term loans even though the interest coverage ratio is lower than the same period of the previous year.

As at 31 December 2022, the total net cash flow of the Company and subsidiary companies increased by 173.13 million THB or 51.69% from 334.95 million THB to 508.09 million THB due to a 108.28% increase in the ownership transfer when compared to the previous year and the reserve for funding normal operation of the Company.

5. Liquidity and Capital Adequacy

1. Source and use of capital and appropriateness of capital structure

As at December 2022, the debt-to-equity ratio and the interest-bearing debt-to-equity ratio were 1.03 to 1 and 0.89 to 1 respectively, decreasing from 1.09 to 1 and 0.91 to 1 at the end of 2021, as a result of the increasing retained earnings and the implementation of strict financial policies. It was at the appropriate risk level suitable for business operation.

2. Capital expenditure, objectives and sources of finance

In 2022, the Company launched new projects with a value over 10.45 billion THB and invested 4 billion THB in land in order to continuously develop projects from 2023 to 2025. The sources of finance were the long-term capital of the Company in the operating cash flow section and the 3-year debenture valuing 1.5 billion THB issued in the previous second quarter.

3. Adequacy of Liquidity

The Company had a high current ratio. As at 31 December 2022, the current assets to current liabilities ratio was at 2.56 to 1 which was close to the ratio of 2.31 to 1.00 in year 2021. It meant that the Company's assets were more liquid and sufficient to pay off debts and short-term borrowings.

4. Ability-to-repay and loan covenant compliance

The Company consistently generated positive cash flow and fully complied with the terms of bank loans and debt instruments issued by the Company. It also continually maintained the interest-bearing debt to equity ratio to be lower than the level specified in the conditions of debentures of the Company to build the confidence of financial institutions and investors in the Company's debt instrument.

6. Financial Ratio

| No. | Financial Ratio | Unit | Year 2020 | Year 2021 | Year 2022 |
|--------------------------------------|------------------------------------|------|-----------|-----------|-----------|
| <u>Liquidity Ratio</u> | | | | | |
| 1 | Current Ratio | time | 2.34 | 2.31 | 2.56 |
| 2 | Quick Ratio | time | 0.18 | 0.16 | 0.20 |
| 3 | Collection Period | day | 6.02 | 9.24 | 6.36 |
| 4 | Inventory Period | day | 778.18 | 1,042.35 | 433.00 |
| 5 | Payable Period | day | 74.38 | 79.65 | 29.47 |
| <u>Profitability Ratio</u> | | | | | |
| 1 | Gross Profit Main Activities | % | 29.94 | 24.79 | 21.92 |
| 2 | Gross Profit from Sales | % | 28.62 | 23.44 | 21.24 |
| 3 | Gross Profit from Rent and Service | % | 42.00 | 36.02 | 33.84 |
| 4 | Gross Profit from Management fee | % | 34.56 | 26.69 | 23.24 |
| 5 | Net Profit | % | 9.61 | 5.40 | 5.94 |
| 6 | Sales to Equity | % | 48.09 | 34.84 | 72.41 |
| 7 | Return on Equity | % | 5.74 | 2.60 | 5.26 |
| <u>Efficiency Ratio</u> | | | | | |
| 1 | Return on Total Asset | % | 3.04 | 1.28 | 2.56 |
| 2 | Return on Fixed Asset | % | 28.05 | 11.46 | 20.97 |
| 3 | Total Assets Growth | % | 0.62 | 0.67 | 1.42 |
| 4 | Total Liabilities Growth | % | 14.37 | 4.94 | (1.07) |
| <u>Financial Policy Ratio</u> | | | | | |
| 1 | Debt to Equity | time | 1.00 | 1.09 | 1.03 |
| 2 | Interest Bearing Debt | time | 0.82 | 0.91 | 0.89 |
| 3 | Earnings Per Share | THB | 0.49 | 0.21 | 0.42 |
| 4 | Book Value | THB | 8.13 | 7.84 | 8.16 |



FINANCIAL HIGHLIGHTS

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENT

Financial Ratio

Unit: million THB

| | Year 2022 | Year 2021 | Year 2020 |
|---|-----------|-----------|-----------|
| Assets | | | |
| Total assets | 24,114.08 | 23,776.63 | 23,618.74 |
| Land and cost of project under construction | 11,041.82 | 9,027.77 | 8,074.95 |
| Inventories | 7,119.35 | 8,838.04 | 9,090.76 |
| Land and cost of project held for development | 538.58 | 537.14 | 1,004.44 |
| Investment property | 2,993.98 | 3,140.45 | 3,099.67 |
| Liabilities and Shareholders' Equity | | | |
| Short-term borrowings | 6,740.17 | 7,104.67 | 6,587.89 |
| Long-term borrowings | 3,835.88 | 3,316.47 | 3,093.24 |
| Total liabilities | 12,246.56 | 12,379.43 | 11,796.83 |
| Issued and paid share capital | 1,454.20 | 1,475.70 | 1,475.70 |
| Shareholders' equity | 11,867.53 | 11,397.20 | 11,821.91 |
| Operational Performance | | | |
| Sales revenue | 8,422.98 | 4,044.14 | 6,001.26 |
| Total revenue | 10,301.32 | 5,598.05 | 7,457.74 |
| Cost of sales | 6,633.60 | 3,096.07 | 4,283.93 |
| Gross profit from sales | 1,789.38 | 948.07 | 1,717.33 |
| Net profit (loss) | 612.14 | 302.34 | 716.35 |
| Financial Ratio | | | |
| * Book value per share (THB/share) | 8.16 | 7.84 | 8.13 |
| * Basic net earnings per share (THB/share) | 0.42 | 0.21 | 0.49 |
| Net profit margin (%) | 5.94 | 5.40 | 9.61 |
| Return on equity (%) | 5.26 | 2.60 | 5.74 |
| Return on net assets (%) | 2.56 | 1.28 | 3.04 |
| ** Dividend per share (THB/share) | 0.22 | 0.15 | 1.40 |

* Calculated from weighted average number of share

** Pending approval from the Annual General Meeting of Shareholders 2022

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

Unit: thousand THB

| Assets | Year 2022 | % | Year 2021 | % | Year 2020 | % |
|--|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Current assets | | | | | | |
| Cash and cash equivalents | 508,088.86 | 2.11 | 334,954.21 | 1.41 | 916,701.36 | 3.88 |
| Trade and other current receivables | 734,859.71 | 3.05 | 748,451.59 | 3.15 | 357,036.68 | 1.51 |
| Short-term loans to related parties | 297,875.00 | 1.24 | 202,125.00 | 0.85 | 124,750.00 | 0.53 |
| Land and costs of project under construction | 11,041,819.57 | 45.79 | 9,027,772.43 | 37.97 | 8,074,947.64 | 34.19 |
| Inventory - Finished Goods | 7,119,348.78 | 29.52 | 8,838,037.98 | 37.17 | 9,090,758.66 | 38.49 |
| Total current assets | 19,701,991.91 | 81.70 | 19,151,341.20 | 80.55 | 18,564,194.34 | 78.60 |
| Non-current assets | | | | | | |
| Investments in subsidiaries and associates | 54,029.26 | 0.22 | 55,768.13 | 0.23 | 60,513.27 | 0.26 |
| Other long-term investments | 538,583.90 | 2.23 | 537,144.08 | 2.26 | 1,004,435.49 | 4.25 |
| Land and costs of project held for development | 2,993,982.21 | 12.42 | 3,140,450.57 | 13.21 | 3,099,674.94 | 3.12 |
| Investment Properties | 266,069.70 | 1.10 | 280,176.43 | 1.18 | 291,267.64 | 1.23 |
| Property, plant and equipment | 179,220.99 | 0.74 | 186,691.94 | 0.79 | 194,162.89 | 0.82 |
| Goodwill | 11,751.75 | 0.05 | 13,587.58 | 0.06 | 21,266.58 | 0.09 |
| Leasehold right | 32,763.27 | 0.14 | 32,763.27 | 0.14 | 32,763.27 | 0.14 |
| Right-of-use assets | 6,391.28 | 0.03 | 7,612.47 | 0.03 | 8,916.52 | 0.04 |
| Deferred tax assets | 149,105.84 | 0.62 | 193,949.39 | 0.82 | 185,780.99 | 0.79 |
| Other non-current assets | 180,193.18 | 0.75 | 177,141.69 | 0.75 | 155,764.08 | 0.66 |
| Total non-current assets | 4,412,091.38 | 18.30 | 4,625,285.53 | 19.45 | 5,054,545.67 | 21.40 |
| Total assets | 24,114,083.29 | 100.00 | 23,776,626.73 | 100.00 | 23,618,740.02 | 100.00 |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONT.)

Unit: thousand THB

| Liabilities and Shareholders' Equity | Year 2022 | % | Year 2021 | % | Year 2020 | % |
|---|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Current Liabilities | | | | | | |
| Bank overdrafts and short-term borrowings | | | | | | |
| from financial institutions | 6,666,044.67 | 27.64 | 4,832,987.46 | 20.33 | 4,601,278.35 | 19.48 |
| Trade and other current payables | 942,244.52 | 3.91 | 1,169,667.96 | 4.92 | 1,266,633.21 | 5.36 |
| Borrowings and financial lease liabilities | | | | | | |
| due within one year | 74,120.45 | 0.31 | 2,271,679.93 | 9.55 | 1,986,607.06 | 8.41 |
| Corporate income tax payable | 18,311.21 | 0.08 | 4,287.48 | 0.02 | 92,178.32 | 0.39 |
| Total current liabilities | 7,700,720.85 | 31.93 | 8,278,622.84 | 34.82 | 7,946,696.94 | 33.65 |
| Non-current liabilities | | | | | | |
| Unearned rental income | 239,982.93 | 1.00 | 250,421.94 | 1.05 | 260,860.95 | 1.10 |
| Financial lease liabilities | 5,603.82 | 0.02 | 5,187.60 | 0.02 | 10,815.18 | 0.05 |
| Long-term borrowings | 450,234.34 | 1.87 | 1,380,244.91 | 5.81 | 925,244.91 | 3.92 |
| Debentures | 3,385,647.75 | 14.04 | 1,936,228.88 | 8.14 | 2,168,000.00 | 9.18 |
| Non-current provisions for employees benefit | 371,727.65 | 1.54 | 438,399.65 | 1.84 | 403,151.01 | 1.71 |
| Other non-current liabilities | 92,639.95 | 0.38 | 90,321.83 | 0.38 | 82,061.27 | 0.35 |
| Total non-current liabilities | 4,545,836.44 | 18.85 | 4,100,804.81 | 17.25 | 3,850,133.32 | 16.30 |
| Total liabilities | 12,246,557.29 | 50.79 | 12,379,427.65 | 52.07 | 11,796,830.26 | 49.95 |
| Shareholders' equity | | | | | | |
| Issued and paid-up share capital | 1,454,198.77 | 6.03 | 1,475,698.77 | 6.21 | 1,475,698.77 | 6.25 |
| Share premium | 441,807.17 | 1.83 | 441,807.17 | 1.86 | 441,807.17 | 1.87 |
| Share premium on treasury shares | - | - | 39,061.75 | 0.16 | 39,061.75 | 0.17 |
| Treasury shares | - | - | (142,107.79) | (0.60) | (142,107.79) | (0.60) |
| Gains (losses) on changes in shareholding | | | | | | |
| proportion in subsidiaries | (1,052.99) | - | (1,052.99) | - | (1,052.99) | - |
| Appropriated retained earnings - Legal reserve | 148,000.00 | 0.61 | 148,000.00 | 0.62 | 148,000.00 | 0.63 |
| Appropriated retained earnings - Reserve | | | | | | |
| for treasury shares | - | - | 142,107.79 | 0.60 | 142,107.79 | 0.60 |
| Unappropriated retained earnings | 9,824,353.03 | 40.74 | 9,293,476.99 | 39.09 | 9,718,205.74 | 41.15 |
| Total equity of the parent company | 11,867,305.98 | 49.21 | 11,396,991.68 | 47.93 | 11,821,720.44 | 50.05 |
| Non-controlling interests | 220.03 | - | 207.40 | - | 189.32 | - |
| Total shareholders' equity | 11,867,526.00 | 49.21 | 11,397,199.09 | 47.93 | 11,821,909.76 | 50.05 |
| Total liabilities and shareholders' equity | 24,114,083.29 | 100.00 | 23,776,626.73 | 100.00 | 23,618,740.02 | 100.00 |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

Unit: thousand THB

| Details | Year 2022 | % | Year 2021 | % | Year 2020 | % |
|---|----------------------|---------------|---------------------|---------------|---------------------|---------------|
| Revenues | | | | | | |
| Sales | 8,422,977.06 | 81.97 | 4,044,136.21 | 72.61 | 6,001,264.21 | 81.51 |
| Rental and service business income | 308,010.70 | 3.00 | 272,556.54 | 4.89 | 225,189.96 | 3.06 |
| Management business income | 1,544,757.09 | 15.03 | 1,253,277.92 | 22.50 | 1,136,376.23 | 15.43 |
| Total revenues from sales and services | 10,275,744.85 | 100.00 | 5,569,970.67 | 100.00 | 7,362,830.39 | 100.00 |
| Cost of sales and services | | | | | | |
| Cost of sales | 6,633,597.45 | 64.56 | 3,096,069.57 | 55.59 | 4,283,931.80 | 58.18 |
| Cost of rental and service business | 203,777.65 | 1.98 | 174,381.42 | 3.13 | 130,615.48 | 1.77 |
| Cost of management business | 1,185,785.21 | 11.54 | 918,824.20 | 16.50 | 743,606.77 | 10.10 |
| Total cost of sales and services | 8,023,160.30 | 78.08 | 4,189,275.19 | 75.21 | 5,158,154.05 | 70.06 |
| Gross profit | 2,252,584.55 | 21.92 | 1,380,695.48 | 24.79 | 2,204,676.35 | 29.94 |
| Other income | | | | | | |
| Other income | 25,577.11 | 0.25 | 28,075.02 | 0.50 | 94,907.58 | 1.29 |
| Total other income | 25,577.11 | 0.25 | 28,075.02 | 0.50 | 94,907.58 | 1.29 |
| Profit before expense | 2,278,161.66 | 22.17 | 1,408,770.51 | 25.29 | 2,299,583.93 | 31.23 |
| Expenses | | | | | | |
| Sales expenses | 624,986.23 | 6.08 | 266,663.05 | 4.79 | 371,986.38 | 5.05 |
| Administrative expenses | 642,588.11 | 6.25 | 562,891.71 | 10.11 | 887,090.84 | 12.05 |
| Finance costs | 190,878.05 | 1.86 | 189,308.00 | 3.40 | 97,542.30 | 1.32 |
| Share of loss (profit) of associates | 1,738.87 | 0.02 | 4,745.14 | 0.09 | 7,807.20 | 0.11 |
| Total expenses | 1,460,191.25 | 14.21 | 1,023,607.89 | 18.38 | 1,364,426.72 | 18.52 |
| Profit (loss) before income tax expense | 817,970.41 | 7.96 | 385,162.61 | 6.91 | 935,157.21 | 12.71 |
| Tax expense | 205,807.56 | 2.00 | 82,801.48 | 1.49 | 217,401.51 | 2.95 |
| Profit (loss) from continuing operations | 612,162.85 | 5.96 | 302,361.13 | 5.43 | 717,755.70 | 9.76 |
| Comprehensive profit (loss) for the year - net of tax | 76,300.03 | 0.74 | - | - | 17,191.50 | 0.23 |
| Profit (loss) from continuing operations | 688,462.88 | 6.70 | 302,361.13 | 5.43 | 734,947.20 | 9.98 |
| Profit attributable to: | | | | | | |
| Equity holders of the parent company | 612,139.87 | 5.96 | 302,337.11 | 5.43 | 716,345.35 | 9.73 |
| Non-controlling interests | 22.98 | - | 24.02 | - | 1,410.35 | 0.02 |
| Retained earnings | 9,824,353.03 | | 9,293,476.99 | | 9,718,205.74 | |
| Legal reserve | 148,000.00 | | 148,000.00 | | 148,000.00 | |
| Reserve for treasury stock | - | | 142,107.79 | | 142,107.79 | |
| Dividend paid | 218,121.25 | | 727,065.86 | | 2,035,831.86 | |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

Unit: thousand THB

| Details | Year 2022 | Year 2021 | Year 2020 |
|---|---------------------|---------------------|---------------------|
| Cash flows from operating activities | 817,970.41 | 385,162.61 | 935,157.21 |
| Profit (loss) for the period before tax | | | |
| Adjustment to reconcile profit to cash receipt (disbursement) from operating activities | | | |
| Finance costs | 190,878.05 | 189,308.00 | 97,542.30 |
| Provisions for employee benefit | 64,098.93 | 53,991.41 | 70,012.13 |
| Employee subsidy provisions for emergency | - | - | 2,500.00 |
| Depreciation of operating and investing assets, amortization of other intangible assets | 108,194.97 | 107,162.92 | 93,126.41 |
| Bad debt and doubtful accounts | 300.09 | - | - |
| Loss (gain) on sales of assets | 994.77 | (4,230.95) | (7,292.03) |
| Equity loss (gain) from investments in affiliates | 1,738.87 | 4,745.14 | 7,807.20 |
| Other income | - | - | (8,704.09) |
| Profit from operation before changes in operating assets | 1,184,176.09 | 736,139.12 | 1,190,149.13 |
| Operating assets (increase) decrease | | | |
| Trade and other current receivables | 24,294.74 | (390,704.99) | (29,462.74) |
| Related party receivables | (12,103.44) | (8,826.75) | (5,134.37) |
| Inventories - finished Goods | 1,800,375.78 | 137,592.89 | (901,233.91) |
| Land and costs of project under construction | (1,751,218.59) | (300,034.22) | 1,410,520.98 |
| Other current assets | - | - | 3,686.97 |
| Deposits at bank with obligations | (12,290.82) | (4,118.46) | (6,182.38) |
| Other non-current assets | 4,729.71 | (1,157.58) | 13,215.48 |
| Operating assets (increase) decrease | 53,787.38 | (567,249.09) | 485,410.03 |
| Operating liabilities increase (decrease) | | | |
| Trade and other current payables | (267,308.02) | (101,176.63) | (576,437.89) |
| Unearned rental income | (10,439.01) | (10,439.01) | (10,467.61) |
| Other non-current liabilities | 4,263.06 | 12,553.21 | 9,473.58 |
| Employee benefits paid | (35,824.79) | (18,742.77) | (8,792.04) |
| Operating liabilities increase (decrease) | (309,308.76) | (117,805.21) | (586,223.96) |
| Cash generated (paid) from operation | 928,654.71 | 51,084.82 | 1,089,335.20 |
| Interest paid | (450,651.44) | (355,801.59) | (321,687.68) |
| Income tax received | 7,298.99 | 695.61 | 16,745.84 |
| Income tax paid | (168,119.52) | (196,438.73) | (290,464.06) |
| Net cash provided by (used in) operating activities | 317,182.73 | (500,459.88) | 493,929.30 |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT.)

Unit: thousand THB

| Details | Year 2022 | Year 2021 | Year 2020 |
|---|---------------------|---------------------|--------------------|
| Cash flows from investing activities | | | |
| Short-term loans to related parties, (increase) decrease | (95,750.00) | (77,375.00) | (55,750.00) |
| Proceeds from sales of investments | - | - | 17,705.90 |
| Sales (acquire) of fixed assets, intangible assets and investment properties | (14,417.47) | 732.29 | (33,756.64) |
| Deposit at bank with obligations | - | 377.75 | 11,786.25 |
| Net cash provided by (used in) investing activities | (110,167.47) | (76,264.97) | (60,014.49) |
| Cash flows from financing activities | | | |
| Proceeds from (payments for) bank overdrafts | (425.95) | 412.71 | (7,284.54) |
| Proceeds from short-term borrowings from financial institutions | 9,979,744.00 | 6,966,450.00 | 10,297,000.00 |
| Repayments for short-term borrowings from financial institutions | (8,141,552.11) | (6,729,066.85) | (9,156,860.40) |
| Prepaid interest - short-term borrowings | (24,480.29) | (13,791.25) | - |
| Proceeds from long-term borrowings | 1,038,923.29 | 705,600.00 | 925,244.91 |
| Repayments for long-term borrowings | (1,141,237.30) | (153,051.65) | - |
| Proceeds from disposal of debentures | 1,500,000.00 | 1,948,000.00 | - |
| Payments for matured debentures | (2,168,000.00) | (1,980,000.00) | - |
| Payment for debentures issuance fee | (11,147.33) | (12,565.41) | - |
| Prepaid interest-debentures | - | (2,856.25) | - |
| Payments for financial lease liabilities | (840,946.41) | - | - |
| Receive (pay) investment in subsidiaries | (6,760.05) | (7,294.81) | (7,169.35) |
| Treasury ordinary shares | - | - | (34,159.99) |
| Dividend paid | (217,998.45) | (726,858.77) | (2,035,285.98) |
| Net cash provided by (used in) financing activities | (33,880.61) | (5,022.29) | (18,515.34) |
| Net increase (decrease) in bank deposit | 173,134.65 | (581,747.15) | 415,399.47 |
| Cash and bank deposit as at January 1 | 334,954.21 | 916,701.36 | 501,301.89 |
| Cash and bank deposit as at December 31 | 508,088.86 | 334,954.21 | 916,701.36 |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

SEPARATE FINANCIAL STATEMENT

Financial Ratio

Unit: million THB

| Details | Year 2022 | Year 2021 | Year 2020 |
|---|-----------|-----------|-----------|
| Assets | | | |
| Total assets | 21,633.55 | 21,696.01 | 22,159.44 |
| Land and cost of project under construction | 7,639.86 | 7,285.42 | 6,678.56 |
| Inventories | 6,670.67 | 8,556.02 | 8,839.08 |
| Land and cost of project held for development | 504.18 | 502.74 | 941.34 |
| Investment property | 3,043.08 | 3,191.42 | 3,154.55 |
| Liabilities and Shareholders' Equity | | | |
| Short-term borrowings | 6,116.52 | 6,797.94 | 6,677.88 |
| Long-term borrowings | 3,385.65 | 3,302.47 | 3,093.24 |
| Total liabilities | 10,716.74 | 11,540.99 | 11,399.25 |
| Issued and paid share capital | 1,454.20 | 1,475.70 | 1,475.70 |
| Shareholders' equity | 10,916.81 | 10,155.02 | 10,760.19 |
| Operational Performance | | | |
| Sales revenue | 7,254.86 | 2,979.07 | 4,858.51 |
| Total revenue | 8,162.47 | 3,336.57 | 5,187.03 |
| Cost of sales | 5,718.02 | 2,281.24 | 3,526.80 |
| Gross profit from sales | 1,536.84 | 697.83 | 1,331.71 |
| Net profit (loss) | 941.88 | 121.90 | 511.20 |
| Financial Ratio | | | |
| * Book value per share (THB/share) | 7.51 | 6.98 | 7.40 |
| * Basic net earnings per share (THB/share) | 0.65 | 0.08 | 0.35 |
| Net profit margin (%) | 11.54 | 3.65 | 9.86 |
| Return on equity (%) | 8.94 | 1.17 | 4.44 |
| Return on net assets (%) | 4.35 | 0.56 | 2.32 |
| Dividend per share (THB/share) | 0.22 | 0.15 | 1.40 |

* Calculated from weighted average number of share

** Pending approval from the Annual General Meeting of Shareholders 2022

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

SEPARATE STATEMENTS OF FINANCIAL POSITION

Unit: thousand THB

| Assets | Year 2022 | % | Year 2021 | % | Year 2020 | % |
|--|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Current assets | | | | | | |
| Cash and cash equivalents | 233,563.34 | 1.08 | 198,641.82 | 0.92 | 774,009.62 | 3.49 |
| Trade and other current receivables | 297,057.76 | 1.37 | 323,187.70 | 1.49 | 146,935.14 | 0.66 |
| Short-term loans to related parties | 1,984,425.00 | 9.17 | 331,675.00 | 1.53 | 309,750.00 | 1.40 |
| Land and costs of project under construction | 7,639,856.53 | 35.31 | 7,285,419.76 | 33.58 | 6,678,559.11 | 30.14 |
| Inventories - finished Goods | 6,670,674.87 | 30.83 | 8,556,018.49 | 39.44 | 8,839,081.08 | 39.89 |
| Total current assets | 16,825,577.50 | 77.78 | 16,694,942.77 | 76.95 | 16,748,334.95 | 75.58 |
| Non-current assets | | | | | | |
| Investment in subsidiaries | 638,935.42 | 2.95 | 632,595.42 | 2.92 | 632,595.42 | 2.85 |
| Land and costs of project held for development | 504,178.81 | 2.33 | 502,738.99 | 2.32 | 941,335.40 | 4.25 |
| Investment properties | 3,043,084.13 | 14.07 | 3,191,417.26 | 14.71 | 3,154,553.66 | 14.24 |
| Property, plant and equipment | 153,664.10 | 0.71 | 166,903.29 | 0.77 | 171,509.97 | 0.77 |
| Leasehold right | 179,220.99 | 0.83 | 186,691.94 | 0.86 | 194,162.89 | 0.88 |
| Right-of-use assets | 42,671.09 | 0.20 | 71,128.62 | 0.33 | 82,704.70 | 0.37 |
| Intangible assets | 3,232.18 | 0.01 | 5,926.65 | 0.03 | 6,800.74 | 0.03 |
| Deferred tax assets | 104,824.74 | 0.48 | 144,233.06 | 0.66 | 140,114.29 | 0.63 |
| Other non-current assets | 138,166.00 | 0.64 | 99,432.96 | 0.46 | 87,323.14 | 0.39 |
| Total non-current assets | 4,807,977.46 | 22.22 | 5,001,068.19 | 23.05 | 5,411,100.21 | 24.42 |
| Total assets | 21,633,554.96 | 100.00 | 21,696,010.96 | 100.00 | 22,159,435.16 | 100.00 |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

SEPARATE STATEMENTS OF FINANCIAL POSITION (CONT.)

Unit: thousand THB

| Liabilities and Shareholders' Equity | Year 2022 | % | Year 2021 | % | Year 2020 | % |
|---|----------------------|---------------|----------------------|---------------|----------------------|---------------|
| Current liabilities | | | | | | |
| Bank overdrafts and short-term borrowings | | | | | | |
| from financial institutions | 5,734,810.03 | 26.51 | 4,164,339.21 | 19.19 | 4,318,384.25 | 19.49 |
| Trade and other current payables | 710,128.66 | 3.28 | 909,758.82 | 4.19 | 1,019,854.80 | 4.60 |
| Short-term borrowings from related parties | 307,000.00 | 1.42 | 402,000.00 | 1.85 | 371,000.00 | 1.67 |
| Borrowings and financial lease liabilities | | | | | | |
| due within one year | 74,708.97 | 0.35 | 2,231,598.33 | 10.29 | 1,988,491.95 | 8.97 |
| Corporate income tax payable | 7,770.40 | 0.04 | - | - | 73,418.19 | 0.33 |
| Total current liabilities | 6,834,418.06 | 31.59 | 7,707,696.35 | 35.53 | 7,771,149.18 | 35.07 |
| Non-current liabilities | | | | | | |
| Unearned rental income | 239,982.93 | 1.11 | 250,421.94 | 1.15 | 260,860.95 | 1.18 |
| Financial lease liabilities | 39,011.59 | 0.18 | 62,962.07 | 0.29 | 71,484.66 | 0.32 |
| Long-term borrowings | - | - | 1,366,244.91 | 6.30 | 925,244.91 | 4.18 |
| Debentures | 3,385,647.75 | 15.65 | 1,936,228.88 | 8.92 | 2,168,000.00 | 9.78 |
| Non-current provisions for employees benefit | 137,989.08 | 0.64 | 141,721.35 | 0.65 | 132,333.41 | 0.60 |
| Other non-current liabilities | 79,694.88 | 0.37 | 75,711.90 | 0.35 | 70,175.11 | 0.32 |
| Total non-current liabilities | 3,882,326.23 | 17.95 | 3,833,291.05 | 17.67 | 3,628,099.04 | 16.37 |
| Total liabilities | 10,716,744.28 | 49.54 | 11,540,987.40 | 53.19 | 11,399,248.22 | 51.44 |
| Shareholders' equity | | | | | | |
| Issued and paid-up share capital | 1,454,198.77 | 6.72 | 1,475,698.77 | 6.80 | 1,475,698.77 | 6.66 |
| Share premium | 441,807.17 | 2.04 | 441,807.17 | 2.04 | 441,807.17 | 1.99 |
| Share premium on treasury shares | - | - | 39,061.75 | 0.18 | 39,061.75 | 0.18 |
| Treasury shares | - | - | (142,107.79) | (0.65) | (142,107.79) | (0.64) |
| Appropriated retained earnings-Legal reserve | 148,000.00 | 0.68 | 148,000.00 | 0.68 | 148,000.00 | 0.67 |
| Appropriated retained earnings-Reserve | | | | | | |
| for treasury shares | - | - | 142,107.79 | 0.65 | 142,107.79 | 0.64 |
| Unappropriated retained earnings | 8,872,804.74 | 41.01 | 8,050,455.87 | 37.11 | 8,655,619.25 | 39.06 |
| Total shareholders' equity | 10,916,810.67 | 50.46 | 10,155,023.55 | 46.81 | 10,760,186.94 | 48.56 |
| Total liabilities and shareholders' equity | 21,633,554.96 | 100.00 | 21,696,010.96 | 100.00 | 22,159,435.16 | 100.00 |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

SEPARATE STATEMENTS OF COMPREHENSIVE INCOME AND RETAINED EARNINGS

Unit: thousand THB

| Details | Year 2022 | % | Year 2021 | % | Year 2020 | % |
|---|---------------------|---------------|---------------------|---------------|---------------------|---------------|
| Revenues | | | | | | |
| Sales | 7,254,860.37 | 95.99 | 2,979,072.79 | 91.68 | 4,858,508.95 | 95.58 |
| Rental and service business income | 303,186.11 | 4.01 | 270,227.21 | 8.32 | 224,707.20 | 4.42 |
| Total revenues from sales and services | 7,558,046.48 | 100.00 | 3,249,300.00 | 100.00 | 5,083,216.15 | 100.00 |
| Cost of sales and services | | | | | | |
| Cost of sales | 5,718,020.00 | 75.65 | 2,281,242.17 | 70.21 | 3,526,801.57 | 69.38 |
| Cost of rental and service business | 196,050.18 | 2.59 | 168,924.11 | 5.20 | 141,083.73 | 2.78 |
| Total cost of sales and services | 5,914,070.18 | 78.25 | 2,450,166.28 | 75.41 | 3,667,885.30 | 72.16 |
| Gross profit | 1,643,976.30 | 21.75 | 799,133.73 | 24.59 | 1,415,330.85 | 27.84 |
| Other income | | | | | | |
| Other income | 604,419.05 | 8.00 | 87,271.70 | 2.69 | 103,809.10 | 2.04 |
| Total other income | 604,419.05 | 8.00 | 87,271.70 | 2.69 | 103,809.10 | 2.04 |
| Profit before expenses | 2,248,395.35 | 29.75 | 886,405.42 | 27.28 | 1,519,139.95 | 29.89 |
| Expenses | | | | | | |
| Sales expenses | 572,364.03 | 7.57 | 197,174.94 | 6.07 | 309,083.07 | 6.08 |
| Administrative expenses | 377,630.08 | 5.00 | 347,485.45 | 10.69 | 433,684.21 | 8.53 |
| Finance costs | 209,557.70 | 2.77 | 195,252.24 | 6.01 | 108,069.91 | 2.13 |
| Total expenses | 1,159,551.82 | 15.34 | 739,912.63 | 22.77 | 850,837.19 | 16.74 |
| Profit (loss) before income tax expense | 1,088,843.53 | 14.41 | 146,492.79 | 4.51 | 668,302.76 | 13.15 |
| Tax expense | 146,963.15 | 1.94 | 24,590.31 | 0.76 | 157,106.97 | 3.09 |
| Profit (loss) from continuing operations | 941,880.39 | 12.46 | 121,902.48 | 3.75 | 511,195.79 | 10.06 |
| Comprehensive profit (loss) for the year - net of tax | 38,027.98 | 0.50 | - | - | 8,660.91 | 0.17 |
| Total profit (loss) for the year | 979,908.37 | 12.97 | 121,902.48 | 3.75 | 519,856.70 | 10.23 |
| Profit attributable to: | | | | | | |
| Equity holders of the parent company | 941,880.39 | 12.46 | 121,902.48 | 3.75 | 511,195.79 | 10.06 |
| Non-controlling interests | - | - | - | - | - | - |
| Retained earnings | 8,872,804.74 | | 8,050,455.87 | | 8,655,619.25 | |
| Legal reserve | 148,000.00 | | 148,000.00 | | 148,000.00 | |
| Reserve for treasury stock | - | | 142,107.79 | | 142,107.79 | |
| Dividend paid | 218,121.25 | | 727,065.86 | | 2,035,831.86 | |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

SEPARATE STATEMENTS OF CASH FLOWS

Unit: thousand THB

| Details | Year 2022 | Year 2021 | Year 2020 |
|---|---------------------|---------------------|---------------------|
| Cash flows from operating activities | | | |
| Profit (loss) before income tax | 1,088,843.53 | 146,492.79 | 668,302.76 |
| Adjustment to reconcile net profit to net cash receipt (disbursement) | | | |
| from operating activities | 209,557.70 | 195,252.24 | 108,069.91 |
| Interest expenses | 15,754.03 | 14,214.91 | 24,793.33 |
| Non-current provisions for employee benefit | 103,567.23 | 103,997.89 | 89,748.70 |
| Depreciation of operating and investing assets and amortization | | | |
| of other intangible assets | (555,985.27) | (53,994.06) | - |
| Dividend received | 300.09 | - | - |
| Bad debt - doubtful debt | 994.74 | (4,230.95) | (7,339.10) |
| Loss (gain) on sales of assets | - | - | (8,704.09) |
| Other income | (5,099.47) | - | - |
| Loss (gain) on sale of investments | | | |
| Profit from operation before changes in operating assets and liabilities | 857,932.60 | 401,732.82 | 874,871.50 |
| Operating assets (increase) decrease | | | |
| Trade and other current receivables | 31,647.88 | (166,248.24) | 41,239.83 |
| Related party receivables | (5,822.07) | (15,262.60) | 702.41 |
| Inventories - finished Goods | 1,967,030.20 | 167,756.93 | (989,279.60) |
| Land and costs of project under construction | (145,780.56) | 1,920.95 | 1,018,632.08 |
| Deposits at bank with obligations | (5,370.61) | (1,363.94) | (6,547.63) |
| Other non-current assets | 5,062.74 | 2,616.98 | 13,019.78 |
| Operating assets (increase) decrease | 1,846,767.59 | (10,579.93) | 77,766.87 |
| Operating liabilities increase (decrease) | | | |
| Trade and other current payables | (280,268.37) | (128,195.52) | (589,106.99) |
| Related party payables | 41,318.05 | 11,255.16 | (13,030.37) |
| Unearned rental income | (10,439.01) | (10,439.01) | (10,467.61) |
| Other non-current liabilities | 4,469.16 | 9,829.43 | 9,691.58 |
| Employee benefits paid | (10,497.22) | (4,826.97) | (2,897.50) |
| Operating liabilities increase (decrease) | (255,417.40) | (122,376.92) | (605,810.90) |
| Cash generated (paid) from operation | 2,449,282.79 | 268,775.97 | 346,827.47 |
| Interest paid | (415,186.19) | (346,485.39) | (312,199.99) |
| Income tax paid | (109,170.70) | (115,490.14) | (234,377.10) |
| Net cash provided by (used in) operating activities | 1,924,925.90 | (193,199.55) | (199,749.62) |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

SEPARATE STATEMENTS OF CASH FLOWS (CONT.)

Unit: thousand THB

| Details | Year 2022 | Year 2021 | Year 2020 |
|---|-----------------------|---------------------|-------------------|
| Cash flows from investing activities | | | |
| Short-term loans to related parties, (increase) decrease | (1,652,750.00) | (21,925.00) | 415,250.00 |
| Investments in subsidiaries and associates | (79,999.98) | - | (34,159.99) |
| Proceeds from sales of other investments | 78,759.45 | - | 17,705.90 |
| Dividend received | 555,985.27 | 53,994.06 | - |
| Sales (acquire) of fixed assets, intangible assets, investment properties | (5,261.58) | 3,202.93 | (29,675.02) |
| Net cash provided by (used in) investing activities | (1,103,266.84) | 35,271.99 | 369,120.89 |
| Cash flows from financing activities | | | |
| Proceeds from (repayments for) bank overdrafts | (425.95) | 412.71 | (7,284.54) |
| Proceeds from (repayments for) short-term borrowings from related parties | (95,000.00) | 31,000.00 | 107,200.00 |
| Proceeds from short-term borrowings from financial institutions | 9,412,000.00 | 6,186,000.00 | 10,039,000.00 |
| Repayments for short-term borrowings from financial institutions | (7,836,394.50) | (6,334,371.00) | (8,789,629.00) |
| Prepaid interest expenses short-term borrowings | (24,480.29) | (13,791.25) | - |
| Proceeds from long-term borrowings | 327,000.00 | 496,600.00 | 925,244.91 |
| Repayments for long-term borrowings | (823,600.00) | - | - |
| Proceeds from debentures | 1,500,000.00 | 1,948,000.00 | - |
| Repayments for debentures | (2,168,000.00) | (1,980,000.00) | - |
| Payment for debentures issuance fee | (11,147.33) | (12,565.41) | - |
| Prepaid interest expenses-debentures | - | (2,856.25) | - |
| Payments for liabilities under sale contracts of assets granted customers to resell | (840,946.41) | - | - |
| Payments for finance lease liabilities | (7,750.76) | (9,016.21) | (9,012.39) |
| Dividend paid | (217,992.29) | (726,852.83) | (2,035,285.98) |
| Net cash provided by (used in) financing activities | (786,737.53) | (417,440.25) | 230,233.01 |
| Net increase (decrease) in cash and bank deposit | 34,921.53 | (575,367.81) | 399,604.28 |
| Cash and bank deposit as at January 1 | 198,641.82 | 774,009.62 | 374,405.34 |
| Cash and bank deposit as at December 31 | 233,563.34 | 198,641.82 | 774,009.62 |



COMPANY'S LOAN

List of Loans of L.P.N. Development Public Co., Ltd. and Subsidiary Companies as of 31 December 2022

(Unit : Million THB)

| No. | Institution | Outstanding Amount (Million THB) | Proportion % | Average Interest Rate (%) | Collateral |
|-----|---------------------------------|-------------------------------------|-----------------|------------------------------|--------------------|
| 1 | Loan from financial institution | 5,427.07 | 51.44 | 3.65% | Land and Buildings |
| 2 | Loan from financial institution | 700.00 | 6.64 | 3.02% | None |
| 3 | Bill of Exchange | 989.20 | 9.38 | 3.38% | None |
| 4 | Debentures | 3,433.24 | 32.54 | 4.00% | None |
| | Total | 10,549.52 | 100.00 | 3.70% | |

Financial Institutions Contacted as of 31 December 2022

(Unit : Million THB)

| No. | Financial Institution | Amount |
|-----|----------------------------------|---------------|
| 1 | Loan from financial institutions | 508.09 |
| | Total | 508.09 |

05

GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION



GENERAL INFORMATION AND OTHER SIGNIFICANT INFORMATION

General Information

Listed Company

| | |
|-------------------------------|---|
| Company | : L.P.N. Development Public Co., Ltd. Real Estate Developer (Residential Condominium Projects) |
| Registered Capital: | : 1,454,198,768 THB |
| Paid-up Capital | : 1,454,198,768 THB |
| Office Address | : 1168/109 Lumpini Tower, 36 th Floor, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0107537002303 (BorMorJor. No. 447) |
| Telephone | : (02) 285-5011-6 |
| Fax | : (02) 679-8699 |
| Call Center | : (02) 689-6888 |
| Website | : www.lpn.co.th |
| Board of Directors | : director@lpn.co.th |
| Investor Relations Department | : Mr. Varish Meemaun Email: ir@lpn.co.th (02) 285-5011 |

Subsidiary Companies

| | |
|---------------------|--|
| Company | : Pornsanti Co., Ltd. Real Estate Developer (Non Condominium Projects) |
| Registered Capital: | : 350,000,000THB (Shareholding of the Company: 99.99%) |
| Office Address | : 1168/109 Lumpini Tower, 36 th Floor, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105533054218 (formerly 5421/2533) |
| Telephone | : (02) 285-5011-6 |
| Fax | : (02) 679-8699 |

| | |
|---------------------|---|
| Company | : LPP Property Management Co., Ltd. (Originally Lumpini Property Management Co., Ltd.) Community Management Services Provider |
| Registered Capital: | : 50,000,000 THB (Shareholding of the Company: 99.99%) |
| Office Address | : 1168/109 Lumpini Tower, 36 th Floor, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105535058865 |
| Telephone | : (02) 285-5011-6 |
| Fax | : (02) 679-8699 |

| | |
|---------------------|--|
| Company | : Lumpini Project Management Service Co., Ltd. (a subsidiary company of LPP Property Management Co., Ltd.) Construction Management Services Provider |
| Registered Capital: | : 50,000,000 THB (Shareholding of LPP Property Management Co., Ltd. : 99.99) |
| Office Address | : 1168/109 Lumpini Tower, 36 th Floor, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105550127691 |
| Telephone | : (02) 285-5011-6 |
| Fax | : (02) 679-8699 |

Subsidiary Companies (Cont.)

| | |
|---------------------|---|
| Company | : LPC Social Enterprise Co., Ltd. (Originally Lumpini Property Service and Care Co., Ltd., Community Services Provider |
| Registered Capital: | : 1,000,000 THB (Shareholding of the Company : 90.00% and shareholding of LPP Property Management Co., Ltd. : 10%) |
| Office Address | : 1168/109 Lumpini Tower, 36 th Floor, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105554043592 |
| Telephone | : (02) 285-5011-6 |
| Fax | : (02) 679-8699 |

| | |
|---------------------|--|
| Company | : Lumpini Wisdom and Solution Co., Ltd. Product Research and Development Services and Other Real Estate Services Provider. |
| Registered Capital: | : 3,000,000 THB (Shareholding of the Company: 99.99%) |
| Office Address | : 1168/59 Lumpini Tower, 21 st Floor, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105556045967 |
| Telephone | : (02) 285-5011-6 |
| Fax | : -- |

| | |
|---------------------|---|
| Company | : LSS Solutions Security Guard Co., Ltd. (a subsidiary company of LPP Property Management Co., Ltd.) Integrated Security Guard Services Provider |
| Registered Capital: | : 10,000,000 THB (Shareholding of LPP Property Management Co., Ltd. : 99.97%) |
| Office Address | : 1168/109 Lumpini Tower, 36 th Floor, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105563150061 |
| Telephone | : (02) 285-5011-6 |
| Fax | : -- |

Associated Company

| | |
|--------------------|--|
| Company | : Kamala Senior Living Co., Ltd. Residential Project for Senior Citizens Developer and Manager |
| Registered Capital | : 100,000,000 THB (Shareholding of the Company: 25.00%) |
| Office Address | : 21/14 & 21/16 Thai Wah Tower, South Sathorn Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105560114439 |
| Telephone | : (02) 677-3344 |
| Fax | : (02) 667-3354 |

| | |
|--------------------|--|
| Company | : Dolsiri Development Co., Ltd. Real Estate Development Business-Office Buildings for Rent |
| Registered Capital | : 100,000,000 THB (Shareholding of the Company: 49.99%) |
| Office Address | : 1168/109, 36 th Fl., Lumpini Tower, Rama 4 Road, Tungmahamek, Sathorn, Bangkok |
| Registration No. | : 0105562045761 |
| Telephone | : (02) 285-5011-6 |
| Fax | : (02) 679-8699 |

Legal Consultant

| | |
|------------------|--|
| Company | : Serm Sak, Vejj & Associates Law Office |
| Office Address | : 399/365-368 Chokechai Ruammit Condominium, 12 th Floor, Vibhavadi Rangsit, Ladyao, Jatujak, Bangkok |
| Registration No. | : 4760/2525 |
| Telephone | : (02) 691-5541-5 |
| Fax | : (02) 691-5545 |

Auditor

| | |
|----------------|--|
| Company | : D.I.A International Auditing |
| Office Address | : 316/32 Sukhumvit Soi 22, Sukhumvit Road, Klongtoey, Bangkok |
| Auditor | : Mr. Wirote Satjathamnukul, Certified Public Accountant No. 5128 Ms. Somjintana Pholhirunrat, Certified Public Accountant No. 5599 |
| Telephone | : (02) 259-5300 |
| Fax | : (02) 259-8956 |

Registrar

| | |
|----------------|---|
| Company | : Thailand Securities Depository Co., Ltd. |
| Office Address | : 93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400 |
| Telephone | : (02) 009-9000 |
| Fax | : (02) 009-9991 |
| Call Center | : (02) 009-9999 |
| Website | : http://www.set.or.th/tsd |

Other significant information that affects investors' decision making

- None -

Note In this annual report, meanings of subsidiary company, affiliated company and associated company are as follows:

A subsidiary company is a company or a juristic person which L.P.N. Development Public Co., Ltd. holds over 50% of voting shares no matter it is a direct or indirect stock ownership.

An affiliated company is a company or a juristic person which L.P.N. Development Public Co., Ltd. has a completed or major managerial power and holds no less than 25% of voting shares no matter it is a direct or indirect stock ownership.

An associated company is a company or a juristic person which L.P.N. Development Public Co., Ltd., subsidiary companies and affiliated companies holds shares, no matter it is direct or indirect stock ownerships, in order to perform business operation together.

Legal Dispute

The Company does not have any legal dispute which would have significant negative impact on the business operation of the Company.

06

**CORPORATE
GOVERNANCE
POLICY**





CORPORATE GOVERNANCE

Objectives and Goals of the Company

Short-term (within one year)

Operate business in accordance with the business plan that has been approved by the Board of Directors. The plan comprises goals and various indicators in both quantitative perspective and qualitative perspective. Particularly, in 2022, the real estate business faces the uncertainty and volatility of the economy. The company has defined as the year of transformation business to drive the organization to overcome risks and limitations. To become an organization with sustainable growth rates in terms of revenue and profit by taking into account the creation of a sustainable balance in the 3 main components or 3P consisting of Profit, People and Planet.

Mid-term (within 3 years)

In the Company's strategic plan, year 2024-2026 will be the year of driving the organization towards exponential growth including revenue growth, profit growth, effective cost management and improvement of housing quality and services that respond to customer needs in all dimensions.

Long-term (more than 3 years)

Determine to establish a sustainable and value organization as well as help creating a quality society and environment that is suitable for living in every dimension.

The Board of Directors thus focuses on good corporate governance as it helps develop business competitive ability of the Company. The Board of Directors gives importance to the management which bases on honesty, integrity, virtue and ethics under the principle of good corporate governance, all of which are important factors contributing to transparent, efficient, effective and stable operation as well as sustainable growth of the Company. It also adds economic value to the operation of the Company.

Corporate Governance Policy of the Company and Subsidiary Companies

The Board of Directors realizes the significance of good corporate governance principles and focuses on the transparency of business operation to strengthen the confidence of shareholders, investors and stakeholders. The core corporate governance principles of the Company and subsidiary companies are as follows:

1. The Company is to treat all shareholders and stakeholders equally and fairly.
2. The directors of the Company are to dedicate themselves to the Company and to be prudent and transparent in the performance of their duty for the highest benefits of the Company, shareholders and stakeholders.
3. The Company has established the Code of Conduct for the Board of Directors and staff as a principle and guideline for the compliance with the corporate governance.

Director and Executive Nomination Process

1. Independent Director

As of 31 December 2022, there is the total of five independent directors, accounting for 42% of all the 12 directors of the Company, namely,

1. Mr. Amornsuk Noparumpa
2. Mr. Vudhiphol Suriyabhidh
3. Mr. Khanchai Vichakkana
4. Mr. Krirk Vanikkul
5. Mr. Weerasak Wahawisal

The definition of the independent directors of the Company is established in line with the regulations of the Capital Market Supervisory Board which state that independent directors must be able to uphold the benefit of shareholders equally and must not cause any conflicts of interest. Independent directors must also allow sufficient time to perform their duty and attend the Board of Directors' Meeting on a regular basis and give their opinions independently.

The Board of Directors' Meeting Ref. 4/2013 on 8 August 2013 resolved to identify the qualifications of independent directors that are stricter than that required by the Capital Market Supervisory Board. The qualifications of Independent Directors of the Company are as follows:

1. Not holding more than 0.5 per cent of total shares which are entitled to vote of the Company, subsidiary company, affiliated company or juristic persons with conflict of interests, which shall be inclusive of the shares held by his/her related persons.
2. Not being a director or having been a director with participation in the management, not being a staff member, employee or advisor receiving regular salary from the company, not having the controlling powers of the company, subsidiary company, associated company or juristic persons with conflict of interests at present or during the period of 2 (two) years before being appointed.
3. Not having blood ties or by way of legal registration in the manner of father, mother, spouse, sibling, or offspring including spouse of offspring of an executive, major shareholder, those who have controlling powers or those who are to be nominated as executives or those who have controlling power of the company, subsidiary company and associated company.
4. Not having or used to have a business relationship with the Company, subsidiary company, associated company, major shareholders of the Company or authorized person of the Company in the manner that may obstruct the independent exercise of discretion and not being or has been a significant shareholder or authorized person of the person with business relation with the Company, subsidiary company, associated company, major shareholders of the Company or authorized person of the Company, except relieved from aforesaid characteristics at not less than two years.
The business relation in paragraph one includes trade transactions in normal business, rent or lease on items related to asset or service or in giving or receiving financial assistance through acceptance or lending, guarantee, granting asset as debt security including similar behavior resulting in the Company or contract party with debt burden to be settled with another party from three percent of net tangible asset of the Company or from twenty million THB up, as which amount is lower. However, the debt burden calculation shall be in value calculation on related items as announced by the Capital Market Supervisory Board on Rules of Related Items, by mutatis mutandis. But the consideration of such debt burden shall include debt burdens incurred at one previous year before the date of business relation with the same person.
5. Not being or used to be auditor of the Company, subsidiary company, associated company, major shareholders or authorized person of the Company and shall not be significant shareholder, authorized person or partner of auditing office with the auditor of the Company, subsidiary company, associated company, major shareholders or authorized person of the Company in attachment, except relieved from such characteristics at not less than two years.
6. Not being or used to be any professional provider which includes legal consulting or financial consulting with service fee over two million THB from the Company, subsidiary company, associated company, major shareholders or authorized person of the Company and not being a significant shareholder, authorized person or partner of the professional provider, except relieved from such characteristics at not less than two years.
7. Not being a director appointed to be representative of the director of the Company, major shareholder or shareholders with relation with the major shareholder.
8. Not operating similar or significant competitive business to the business of the Company, subsidiary company or not being significant partner in the partnership or directorship with management participation on employees, staff, consultant with regular salary or holding shares over one per cent of the total shares with voting right in other companies operating business similar or competing with business of the Company or subsidiary company.
9. Shall be able to attend the Board of Directors' Meeting of the Company and make independent judgment.
10. Not having any other characteristics that limit his/her ability to express independent opinions regarding the Company's operations.
11. Shall be able to look after the interests of all shareholders equally.
12. Shall be able to prevent conflict of interest.
13. Shall not have been convicted of violating security or stock exchange laws, financial institution laws, life insurance laws, general insurance laws, anti-money laundering laws or any other financial law of a similar nature, whether Thai or foreign, by an agency with authority under that certain law. Such wrongful acts include those involved with unfair trading in shares or perpetration of deception, fraud or corruption.
14. If qualified according to all items 1-13 specified above, the independent director may be assigned by the Board of Directors to make decisions relating to business operations or the Company, subsidiary company, associated company, same-tier subsidiary or any juristic person with a conflict of interest on the basis of collective decision, whereby such actions of the independent director are not deemed partaking of management.

2. Director and High-Ranking Executives Nomination Process

1. Director Nomination Process

The Nomination, Remuneration and Good Corporate Governance Committee is responsible for nominating qualified candidates to take up the position of directors who are suitable in terms of the competencies, experiences and expertise in the profession, are equipped with leadership skills, vision, moral and ethics, have the transparent professional background and are able to express their opinion freely. The guideline for the nomination of the directors of the Company is based upon the following:

- personal characteristics such as leadership, decision-making skill, vision, integrity and ethics, etc.
- knowledge and expertise that is relevant to the business of the Company.

The Nomination, Remuneration and Good Corporate Governance Committee will nominate suitable candidates to the Board of Director's meeting for approval before presenting to the Shareholders' meeting for appointment or election. In case that the director position of the Company becomes vacant not by rotation, the Nomination, Remuneration and Good Corporate Governance Committee may consider to nominate a suitable person to the Board of Directors' Meeting in order to fill the vacant position as required by the Articles of Association

2. Executives of the Company, Subsidiary Companies, Affiliated Companies and Associated Companies Nomination Process

With regard to the nomination of executives i.e. Deputy Managing Director and Assistant Managing Director of the Company, subsidiary companies, affiliated companies and associated companies, the Board of Directors assigns the Executive Committee to nominate candidates from both inside and outside of the organization based on the qualifications, experiences, expertise in the profession and transparent professional background.

Corporate Governance of the Operation of Subsidiary Companies and Affiliated Companies

The Company has established subsidiaries and affiliated companies to clearly distinguish the nature of business operations. The business characteristics of the subsidiaries and affiliates can be categorized into 2 groups as follows.

Real Estate Development Business

1. Pornsanti Co., Ltd.
Develops non-condominium residential projects.

Service Business

1. LPP Property Management Co., Ltd.
Provides comprehensive community management services.
2. Lumpini Project Management Service Co., Ltd.
Provides project construction services.
3. LPC Social Enterprise Co., Ltd. (originally called Lumpini Property Service and Care Co., Ltd.)
Provides services in communities. Primarily, the company provides cleaning services within condominium projects developed by the Company. The company also aims to focus on underprivileged women by organizing career training, creating jobs and enhancing their quality of life and to become a social enterprise in the future.
4. Lumpini Wisdom and Solution Co., Ltd., a subsidiary company of Lumpini Project Management Service Co., Ltd.
Provides research and development service and real estate product and service consultation service.
5. LSS Security Solutions Co., Ltd., a subsidiary company of LPP Property Management Co., Ltd.
Provides comprehensive security service.

The business operation of all the subsidiary companies will be under the control of the Company to ensure that it is in line with the policy of the Company. This is done through the Executive Committee. The policy, goal and operational strategy of the subsidiary companies will be decided by the Board of Directors of the Company. The Company treats the staff of the subsidiary companies in the same manner as that of the Company. Their remuneration, regulations and organization values of subsidiary companies are the same as those of the Company so as to be in accordance with One LPN policy.

Moreover, with regards to the policy on the disclosure of the information on financial status, turnover, connected transactions between the Company and subsidiary companies and acquisition and disposal of assets, it is stated that the transactions must be done in compliance with the criteria or regulations of the Stock Exchange of Thailand or other related laws.

There is no shareholder agreement between the Company and major shareholders or other shareholders on the management of the Company and subsidiary companies.

1. Recruitment Policy of the Directors of Subsidiary Companies, Affiliated Companies and Associated Companies

In order for the operation of the subsidiary companies to be in compliance with the operational policy of the Board of Directors, executive directors or qualified individuals from the Management are appointed as the directors in subsidiary companies, affiliated companies and associated companies to ensure that the operation of the subsidiary companies is in accordance with the policy of the Board of Directors.

The director who is the Managing Director will be considered the head of the Management of the subsidiary companies and affiliated companies. The Board of Directors will select and appoint an internal staff as a Managing Director based on the qualifications, professional experiences and understanding of the value and culture of the organization as it will help promote the continuity of the policy of L.P.N. Development Public Co., Ltd.

2. Duties and Responsibilities of Directors of Subsidiary Companies, Affiliated Companies and Associated Companies

The Board of Directors has established the duties and responsibilities of directors of subsidiary companies, affiliated companies and associated companies as follows:

1. Responsible for the management of the business to be in accordance with the goal and policy of the Board of Directors of L.P.N. Development Public Co., Ltd.
2. Propose policy, strategy, business plan and annual budget of the company to the Board of Directors of L.P.N. Development Public Co., Ltd.
3. Increase the efficiency and competitive capacity of the subsidiary companies, affiliated companies and associated companies
4. Prepare the financial statement and performance report to propose to the Board of Directors of L.P.N. Development Public Co., Ltd.
5. Ensure that the operation of the subsidiary companies, affiliated companies and associated companies is in compliance with the laws and regulations of the government as well as the Article of Association of the Company.
6. Perform any other duties as assigned by the Board of Directors of L.P.N. Development Public Co., Ltd.

3. Policy on Connected Transactions with the Directors, Executives and Staff of the Company and Subsidiary Companies

In compliance with the Securities and Exchange Act B.E. 2535 (As Amended) effective on 31 August 2008, the Notification of the Capital Market Supervisory Board No. Tor Jor 21/2551 Re: Rules on Connected Transactions, effective on 31 August 2008 and the good corporate principles, the directors, executives and all staff, including the staff of the subsidiary companies must strictly comply with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. The directors, executives and staff of the Company and subsidiary companies are to strictly comply with the principles on connected transactions as follows:

- being the transaction that is approved in a transparent manner without the participation of the stakeholder.
- being the transaction that upholds the benefit of the Company in the same manner as the transaction done with external parties.
- being the transaction that is in line with general trade conditions, fair and reasonable with appropriate price or value.

The cases that the Company decides to enter into a transaction or connected transaction are as follows:

1. Normal business transaction: The Company will use the general trading conditions and the same criteria as that used with general customers.
2. Transaction supporting normal business transaction: The Company will use the general trading conditions and the compensation value can be calculated from the assets or the underlying value.
3. Transactions regarding leasing or leasing out real property on a short-term basis: The Company will carefully consider the transaction and show that it is in accordance with the general trading conditions.
4. Transactions relating to assets or services such as investment or investment fund: The Company will assess a transaction value of an asset or a service based on a total return value paid or being paid or a book value or a market price value of such asset or service, whichever is higher.
5. Transactions regarding provision or receipt of financial assistance: The Company will carefully and fairly consider the transaction to maximize the benefit of the Company. The calculation of interest will be made in accordance with the general trading and will be reasonable.

In case of a transaction or connected transaction that does not use general trading conditions, the transaction must be approved by the Audit Committee to be proposed to the Board of Directors for approval. However, in case that the Audit Committee lacks expertise in such transaction, the auditors of the Company or independent experts will provide the opinions for consideration of the Board of Directors.

Should there be any transactions or other connected transactions that fall under the regulations and/or criteria of the Stock Exchange of Thailand or the Securities and Exchange Commission, the Company will strictly comply with the regulations.

The Company will fully disclose the information on connected transactions in Form 56-1 One Report.

In 2022 the Company does not do anything that violates the laws and regulations on connected transactions.

1. The Company does not provide any financial assistance to the company that is not the subsidiary company of the Company as shown in the financial statements in 2022.
2. There is no incident of violation and/or non-compliance with the connected transactions policy of the Company.

4. Policy on the Acquisition or Disposal of Assets of the Company or Subsidiary Companies

In compliance with the Securities and Exchange Act B.E. 2535 (As Amended) effective on 31 August 2008, the Notification of the Capital Market Supervisory Board No. Tor Jor 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets, effective on 31 August 2008 and the good corporate principles, the directors, executives and all staff, including the staff of the subsidiary companies must strictly comply with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Company will strictly comply with the procedures of the Stock Exchange of Thailand and the Securities and Exchange Commission in cases of acquisition or disposal of the assets of the Company and subsidiary companies such as selling, buying, transferring, accepting transfer, having rights, giving up rights, investing or calling off an investment that may significantly affect the status and turnover of the Company. The Company will strictly comply with the principles established by the Stock Exchange of Thailand and Securities and Exchange Commission. The principles are as follows:

1. The transaction must be transparent and fair.
2. The Company must receive utmost benefits in the same manner as the transaction done with external parties.
3. The transaction must be in compliance with the legal procedures and related regulations.

The transaction must be approved by the Audit Committee to be proposed to the Board of Directors for approval. However, in case that the Audit Committee lacks expertise in such transaction, the independent experts or financial consultants will provide the opinions for consideration of the Board of Directors.

However, the Company has always informed the Stock Exchange of Thailand for acknowledgement of the acquisition and disposal of the assets of the Company e.g. the purchase of land or the launch of various projects even though it is the normal business conduct that does not significantly affect the status and turnover of the Company.

In 2022, the Company does not do anything that violates and/or does not comply with the criteria on the acquisition and disposal of assets of the Company and subsidiary companies.

There is no shareholder agreement between the Company and major shareholders or other shareholders on the management of the Company and subsidiary companies.

Use of Internal Information

The Company has established the regulations on the extent of the disclosure of internal information to external parties in the Code of Conduct both for executive directors and staff. As for that of staff, the Company has incorporated it in the employee's handbook which is given to all staff when they first join the Company. In order to be assured that staff comply with the regulations, the Company assigns the supervisors and the Human Resources Management Department to attend to the use of information of staff (the information is stated in the Code of Conduct).

The Company also plans the information system of the Company by prioritizing the importance and authority of those who are able to make changes to the information. The Information Department is being responsible for monitoring the completion and accuracy of the information which is also randomly checked by the Internal Audit Department periodically.

As for the Acquisition Report of the directors to the Securities and Exchange Commission in accordance with the Section 59 of the Securities and Exchange Act B.E. 2535, the Company assigns all directors to be responsible for reporting any acquisition changes to the Company via the Investor Relations Department under the Director's Office Department in order to report back to the Securities and Exchange Commission within three working days of the buying, selling, transferring or receiving a transfer. All the changes and the summary of the number of shares of individual director will be recorded and presented to the Board of Directors.

In case that the directors or high-ranking executives wish to buy, sell, transfer or accept transfer of the assets of the Company, he/she must inform the Company Secretary of the transaction at least one day prior to the transaction.

Moreover, the directors and executives are prohibited from using significant internal information of the Company and subsidiary companies that is not yet disclosed to the public for the benefit of themselves or others, including the trading of the securities of the Company. The directors, executives and staff who are aware of the internal information must not buy or sell the securities of the Company during the period of one month prior to the disclosure of the financial statements to the public.

In 2022, there has never been a case of insider trading of the directors or high-ranking executives of the Company.

Compliance with Corporate Governance in Other Areas

The Board of Directors emphasizes good corporate governance and ethical and responsible business operation. It is believed that good corporate citizenship will be beneficial for the society and the environment. It will enhance the competitive ability and performance of the Company in the long-term as well as the corporate resilience.

The Board of Directors' Meeting Ref. 8/2017 on 14 December 2017 approved the new Corporate Governance Policy in replacement of the former one to adhere to good corporate governance principles of listed companies issued by the Securities and Exchange Commission and the Stock Exchange of Thailand, effective in 2017 until further notice.

This Corporate Governance Policy establishes eight principles for good practice of the Board of Directors as the highest authority in the organization as follows:

- Principle 1** Establish Clear Leadership Role and Responsibilities of the Board
- Principle 2** Define Objectives that Promote Sustainable Value Creation
- Principle 3** Strengthen Board Effectiveness
- Principle 4** Ensure Effective CEO and People Management
- Principle 5** Nurture Innovation and Responsibility Business
- Principle 6** Strengthen Effective Risk Management and Internal Control
- Principle 7** Ensure Disclosure and Financial Integrity
- Principle 8** Ensure Engagement and Community with Shareholders

The Board of Directors ensures compliance with Corporate Governance Policy and Code of Business Conduct. The business operation of the Company is in adherence to the sufficiency economy philosophy which is the guidelines for the good practice of the directors, executives and staff of the Company and subsidiary companies.

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors realizes the significance of its roles and responsibilities in ensuring good corporate governance in the organization. The objective is to operate the business not only to achieve economic growth but also sustainability and social mobility through environmentally and socially responsible operation and good corporate governance in order for the Company to become a “Value Organization”.

The duties and responsibilities of the Board of Directors of the Company are as follows:

- 1.1 The Board of Directors shall establish short-term, mid-term and long-term objectives and goals of the Company and subsidiary companies to be inclusive of both qualitative and quantitative perspective, enabling the Company to operate its business in accordance with the circumstance each year. The Board of Directors will also approve the vision, mission and business plan of the Company, subsidiary companies and the company that a subsidiary company is the majority shareholder.
 - Review the vision of the Company and subsidiary companies and affiliated companies every three years in order for the business to be conducted in the same direction. Business operation of the Company takes into account the balance of both qualitative and quantitative rewards for all stakeholders as well as social and environmental responsibility to achieve sustainable development goals.
 - Develop a mission statement of the Company and subsidiary companies annually to reflect the changing economic and social environments.
- 1.2 Apart from formulating a mission statement annually, the Board of Directors' Meeting will establish an operational strategy that is consistent with the mission statement to be the operational guidelines for the executives and Management. The operational performance will be reported to the Board of Directors on a quarterly basis to be assessed and improved.
- 1.3 The Board of Directors shall establish the Charter of the Board of Directors which identifies the duties and responsibilities of the Board of Directors. It is stated that the Board of Directors must manage the operation of the Company in accordance with the law, regulations, resolutions of the Annual General Meeting of Shareholders and established guidelines. The approval process of important issues shall be in line with the law. In addition, the approving authority of the Board of Directors in the Company and subsidiary companies shall also be in line with the law.
- 1.4 The Board of Directors shall establish the Code of Business Conduct of the Company which is inclusive of the Code of Conduct of the Board of Directors and Code of Conduct of Employees as an operational guideline for the directors and employees of the Company and subsidiary companies.

Principle 2 Define Objectives that Promote Sustainable Value Creation

The Board of Directors shall develop the vision of the Company every three years and the mission statement of the Company and subsidiary companies on a yearly basis by taking the economic and competitive situation in the market into consideration. The strategy and annual business plan of the Company and subsidiary companies must be in conformity with the vision and mission statement. Each year, the directors will analyze the situation, factors and risks in all aspects such as financial, strategic, operational and political with the assistance of the Risk Management Committee. As for issues related to the society, environment and stakeholders, the analysis of the situation will be conducted with the assistance of the Corporate Environmental and Social Responsibility Committee.

The business operation guidelines of the Company and subsidiary companies are identified by taking into account the balance between quantitative and qualitative returns to achieve sustainable development goals. It is promoted among all employees of the Company and subsidiary companies that in order for the business operation to achieve sustainable growth, all employees must work hand-in-hand to drive the organization forward while taking social and environmental responsibility into account at the same time. This is in line with the LPN Way which comprises two milestone values, namely, continuous development and respect for shareholders. The seven components of the values are C-L-A-S-S-I-C which is integrated into the operation of the Company and is adhered to by all segments of the Company. It has been developed into the corporate values and LPN Way with an aim to achieve the goal of the operation both in terms of quality and quantity and to drive the organization towards “Sustainable Development”.

Principle 3 Strengthen Board Effectiveness

The Board of Directors is well aware of the important roles of the Company's directors in ensuring corporate governance to achieve the utmost benefit for the Company. The duties and responsibilities of the Board of Directors and the Management are clearly separated. The Board of Directors must ensure that the transactions and businesses of the Company are legally and ethically conducted.

To enhance the efficiency and effectiveness of the performance of the Board of Directors, the guidelines for the structure of the Board of Directors, the nomination of directors, the remuneration of the Board of Directors proposed to the Annual General Meeting of Shareholders for approval, the governance of the policy and operation of subsidiary companies and other companies the Company is investing in are established as follows:

3.1 Structure of the Board of Directors

Board of Directors consists of experienced and knowledgeable directors in various fields e.g. engineering, architecture, economics, business management, law, accounting and finance all of whom have attended the Direct Accreditation Program of the Thai Institute of Directors Association (IOD). The Board of Directors play significant role in designing the policy of the Company in cooperation with high-ranking executives, preparing both long-term and short-term work plan, making financial policy, managing risk and overall image of the Company as well as supervising, overseeing and independently evaluating the performance of the Company and high-ranking executives to achieve the planned outcomes.

The structure of the management of the Company in 2022 consists of six committees as follows:

1. Board of Directors
2. Audit Committee
3. Executive Committee
4. Nomination, Remuneration and Good Corporate Governance Committee
5. Risk Management Committee
6. Corporate Environmental and Social Responsibility Committee

The Company has clearly established and separated the authority of each committee. The consideration of any important issues must be approved by each committee which has specific responsibilities before being proposed to the Board of Directors for consideration or acknowledgement so as to balance the power and ensure transparency and fairness to all related parties.

3.2 Nomination and Term of Office of Directors

3.2.1 Nomination and Appointment of Directors

Directors of the Company must have the qualifications and experiences that meet the needs of the Company and do not have any prohibited qualifications stated in the Public Company Act B.E. 2535 and other related laws. The directors must contribute their time and knowledge in their performance in the Company. The selection criteria for the position of the director of the Company in line with the Article of Association of the Company is as follows:

- 1) Directors will be appointed, elected and relieved by shareholders' meeting and hold office at the term stated in the Articles of Association. Directors may be re-elected after the expiration of the term of office except when the director position becomes vacant not by rotation, the Nomination, Remuneration and Good Corporate Governance Committee will be nominating a suitable candidate and propose to the Board of Directors' Meeting in order to appoint a substitute director to fill the vacant position as required by the Articles of Association.
- 2) The Nomination, Remuneration and Good Corporate Governance Committee will nominate candidates for consideration of the Board of Directors before being proposed to the Annual General Meeting of Shareholders for election to replace the directors who retire by rotation.
- 3) In every Annual General Meeting of Shareholders, one-third of directors are to retire. If the number of the directors is not divisibly, the number of retiring directors is to be closest to the one-third ratio.
- 4) In the election of the director, the voting will be done on an individual basis. The shareholders have the right to vote for the candidates who are nominated for the position of directors. The vote is not dividable.
- 5) Individuals receiving the highest number of votes and so forth will be elected as directors of the Company. The number of individuals elected will be the same as the number of positions of directors elected at the time. The directors who are to retire by rotation can be re-appointed again.
- 6) One share equals one vote.

In 2022, in the Annual General Meeting of Shareholders 2022 held on 24 March 2022, there are four directors who retire by rotation, namely,

1. Mr. Vudhiphol Suriyabhivadh
2. Mr. Tikhamporn Plengsrisuk
3. Mr. Krirk Vanikkul
4. Mr. Surawut Sukcharoensin

In the Annual General Meeting of Shareholders 2022, the resolution is passed by the majority of votes of all the votes of the shareholders attending the meeting and having the right to vote to reappoint all the four directors for another term of office.

3.2.2 Term of Office of Directors

The Company does not specify the age of a director and/or the highest number of terms which a director can hold office continuously because of the belief that age or the duration of service is not as important as valuable knowledge and experiences each director bring for the benefit of the Company.

3.3 Number of Companies in which Directors Serve as Directors

The Company establishes a policy that directors of the Company must not serve as directors in more than five other listed companies but does not limit the number of subsidiary companies of other listed companies in which directors serve as directors. The details are as follows:

| No. | Name | Other Listed Companies | Subsidiary Company of Other Listed Companies |
|-----|-----------------------------|------------------------|--|
| 1 | Mr. Amornsuk Noparumpa | 2 | - |
| 2 | Mr. Vudhiphol Suriyabhivadh | 2 | - |
| 3 | Mr. Tikhamporn Plengsrisuk | - | - |
| 4 | Mr. Khanchai Vichakkhana | 3 | - |
| 5 | Mr. Krirk Vanikkul | 2 | - |
| 6 | Mr. Weerasak Wahawisal | 1 | - |
| 7 | Mr. Pichet Supakijjanusan | - | - |
| 8 | Mrs. Yupa Techakraisri | 1 | - |
| 9 | Mr. Kumpee Chongthurakit | - | - |
| 10 | Mr. Opas Sripayak | - | - |
| 11 | Mr. Apichart Kasemkulsiri | 3 | - |
| 12 | Mr. Surawut Sukcharoensin | - | - |

Note: Board of Directors, as of 31 December 2022

The Company has disclosed the information about the number of companies in which each director serves as a director in Form 56-1 One Report. The Company is confident that this will not cause any conflict of interests or affect the performance of the directors in any way. Over the years, the Board of Directors has shown that they are able to dedicate their time for the performance of their duty. The Company has continuously and regularly received useful guidance, advice and recommendations on the business operation of the Company.

3.4 Policy on the Position of the Chief Executive Officer (CEO) in Other Companies

In order to enable the Managing Director to dedicate his time to the performance of his duties as the Chief Executive Officer for the utmost benefit of the Company, it is the policy established by the Board of Directors that the Chief Executive Officer must not serve as a Chief Executive Officer in other listed companies.

3.5 Subcommittee

The Board of Directors has appointed committees and subcommittees i.e. Executive Committee, Audit Committee, Nomination, Remuneration and Good Corporate Governance Committee, Risk Management Committee and Corporate Environmental and Social Responsibility Committee to be responsible for specific matters and propose to the Board of Directors for consideration and acknowledgement. The responsibilities and duties of each committee are as established.

3.6 Leadership and Vision

The Board of Directors is to establish the vision, mission and policy as well as to ensure that the operation of the Company is in line with the planned objectives and goals for the highest interests in order to add economic value to the Company and shareholders. The Board of Directors also upholds the interests of all stakeholders, expresses their comments and makes a decision independently, does not seek benefits for themselves or others and do not operate in a way that will cause a conflict of interest or a competition with the Company or subsidiary companies.

The Board of Directors of the Company had established clear and written role, responsibilities and duties between the Board of Directors, Audit Committee, Nomination, Remuneration and Good Corporate Governance Committee, Risk Management Committee, Executive Committee and Corporate Environmental and Social Responsibility Committee. Moreover, the mechanism to supervise and follow up the operation and control the Management in a necessary and appropriate time is in place.

The Board of Directors gives importance to financial reports which must reflect actual performance, evaluates and specifies management standard and effectively prevents and manages risks as appropriate under the principle of the balance of power and is reviewable. The Board of Directors determines to develop and enhance the business of the Company in the secure and sustainable manner in order to generate appropriate returns for the shareholders.

3.7 Specific Roles and Duties of the Board of Directors

The Company clearly specifies and separates the power of the Board of Directors from the Management in each level. The consideration of any important issues must be approved by the Board of Directors and subcommittee so as to balance the power and ensure transparency and fairness to all related parties.

3.8 Combination or Separation of Positions

The policy of the Company is to separate the responsibilities of the Chairman of the Board of Director from the Chief Executive Officer (CEO), both of whom have to be knowledgeable and capable, be equipped with suitable experiences and qualifications and must not be the same person. The governance and management responsibilities have been separated in order to create a balance of power.

Chairman of the Board of Directors :

The Chairman of the Board of Directors is to be an Independent Director and Non-Executive Director and not be the same person as the Chief Executive Officer or be a member in any subcommittees. The Chairman of the Board of Directors is independent from the Management and the corporate governance policy-making duty is clearly separated from the management of day-to-day business. The Chairman of the Board of Directors is to chair the Board of Directors' Meeting which is responsible for determining the vision, mission and important policy for the Management to implement. All directors are to independently propose an agenda of the meeting, give comments on the performance of the Company and carefully consider any issues which may cause conflict of interests in order to ensure integrity and transparency of the matter. Moreover, other duties include identifying the agenda of the Board of Directors' Meeting, leading the Annual General Meeting of Shareholders following the meeting agenda, Articles of Association of the Company and related laws and overseeing the performance of the Board of Directors and subcommittees.

Chief Executive Officer : CEO

The Chief Executive Officer is the head of the Management and is responsible for supervising the operation and performance of the Company in order to be in line with the vision, mission and policy of the Board of Directors and monitoring the performance of the Executives and the Management. The duties and responsibilities are as follows:

1. Oversee the operational management and/or the management of the Company including overall operation to ensure that they are in line with the policy, business strategy, operational goals and plans, financial goals and budget of the Company as approved by the Board of Directors and/or the resolution of the Shareholders' meetings and that they comply with the objectives and rules and regulations of the Company.
2. Oversee investment plans with the endorsement of the Executive Committee to be proposed to the Board of Directors for consideration and approval.
3. Specify management methods as well as recruitment, training, employment and dismissal of employees including wage rates, salary, remuneration, bonus and employee welfare with the endorsement of the Executive Committee.
4. Communicate, on behalf of the company, with shareholders and stakeholders.
5. Ensure that the Company has a good corporate governance in compliance with the Board of Directors' policy.
6. Has an authority to formulate, amend, add, and improve rules and regulations relating to the Company's operation with the agreement of the Executive Committee.
7. Consider/approve contract signing and/or any procedure relating to the Company's operation and/or management with the agreement of the Executive Committee.
8. Perform any duties and responsibilities as assigned by the Board of Directors.

Duties and Responsibilities of Chief Finance Officer (CFO)

1. Oversee and manage accounting system to ensure that it is in line with the Generally Accepted Accounting Principles (GAAP).
2. Oversee and manage financial system and financial conditions including working capital, investment with remaining cash and management of loans for business operation as well as financial management.
3. Oversee and manage tax planning.
4. Ensure that there will be a decent risk management and internal control system.
5. Communicate, on behalf of the company, with shareholders and stakeholders.

Duties and Responsibilities of Chief Strategic Officer (CSO)

1. Oversee the communication and the process of internal and external strategy of the Company to ensure that employees, alliances of the organization and stakeholders understand the organizational strategy which will allow the Company to achieve overall goals.
2. Oversee the execution of organizational strategy and monitor the development to ensure that it is in accordance with medium-term plan and long-term plan.
3. Formulate, monitor, and review the main strategic plan of the organization and formulate a qualitative organizational strategy which is inclusive and practical.
4. Support and promote important creative strategic thinking by cooperating with alliances or setting up a committee to mobilize it.
5. Promote the inter-departmental coordination on strategic planning and set up a working team that cooperate with various departments.
6. Communicate, on behalf of the company, with shareholders and stakeholders.

3.9 Directors and Executives Development

The Board of Directors gives importance to capacity development of directors and encourage the directors to attend training courses or seminars that are beneficial for their performance. The trainings/seminars will provide them with the knowledge that is necessary for business operation in the competitive environment. There is also a policy to develop the capacity of the executives. Both internal and external trainings are organized in order for the Company to become a learning organization.

The directors of the Company has participated in the training courses of the Thai Institute of Directors Association (IOD) according to the requirement of the Securities and Exchange Commission that directors of listed company must attend at least one course, namely the Director Accreditation Program (DAP) and the Director Certification Program (DCP). Apart from this, the Board of Directors is also aware of the importance of the participation in other courses of the IOD such as the Role of Compensation Committee (RCC) and the Company Secretary course of the Thai Listed Company Association in order to enhance professional leadership skills and true understanding of roles and responsibilities of directors and set an example for others in pushing the organization forward towards good corporate governance. The details are as follows:

| No. | Name | Course Attended |
|-----|-----------------------------|--|
| 1 | Mr. Amornsuk Noparumpa | <ul style="list-style-type: none"> - Director Certification Program (DCP 30/2003), Audit Committee Program (ACP 23/2008), Role of Compensation Committee (RCC 9/2009) and Role of the Chairman Program (RCP 36/2015) from the Thai Institute of Directors - Curriculum in Security Psychology, Class 31 - Curriculum in Advanced Management, Class 7 - Diploma from the National Defence College of Thailand (Class 399) |
| 2 | Mr. Vudhiphol Suriyabhivadh | <ul style="list-style-type: none"> - Director Certification Program (DCP 36/2003), Audit Committee Program (ACP 7/2005) and Director Certification Program Update (CDPU 3/2015) from the Thai Institute of Directors |

| No. | Name | Course Attended |
|-----|----------------------------|---|
| 3 | Mr. Tikhamporn Plengsrisuk | - Director Certification Program (DCP 23/2002) from the Thai Institute of Directors and Finance for Non-Finance Directors (FND 4/2003) from the Thai Institute of Directors |
| 4 | Mr. Weerasak Wahawisal | - Director Accreditation Program (DAP 63/2007), Director Certification Program (DCP 91/2007), Role of Compensation Committee (RCC 15/2012), Audit Committee Program (ACP 45/2013), Director Certification Program update (DCPU 1/2014), Chartered Director Class (CDC 8/2014) and Advance Audit Committee Program (AACP 20/2015) from the Thai Institute of Directors |
| 5 | Mr. Khanchai Vichakkhana | - Director Accreditation Program (DAP 112/2014), Role of Compensation Committee (RCC 19/2014) and Director Certification Program (DCP 119/2015) from the Thai Institute of Directors |
| 6 | Mr. Pichet Supakijjanusan | - Director Certification Program (DCP 27/2003), Finance for Non-Finance Directors (FND 4/2003) and Audit Committee Program (ACP 21/2008) from the Thai Institute of Directors |
| 7 | Mrs. Yupa Techakraisri | - Director Certification Program (DCP 32/2003) from the Thai Institute of Directors |
| 8 | Mr. Kumpee Chongthurakit | - Director Accreditation Program (DAP 4/2003) and Director Certification Program (DCP 48/2004) from the Thai Institute of Directors |
| 9 | Mr. Opas Sripayak | - Director Certification Program (DCP 71/2006) and Finance for Non-Finance Directors (FND 24/2005) from the Thai Institute of Directors |
| 10 | Mr. Krirk Vanikkul | - Advanced Management Program (AMP), Harvard Business School - Chartered Director Course, Thai Institute of Directors Association - Curriculum in Advanced Management (Class 7), Capital Market Academy - Improving the Quality of Financial Reporting (QFR 3/2006) and Director Certification Program (DCP 42/2004), Thai Institute of Directors Association (IOD) |
| 11 | Mr. Apichart Kasemkulsiri | - Curriculum in Advanced Management (Class 27), Capital Market Academy (2018) - Director Certification Program (DCP 73/2006) - TLCA CFO Professional Development Program (TLCA CFO CPD) 2019, 2020, 2021, 2022 from Thai Listed Companies Association - Thai-Chinese Leadership Studies (Class 4), Thai-Chinese Leadership Institute of Huachiew Chalermprakiet University |
| 12 | Mr. Surawut Sukcharoensin | - Director Certification Program (DCP 267/2018) from Thai Institute of Directors (IOD) - MIT SA+P Commercial Real Estate Analysis Investment |

As for the capacity building of executives who are staff of the Company, the details will be included in the “Staff Development Policy” section.

3.10 Self-Evaluation of the Directors and the Evaluation of the Chief Executive Officer and Subcommittees

The Chairman of the Board of Directors gives importance to the evaluation of the performance of the Board of Directors, the Chief Executive Officer and subcommittees with an aim to improve the performance of the Board of Directors on various aspects. The Board of Directors has assigned the Nomination, Remuneration and Good Corporate Governance Committee to implement the evaluation process. The level of score is as follows:

1. 60% and Lower-Below Standard
2. 61-70%-Fair
3. 71-80%-Good
4. Over 80%-Very Good

In 2022, the result of the evaluation of the Board of Directors, subcommittees and Chief Executive Officer is as follows:

3.10.1 Evaluation of Individual Director can be categorized into three categories as follows:

Category 1 Evaluation of Individual Director (self-evaluation) The area of evaluation covers the followings:

- Core competencies
- Independence
- Preparedness
- Roles and responsibilities as a Director
- Performance in the Board of Directors
- Contribution to the development of the organization

Category 2 Evaluation of Individual Director (cross-evaluation) The area of evaluation covers the followings:

- Core competencies
- Independence
- Preparedness
- Roles and responsibilities as a Director
- Performance in the Board of Directors
- Contribution to the development of the organization

Category 3 Evaluation of the Board of Directors The area of evaluation covers the followings:

- Structure and qualifications of the Board of Directors
- Roles and responsibilities of the Board of Directors - Board of Directors' Meeting
- Directors' performance
- Relationship with the Management
- Self-development of directors and the development of the executives

The evaluation is to start in October 2022. The Secretary of the Nomination, Remuneration and Good Corporate Governance Committee will be responsible for sending the evaluation forms to each director to complete independently and will then collate the completed forms, summarize and analyze the results and present to the Nomination, Remuneration and Good Corporate Governance Committee's Meeting and the Board of Directors' Meeting.

The result of the performance evaluation of the Board of Directors in the year 2022 has been presented to the Board of Directors' Meeting Ref. 7/2022 on 8 December 2022 as follows:

The overall result of the evaluation of individual directors (self-evaluation) is as follows:

| No. | Topic | Result (%) | Level |
|-----|-----------------------------|------------|-----------|
| 1 | Core Competency | 82.64 | Very Good |
| 2 | Independence | 87.50 | Very Good |
| 3 | Preparedness | 86.46 | Very Good |
| 4 | Practice as a Director | 94.05 | Very Good |
| 5 | Board Activities | 87.96 | Very Good |
| 6 | Development of Organization | 86.01 | Very Good |
| | Overall | 87.44 | Very Good |

The overall result of the evaluation of individual directors (cross-evaluation) is as follows:

| No. | Topic | Result (%) | Level |
|-----|-----------------------------|------------|-----------|
| 1 | Core Competency | 86.57 | Very Good |
| 2 | Independence | 87.85 | Very Good |
| 3 | Preparedness | 90.28 | Very Good |
| 4 | Practice as a Director | 92.46 | Very Good |
| 5 | Board Activities | 90.35 | Very Good |
| 6 | Development of Organization | 89.29 | Very Good |
| | Overall | 89.47 | Very Good |

The overall result of the self-evaluation of the Board of Directors is as follows:

| No. | Topic | Result (%) | Level |
|-----|---|------------|-----------|
| 1 | Structure and Qualifications of the Board of Directors | 88.06 | Very Good |
| 2 | Roles and Responsibilities of the Board of Directors | 89.97 | Very Good |
| 3 | Board of Directors' Meeting | 95.49 | Very Good |
| 4 | Directors' Performance | 90.08 | Very Good |
| 5 | Relationship with the Management | 88.33 | Very Good |
| 6 | Self-Development of Directors and the Development of the Executives | 83.80 | Very Good |
| | Overall | 89.29 | Very Good |

3.10.2 The Evaluation of the Chief Executive Officer

The Nomination, Remuneration and Good Corporate Governance Committee has asked the Board of Directors to evaluate the Chief Executive Officer in different areas i.e. leadership, strategy, implementation of strategy, financial planning and performance, relationship with the Board of Directors, relationship with external parties, management and relationship with staff, succession plan, knowledge about products and services and personal qualifications. The evaluation form has been adapted from that of the Stock Exchange of Thailand.

The overall result of the evaluation of the Chief Executive Director

| No. | Topic | Result (%) | Level |
|-----|--|------------|-----------|
| 1 | Leadership | 75.76 | Good |
| 2 | Strategy | 79.55 | Good |
| 3 | Implementation of Strategy | 79.92 | Good |
| 4 | Financial Planning and Performance | 85.23 | Very Good |
| 5 | Relationship with the Board of Directors | 79.92 | Good |
| 6 | Relationship with External Parties | 74.09 | Good |
| 7 | Management and Relationship with Staff | 77.65 | Good |
| 8 | Succession Plan | 69.70 | Fair |
| 9 | Knowledge about Products and Services | 84.66 | Very Good |
| 10 | Personal Qualifications | 76.52 | Good |
| | Overall | 78.30 | Good |

3.10.3 The Evaluation of Subcommittees

In 2022, the evaluation of subcommittees is conducted. The Board of Directors has assigned the Nomination, Remuneration and Good Corporate Governance Committee to conduct the performance evaluation of the five subcommittees as follows:

1. The Evaluation of Audit Committee

1) Result of the Evaluation of Individual Audit Committee Member

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure and Qualifications of the Committee | 100.00 | Very Good |
| 2 | Committee Meeting | 98.44 | Very Good |
| 3 | Roles and Responsibilities of the Committee | 100.00 | Very Good |
| Overall | | 99.48 | Very Good |

2) Result of the Evaluation of Audit Committee

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure of Qualifications of the Committee | 100.00 | Very Good |
| 2 | Committee Meeting | 100.00 | Very Good |
| 3 | Roles, Duties and Responsibilities of the Committee | 100.00 | Very Good |
| Overall | | 100.00 | Very Good |

2. The Evaluation of Executive Committee

1) Result of the Evaluation of Individual Executive Committee Member

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure and Qualifications of the Executive Committee | 91.67 | Very Good |
| 2 | Executive Committee Meeting | 100.00 | Very Good |
| 3 | Roles and Responsibilities as a member of the Executive Committee | 95.00 | Very Good |
| Overall | | 95.56 | Very Good |

2) Result of the Evaluation of Executive Committee

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure and Qualifications of the Executive Committee | 95.83 | Very Good |
| 2 | Executive Committee Meeting | 81.94 | Very Good |
| 3 | Roles and Responsibilities of the Executive Committee | 87.50 | Very Good |
| Overall | | 88.43 | Very Good |

3. The Evaluation of the Nomination, Remuneration and Good Corporate Governance Committee

1) Result of the Evaluation of Individual Nomination, Remuneration and Good Corporate Governance Committee Member

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure of Qualifications of the Committee | 90.00 | Very Good |
| 2 | Committee Meeting | 96.25 | Very Good |
| 3 | Roles, Duties and Responsibilities of the Committee | 91.00 | Very Good |
| Overall | | 92.42 | Very Good |

2) Result of the Evaluation of Nomination, Remuneration and Good Corporate Governance Committee

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure and Qualifications of the Committee | 89.00 | Very Good |
| 2 | Committee Meeting | 95.00 | Very Good |
| 3 | Roles and Responsibilities of the Committee | 86.36 | Very Good |
| Overall | | 90.12 | Very Good |

4. The Evaluation of Risk Management Committee

1) Result of the Evaluation of Individual Risk Management Committee Member

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure and Qualifications of the Committee | 91.67 | Very Good |
| 2 | Committee Meeting | 89.58 | Very Good |
| 3 | Roles and Responsibilities of the Committee | 88.33 | Very Good |
| Overall | | 89.86 | Very Good |

2) Valuation of Risk Management Committee

| No. | Topic | Result (%) | Level |
|---------|---|------------|-----------|
| 1 | Structure and Qualifications of the Committee | 85.83 | Very Good |
| 2 | Committee Meeting | 88.18 | Very Good |
| 3 | Roles and Responsibilities of the Committee | 91.67 | Very Good |
| Overall | | 88.56 | Very Good |

5. The Evaluation of the Corporate Environmental and Social Responsibility Committee

1) Result of the Evaluation of Individual Corporate Environmental and Social Responsibility Committee Member

| No. | Topic | Result (%) | Level |
|-----|---|--------------|------------------|
| 1 | Structure and Qualifications of the Committee | 85.87 | Very Good |
| 2 | Committee Meeting | 82.64 | Very Good |
| 3 | Roles and Responsibilities of the Committee | 89.38 | Very Good |
| | Overall | 85.96 | Very Good |

2) Result of the Evaluation of Corporate Environmental and Social Responsibility Committee

| No. | Topic | Result (%) | Level |
|-----|---|--------------|------------------|
| 1 | Structure and Qualifications of the Committee | 93.75 | Very Good |
| 2 | Committee Meeting | 87.50 | Very Good |
| 3 | Roles and Responsibilities of the Committee | 87.50 | Very Good |
| | Overall | 89.58 | Very Good |

Principle 4 Ensure Effective High-Ranking Executives and Personnel Management

All high-ranking executives such as Chief Executive Officer, Chief Finance Officer, Chief Strategy Officer, Managing Director of the Company and subsidiary companies, Deputy Managing Director and Assistant Managing Director of the Company, subsidiary companies, affiliated companies and associated companies are of importance to the achievement of goals of the Company. Therefore, one of the responsibilities of the Board of Directors is to ensure that the nomination process of the above positions is done appropriately and transparently. The nomination will be based on knowledge, skills and experiences of the candidates. The Board of Director will ensure that appropriate remuneration structure and performance evaluation are in place and that the management and development of executives are in accordance with the strategy and business direction of the Company.

4.1 Succession Plan

The Board of Directors gives importance to the succession of all high-ranking executives in order to maintain the confidence of investors, organization as well as staff in the immediate continuation of the operation of the Company and assigns the Executive Committee to be responsible for the establishment of the succession criteria and plan.

The Board of Directors assigns the Executive Committee to be responsible for the establishment of the succession criteria and plan. The Executive Committee, therefore, has prepared the succession criteria and plan by identifying the policy, preparing the readiness of staff and coming up with the direction of development. Personal development plan is also in place so as to prepare staff to be ready for the position of high-ranking executive. LPN Academy is responsible for this matter which has to continuously been done.

Apart from continuously preparing personal development plan and evaluation performance, LPN Academy has supported high potential staff to develop their capacity and prepare them for an executive-level position. Managerial and Leadership training course is organized to develop managerial knowledge, skill and competencies for individual management, team management and work management as well as to build leadership competency until the staff reach proficiency level expected by the organization.

4.2 Orientation of New Directors

In case of new directors joining the organization, the Company has identified the guideline to prepare the newcomers to be able to perform the duty as a director immediately. The Secretary of the Company will be responsible for:

1. Providing the legal information of the Company as well as other information such as the Articles of Association, the objectives of the Company, the organization structure and the Code of Conduct and
2. Arranging a meeting with the Chairman of the Board of Directors, Board of Directors, subcommittees and the Company's executives to be informed of the operations of the Company.

In 2022, no new director is appointed so there is no orientation for new directors.

Principle 5 Nurture Innovation and Responsibility Business

It is realized that all processes of property development business, especially the development of large-scale condominium projects, need to take into account the environmental and social responsibility as well as benefits of all stakeholders. The Board of Directors thus operates the business based on social and environmental responsibility with fair treatment of all stakeholders. The Company has also established a clear environmental and social policy and raised awareness of staff of the Company and subsidiary companies on environmentally and socially responsible operation for the best interest of all stakeholders.

The Company supports the creation of environmentally and socially responsible innovations that add value to the business as well as are profitable for the customers or related party. The best practices are as follows:

1. Triple Bottom Line (3P) framework, a measure of sustainability that includes financial, social and environmental performance measures, has been applied in the establishment of the operational goal of 6 Green LPN strategy of the Company.

6 Green LPN strategy has been developed from the Company's extensive experiences in real estate business operation and community management. It showcases the responsibility towards eight groups of stakeholders of ten property development processes. 6 Green LPN emphasizes the responsibility towards stakeholders in all operational processes as follows:

- Green Enterprise - Business operation that focuses on the management of human capital.
- Green Financial Management - Appropriate returns and organizational growth.
- Green Design Concept - Product design that is environmental friendly and environmentally responsible.
- Green Marketing Management - Marketing activities that are fair for consumers and competitors.
- Green Construction Process - The management of environmental and social impacts from construction process under QCSSES+P concept.
- Green Community Management - The management and enhancement of the quality of life of the residents under FBLES+P concept.

The Company has produced 6 Green LPN Checklist to standardize all aspects of the operation. The eight stakeholders of the Company are as follows:

- (1) Shareholders
 - (2) Staff
 - (3) Customers
 - (4) Residents in the communities developed by the Company
 - (5) Environment and society
 - (6) Trade partners
 - (7) Neighboring communities
 - (8) Construction workers
2. Operating real estate business development business, the Company can be an important player in the mitigation of environmental impacts and energy conservation. The long-term energy conservation plan is in place. It includes the energy management plan in existing projects and energy efficient design in newly developed projects.
 3. The Company emphasizes on encouraging staff innovation behavior in the service process and the value addition of products as well as the duty performance process of each individual's roles. Since the beginning of 2022, the Company has provided opportunities for employees to jointly develop and improve the quality of work through their personal development. It is recorded into the system which serves as a body of knowledge and can be expanded further. A Quality Built-in system is developed to gather information regarding work process improvement. Throughout 2022, there are 10,062 stories recorded by the staff. The average rate is 9 stories per person.

In term of innovation, the Company has developed a Make it Simple system for collecting information on work process development and employee innovation in order to improve work efficiency. Throughout 2022, 7,448 stories of work process development have been recorded into the system. The average rate is 6 stories per person. In addition to benefiting from the improvement and development of the work processes of all employees at all levels, the Company is able to motivate the learning development of staff across entire organization using the data recorded in the system. This leads to further and continuous development in accordance with the L.P.N. way. In 2022, the company began developing Big Data for data storage, including the development of a Dashboard for collecting working data, which it will continue to develop in 2023.

Throughout the year 2022, the Chief Executive Officer will communicate with the employee to appreciate their work every week, as well as pick up interesting topics to discuss in the live broadcast (OP Live) with employees.

4. The Company has been applying Building Information Modeling system or B.I.M. to the project development process. The operation process and systems are improved to link up all the information both internally and with trade partners or LPN Team who are managing the construction process. B.I.M. technology is fully implemented in project management. All the projects developed are designed and planned, the construction materials are selected and the construction is managed on B.I.M. A standard manual for B.I.M. operation is prepared so that it can be used efficiently in project management by foremen, designers and contractors.

Furthermore, the system has also been developed for use in facility management so that the system and building maintenance can be done more conveniently and quickly for the benefit of the customers.

5. The Company also looks after the rights of the stakeholders by treating them equally as follows:

1. Shareholders

The Company respects basic rights of shareholders under the law and the Articles of Association of the Company by treating all shareholders equally. The Company establishes a mechanism to assure the shareholders that they will receive accurate information and appropriate returns according to the dividend payment policy of the Company. Connected transactions are controlled and measures to prevent conflict of interests are in place. The Company also prevents the use of confidential internal information and prohibits directors or executives who have access to such information to exploit the Company's internal information for personal interests, including the buying and selling of the securities of the Company during the period of one month prior to the disclosure of the financial statements to the public.

2. Customers

The Company emphasizes the significance of customers and acts with responsibility towards them at all times. The Company also believes in the value of regularly creating satisfaction and confidence of customers by focusing on the development of products, being responsible for the quality and standards of products as advertised or promised, developing and improving services to the customers and maintaining confidentiality of customers. The Company also gives importance to the creation of a good quality of life, the promotion of close family ties and relationship building with customers through various regular activities. The Company establishes a guideline for customer experience management. Customer retention process is done through different complaint channels as it is the opportunity for the Company to learn about the defects of the products and services. At the same time, customers' complaints can be submitted through various channels, namely, LPN Mobile Line, website, Line and Call Center Tel. 02-689-6888 and are managed by Customer Experience Management Department. The information on the action taken and solutions are filed in the knowledge management system of the Company as a reference.

3. Trade Partners

The Company complies with the agreements and conditions of honest competition, equality and fairness, considers the highest interests of the Company on the foundation of fair compensation for both parties, strictly keeps its promises to trade partners and builds relationship and understanding towards each other. The Company avoids situation which may cause conflict of interests through negotiation amicably and will not ask for or receive goods or any other benefits other than those stated in the trade agreement. The Company will not engage in a business with juristic persons or individuals who violate the law or behave unethically.

At present, the trade partners of the Company are the network of operators of various businesses such as architects, engineers, consultants, contractors, construction material traders, transport business operators and security company. They are considered business alliances which become an LPN Team and are treated as a subsidiary company. The Company emphasizes the provision of appropriate returns, does not take them for granted or only concerns for the profits of the Company. The business is operated based on fairness. However, the procurement policy has clearly been established. All trade partners must submit the quotation for project design, construction, transportation, security service, construction materials, etc. to the Company. The consideration will be based on appropriate price and the quality of products and services. The procurement guideline is as follows:

1. Prepare an agreement that is appropriate and fair. The Company strictly adheres to the terms and conditions stated in the agreement to ensure the transparency of the procurement process and avoid misconducts.
2. Assess the quality of the products and services received.

Apart from the policy for joint business operations with its trade partners, the Company has established a policy in the Code of Business Conduct to be used as a practical guideline for the employees of the Company and subsidiary companies. The Company also encourages its trade partners to conduct their businesses with ethics and social and environmental responsibilities.

4. Competitors

The Company abides by rule of honest and fair competition through the use of friendly competition to support each other without causing any damages to the business or relationship between each other. The guideline for interacting with the competitors is as follows:

1. The Company will seek confidential information of the competitors or acquire such information in a corrupted, illegal or unethical manner.
2. The Company will not do anything that will cause unfair competition or a trade monopoly.
3. The Company will not do anything to damage the reputation of the competitors.

The above are included in the Code of Business Conduct of the Company for all staff of the Company and subsidiary companies to adhere to.

Throughout the years including in 2022, the Company has never had any disputes with competitors.

5. Creditors

The Company complies with the conditions of its trade agreements with honesty in order to create confidence and trust towards each other. In case that creditors are financial institutions, the Company have always complied with the conditions of loan agreements or credit agreements to build confidence of the financial institutions by strictly following the conditions stated in the contract and agreement.

The Company adheres to the following rules in dealing with creditors:

1. Comply with the agreements with all trade partners and creditors fairly and equally on the foundation of fair compensation for both parties.
2. Refrain from asking for, receiving or offering any dishonest benefits.
3. In case of loans, the Company will not exploit the loan money in the way which goes against the objectives in the agreements/ conditions of the borrowing.

The above are included in the Code of Business Conduct of the Company for all staff of the Company and subsidiary companies to adhere to.

6. Employees

The Company gives importance to all employees and recognizes that employees are valuable assets and contribute to the success and achievement of the Company. The Company takes care of its employees and treats them fairly in terms of opportunity, reward, appointment and transfer, all of which are in line with the performance of each employee and business success of the Company.

The structure of the remuneration for staff in the short-term is based on the annual profit of the Company which is the ability to generate profit of the Company as well as the cooperation of all staff in the organization. As for the remuneration for staff in the long-term, it is based on the performance evaluation of staff as well as the key performance indicators. The remuneration must be in accordance with remuneration in the labor market. The competencies, experiences and performance of each staff are taken into consideration. The Company does not only consider the remuneration for staff based on the competitive remuneration rate in the market but also on the equality of staff in the Company. This is assessed from the scope of responsibility of each position and experiences and skills required. In each year, the salary will be adjusted by taking into consideration the inflation rate and GDP.

Apart from monthly remuneration, the Company also provides annual bonus based on the performance of the Company in each year as well as other benefits such as health insurance, annual medical-check up, provident fund and aid money in time of death of parents or spouse of employees. In addition, during the COVID-19 pandemic, the Company provided monthly allowances to employee, concerns for work-life balance and regularly monitors the safety of the workplace and provides safety equipment for staff and organizes fire drills.

In addition, the Company focuses on capacity development of employees at all levels, equips them with knowledge and ability to perform their duty and develops staff with high competencies towards leadership. The Company also provides opportunities for staff to take part in the establishment of the direction of operation, promotes good culture and atmosphere at work, improves surroundings for the safety of life, health and property of staff.

7. Society and Environment

The Company gives importance to corporate environmental and social responsibility in process, out process and as process. Social and environmental activities have continuously been implemented as follows:

- Blood donation activity has been organized regularly during the past 20 years. It provides the opportunity for staff and joint owners in all communities to donate blood.
- Volunteer clubs are organized in more than one hundred communities managed by the Company to promote “togetherness, care and share” culture among the residents through various activities which receive partial sponsorship from the Company.
- Communities or government agencies surrounding condominium projects of the Company are developed.
- The Company supports and takes part in activities of many foundations.
- The surroundings of government agencies, schools and temples nearby condominium projects of the Company are improved.
- The quality of life of construction workers working in under-construction projects of the Company is improved i.e. waste segregation in construction units, health examination for construction workers and waste management at construction sites.
- The Company manages electricity usage in various projects whose condominium juristic persons are managed by subsidiary companies such as an electricity reduction campaign and the participation in Turn Off the Light activity, water management and waste management.
- The negative effects of PM2.5 pollution in L.P.N.'s projects under-construction and in communities are reduced.

The details are included in Sustainability Report 2022 of the Company which is prepared to report the performance in corporate environmental and social responsibility towards the stakeholders of the Company. The Report also promotes the business operation of the Company based on economic, social and environmental sustainability. The Report is prepared in accordance with Global Reporting Initiative (GRI) G4 version. It can be downloaded from the Company's website: www.lpn.co.th under Investor Relations.

Principle 6 Strengthen Effective Risk Management and Internal Control

The duties and responsibilities of the Board of Directors in internal control and risk management are as follows:

1. Ensure that the internal control system of the Company is efficient. The Audit Committee and Internal Control Department play important roles in ensuring the accuracy of the financial statements and efficiency of internal control and audit system.
2. Ensure that the risk management system of the Company is appropriate. Risk management policy is to be established annually. The Risk Management Committee is assigned to consider and identify risks, assess impacts and estimate the probability of all risks in order to prioritize risks and come up with appropriate risk management measures.

Besides internal control and risk management system, the Board of Directors must ensure the efficiency of anti-corruption measures, complaints management and management of conflict of interest that may occur amongst the Company, the Management and the Board of Directors.

A Compliance Unit as well as Code of Business Conduct are established in accordance with good corporate governance principles for the benefit of the Company, shareholders, directors, staff and other stakeholders.

In the year 2022, the Company has monitored and managed conflicts of interest that may occur amongst the Company, the Management and the Board of Directors as well as prevention of exploitation and Related Person Transactions. Main points are as follows:

6.1 Criminal Record of Directors and Executives

During the past years and 2022, there has been no case of violation against rules and regulations of the Securities and Exchange Act, Public Limited Companies Act B.E. 2535 (1992) or any other laws. For example, the Company does not submit financial statements within specified period. The Company does not provide financial assistance to another company that is not its subsidiaries. The Company does not have a negative reputation as a result of the failure of the Board of Directors or subcommittees. None of the non-executive directors resigns from their position as a result of an issue related to corporate governance of the Company. There are no cases of violation of labor law, employment law, trade competition act or punishment from the government or other regulators as a result of a failure to disclose significant information within the given timeframe.

In addition, the directors and executives of the Company, subsidiary companies and associate companies do not violate against rules, regulations and laws e.g. regulations of the Securities and Exchange Act, Public Limited Companies Act B.E. 2535 (1992) or any other civil or criminal laws and do not have any conflicts of interest with the Company. The directors and executives of the Company, subsidiary companies and associate companies do not:

1. commit insider trading;
2. commit an act of corruption or misconduct.

6.2 Acquisition Report of Directors and Executives

The directors and executives have the responsibility to provide an acquisition report and acquisition changes report in accordance with Section 59 of Securities and Exchange Act B.E. 2535 to the Securities and Exchange Commission within three days of the buying, selling, transferring and accepting transfer. They are also to refrain from trading securities of the Company during the period of one month before the disclosure of the financial statements to the public.

Furthermore, the acquisition of directors and their spouses and the next four executives succeeding the Managing Director as well as the Accounting Manager and Finance Manager must be reported in the Board of Directors' Meeting. In 2022, there is a total of five acquisition reports of the directors and their spouse and executives of the Company as follows:

1. Board of Directors' Meeting Ref. 1/2022 on 10 February 2022
2. Board of Directors' Meeting Ref. 3/2022 on 5 May 2022
3. Board of Directors' Meeting Ref. 4/2022 on 4 August 2022
4. Board of Directors' Meeting Ref. 6/2022 on 3 November 2022
5. Board of Directors' Meeting Ref. 7/2022 on 8 December 2022

The shareholding of the directors including their spouses and the next four executives as of 31 December 2022 accounts for 2.37% of all the distributed shares. The details are as follows:

| Name | | No. of Shares (24 Feb 2022) | No. of Shares (31 Dec 2022) | Increase (Decrease) during the year (Shares) |
|-------------------|--------------------------------------|--------------------------------|--------------------------------|---|
| 1. Mr. Amornsuk | Noparumpa | - | - | - |
| 2. Mr. Vudhiphol | Suriyabhivadh | 547,000 | 547,000 | - |
| | Mrs. Thasanee Suriyabhivadh (spouse) | 900,000 | 900,000 | - |
| 3. Mr. Tikhamporn | Plengsrisk | - | - | - |
| 4. Mr. Khanchai | Vichakkhana | - | - | - |
| 5. Mr. Krirk | Vanikkul | 559,100 | 559,100 | - |
| | Mrs. Methinee Vanikkul (spouse) | 20,000 | 20,000 | - |
| 6. Mr. Weerasak | Wahawisal | - | - | - |
| 7. Mr. Pichet | Supakijjanusan | 2,400,000 | - | (2,400,000) |
| 8. Mrs. Yupa | Techakraisri | 14,669,499 | 14,669,499 | - |
| 9. Mr. Kumpee | Chongthurakij | 18,000,000 | 18,000,000 | - |
| | Mrs. Choopan Chongthurakij (spouse) | 50,000 | 50,000 | - |
| 10. Mr. Opas | Sripayak | - | - | - |
| 11. Mr. Apichart | Kasemkulsiri | - | - | - |
| 12. Mr. Surawut | Sukcharoensin | 250,000 | 250,000 | - |
| 13. Mr. Montien | Weerotai | - | - | - |
| 14. Mrs. Piyanuch | Naveenavakun | - | - | - |
| 15. Ms. Saowanee | Angkulpipat | - | - | - |
| 16. Ms. Suwattana | Sae - Tang | - | - | - |
| 17. Mr. Sangchai | Luangchutamas | 15,000 | 15,000 | - |
| 18. Mr. Pichet | Chulachan | - | - | - |
| 19. Ms. Suporn | Wongwaipairoj | 109,200 | 109,200 | - |
| 20. Ms. Nittaya | Wongtavilarp | - | - | - |
| 21. Mrs. Panadda | Kajornsilpa | - | - | - |
| Total | | 37,519,799 | 35,119,799 | (2,400,000) |

6.3 Report on Interest of Directors and Executives

In compliance with Section 89/14 of the Securities and Exchange Act B.E. 2535 as amended by the Securities and Exchange Act (No.4) B.E. 2551 and the Notification of the Capital Market Supervisory Board No. Tor Jor. 2/2552 Re: Report on Interest of Directors, Executives and Related Persons which stipulates that a director and an executive shall file with the company a report on his interest or a related person's interest in relation to management of the company, the Board of Directors' Meeting Ref. 4/2009 on 6 August 2009 has considered and resolved to approve the criteria on a report on interest of directors effective on 1 September 2009. The details are as follows:

1. Reporting

The directors and executives, meaning Managing Director, Deputy Managing Director, Assistant Managing Director, the first four managers after the Managing Director, those in the positions equivalent to the holders of the management position no. 4 and the executives in the highest position in the accounting or finance line of work must report his/her interest or a related person's interest to the Company.

2. Reporting Method

A report must be prepared and submitted to the Company Secretary. Should there be any changes in the information, a report must also be prepared and submitted to the Company Secretary within seven days from the date of the information changes.

3. Reporting to the Board of Directors

The Company Secretary must report the interest to the Board of Directors' Meeting in every quarter of the year for acknowledgement. In 2022, there are three reports on interest of the directors and executives as follows:

1. Board of Directors' Meeting Ref. 3/2022 on 5 May 2022
2. Board of Directors' Meeting Ref. 4/2022 on 4 August 2022
3. Board of Directors' Meeting Ref. 6/2022 on 3 November 2022

6.4 The Company controls the use of internal information and prohibits directors and executives to use essential internal information of the Company and subsidiary companies which are not yet disclosed to the public for their own benefits or for benefits of others, including the purchase and sell of securities of the Company. Directors, executives and employees who have access to internal information must refrain from purchasing or selling securities of the Company during the period of one month prior to the disclosure of the financial statements to the public.

6.5 Every time directors or executives purchase, sell, transfer or accept transfer of the securities of the Company, they must inform the Securities and Exchange Commission and the Stock Exchange of Thailand within three days from the date of the change as well as inform the Company Secretary. The report of shareholding of directors and their spouse will be included in one of the ordinary agendas of the Board of Directors' Meeting which is held quarterly.

6.6 The Company establishes direction to monitor and solve conflict of interest problems. According to the Audit Committee Charter, the Audit Committee will be responsible for reviewing compliance with rules, regulations and law as required by the Stock Exchange of Thailand and the Securities and Exchange Commission. If the meeting passes a resolution that may cause a conflict of interest or connected transactions, the Company will publish the value of the transaction, names of contracting parties, persons connected, necessary reasons for the transaction and any other details related to the transaction completely and accurately on the website of the Stock Exchange of Thailand i.e. www.set.or.th and that of the Company i.e. www.lpn.co.th both in Thai and in English.

6.7 Compliance Unit

In 2016, the Board of Directors' Meeting Ref. 9/2016 on 15 December 2016 resolved to establish a Compliance Unit as an independent department with the objective of enhancing the efficiency of the management system of the Company and upholding the utmost benefit in accordance with corporate governance principles. The duties and responsibilities of the Compliance Unit are as follows:

- 1) Ensure that all departments in the Company comply with corporate governance policy, Code of Conduct, law, agreements and related regulations and report the operation to the Management for acknowledgement on a regular basis within a given timeframe or report immediately in case of important or serious cases.
- 2) Provide recommendations to the Management to ensure that the operation of the Company is in compliance with law and regulations.
- 3) Provide assistance to the Management as follows:
 - Establish rules, standards, regulations and business operation principles of the Company to be in compliance with law, related regulations, regulations of the Company and Code of Conduct.

- Provide advice and recommendations on compliance with related law and regulations, regulations of the Company and Code of Conduct to staff and all departments of the Company.
 - Collaborate with departments that are responsible for organizing trainings for staff in order to provide knowledge and understanding on related law and regulations, regulations of the Company and Code of Conduct.
- 4) Assess and identify compliance risks related to the business of the Company, assess the adequacy of compliance and propose improvements of the operational guideline of all departments in order for the operation to be in compliance with law and related regulations.
 - 5) Compile information on related law, regulations and regulations of the Company.
 - 6) Prepare annual corporate governance report and analysis for acknowledgement of the Executive Committee and the Board of Directors.

Principle 7 Ensure Disclosure and Financial Integrity

One of the roles and responsibilities of the Board of Directors is to maintain financial credibility among shareholders and other stakeholders such as investors and analysts. Proper preparation of financial reports, financial liquidity and ability to pay debt must be ensured. The policy of the Company is to communicate and disclose information accurately and sufficiently, in a timely manner and in accordance with related standards and practices, including the disclosure of information to customers and staff. The details are as follows:

1. Shareholders

The Company provides information e.g. financial information, general information related to the business operation and performance of the Company that is accurate and complete on a regular basis. The information is distributed to the shareholders, investors, analysts and other stakeholders through various channels. The Investor Relations Department is responsible for providing information on various activities of the Company to shareholders, investors, analysts and stakeholders through various channels e.g.

- The Electronic Listed Company Information Disclosure (ELCID) system of the Stock Exchange of Thailand.
- Annual Registration Statement/Annual Report (Form 56-1 One Report)
- The Company's website i.e. www.lpn.co.th

The Investor Relations Department also collaborates with the Brand Management Department to distribute the information through other channels such as Media including newspapers, journals and TV channels.

Minor shareholders, general investors and analysts who would like to receive the information about the Company can contact the staff at the Investor Relations Department of the Company directly. The Company believes that minor shareholders and general investors nowadays give very much importance to investment information. The staff of the Company will disclose all information equally. The Company emphasizes and is responsible for ensuring the reliability of financial information. The Board of Directors will prepare accurate and complete financial report according to the generally accepted accounting standards and principles. Important information which affects or may affect the changes in the price of the securities of the Company and the decision to invest will be disclosed strictly in compliance with law and rules and regulations of the Stock Exchange of Thailand, the Securities Exchange Commission and other governmental agencies. The Company will constantly monitor any changes to ensure that the laws and regulations are up to date for the shareholders to be confident in the business operation of the Company.

In 2022, the Company has regularly provided information and news of the Company through various channels and media so that shareholders, investors, analysts, other stakeholders and general public are well-informed as follows:

- 1) The executives of the Company has provided the overview of the operation and answered questions of the analysts and investors in the following events:
 - No company visit
 - Fifty-two conference calls
 - One road show
 - Four analyst meetings
 - No opportunity day
 - No site visit
 - One shareholders' meeting
- 2) One media briefing and/or press conference is organized.
- 3) Press releases are sent to newspapers, magazines and journals to promote the business of the Company and subsidiary companies, the performance of the Company and subsidiary companies. The executives of the Company i.e. Chief Executive Officer and Managing Directors of the Company and subsidiary companies are interviewed by the media. There are the total of 145 news articles about the Company.

4) Information provided to the Stock Exchange of Thailand and Securities and Exchange Commission i.e.

- Annual Registration Statement/Annual Report (Form 56-1 One Report)
- Financial Statements of the Company
- Quarterly and annual financial analysis reports
- Letters informing the resolution of the Board of Directors, Annual General Meeting of Shareholders and others

Shareholders, investors and the general public can make enquiries by contacting:

Investor Relations Department: Mr. Varish Meemaun

E-mail Address : IR@lpn.co.th

Telephone: (02) 285-5011

2. Customers

The policy of the Company is to disclose the information related to the residential condominiums and single houses in various projects of the Companies and subsidiary companies via the website of the Company i.e. www.lpn.co.th.

3. Staff

The staff of the Company and subsidiary companies, whether they be staff at the head office or at the offices in Bangkok and other provinces, will receive the information through the intranet system. Other means of communications include notice boards in the Company and projects, whatsapp and Line group which includes high-ranking executives as well. The objective is for the staff to be aware of the news related to the Company such as:

- news of activities of the Company
- news or information related to benefits of staff
- news related to staff e.g. promotion of staff, new staff, staff leaving, staff giving birth, etc.
- news for knowledge of staff e.g. tax, social security, etc.

4. Communication Channels for Stakeholders

The Company gives importance to the participation of stakeholders in supporting the operation of the Company in order to build stability and sustainability of the Company by disclosing important business information to stakeholders sufficiently and transparently. The stakeholders, shareholders and investors can submit their comments, file a complaint or provide useful recommendations to add value to the Company by mailing to:

1. Chairman of the Board of Directors or
2. Chairman of Audit Committee or
3. Chief Executive Officer or

The mailing address is as follows:

L.P.N. Development Public Co., Ltd.

1168/109, 36 Floor, Lumpini Tower, Rama 4, Tungmahamek, Sathorn, Bangkok 10120 or

Email: director@lpn.co.th or Call Center 02-689-6888

The above persons will compile the information to present to directors of the Company for their consideration. The Company will protect those who submit their comments or recommendations by keeping their information confidential.

As for staff, they can submit their opinions or complaints or report any wrongdoings or misconduct through the Whistleblower Policy of the Company. (The details can be found in section 10: Social Responsibility.)

The Company emphasizes the importance of environmental and social responsibility as well as the responsibility towards stakeholders. The business operation of the Company is conducted by taking impacts on society, environment, customers, trade partners, competitors, staff and creditors into consideration. In 2022, there are no cases of violation of labor law, employment law, trade competition act or punishment from the government or other regulators as a result of a failure to disclose significant information within the given timeframe.

The Company has prepared Sustainability Report 2022 to report the performance in corporate environmental and social responsibility towards the stakeholders of the Company. The Report promotes the business operation of the Company based on economic, social and environmental sustainability. The Report is prepared in accordance with the Global Reporting Initiative Standards (GRI Standards): Core Option, which is different from the previous year report that used the G4 Guideline, and the GRI's G4 Construction and Real Estate Sector Disclosure. It can be downloaded from the Company's website: www.lpn.co.th under Investor Relations.

Principle 8 Ensure Engagement and Communication with Shareholders

The Company respects basic rights of shareholders both as investors and owners of the Company and takes into account the utmost benefit of all shareholders equally. The Company does not provide special treatment to any specific group of stakeholders and disclose the information of the Company accurately and completely. This is done to build the confidence of shareholders and show that they play a role in decision-making of important issues of the Company. Shareholders are able to find out the result of the performance of the Company, management policies or complete any transactions through the Company's website i.e. www.lpn.co.th both in Thai and in English or the website of the Stock Exchange of Thailand i.e. www.set.or.th.

The guidelines of engagement and communication with shareholders are as follows:

1. The Company appointed Thailand Securities Depository Co., Ltd. as a registrar of the Company in order to provide convenience for shareholders in any business related to securities registration of the Company.
2. As for the date of the Annual General Meeting of Shareholders, the meeting will not be organized on a public holiday or bank holiday. The time will be between 8.30-17.00 h. and the venue will be in Bangkok.

In 2022, one Annual General Meeting of Shareholders is organized i.e. the Annual General Meeting of Shareholders 2022 on 24 March 2022 via electronic device (E-AGM). The meeting venue is the meeting room on 11th floor, 1168/7 Lumpini Tower, Rama 4 Road, Tungmahamek Sub-district, Sathorn District, Bangkok. The meeting commences at 09.30h. The meeting is conducted in accordance with the policy and guidelines on the treatment of shareholders. There is no Extraordinary General Meeting of Shareholders in 2022.

3. The Company gives importance to all issues that are legally required and may impact the direction of the business operation of the Company. Each agenda of the Annual General Meeting of Shareholders will be clearly established whether it is for approval, for acknowledgement or for adoption. The background of each agenda including the objectives, rationale and opinions of the Board of Directors will be clearly stated. Supporting documents will also be provided for consideration of the shareholders. The examples of important agendas of the Annual General Meeting of Shareholders are as follows:
 - Agenda about directors: the election of directors and remuneration for directors are separated.
 - Agenda about the allocation of profit and dividend payment: dividend payment policy of the Company, proposed dividend rate and supporting rationale and information are informed.
4. The Company will send meeting invitation letter together with handout documents with complete and accurate details and comments of the Board of Directors on each agenda to shareholders for every meeting within the period required by law. The meeting invitation letter and handout documents both in Thai and in English will be published in advance to allow more time for shareholders to consider the issues through the website of the Company i.e. www.lpn.co.th.
5. The Annual General Meeting of Shareholders is organized once a year on appropriate date, time, type of meeting and/or venue which will not be longer than four months after the end of the accounting period of the Company. The Company will send out the meeting invitation letter together with meeting handouts with adequate and complete information explaining the details and comments of the Board of Directors in all agendas both in Thai and English with the following details.
 - Date, time, types of meeting and/or venue of the Annual General Meeting of Shareholders
 - Guidelines for attending Shareholders' Meetings via electronic meeting (E-Meeting) in the case of a meeting via electronic meeting
 - Meeting agenda for consideration of shareholders e.g. agenda for adoption and approval, election and appointment, etc.
 - Agenda on the appointment of directors with the information on the profile of those who are nominated for the position of director to replace directors who are to retire by rotation such as name, age, education background, training courses attended, past and present professional experiences, the number of companies and listed companies he/she is in the position of director, professional expertise, his/her attendance in the Company's meeting that year, the year that he/she takes up the position of director in the Company, shareholding in the Company, criminal record during the past five years, conflict of interest and other information in case that of the election of independent director.
 - Agenda on the consideration for remuneration for directors and subcommittee members with the information on the remuneration of the Board of Directors and subcommittee members during the past two years, the policy and criteria for consideration of financial remuneration and other benefits and the opinions of the Nomination, Remuneration and Good Corporate Governance Committee.

- Agenda on the appointment of and remuneration for directors with the information on the profile of auditors, the remuneration during the past three years and the opinions of the Audit Committee.
- Articles of Association of the Company on the topics related to the Annual General Meeting of Shareholders.
- Voting methods of the Annual General Meeting of Shareholders, vote counting method and voting results.
- Documents and evidences that the shareholders must present prior to attending the meeting and information on how to authorize the meeting registration and how to cast a vote in the meeting.
- Profiles of candidates who are nominated for the position of independent directors.
- Map of the meeting venue.
- Proxy Form B. Type (which specifies detailed, clear and fixed items for authorization). The Company has prepared two types of proxy forms following the notices of the Ministry of Commerce, namely, Type B and C. Shareholders can download the form from the website of the Company so that shareholders could make a decision to cast a vote in various agendas no less than seven days in advance.

Moreover, the Company published a meeting announcement in a newspaper for three consecutive days no less than three days prior to the meeting. Shareholders could also register no less than one hour prior to the meeting to allow smooth meeting registration.

6. In case that shareholders are unable to attend the meeting, the Company will send proxy form which is consistent with the form of the Ministry of Commerce together with the meeting invitation letter so that any shareholders who intend to appoint a proxy to attend the meeting can authorize a person or an independent director of the Company to attend the meeting in order to reserve the right of the shareholders.
7. The voting right of shareholders is according to the amount of shares held i.e. one share is equivalent of one vote.
8. In every meeting, the documents and evidences that shareholders or proxies must present prior to attending the meeting, authorization of a proxy and the registration will be in accordance with the law and regulations of governing agencies such as the Stock Exchange of Thailand or the Securities and Exchange Commission.
9. The Company has increased the channel to publish the meeting invitation letter, meeting handouts, attendance rules and regulations of the meeting through the Company's website i.e. www.lpn.co.th both in Thai and in English at least 30 days prior to the meeting to allow more time for shareholders to consider the information which is sufficient and complete.

In 2022, the Annual General Meeting of Shareholders is held on 24 March 2022. The meeting invitation letter and meeting handouts are published on the website of the Company both in Thai and English on 22 February 2022 or 30 days prior to the meeting.

10. The Company assigned Thailand Securities Depository Co., Ltd. which is the registrar of the Company to deliver the meeting invitation letter to shareholders 14 days prior to the meeting. The Company gives the right to shareholders who attend the meeting after it has already been started to cast a vote on the agenda being considered and not yet voted. Shareholders will be counted as a quorum for the meeting starting from the agenda being considered when they enter the meeting.

In the Annual General Meeting of Shareholders 2022 held on 24 March 2022, the Company assigns Thailand Securities Depository Co., Ltd. to deliver the meeting invitation letter to shareholders on 3 March 2022 or 22 days prior to the meeting.

11. The Company established the procedure in the Annual General Meeting of Shareholders in compliance with law with the emphasis on convenience, right and equity of shareholders. As for meeting registration, the Company provides sufficient staff and appropriate technology in order to ensure convenience in checking the documents of shareholders more than one hour prior to the meeting.
12. Prior to commencing a meeting in each agenda, the Chairman of the Board of Directors who presides over the meeting will inform the meeting of the number and ratio of shareholders and proxies, meeting process and vote casting method and process of each agenda in every meeting.

13. Before the start of the Annual General Meeting of Shareholders, the Chairman of the Board of Directors will introduce members of the Board of Directors, auditors, legal consultant and shareholders' right protection volunteer from Thai Investors Association and inform the shareholders how to cast a vote and shareholders' rights. The Chairman of the meeting will be responsible for conducting the meeting according to the agenda stated in the meeting invitation letter, allocating time for each agenda appropriately and sufficiently without adding any other agendas apart from those stated in the meeting invitation letter.

In each agenda, the Board of Directors will provide opportunities for shareholders to express their comments and inquires on various issues related to business operation of the Company and subsidiary companies. The meeting minutes will be accurately and thoroughly recorded.

In addition, the Company produces ballots for shareholders to use for voting in each agenda. The votes of all agendas i.e. for, against and abstention will be counted and disclosed transparently and fairly.

In 2022, all 12 members of the Board of Directors of the Company and subcommittees have attended the Annual General Meeting of Shareholders. The meeting attendance rate is 100%.

14. The Company has disclosed the list of top ten shareholders of the Company as of the book closing date before the Annual General Meeting of Shareholders to shareholders through the website of the Company i.e. www.lpn.co.th both in Thai and in English.
15. On the agenda to elect directors to replace directors who retire by rotation, the Company will provide opportunities for shareholders to elect individual director in every Annual General Meeting of Shareholders. The Company has provided sufficient background information of each nominated director for the consideration of shareholders.
16. In every Annual General Meeting of Shareholders, the Company gives shareholders the right to consider and approve remuneration for the Board of Directors and subcommittees. The Company has provided sufficient details of the remuneration of the Board of Directors and subcommittees for the consideration of shareholders.
17. In every Annual General Meeting of Shareholders, there will be an agenda on the appointment of auditors and remuneration for auditors which are to be proposed to shareholders for approval. The Company has provided the information about the nominated auditors as well as sufficient details of the remuneration for auditors for the consideration of shareholders.
18. In the Annual General Meeting of Shareholders 2022, the Company applies E-Voting system of Eventech System Thailand Co., Ltd. which used to provide the programming service under the name of Thailand Securities Depository Co., Ltd. in the registration of the meeting, counting the quorum of the meeting and counting votes for each resolution according to the agenda.

As for the registration process, it will be done by barcode system. The registration number of each shareholder will be printed on the registration form and proxy form to speed up the registration process. The Company provided adequate company staffs, computer system with technologies to accommodate shareholders and their proxies starting from the shareholders' and proxies' registration processes, vote casting, vote counting, shareholders' questioning, all with.
19. The Company will conduct the Annual General Meeting of Shareholders according to the agenda stated in the meeting invitation and will not add any agendas without informing the shareholders in advance. If there are to be an addition of other agendas apart from those stated in the meeting invitation letter, the Company must seek approval from no less than one third of the shareholders present at the meeting and entitled to vote.
20. During the meeting, the Board of Directors provides opportunities for shareholders to express comments, provide recommendations or ask questions in each agenda freely before voting.
21. The Company will produce a detailed, completed and factual meeting minutes after the meeting ended. The minutes will be submitted to the Stock Exchange of Thailand and the Ministry of Commerce within 14 days after the meeting and be published on the website of the Company i.e. www.lpn.co.th both in Thai and in English.

In 2022, after the Annual General Meeting of Shareholders 2022 on 24 March 2022, the Company has informed the Stock Exchange of Thailand on the resolutions of the Meeting together with the voting results by notifying the Director and Manager of the Stock Exchange of Thailand via the communication system of the Stock Exchange of Thailand on the day of the Meeting (24 March 2022). The minutes of the Annual General Meeting of Shareholders which records the meeting, the voting in each agenda and comments of shareholders is sent to the Director and Manager of the Stock Exchange of Thailand within 14 days i.e. on 7 April 2022. The minutes is published on the website of the Company i.e. www.lpn.co.th both in Thai and English. The photos taking during the meeting are also published on the website.

22. After the meeting, the Company will prepare a meeting minutes that is accurately recorded. The information recorded in the meeting minutes includes:
- Voting process and methods in each agenda.
 - List of directors, subcommittee members, high-ranking executive of the Company present and absent from the meeting, auditors, legal consultants and representatives of minor shareholders.
 - Meeting resolution of each agenda and voting results i.e. for, against, abstention and voided ballot.
 - Questions of shareholders, name, surname and answers of the directors and high-ranking executives.
23. The voting will be done openly. A ballot for each agenda will be provided so that shareholders are able to vote independently.
24. The policy of the Company is to pay the same rate of dividend to all shareholders.
25. The Company gives shareholders who attend the meeting after it has already been started the rights to cast a vote on the agenda being considered and not yet voted. Shareholders will be counted as a quorum for the meeting starting from the agenda being considered when they enter the meeting.
26. The Company has taken care of shareholders by providing information and news as well as informing the result of the performance and management policy on a regular basis and in a timely manner. Apart from the disclosure of information through the news system of the Stock Exchange of Thailand, the Company has also published important information and up-to-date news on the website of the Company i.e. www.lpn.co.th.
27. The Company published an announcement via the information system of the Stock Exchange of Thailand and the website of the Company i.e. www.lpn.co.th under Investor Relations to invite minor shareholders to propose an agenda which should be considered in the Annual General Meeting of Shareholders in advance from 1 September – 30 November of every year.

The Company has emphasized the significance of good corporate governance as it is beneficial for the organizational development. The good corporate governance principles for listed companies of the Stock Exchange of Thailand have continuously been implemented. However, there are still rooms for improvements as follows:

1. The Company should allow minor shareholders to nominate candidates for the position of directors.

With regards to the nomination of directors, the Board of Directors of the Company is aware of the issue. The Company has treated the shareholders fairly and equally as required by the Stock Exchange of Thailand, except for allowing minor shareholders to nominate the candidates for the position of directors of the Company. The Board of Directors opines that the current directors' nomination and selection process is appropriate with the business operation of the Company. There have been no cases of violation of fair and equitable treatment of shareholders.

2. Independent directors should have a limited term of office of not exceeding a period of nine consecutive years from the date of being appointed as independent directors.

Currently, there are three independent directors whose term of office has exceeded nine years. However, the Nomination, Remuneration and Good Corporate Governance Committee has carefully considered the issue and opines that the qualifications of the independent directors of the Company meet with the requirements of the Capital Market Supervisory Board. Their knowledge and experiences are appropriate with the business operation of the Company. They have expressed their comments and ideas in an independent manner as well as efficiently performed their duties as independent directors of the Company.

3. Members of the Nomination, Remuneration and Good Corporate Governance Committee should all be independent directors.

Of all the five members of the Nomination, Remuneration and Good Corporate Governance Committee of the Company, three are independent directors. More than half of the members of the Nomination, Remuneration and Good Corporate Governance Committee are independent directors, so as the Chairman of the Committee. However, the members of the Nomination, Remuneration and Good Corporate Governance Committee who are independent directors are able to perform their duties in an efficient manner.

Intellectual Property Policy

The Company has a policy not to violate intellectual property rights, whether they be copyright, patent or trademarks. Operational guidelines have been established clearly, for example, in terms of copyright, the Company has a policy on the usage of the information system of the Company and subsidiary companies and regularly monitors the usage of various software programs to prevent the use of pirated software or the software that is not related to work.

Human Right Policy

The Company fully respects the human rights and equality of staff. All staff of the Company, subsidiary companies and trade partners are treated fairly and equally and are not discriminated based on race, nationality, age, educational background or physical and mental disabilities. The personal rights and freedom shall not be violated directly or indirectly. The staff of the Company and subsidiary companies must treat each other with respect and behave themselves properly in accordance with the regulations of the Company and good traditions without causing a negative impact on the image of the Company. The topic of Human Right has also been included in the Code of Business Conduct.

Anti-Corruption Policy

Corruption in this context refers to any types of bribery such as an offer or promise on money, asset or other inappropriate benefits to government officers, government sectors or private sectors so that such person could proceed or disregard his/her function in order to acquire, retain the business or achieve any improper benefits in business transactions. Exception shall be applied in case of laws, regulations, customs, local traditions enable to do so.

In most cases, it means the transactions done between an operator and a government agency for the direct and indirect benefit of the operator. The ranking of the corruption problem in Thailand is at the top because of the lack of awareness of business ethics of the operators and the morality of the government officers. It seriously affects the growth of the economic system and image of the country. As a property developer that must involve with various government agencies, the Company has established the anti-corruption policy indicating that all processes of the operation must be strictly in compliance with law to avoid all sorts of negotiation during the process of requesting permission for construction, construction process, ownership transfer process or any other minor details involving a government officer. In case of a wrongdoing that is caused by negligent or unawareness, the wrongdoer shall be punished without exceptions.

The Board of Directors' Meeting Ref.1/2014 on 13 February 2014 resolved to sign the Declaration of Intent to Join Thailand's Private Sector Collective Action Coalition against Corruption (CAC).

After that, in the Board of Directors' Meeting Ref. 6/2014 on 11 December 2014, an anti-corruption policy is established for the directors, executives and staff of the Company and subsidiary companies to adhere to. The policy will also be included in the staff manual. New staff will be trained on the policy and all staff are to be tested on a regular basis. The Board of Directors' Meeting Ref. 3/2022, with the presentation from the Nomination, Remuneration and Good Corporate Governance Committee, resolved to revise the anti-corruption policy in order to provide a clearer guideline in accordance with changes in business, law and regulations. The following revised policy was announced on 5 May 2022.

Definition

Corruption refers to any types of bribery such as an offer or promise on money, asset or other inappropriate benefits to government officers, government sectors or private sectors either directly or indirectly so that such person could proceed or disregard his/her function in order to acquire, retain the business or achieve any improper benefits in business transactions. Exception shall be applied in case of laws, regulations, customs, local traditions enable to do so.

Conflict of Interests refers to a conflict between personal interests and common interests, situation or action of the Company's directors, executives, staff and employees with interest which affects the decision-making or the ability to perform their duty as well as the common interests. They may be aware or unaware of the action and such action may be intentional or unintentional in various forms. The action may become a common practice, resulting in their inability to perform their duties impartially due to personal interests.

Facilitation Payment refers to a small fee paid unofficially to government officials to ensure that they will facilitate the administrative process or expedite the process without the discretion of the government officials. It is solicited to facilitate or expedite the performance of a routine transaction to which the Company is legally entitled to receive, for example, a license, a certificate and public services.

Revolving Door refers to the hiring of government employees or former government employees to work for the Company. They may use their connection or internal information for the benefit of the Company or create a conflict of interest with a government agency or between a business regulator and the Company. The outcome of such action is aimed at creating an unfair business advantage or establishing a policy for the benefit of the company that the former government officials work for.

Anti-Corruption Policy

- Directors, executives and all employees of the Company and associated companies are prohibited from engaging in or accepting any form of corruption both directly and indirectly.
- The operational guideline and business operation regulations shall be regularly revised to be in accordance with changes in business, law and regulations.
- Compliance with the anti-corruption policy shall be regularly reviewed.

Duties and Responsibilities

1. The Board of Directors, with the presentation from the Nomination, Remuneration and Good Corporate Governance Committee, is responsible for establishing an anti-corruption policy and effective anti-corruption systems to ensure that the personnel of the Company is aware and recognizes the importance of the Anti-Corruption Policy and guideline and cultivate an anti-corruption culture in the organization.
2. The Audit Committee is responsible for reviewing financial and accounting reporting systems, internal control systems, internal audit systems and risk management systems to ensure that they are in compliance with international standards as well as prudent, suitable, up to date and effective. The Audit Committee is also responsible for handling submission of information regarding corruption of the Company's personnel, conducting fact-finding investigations and presenting the issue to the Board of Directors to determine disciplinary action or solutions, as well as giving consultation and ensuring compliance with the Anti-Corruption Policy.
3. The Executive Committee, Managing Director and executives are responsible for implementing the Anti-Corruption Policy and promoting compliance with the policy as well as communicating it to all employees and related parties. They are also responsible for reviewing the suitability of the systems and measures to be in accordance with changes in business, law and regulations.
4. The Internal Audit Department is responsible for reviewing risk assessment and providing recommendations on the establishment of corruption risk prevention measures and guidelines. The Internal Audit Department is also in charge of auditing and reviewing operations to ensure their compliance with policies, guidelines, authority, procedures and laws in order to ensure that the internal anti-corruption control systems are suitable and report to the Audit Committee.

Guidelines and Operations

1. Executive Directors and all employees must strictly comply with the Anti-Corruption Policy without any exception.
2. The employees must not neglect or ignore when detecting an act involving the Company that can be construed as corruption. They must notify their supervisors or responsible persons. Should there be any questions or inquiries, they shall consult their supervisors or responsible persons designated to oversee compliance with the Code of Conduct through various channels provided.
3. The Company will ensure fairness and protect the whistleblower as defined in the Whistleblower Policy.
4. The corrupt employee shall be subject to disciplinary action without any exception.
5. The Company shall educate and build an understanding among third parties whose duties involve the operation of the Company on matters where compliance with the Anti-Corruption Policy is required.
6. The Company shall regularly and continuously organize trainings and maintain organizational culture (CLASSIC) on I-Integrity for the employees to be aware of corruption.
7. This Anti-Corruption Policy shall also apply to human resource management processes, including nomination, selection, promotion, training, evaluation and remuneration. Supervisors at all levels shall communicate the policy to staff so that they can apply it to business activities within their scope of responsibility and supervise its implementation to ensure efficiency.
8. To ensure clarity regarding activities involving high risks of corruption, the directors, executives and all employees shall exercise caution on the followings:

- 8.1 Gifts and hospitality – any offering or accepting of gifts and hospitality shall comply with the Company's Code of Conduct.
- 8.2 Donations or sponsorships – any offering or accepting of donations or sponsorships shall be transparent and legal. It must be ensured that such donations or sponsorships will not be used as a pretext for bribery.
- 8.3 Business relations – any offering or accepting of bribery is prohibited in all business activities. Any dealing with the government shall be transparent, honest and in compliance with relevant laws.
- 8.4 Conflict of Interests — the principles and guidelines shall be in accordance with the Company's Code of Conduct as follows:

Principles

The Company focuses on doing the right thing. The employees shall thus perform their duties in the best interests of the organization while adhering to legal and ethical standards. The external or internal conflict of interest that may affect their decision-making and duty shall be avoided.

Guidelines

- The employees must avoid engaging in any transaction with parties that are related to them such as families, close relatives and close persons. Should any family members of employees be involved with or become shareholders of any business that may cause conflict of interests with the organization, they must notify the Executive Committee in writing.
 - The employees must not operate a competing business, become shareholders, be shareholders with decision-making power, be directors or executives in a business that is competitive or of the same nature as the business of the Company.
 - The employees must avoid conflict of personal interests and that of the Company's in connection with business partners and any other persons.
 - Both during the employment and after employment ends, the employees must not disclose confidential information or information that has a significant impact on the Company.
 - The employees must avoid doing any work for personal interests which may affect the work under their responsibilities or image of the organization other than working for the Company, such as becoming a director or advisor of other company, organization or business association, except being approved by the Executive Committee.
 - The employees must not ask for a loan from business partners of the Company except from financial institutions as this may influence the performance of the staff as the representative of the Company.
 - The employees must not seek benefit from information learned or acquired as a result of their position and responsibilities.
 - The employees are prohibited from spending office hours searching for information, contacting or trading any securities or assets on a regular basis for their personal or other people's benefit and not for the benefit of the Company.
- 8.5 Facilitation payment – the employees are “prohibited” from making facilitation payment directly or indirectly to government officials under all circumstances. Allowing the Company's personnel to make facilitation payment to government officials, there is a very high risk that it will become a bribe. It will also increase business costs, increase a chance of reputational risk and violate the Anti-Corruption Policy of the Company. Any contact with the government sector must be done in a transparent and honest manner and must strictly comply with related regulations.
- 8.6 Revolving Door – the Company establishes the policy on hiring government officials to hold a position of director, executive or advisor of the Company which may cause corruption risk or conflict of interest of the individual. As preventive measures, the Company has established the following guidelines:
- 1) During the selection, approval of employment and determination of remuneration for the hiring of a government official as a director, executive or advisor of the Company, due diligence must be done prior to the appointment to prevent any conflict of interests.
 - 2) The Company will not hire or appoint government officials who are still in office.
 - 3) The cooling-off period is 2 years for hiring or appointment of former government officials or individuals who had worked with business regulators that are directly involved with the Company, unless there is a reasonable cause otherwise.
 - 4) The Company will disclose the information of government officials who are hired or appointed as directors, executives or advisors of the Company.

Communication and Training

In order to effectively implement the Anti-Corruption Policy and guidelines for the benefit of the organization and business-related parties, the Company shall communicate and disseminate the policy and guidelines through internal electronic channel. The training for employees will be organized at least once a year for them to be aware of the importance of the policy. As for third parties and business-related parties, the Company will disseminate the information on the website of the Company, in the Annual Report, the 56-1 One Report and through electronic channels or any other channels as appropriate to build understanding and support anti-corruption action.

Disciplinary Action

Any personnel who fail to comply with this policy and guideline are subject to disciplinary action and may also be subject to legal punishments if they commit an offense under the law.

Whistleblowing Measures

The Company has established mechanisms for whistleblowing, complaint handling, and the processing of cases related to violation of laws, rules, and Code of Conduct or to behavior of employees that may be suspicious of corruption or misconduct. The Company has also established appropriate whistleblower protection measures according to the Whistleblower Policy for stakeholders to efficiently take part in monitoring the policy and business for the benefit of the Company.

In 2016, the Board of Directors' Meeting Ref. 5/2016 on 21 June 2016 resolved to approve the new Code of Conduct as the best practice guideline for directors and staff. The former Code of Conduct of Directors and Code of Conduct of Staff prepared in 2003 are invalidated. The revised Code of Conduct is inclusive of anti-corruption and gift and entertainment policy. In addition, the announcement of the Executive Committee Ref. Sor Tor Mor 053/2559 Re: Donation and Sponsorship is issued as a guideline for executives and staff to comply with in relation to donation of money for charitable purpose and sponsorship.

Anti-corruption assessment is another tool to assess the sustainability of the anti-corruption implementation. The five progress indicators of the anti-corruption index are as follows:

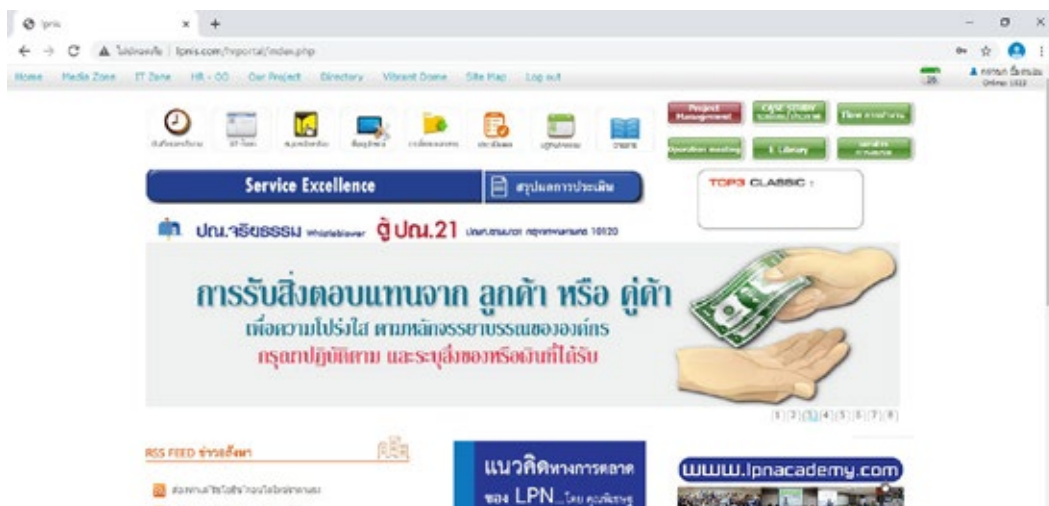
- Level 1 Committed: Indicating commitment of top executive and the organization with Board of Directors' resolution and policy not to involve with corruption.
- Level 2 Declared: Indicating determination by means of declaration to join the Private Sector Collective Action Coalition Against Corruption.
- Level 3 Established: Indicating policy to oppose bribing government officials and those related to corruption as well as policy to communicate and educate employees regarding anti-corruption policy and practices.
- Level 4 Certified: Indicating an implementation audited by independent external organizations.
- Level 5 Extended: Indicating anti-corruption policy which extends to business partners, consultants, intermediaries and business representatives.

The Company has signed the declaration of Collective Action Coalition with Private Sector Collective Action Coalition Against Corruption Council. From 2016 to the present, the Company carried on the request for Level 4 Certification which Thailand's Private Sector Collective Action Coalition Against Corruption Council's Meeting resolved to certify the Company as a member of Thailand's Private Sector Collective Action Coalition Against Corruption at all times. The certificate will be effective for three years from the date of certification. In 2022, the Company also has continued requests for Level 4 Certification. Thailand's Private Sector Collective Action Coalition Against Corruption Council's Meeting of Q3/2022 held on 4 November 2022 resolved to certify the Company as a member of Thailand's Private Sector Collective Action Coalition Against Corruption, which will end on December 2025.

Assessment of Compliance with Anti-corruption Policy

The Company has encouraged staff to conform to anti-corruption policy through various means such as trainings for all levels of staff and orientation for new staff. After being trained, the knowledge of staff will be tested. In addition, the Company has evaluated the performance of staff, assessed corruption risks and revised anti-corruption measures on a regular basis. The policy has continuously been communicated to various groups of stakeholders to prevent an internal misconduct. It is indicated in the anti-corruption policy that all staff must not ignore or neglect any corruption conditions involved directly with the Company. The anti-corruption tool and guideline is disseminated to all staff to minimize the opportunity for corruption. Staff can notify the act of corruption or misconduct to the Company through various complaint channels.

EXAMPLE



แบบฟอร์มการขึ้นของร้านค้า จาก Supplier และลูกค้า

ชื่อ * ตำแหน่ง *

วันที่รับของเข้า *

1. แหล่งที่มาของสิ่งของ

☐ จากแหล่ง : ไม่สามารถระบุแหล่งที่มาของสิ่งของได้

☐ ของบริษัท/ลูกค้า

☐ ของญาติ / ของคนอื่น

2. มูลค่าของสิ่งของ *

☐ น้อยกว่า 100 บาท

☐ 100 - 500 บาท

☐ 500 - 1,000 บาท

☐ มากกว่า 1,000 บาท

3. ผู้รับสิ่งของกี่ครั้งในรอบปี *

☐ น้อยกว่า 1 ครั้ง

☐ 1 - 3 ครั้ง

☐ 4 - 6 ครั้ง

☐ มากกว่า 6 ครั้ง

4. มูลค่าของสิ่งของที่ได้รับ โดยประมาณ * (ตัวอย่าง: 1,000 บาท)

5. ได้รับความช่วยเหลือจากผู้รับสิ่งของจากหน่วยงานราชการ * (ถ้า - ไม่ทราบ) ผู้รับสิ่งของจากบริษัท

Policy on Protection for Employees Who Inform on or Disclose of Wrongful Conduct or Non-Compliance with Laws and the Code of Conduct (Whistleblower Policy)

The Board of Directors' Meeting Ref. 6/2014 on 11 December 2014 has resolved to approve the policy on the protection for employees who inform on or disclose of wrongful conduct or non-compliance with laws and the code of conduct (Whistleblower Policy) for compliance of the directors, executives and staff of the Company and subsidiary companies. The details are as follows:

1. Definitions

Complainant refers to employees of L.P.N. Development Public Co., Ltd. and the subsidiary companies of L.P.N. Development Public Co., Ltd. whether they be full-time employees, daily workers or employees who has a special hiring contract. Persons Handling Complaints refers to the directors, Audit Committee members, executive directors or one of the Managing Directors.

2. Complaints or Information

The corruption or any action that violates the laws, regulations or the Code of Conduct that affects the reputation, image, value, financial status of the Company or conflicts with the business operation policy and is related to high-ranking executives.

3. Channels

- Complain verbally or in writing.
- Send an email to a person handling complaints or to director@lpn.co.th.
- Send a message via WhatsApp and LINE.

4. Guideline for Submitting Complaints

- The complainant may complain through more than one channel and does not need to disclose his/her identity. However, if he/she does disclose his/her identity, this would allow the Company to report him/her the outcome of the investigation concerning the matter of complaint.
- If the complainant choose not to disclose his/her name, he/she must provide sufficient factual details or clear evidence to show that there are grounds to believe that an action occurred in the business practices of the Company. He/she should also inform the Company of his/her contact details so that the Company is able to report him/her the outcome of the investigation concerning the matter of complaint. The complain shall be deemed top secret.

5. Procedure for Investigating Facts

- The person handling complaints will be the one to investigate the facts or may authorize a person or agency to investigate the facts.
- If the investigation reveals that a violation did occur and affects the reputation, value and image of the organization, the person handling complaints shall submit the matter to the Executive Directors Committee and the Audit Committee for consideration of courses of action in accordance with the Article of Association of the Company.

6. Protection of the Complainant or Informant

- The protection will be provided as soon as the complaint is submitted.
- The Company will regard the related information as secret and will disclose only so much of it as necessary to ensure the safety of the complainant.
- If the complainant believes that he/she will not be safe or incur harm, he/she may ask the Company to provide appropriate protection, or the Company provides such protection without the complainant's request if it is believed that danger or harm is likely to occur.

Receipt of Complaints and Whistleblower Protection

The Company provides the opportunity for staff to complain and will solve the issues of concern within a given timeframe. The staff who inform on or disclose wrongful conduct or non-compliance with laws and the Code of Conduct will be protected. Staff can submit a complaint, suggestion or comment through the following channels:

- Directly contact the Chief Executive Director.
- Inform in writing via WhatsApp of the Chief Executive Officer.
- Submit a complaint/suggestion to the Suggestion Box that is put up in the Company.
- Send a letter to PO Box 21, Yannawa, Bangkok 10120.

The Compliance Unit, together with the Organization Development Department, will be responsible for concluding the information and submit it to the Executive Committee for consideration.



Corruption Risk Assessment

Every departments of the Company and subsidiary companies are required to perform the Corruption Risk Assessment. The process is as follows:

1. Corruption Risk is defined as one of the risk factors of the organization that need to be managed.
2. Risk Assessment and Reporting: All departments in the Company, subsidiary companies and affiliated companies will assess risk in their department once every quarter. The information shall be compiled and presented to the Risk Management Committee for consideration.
3. Risk Management: The Risk Management Committee will assess, analyze and prioritize risks. Risk management guide line and strategy will be identified and proposed to the Board of Directors for consideration and approval at least once every quarter.
4. Communication: Risk management guideline will be communicated to all departments for compliance and implementation.
5. The outcome of risk assessment and management will be reported to the Board of Directors of the Company.

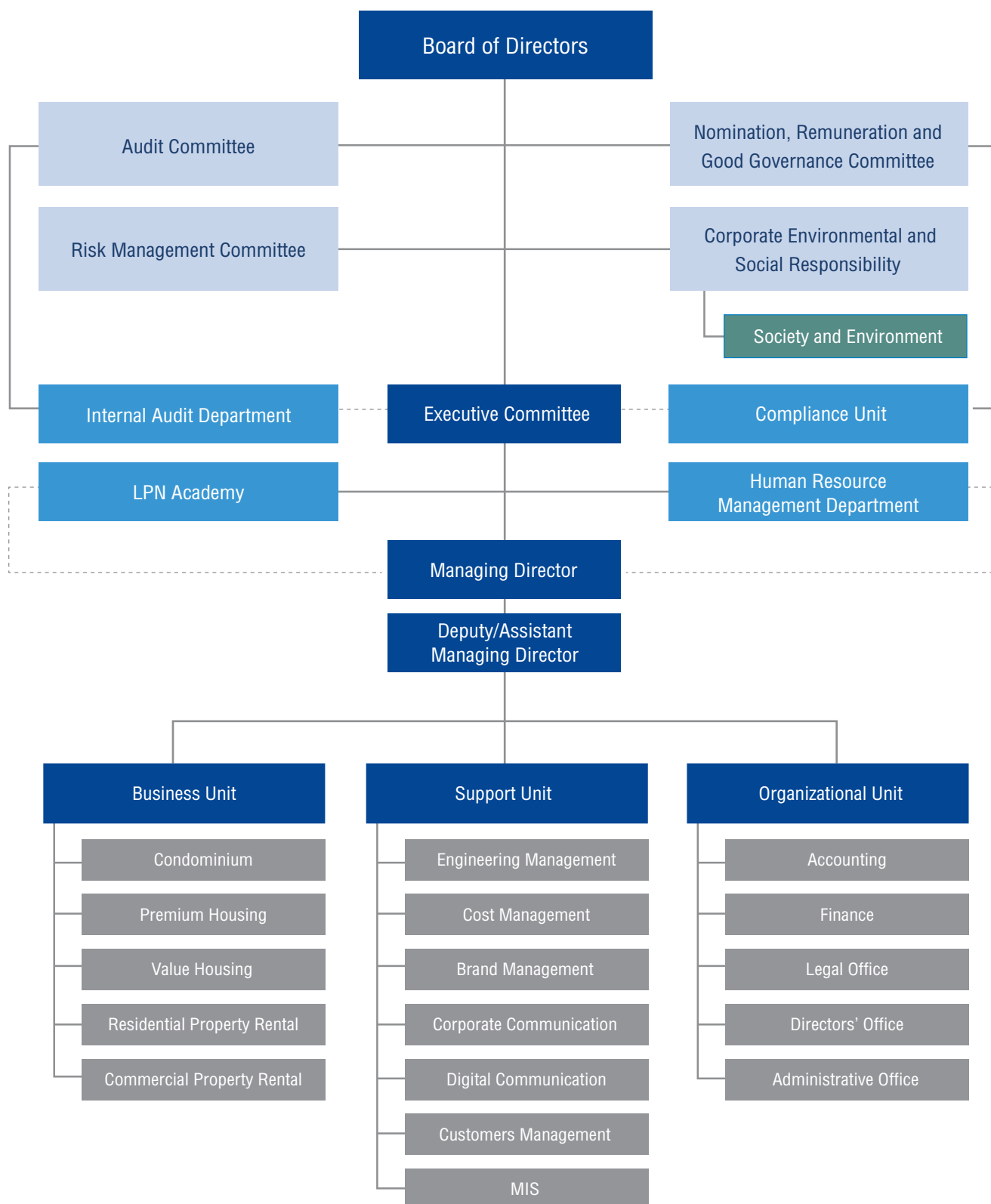
In 2022, There are no complaints received.

The Company gives importance to all complaints received from all channels and carefully investigates the facts. The conclusion of the investigation will be submitted to the Executive Committee for consideration of courses of action and reported to the Audit Committee if the violation is found. If the investigation concludes that there is no violation, the results of the complaints will be communicated to staff in the organization. The awareness of the importance of the Code of Conduct is also raised among staff.

07

GOVERNANCE STRUCTURE AND KEY DATA ON THE BOARD OF DIRECTORS

MANAGEMENT STRUCTURE





BOARD OF DIRECTORS

The Board of Directors of L.P.N. Development Public Co., Ltd., as of 31 December 2022 comprises 12 members according to the Company Registration Certificate of the Ministry of Commerce, all of whom are equipped with knowledge and experiences beneficial for the operation of the Company as follows:

| | | |
|---------------------|----------------|--|
| 1. Mr. Amornsuk | Noparumpa | Chairman of the Board of Directors and Independent Director |
| 2. Mr. Vudhiphol | Suriyabhivadh | Vice Chairman of the Board of Directors and Independent Director |
| 3. Mr. Tikhamporn | Plengsrisk | Vice Chairman of the Board of Directors and Non-Executive Director |
| 4. Mr. Khanchai | Vichakkhana | Non-Executive Director and Independent Director |
| 5. Mr. Krirk | Vanikkul | Non-Executive Director and Independent Director |
| 6. Mr. Weerasak | Wahawisal | Non-Executive Director and Independent Director |
| 7. Mr. Pichet | Supakijjanusan | Non-Executive Director |
| 8. Mrs. Yupa | Techakraisri | Non-Executive Director |
| 9. Mr. Kumpee | Chongthurakit | Non-Executive Director |
| 10. Mr. Opas | Sripayak | Executive Director and Chief Executive Officer |
| 11. Mr. Apichart | Kasemkulsiri | Executive Director |
| 12. Mr. Surawut | Sukcharoensin | Executive Director |
| with Miss Kornkanok | Yimtanorm | as the Company Secretary. |

Membership of the Board of Directors

In compliance with good corporate governance and the balance of power among independent directors, non-executive directors and executive directors, the components of the Board of Directors of the Company as of 31 December 2022 are as follows:

1. Five Independent Directors (42%), namely.

- 1) Mr. Amornsuk Noparumpa
- 2) Mr. Vudhiphol Suriyabhivadh
- 3) Mr. Khanchai Vichakkhana
- 4) Mr. Krirk Vanikkul
- 5) Mr. Weerasak Wahawisal

As for independent directors, the Board of Directors' Meeting Ref. 4/2013 on 8 August 2013 had identified the qualifications of independent directors that are stricter than the qualifications required by the Capital Market Supervisory Board.

2. Nine Non-Executive Directors (75%), namely,

- 1) Mr. Amornsuk Noparumpa
- 2) Mr. Vudhiphol Suriyabhivadh
- 3) Mr. Tikhamporn Plengsrisk
- 4) Mr. Khanchai Vichakkhana
- 5) Mr. Krirk Vanikkul
- 6) Mr. Weerasak Wahawisal
- 7) Mr. Pichet Supakijjanusan
- 8) Mrs. Yupa Techakraisri
- 9) Mr. Kumpee Chongthurakit

3. Three Executive Directors (25%), namely,

- 1) Mr. Opas Sripayak
- 2) Mr. Apichart Kasemkulsiri
- 3) Mr. Surawut Sukcharoensin

Authority to Sign

The directors who have the authority to sign on behalf of the Company are “Mr. Opas Sripayak or Mr. Apichart Kasemkulsiri or Mr. Surawut Sukcharoensin, providing two of the above three directors co-sign their names and the Company’s seal is affixed.”

Charter of the Board of Directors

The Board of Directors are representatives of shareholders and play a crucial role in determining the business direction, policy, vision, mission and strategy of the Company. Moreover, their duty is to ensure that the operation of the Company is in accordance with the objectives and goals for the creation of utmost benefits and economic value for shareholders and the Company. They also supervise and monitor the operation of the Management. The roles and responsibilities of the directors must be in accordance with law, Company’s objectives, Article of Association and resolution of the Board of Directors and are stated in the Charter of the Board of Directors approved by the Board of Directors Meeting Ref. 1/2016 on 21 June 2016, effective from 21 June 2016.

Roles and Responsibilities of the Board of Directors

The Company has identified the roles and responsibilities of the Board of Directors based on Principles of Good Corporate Governance of the Stock Exchange of Thailand as well as the Code of Best Practices for Directors of Listed Company of the Securities and Exchange Commission as follows:

1. To perform the duty in accordance with the law, the objectives and regulations of the Company as well as the resolutions of the shareholders’ meeting in the honest, prudent and responsible manners and to protect all the shareholders’ interests equally.
2. To establish the vision, strategy, policy and direction of the operation of the Company and ensure that the operation of the Management is efficient and effective and in line with the policy so as to add the highest value to the Company and shareholders in the secure and sustainable manner.
3. To arrange the disclosure of information to shareholders, investors and all stakeholders in the correct, complete, transparent and timely manner.
4. To ensure the efficiency of the internal control and audit system.
5. To ensure the efficiency of the risk management and to follow up the outcome on a regular basis.
6. To ensure that the operation of the Company is in accordance with the Principles of Good Corporate Governance and to follow up the outcome on a regular basis.
7. To appoint a Company Secretary to be in charge of various activities of the Board of Directors and ensure that the Board of Directors’ performance is in accordance with the law and related regulations.
8. To establish the Code of Conduct of the directors, executive directors and staff in order to be the baseline standard for the performance of the Company.
9. The Board of Directors could seek expert’s opinion which is related to the business by hiring an external consultant at the expense of the Company.
10. To solve the problems of conflict of interests of the executives, directors and shareholders and the misuse of the assets of the Company and subsidiary companies.
11. To appoint subcommittees to support the work of the Board of Directors, approve the Charters of subcommittees and monitor and acknowledge the report on the operation of subcommittees.
12. To appoint Executive Committee and Chief Executive Director and identify the duties and responsibilities of the Executive Committee or assign one or more than one directors or other individuals to perform a duty on behalf of the Board of Directors.
13. To appoint Chief Executive Officer and Managing Director.
14. To appoint advisors to the Company.
15. To approve the appointment of high-ranking executives.
16. To consider and approve the financial statements, financial reports audited and/or reviewed by the auditors and approved by the Audit Committee.
17. To arrange a performance evaluation of the Board of Directors, subcommittees and Chief Executive Officer and follow up the outcome of the evaluation for consideration.
18. To consider the succession plan and development plan for high-ranking executives of the Company and subsidiary companies, arrange a performance evaluation annually and consider appropriate remuneration that is in accordance with the performance of the Company.

19. To report the acquisition of him/herself, spouse and children under legal age to the Board of Directors for acknowledgement and report the changes of the acquisition of him/herself, spouse and children under legal age to the Securities and Exchange Commission.
20. To report the conflict of interest, both direct or indirect in any contract or business executed by the Company during the financial year to the Board of Directors' Meeting.
21. To decide the date, time and venue of the shareholders' meeting as well as the agenda and the book-closing date and summarize the performance of the Company to be presented to the shareholders.
22. Follow up the followings:
 - 22.1 Follow up the progress of the strategic operation of subsidiary companies including business plans that may have significant impacts on the success of the strategy of the subsidiary companies or changes on the strategy of associated company.
 - 22.2 Monitor the operational performance against the target and estimation at least once every quarter. If the operational target is not reached, discussion must be made to alter both short-term and long-term target. Key performance indicators and competitive analysis must also be prepared.

Authorizing Power of the Board of Directors

The Board of Directors has the authority to approve various of the Company and subsidiary companies as established by law, Article of Association and resolution of the Annual General Meeting of Shareholders as follows:

- Strategic map, mission and vision of the Company
- Risk management policy
- Organization structure, goals of the Company and subsidiary companies
- Business plan and annual budget plan
- Annual and quarterly performance assessment
- Budget for land purchase
- Budget for investment in projects e.g. cost, income, gross profit, etc.

Board of Directors' Meeting

It is crucial for the directors of the Company to attend meetings and activities of the Company to acknowledge the information and jointly make decisions related to business operation. The date and time of the Board of Directors' Meeting is scheduled in advance to allow time for the Board of Directors to study the information before attending the meeting. The meetings of the Board of Directors in each year are as follows:

1. Board of Directors' Meeting

Six Board of Directors' Meetings per year are scheduled in advance. It is to consider the performance, operational plan, policy and strategy, financial statements and other issues related to the Company, subsidiary companies, affiliated companies and associated companies. Ad-hoc meetings may be organized when urgent issue arise.

- The agenda of each meeting is clearly identified. The Chairman of the Board of Directors and Chief Executive Director will identify the meeting agenda and issues to be discussed. The opportunity is provided to directors or subcommittees to propose an issue to be included in the meeting agenda. The Directors' Office of the Company will send out the meeting invitation letter and documents to the directors at least seven days in advance to allow sufficient time for the directors to study the information. In each meeting, it will also be attended by Managing Directors of subsidiary companies, the Management team of the Company, subsidiary companies, affiliated companies and associated companies, and advisors to the Board of Directors to present relevant information and acknowledge the policy of the Board of Directors for effective and efficient operation.
- There must be no less than half of all the directors attending the Board of Directors' Meeting to constitute a quorum. This is in accordance to No.15 of the Article of Association of the Company. The Chairman of the Board of Directors will chair the meeting and provide opportunities for the directors and other attendants to independently express their opinions.

- The passing of a resolution in the meeting will be in accordance with the law i.e. the majority of votes. Each director will have one vote. However, though the quorum of the meeting is stated in the Article of Association of the Company, the Board of Directors realize the roles and responsibilities in managing the business for the utmost benefit of the shareholders and all stakeholders. Therefore, it is added that when a resolution is to be passed, there must be no less than two-thirds of all the directors of the Company to constitute a quorum in the Board of Directors' Meeting.
- In all meetings, the Board of Directors must give importance to conflict of interest by accurately, fully and transparently disclose all the information. The director having a conflict of interest in the agenda will have to leave the meeting room, or give up the voting right on that matter. The period of each meeting is around 3-4 hours.

In all Board of Directors' Meeting, the Directors' Office who is responsible for the organization of the meeting will let the directors evaluate the efficiency of the meeting of the following ten topics.

1. The meeting invitation and notification has been delivered at least 7 days in advance.
2. The information received together with the invitation letter is complete.
3. Clarity and appropriateness of the meeting agenda.
4. The meeting starts on time with effective time management.
5. Number of directors attending the meeting.
6. Quality of the Management's presentation.
7. Participation of the directors and quality of the discussion.
8. Concern over shareholders' benefit and stakeholders.
9. Clear resolution on each agenda item.
10. Chairman's ability in meeting conduction and conflict management.

The result of the evaluation will be informed in the next meeting for improvement of the meeting. After the meeting, the Directors' Office will be responsible for the preparation of the meeting minutes for revision of the directors and related persons. When the meeting minutes is revised and amended, the Directors' Office will present it to the next Board of Directors' Meeting for approval. The Chairman of the Board of Directors presiding over the meeting will sign the minutes to adopt the minutes.

The hard copy of the adopted and signed meeting minutes will be systematically filed at the Directors' Office. The electronic version will also be filled together with other meeting documents for reference.

2. Board of Directors' Meeting during Project Site Visit

The meeting during project site visit is scheduled twice a year for the director to get to know the projects developed by the Company and subsidiary companies better in terms of construction, sales and community management.

3. Annual General Meeting of Shareholders

The meeting is scheduled once a year. In case that there is an urgent issue that needs approval from shareholders, the Board of Directors will schedule an Extraordinary Meeting of Shareholders. The Board of Directors of the Company will comply with Public Limited Company Act B.E. 2535 and Securities and Exchange Act B.E. 2535 and other related regulations in order to be in consistence with the law and good corporate governance principles.

4. Non-Executive Directors Meeting

The meeting is scheduled once a year. It is the meeting of non-executive directors without the attendance of executive directors, Chief Executive Director, managing directors or the Management for the non-executive directors to have the opportunity to have a meeting among themselves and discuss various issues independently. The suggestions or comments from the meeting will be proposed to the Management for consideration.

In 2022 the Board of Directors has 7 meetings which have been planned in advance and attends one Annual General Meeting of Shareholders. There are 8 meetings in total. The details are as follows: (Information as of 31 December 2022)

| Meeting No. | Date | Agenda |
|-------------|------------------|--|
| 1 | 10 February 2022 | Considered the financial statements 2021, announced the dividend payment and identified the date of the Annual General Meeting of Shareholders |
| 2 | 24 March 2022 | Annual General Meeting of Shareholders 2022 |
| 3 | 24 March 2022 | Considered the appointment of directors for various positions in subcommittees |
| 4 | 5 May 2022 | Approved the financial statements in Q1/2022 |
| 5 | 4 August 2022 | Approved the financial statements in Q2/2022 |
| 6 | 6 October 2022 | Considered the draft business plan in 2023 of the Company and its subsidiaries |
| 7 | 3 November 2022 | Approved the financial statements in Q3/2022 |
| 8 | 8 December 2022 | Considered the operating performance in 2022, approved the business plan in 2023 Considered the 2023-2026 visions and missions |

The details of the attendance of the directors are as follows:

| No. | Name | Position | No. of Meeting Attended | Annual General Meeting of Shareholders (1) | % |
|-----|-----------------------------|--|-------------------------|--|--------|
| 1 | Mr. Amornsuk Noparumpa | Chairman of the Board of Directors and Independent Director | 7/7 | 1 | 100% |
| 2 | Mr. Vudhiphol Suriyabhivadh | Vice Chairman of the Board of Directors, Chairman of Audit Committee Member and Independent Director | 7/7 | 1 | 100% |
| 3 | Mr. Tikhamporn Plengsriruk | Vice Chairman of the Board of Directors | 7/7 | 1 | 100% |
| 4 | Mr. Khanchai Vichakkhana | Director, Audit Committee Member, Chairman of Nomination, Remuneration and Good Corporate Governance Committee Member and Independent Director | 7/7 | 1 | 100% |
| 5 | Mr. Krirk Vanikkul | Director, Audit Committee Member, Nomination, Remuneration and Good Corporate Governance Committee Member and Independent Director | 6/7 | 1 | 85.71% |
| 6 | Mr. Weerasak Wahawisal | Director, Audit Committee Member, Nomination, Remuneration and Good Corporate Governance Committee Member and Independent Director | 7/7 | 1 | 100% |
| 7 | Mr. Pichet Supakijjanusan | Director and Nomination, Remuneration and Good Corporate Governance Committee Member | 7/7 | 1 | 100% |
| 8 | Mrs. Yupa Techakraisri | Director | 7/7 | 1 | 100% |
| 9 | Mr. Kumpee Chongthurakit | Director | 7/7 | 1 | 100% |
| 10 | Mr. Opas Sripayak | Director, Chief Executive Director, Chief Executive Officer, Nomination, Remuneration and Good Corporate Governance Committee Member, Chairman of Risk Management Committee Member and Managing Director | 7/7 | 1 | 100% |
| 11 | Mr. Apichart Kasemkulsiri | Director and Risk Management Committee Member | 7/7 | 1 | 100% |
| 12 | Surawut Sukcharoensin | Director and Risk Management Committee Member | 7/7 | 1 | 100% |

The Managing Directors of subsidiary companies and the Management will attend all Board of Directors' Meeting to report the performance of the companies, present relevant information and directly acknowledge the policy established by the Board of Directors for effective and efficient implementation.

Moreover, the Annual General Meeting of Shareholders 2021 is not only attended by directors and subcommittee members of the Company but also Managing Directors of subsidiary companies as well as high-ranking executives of the Company and subsidiary companies in order to present the information and report the performance of the Company to shareholders for acknowledgement.

In 2022, unlike the previous years, due to the COVID-19 pandemic, there is no Board of Directors' Meeting during site visit for the directors to be informed of the progress of the projects and other details related to sales, marketing, construction and community management.

Nomination, Appointment or Election of the Board of Directors

The Nomination, Remuneration and Good Corporate Governance Committee is responsible for nominating qualified candidates to take up the position of the directors who are suitable in terms of competencies, experiences and expertise in the profession, are equipped with leadership skills, vision, moral and ethics, have transparent professional background and are able to express their opinions freely. The Nomination, Remuneration and Good Corporate Governance Committee will nominate suitable candidates to the Board of Directors' Meeting for approval before presenting to the Shareholders' Meeting for appointment or election. In case that a director position of the Company becomes vacant not by rotation, the Nomination, Remuneration and Good Corporate Governance Committee may consider to nominate a suitable person to the Board of Directors' Meeting to be appointed as a director to fill the vacant position in accordance with the Articles of Association of the Company.

At present, the Board of Directors of the Company comprises directors who have different competencies, qualifications and expertise necessary for a property development company to establish a strategy, policy and efficient business operation as follows:

- | | | |
|-----------------------|---|---|
| 1. Engineering | : | Mr. Tikhamporn Plengsrisuk and Mr. Surawut Sukcharoensin |
| 2. Architecture | : | Mr. Pichet Supakijjanusan and Mr. Opas Sripayak |
| 3. Management | : | Mr. Apichart Kasemkulsiri and Mr. Surawut Sukcharoensin |
| 4. Accounting Finance | : | Mr. Vudhiphol Suriyabhivadh, Mr. Krirk Vanikkul, Mr. Weerasak Wahawisal, Mrs. Yupa Techakraisri and Mr. Apichart Kasemkulsiri |
| 5. Legal | : | Mr. Amornsuk Noparumpa, Mr. Khanchai Vichakkhana and Mr. Krirk Vanikkul |
| 6. Land | : | Mr. Amornsuk Noparumpa and Mr. Khanchai Vichakkhana |
| 7. Marketing | : | Mr. Kumpee Chongthurakit and Mr. Surawut Sukcharoensin |

The Nomination, Remuneration and Good Corporate Governance Committee is responsible for nominating qualified candidates to take up the position of the directors who are suitable in terms of competencies, experiences and expertise in the profession, are equipped with leadership skills, vision, moral and ethics, have transparent professional background and are able to express their opinions freely. The Nomination, Remuneration and Good Corporate Governance Committee will nominate suitable candidates to the Board of Directors' Meeting for approval before presenting to the Shareholders' Meeting for appointment or election. In case that a director position of the Company becomes vacant not by rotation, the Nomination, Remuneration and Good Corporate Governance Committee may consider to nominate a suitable person to the Board of Directors' Meeting to be appointed as a director to fill the vacant position in accordance with the Articles of Association of the Company.

At present, the Board of Directors of the Company comprises directors who have different competencies, qualifications and expertise necessary for a property development company to establish a strategy, policy and efficient business operation as follows:

Report on Meeting Attendance of Committees' Members

In 2022, the details of meeting of subcommittees are as follows:

1. Audit Committee

In 2022, the total of five meetings of the Audit Committee which are planned in advance are held with the attendance of the following members:

| No. | Name | Position | No. of Meeting Attended |
|-----|-----------------------------|---------------------------------|-------------------------|
| 1 | Mr. Vudhiphol Suriyabhivadh | Chairman of the audit Committee | 5/5 |
| 2 | Mr. Krirk Vanikkul | Committee Member | 5/5 |
| 3 | Mr. Khanchai Vichakkhana | Committee Member | 5/5 |
| 4 | Mr. Weerasak Wahawisal | Committee Member | 5/5 |

2. Executive Committee

In 2022, the total of 21 meetings of the Executive Committee which are planned in advance are held with the attendance of the following members:

| No. | Name | Position | No. of Meeting Attended |
|-----|---------------------------|------------------|-------------------------|
| 1 | Mr. Opas Sripayak | Chairman | 21/21 |
| 2 | Mr. Apichart Kasemkulsiri | Committee Member | 20/21 |
| 3 | Mr. Surawut Sukcharoensin | Committee Member | 21/21 |

3. Nomination, Remuneration and Good Corporate Governance Committee

In 2022, the total of six meetings of the Nomination, Remuneration and Good Corporate Governance Committee which are planned in advance are held with the attendance of the following members:

| No. | Name | Position | No. of Meeting Attended |
|-----|---------------------------|------------------|-------------------------|
| 1 | Mr. Khanchai Vichakkhana | Chairman | 6/6 |
| 2 | Mr. Krirk Vanikkul | Committee Member | 6/6 |
| 3 | Mr. Weerasak Wahawisal | Committee Member | 6/6 |
| 4 | Mr. Pichet Supakijjanusan | Committee Member | 6/6 |
| 5 | Mr. Opas Sripayak | Committee Member | 6/6 |

4. Risk Management Committee

In 2022, the total of three meetings of the Risk Management Committee which are planned in advance are held with the attendance of the following members:

| No. | Name | Position | No. of Meeting Attended |
|-----|----------------------------|------------------|-------------------------|
| 1 | Mr. Opas Sripayak | Chairman | 3/3 |
| 2 | Mr. Apichart Kasemkulsiri | Committee Member | 2/3 |
| 3 | Mr. Surawut Sukcharoensin | Committee Member | 3/3 |
| 4 | Ms. Somsri Techakraisri | Committee Member | 2/3 |
| 5 | Ms. Surasawadi Suewaja | Committee Member | 3/3 |
| 6 | Mr. Prapansak Rakchaiyawan | Committee Member | 3/3 |

5. Non-Executive Directors Meeting

The Board of Directors of the Company gives importance to good corporate governance and requires that non-executive directors are to meet as appropriate without the interference of executive directors or the Management to provide them the opportunity to discuss various issues related to the business of the Company and other business that are of interest. In 2022, there is a total of one meeting of Non-Executive Directors with the participation of the following non-executive directors:

| No. | Name | | Position | No. of Meeting Attended |
|-----|----------------|----------------|---------------|-------------------------|
| 1 | Mr. Amornsuk | Noparumpa | Chairman | 1/1 |
| 2 | Mr. Vudhiphol | Suriyabhivadh | Vice Chairman | 1/1 |
| 3 | Mr. Tikhamporn | Plengsrisuk | Vice Chairman | 1/1 |
| 4 | Mr. Khanchai | Vichakkhana | Director | 1/1 |
| 5 | Mr. Krirk | Vanikkul | Director | 1/1 |
| 6 | Mr. Weerasak | Wahawisal | Director | 1/1 |
| 7 | Mr. Pichet | Supakijjanusan | Director | 1/1 |
| 8 | Mrs. Yupa | Techakraisri | Director | 1/1 |
| 9 | Mr. Kumpee | Chongthurakit | Director | 1/1 |



SUBCOMMITTEES

The Management structure of L.P.N. Development Public Co., Ltd. as of 31 December 2022 comprises five subcommittees as follows:

1. Audit Committee
2. Nomination, Remuneration and Good Governance Committee
3. Executive Committee
4. Risk Management Committee
5. Corporate Environmental and Social Responsibility Committee

1. Audit Committee

The Audit Committee comprises directors with the qualifications of independent directors according to the Stock Exchange of Thailand, all of whom are independent and qualified as required by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee has the duties, roles and responsibilities to be independent in supporting the Board of Directors to ensure that the corporate governance is in accordance with good corporate governance principles, solve conflict of interest problems, review financial information disclosed to the public and shareholders, review internal control systems and internal audit system and communicate with auditors of the Company.

In order to be consistent with Section 3/1 of the revised Securities and Exchange Act (No. 4) B.E. 2551, the Board of Directors' Meeting Ref. 1/2010 on 18 February 2010 resolved to change roles and responsibilities of the Audit Committee to be more concentrated. This was also to be in accordance with the notice of the Stock Exchange of Thailand on the qualifications and scope of work of Audit Committees B.E. 2551.

As of 31 December 2022, there are 4 Audit Committee Members as follows:

1. Mr. Vudhiphol Suriyabhivadh Chairman of Audit Committee (has accounting and finance knowledge)
 2. Mr. Khanchai Vichakkhana (has legal knowledge)
 3. Mr. Krirk Vanikkul (has legal and finance knowledge)
 4. Mr. Weerasak Wahawisal (has accounting and finance knowledge)
- with Mrs. Piyanuch Naveenavakun as the Secretary of Audit Committee.

The Audit Committee held a series of meeting regularly and reported to the Board of Directors of the Company. In 2022, the total of five meetings of the Audit Committee is held. The details of the meetings are

| Meeting No. | Date | Agenda |
|-------------|-----------------|--|
| 1 | 3 Feb 2022 | Approved the financial statements of 2021 |
| 2 | 7 April 2022 | Reported the progress of the application for an extension of certification as a Thai Private Sector Collective Action Coalition against Corruption (CAC) |
| 3 | 28 April 2022 | Approved the financial statements of Q1/2022 |
| 4 | 27 July 2022 | Approved the financial statements of Q2/2022 |
| 5 | 27 October 2022 | Approved the financial statements of Q3/2022 |

Audit Committee Charter

1. Membership

- 1.1 The Audit Committee shall comprise no fewer than three members.
- 1.2 The Audit Committee members must be equipped with appropriate skills or expertise to achieve the assigned duties. At least one Committee member must have sufficient knowledge or experiences in accounting or finance and continuing professional knowledge about instances which cause changes in financial reports.

2. Qualifications

- 2.1 Be a director of the Company but not being involved in the management of the Company, affiliated company, associated company, related company or major shareholders of the Company.

- 2.2 Not holding more than one per cent of the paid-in capital, which shall be inclusive of his/her related persons, of the Company, affiliated company, associated company or related company.
- 2.3 Not having direct or indirect benefits or interests in the finance aspect or management of the Company, affiliated company, associated company or major shareholders of the Company and not having benefits or interests in any transactions of the Company during the period of one year before being appointed as an Audit Committee member.
- 2.4 Be capable of performing duties, giving opinions or reporting the result of work performance independently according to the duties delegated by the Board of Directors, free from the control of the executives or major shareholders of the Company, including related persons or close relatives of the said persons.
- 2.5 Be able to contribute enough time to perform as an Audit Committee member.

3. Appointment, Term of Office and Retirement

3.1 Appointment of Audit Committee

- The Board of Directors will appoint Independent Directors of the Company to be members of the Audit Committee.
- If a member of the Audit Committee retires by rotation or vacates office before expiration of his/her term resulting in less than three members in the Committee, the Board of Directors will appoint a substitute member within three months from the day of the lack of members so that the operation of the Audit Committee is not interrupted.

3.1.1 Chairman of the Audit Committee

- Board of Directors will select one member of the Audit Committee to serve as a Chairman of the Audit Committee.
- Chairman of the Audit Committee will chair the meeting to be in line with the good practice and ensure the overall effectiveness of the Audit Committee.

3.1.2 Secretary of the Audit Committee

- Manager of the Internal Audit Department of the Company will serve as a Secretary of the Audit Committee.
- Secretary of the Audit Committee will support the operation of the Audit Committee by preparing the work plan of the Audit Committee, making meeting arrangements, preparing the agenda of the meeting as assigned by the Chairman of the Audit Committee, delivering the meeting handouts and taking meeting minutes.

3.2 Term of Office

- Term of office of the member of the Audit Committee is limited to 2 (two) years.

3.3 Retirement

- Audit Committee members shall vacate office upon:

1. Being disqualified as a member of the Audit Committee
2. Death
3. Resignation
4. Being removed by the resolution of the Board of Directors

3.3.2 If a member of the Audit Committee is to resign before expiration of his/her term, he/she must notify the Company in written format with reasons no less than one month in advance so that the Board of Director can appoint a substitute member. The Company will notify and send a copy of the resignation letter to the Stock Exchange of Thailand.

3.3.3 If a member of the Audit Committee is relieved before expiration of his/her term, the Company will notify the Stock Exchange of Thailand with explanations.

4. Duties and Responsibilities

The Audit Committee shall have the duties and responsibilities according to the Audit Committee Charter which is approved by the Board of Directors as follows:

- 4.1 Oversee the audit procedure, internal audit system and the financial report preparation process.
- 4.2 Consider and appoint a Certified Public Accountant as well as remuneration.
- 4.3 Oversee the procedure to ensure compliance with related policies, rules, regulations and laws as well as resolutions of the Board of Directors.
- 4.4 Provide recommendations to the Management to improve working process or system to reduce risks and ensure the efficiency of the working system.
- 4.5 Provide recommendations to set up good corporate governance policies as well as follow up, evaluate and report the performance on the matter.
- 4.6 Define the scope of work of the internal audit and review the report of the Internal Audit Department.
- 4.7 Consider and advise the Board of Directors on the appointment, relocation, dismissal, remuneration and performance evaluation of the Secretary of the Audit Committee.
- 4.8 Seek external consultant to advise or assist the Audit Committee as agreed by the Board of Directors.

- 4.9 Review the self-evaluation form on the anti-corruption policy to ensure that various anti-corruption systems in the Company are in place as indicated in the self-evaluation form of the Thai Institute of Directors.
- 4.10 Revise the anti-corruption policy and whistleblower policy.
- 4.11 Perform any other duties as assigned by the Board of Directors and agreed by the Audit Committee.

5. Meeting

5.1 Frequency of the Meeting

- 5.1.1 The Audit Committee meeting shall be held at least four times a year.
- 5.1.2 The Chairman of the Audit Committee can convene a meeting when required by a member of the Audit Committee, Manager of the Internal Audit Department, auditors or Chairman of the Board of Directors to consider an important matter together or when the Chairman of the Audit Committee sees fit.

5.2 Participants of the Meeting

- 5.2.1 A quorum of the meeting shall be no less than half of Audit Committee members present in the meeting. The Chairman of the Audit Committee will be a chairman of the meeting.
- 5.2.2 The Audit Committee may invite company's executives or auditors to attend the related meeting.
- 5.2.3 The Audit Committee may invite external experts or lawyers to attend the meeting as necessary and appropriate.

5.3 Voting

- 5.3.1 The resolution of the Audit Committee meeting will be passed by a majority of votes. Each member of the Audit Committee has one vote. The Chairman shall be entitled to cast a vote to resolve any ties.
- 5.3.2 Any members of the Audit Committee who has interests in the agenda must not participate in the discussion or cast a vote on the matter.

5.4 Meeting Minutes

The Secretary of the Audit Committee or an assigned person is to take the minutes of the meeting.

2. Executive Committee

Appointed by the Board of Directors, the Executive Committee consists of 3 committee members who are executives. They are selected from capable and knowledgeable individuals who understand designated roles and responsibilities and have a clear understanding of the Company's business operation characteristics. Their responsibilities are to manage the Company in accordance with the policy of the Board of Directors and always take into consideration the maximum benefits of the Company. The members of the Executive Committee are as follows.

1. Mr. Opas Sripayak Chief Executive Director
2. Mr. Apichart Kasemkulsiri
3. Mr. Surawut Sukcharoensin

In 2022, the Executive Committee Meeting is held at least once every week. There are 21 meetings in total. Each meeting is participated by managing directors of subsidiary companies and managers from various departments of the Company, subsidiary companies and affiliated companies who would report the performance of the company to the meeting and be informed of the policy established by the Executive Committee. The essence of the meeting held is as follows:

- To approve various transactions as assigned by the Board of Directors of the Company.
- To oversee and identify the direction of operation on various matters stated in the annual business plan approved by the Board of Directors.
- To follow up the performance of the Management and provide management guidance.

Executive Committee Charter

Summary of key points:

1. Membership

- 1.1 The Executive Committee, selected among directors of the Company, is appointed by the Board of Directors. The number of Executive Committee members is considered by the Board of Directors.
- 1.2 The Board of Directors appoint the Chief Executive Director.
- 1.3 Secretary of the Executive Committee is an executive member. Their responsibilities are making meeting arrangements, preparing meeting documents, taking meeting minutes and performing other tasks as assigned by the Executive Committee.

2. Term of Office

- 2.1 Term of office of members of the Executive Committee is as agreed by the Board of Directors. The Board of Directors can make any adjustment as deem appropriated.
- 2.2 Executive Committee members shall vacate office upon:
 - (1) Death
 - (2) Resignation
 - (3) No longer a director of the Company
 - (4) Being removed by the resolution of the Board of Directors
- 2.3 The resignation will be effective when a resignation letter is submitted to Chairman of the Board of Directors.

3. Duties and Responsibilities

- 3.1 To be in charge of the management and operation of the Company.
- 3.2 To establish the plan and business strategy of the Company, subsidiary companies, affiliated companies, and associated companies to ensure compliance with the vision, mission and policy established by the Board of Directors.
- 3.3 To oversee the management to ensure that the outcome is achieved as planned.
- 3.4 To consider and specify investment directions and business expansion.
- 3.5 To consider and manage the budget as approved by the Board of Directors.
- 3.6 To consider and approve any investment in unplanned projects or activities whose funds do not exceed 10,000,000 THB (Ten Million THB) per time as approved by the Board of Directors.
- 3.7 To be authorized by the Board of Directors to process legal transactions and documents as follows:
 - (1) Registration of the purchase and sell of land, land with buildings, buildings and condominiums including registration with related agencies as required by law.
 - (2) Registration of the rent and let of land, land with buildings, buildings and condominiums including registration with related agencies as required by law.
 - (3) Registration of the mortgage, mortgage acceptance, the increase of mortgage value, registration to redeem a mortgage, registration to release a mortgage of land, land with buildings, buildings and condominiums.
 - (4) Request to measure a piece of land, to issue a title deed, to divide and combine a land and to allocate land including registration with related agencies as required by law.
 - (5) Registration of servitude as servitude and dominant properties and land donations for public use and to other related agencies for the Company's benefits.
 - (6) Registration of condominiums, registration of juristic persons of condominiums, appointment of the manager of the juristic persons, selection and appointment of the juristic persons committee of condominiums.
 - (7) Making of a loan contract and other contracts with commercial banks and financial institutions including opening of accounts.
 - (8) Meeting with condominium joint owners and juristic persons and appointment of a representative to attend the meeting and the election to be on a juristic persons committee as a joint owner as well as to attend a shareholders' meeting of subsidiary companies, affiliated companies and associated companies.
 - (9) To have the authorization to authorize other persons to act in their place including to process any legal transactions which are related to the transactions of the company as stated in article (1)-(8).
- 3.8 To advise and provide recommendations on management to executives.
- 3.9 To consider and/or assign an individual to take up the position of high-ranking executives of the Company, subsidiary companies, affiliated companies and associated companies.
- 3.10 To consider any other business as assigned by the Board of Directors.

Delegation of duties and responsibilities to the Executive Committee will not happen in a way or during a period of time that allows the Executive Committee or the persons authorized by the Executive Committee to approve any transaction which they have conflicts or interests with or which have a conflict of interest, in any form, with the Company, subsidiary companies, affiliated companies and associated company, except for the approval of transaction that complies with the policy and the criteria approved earlier by the Board of Directors. The above transaction approval must be proposed to the Board of Directors' meeting and/or the shareholders' meeting as required by the Stock Exchange of Thailand, the Securities and Exchange Commission or related laws.

4. Meeting

- 4.1 The Executive Committee meeting shall be held when it is necessary and appropriated.
- 4.2 A quorum of the meeting shall be no less than half of Executive Committee members present in the meeting.
- 4.3 The resolution of the Executive Committee meeting will be passed by a majority of votes. Any members of the Executive Committee who has interests in the agenda must not participate in the discussion or cast a vote on the matter.
- 4.4 In case that the Chief Executive Director is absent from the meeting or unable to perform the duty, the Committee members present at the meeting shall select one member to act as a Chairman of the meeting.
- 4.5 The Executive Committee may invite the Management department and related parties to attend the meeting. Related information and documents can be given to them.

3. Nomination, Remuneration and Good Corporate Governance Committee

The Nomination, Remuneration and Good Corporate Governance Committee is appointed by the Board of Directors. As of 31 December 2022 the Committee has five members comprising three independent directors, one non-executive director and one executive director for a balance of power. The main duty is to ease the burden of the Board of Directors and shareholders. The members of the Nomination, Remuneration and Good Corporate Governance Committee are as follows:

- | | | | |
|----|--------------|----------------|--|
| 1. | Mr. Khanchai | Vichakkhana | Chairman of Nomination and Remuneration Committee and Independent Director |
| 2. | Mr. Krirk | Vanikkul | Independent Director |
| 3. | Mr. Weerasak | Wahawisal | Independent Director |
| 4. | Mr. Pichet | Supakijjanusan | Non-Executive Director |
| 5. | Mr. Opas | Sripayak | Executive Director |
- with Miss Kornkanok Yimtanorm as the Secretary

In 2022, the total of six Nomination and Remuneration Committee's meetings are held as follows:

| Meeting No. | Date | Agenda |
|-------------|-------------------|--|
| 1 | 3 February 2022 | <ul style="list-style-type: none"> - Considered the appointment of directors to replace those who retire by rotation for proposing to the Annual General Meeting of Shareholders 2022 - Considered rewards for directors for their performance in 2021 - Considered the remuneration for directors in 2022 |
| 2 | 28 April 2022 | <ul style="list-style-type: none"> - Considered to revise the anti-corruption policy |
| 3 | 27 July 2022 | <ul style="list-style-type: none"> - Considered rewards for staff for the performance during the first six months of 2022 |
| 4 | 31 August 2022 | <ul style="list-style-type: none"> - Considered the reorganization of management structure of the Company and its subsidiaries |
| 5 | 26 September 2022 | <ul style="list-style-type: none"> - Considered the reorganization of management structure of the Company and its subsidiaries (Matters Arising) |
| 6 | 1 December 2022 | <ul style="list-style-type: none"> - Considered the rewards for staff in 2022 - Considered the remuneration for the Board of Directors in 2023 - Considered the 2022 overall result of the evaluation of directors, the Chief Executive Director and subcommittee members - Considered the extension of the top executives' employment contract - Considered and reviewed the practice of good corporate governance principle |

Nomination, Remuneration and Good Corporate Governance Committee Charter

Summary of key points

1. Membership and Qualifications

- 1.1 The Board of Directors will select members of the Nomination, Remuneration and Good Corporate Governance Committee from directors of the Company and determine numbers of its members.
- 1.2 The majority of the Nomination, Remuneration and Good Corporate Governance Committee members should be Independent Directors. If there are to be Executive Directors in the Nomination, Remuneration and Good Corporate Governance Committee, they should be minority. The Chairman of the Nomination, Remuneration and Good Corporate Governance Committee should be an independent director.

- 1.3 The Nomination, Remuneration and Good Corporate Governance Committee is to appoint a Secretary of the Nomination, Remuneration and Good Corporate Governance Committee and report to the Board of Directors.
- 1.4 The Nomination, Remuneration and Good Corporate Governance Committee is able to appoint a subcommittee to perform related works.

2. Term of Office and Remuneration

- 2.1 The term of office of the members of the Nomination, Remuneration and Good Corporate Governance Committee is limited to 2 (two) years.
- 2.2 Apart from the retirement by rotation, Nomination, Remuneration and Good Corporate Governance Committee members will vacate office upon:
 - (1) Death
 - (2) Resignation
 - (3) Being disqualified under the law governing public limited company and/or the Securities and Exchange Act and/or as identified by the Securities and Exchange Commission
 - (4) Being removed by the resolution of the Board of Directors
- 2.3 Any member of the Nomination, Remuneration and Good Corporate Governance Committee who wishes to resign shall submit the resignation letter to the Chairman of the Board of Directors.
- 2.4 In case that a position of the Nomination, Remuneration and Good Corporate Governance Committee member has become vacant because of any other reasons apart from retirement by rotation, the Board of Directors shall select a director of the Company to fill the vacant position. The substitute member shall hold office for the remaining office term of the Nomination, Remuneration and Good Corporate Governance Committee only.
- 2.5 The member of the Nomination, Remuneration and Good Corporate Governance Committee who retires by rotation may be re-appointed again.
- 2.6 The shareholders' meeting shall decide the remuneration for the members of the Nomination, Remuneration and Good Corporate Governance Committee.

3. Duties and Responsibilities

- 3.1 Nomination
 - 3.1.1 Propose criteria and guidelines for the selection of the directors, subcommittees, Executive Committee, Chief Executive Director and high-ranking executives of the Company.
 - 3.1.2 Nominate, select and propose qualified candidates for the positions of directors, subcommittee members, Executive Committee, Chief Executive Director and high-ranking executives to the Board of Directors for consideration and/or to the shareholders' meetings for approval depending on cases.
 - 3.1.3 If a director position is vacant from:
 - 1) Retirement by rotation, a qualified candidate shall be nominated and proposed to the Board of Directors for consideration and to the Annual General Meeting of Shareholders for approval.
 - 2) Other reasons apart from retirement by rotation, a qualified candidate shall be nominated and proposed to the Board of Directors for consideration and appointment.
 - 3.1.4 Propose criteria and guidelines for the evaluation of the directors, subcommittees, Chief Executive Director, Chief Executive Officer, Managing Director and high-ranking executives of the Company.
 - 3.1.5 Perform any other business as assigned by the Board of Directors.
- 3.2 Remuneration
 - 3.2.1 Propose criteria and guidelines for the remuneration for directors, subcommittee members, Chief Executive Director, Chief Executive Officer, Managing Director, high-ranking executives and employees to the Board of Directors for consideration and/or to the Shareholders' meeting for approval, depending on circumstances.
 - 3.2.2 Consider to improve the policy and structure of the remuneration management for directors, subcommittee members, high-ranking executives and employees of the Company, subsidiary companies and affiliated company to be in compliance with the labor market atmosphere at the time and propose to the Board of Directors.
 - 3.2.3 Perform any other business as assigned by the Board of Directors.
- 3.3 Good Corporate Governance
 - 3.3.1 Establish Corporate Governance Policy in a written format to be proposed to the Board of Directors for approval and used as the best Practice of the Company.
 - 3.3.2 Consider and establish the Code of Business Conduct and an Employee Code of Conduct in a written format as the best Practice of the Company.

3.3.3 Consider, review and improve the Good Corporate Governance Policy, Code of Business Conduct and Employee Code of Conduct in compliance with international practice standard as well as rules, regulations and laws related to the business of the Company.

3.3.4 Ensure that a proper anti-corruption policy is in place and support the business operation.

3.3.5 Perform any other business as assigned by the Board of Directors.

4. Meetings

- 4.1 The Nomination, Remuneration and Good Corporate Governance Committee is to arrange or convene a meeting at least three times a year.
- 4.2 The Nomination, Remuneration and Good Corporate Governance Committee meeting must be attended by more than half of all Committee members and in each meeting, the number of Independent Directors must be the majority in order to constitute a quorum.
- 4.3 The resolution of the Nomination, Remuneration and Good Corporate Governance Committee meeting will be passed by a majority of votes of the attending directors on the quorum. Any directors who have interests in the agenda must not attend the discussion or cast a vote on the matter.

4. Risk Management Committee

as of 31 December 2022, there are 6 members in the Risk Management Committee as follows.

- 1) Mr. Opas Sripayak Chairman of the Risk Management Committee
- 2) Mr. Apichart Kasemkulsiri
- 3) Mr. Surawut Sukcharoensin
- 4) Ms. Somsri Techakraisri
- 5) Ms. Surasawadi Suewaja
- 6) Mr. Prapansak Rakchaiyawan

In 2022, three Risk Management Committee's meetings are held. The detail is as follows:

| Meeting No. | Date | Agenda |
|-------------|-----------------|--|
| 1 | 20 April 2022 | Considered risks and risk management measures to propose to the Board of Directors of the Company. |
| 2 | 12 July 2022 | Considered risks and risk management measures to propose to the Board of Directors of the Company. |
| 3 | 19 October 2022 | Considered risks and risk management measures to propose to the Board of Directors of the Company. |

In addition to the above meetings to summarize the risk management and operation on a quarterly basis to propose to the Board of Directors, the Risk Management Committee has also organized a weekly meeting to monitor, assess and manage risks in all departments in order to be up-to-date on both domestic and international changes and circumstances that may impact the Company.

Risk Management Committee Charter

Summary of key points:

1. Membership

- 1.1 The Risk Management Committee, selected among directors and/or qualified executives of the Company, is to be appointed by the Board of Directors who will also determine the numbers of its members.
- 1.2 The Chief Executive Director of L.P.N. Development Public Co.,Ltd. or a person assigned by the Chief Executive Director will be the Chairman of the Risk Management Committee.
- 1.3 The Secretary of the Risk Management Committee is selected among executives. The main responsibilities are making meeting arrangements, preparing meeting documents, taking meeting minutes and other tasks as assigned by the Risk Management Committee.
- 1.4 The Executive Committee is able to appoint subcommittees to perform related work.

2. Term of Office

- 2.1 The term of office of Risk Management Committee members is 2 years.
- 2.2 The Risk Management Committee members will vacate office upon:
 - (1) Death
 - (2) Resignation
 - (3) Retire from the position of executive director and/or executives
 - (4) Being removed by the resolution of the Board of Directors

- 2.3 The resignation of a member of the Risk Management Committee shall be effective after the resignation letter is submitted to the Chairman of the Board of Directors.

3. Duties and Responsibilities

- 3.1 Study, review and assess possible risks, including potential impact of risks on the organization and internal and external risks of the Company, subsidiary companies, affiliated companies and associated companies.
- 3.2 Establish risk management policy to be proposed to the Board of Directors.
- 3.3 Establish a strategy to be in accordance with risk management policy and business direction of the Company, subsidiary companies, affiliated companies and associated companies.
- 3.4 Review the sufficiency of the policy, follow up and evaluate the risk management system of the Company, subsidiary companies, affiliated companies and associated companies.
- 3.5 Perform any other duties as assigned by the Board of Directors

4. Meetings

- 4.1 The Risk Management Committee meeting shall be held once every quarter or according to the situation and necessity.
- 4.2 A quorum of the meeting shall be no less than half of all the Risk Management Committee members.
- 4.3 The resolution of the Risk Management Committee meeting will be passed by the majority of votes of the members present at the meeting.
- 4.4 In case that the Chairman of the Risk Management Committee is absent from the meeting or unable to perform the duty, the Committee members present at the meeting shall select one member to act as a Chairman of the meeting.
- 4.5 The Risk Management Committee may invite the Management or related persons to attend the meeting and share information or documents on the related issues.

5. Corporate Environmental and Social Responsibility Committee

The Corporate Environmental and Social Responsibility Committee comprises 24 members appointed by the Company, subsidiary company and trade partners (a group of companies known as “LPN Team”) as of 31 December 2022 as follows:

| | | |
|--------------------|------------------|---|
| 1. Mr. Prapansak | Rakchaiyawan | Chairman of the Corporate Environmental and Social Responsibility Committee |
| 2. Ms. Surasawadi | Suewaja | Sub-committee Member, LPC Social Enterprise Co., Ltd. |
| 3. Mr. Tamrongpon | Daengbubpa | Sub-committee Member, Lumpini Property Management Co., Ltd. |
| 4. Mr. Saengchai | Luangchutamas | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 5. Ms. Panadda | Kajornsilpa | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 6. Ms. Patumporn | Iamjang | Sub-committee Member, LPP Property Management Co., Ltd. |
| 7. Ms. Suttiwan | Dechpae | Sub-committee Member, LPC Social Enterprise Co., Ltd. |
| 8. Ms. Kusuma | Narata | Sub-committee Member, Lumpini Property Management Co., Ltd. |
| 9. Ms. Suwimon | Kornsri | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 10. Mr. Sampan | Tangtaworn | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 11. Mr. Supat | Pongchotpiboon | Sub-committee Member, Lumpini Property Management Co., Ltd. |
| 12. Mr. Vanlop | Vongmuangkan | Sub-committee Member, Lumpini Property Management Co., Ltd. |
| 13. Ms. Yanee | Amarutruedee | Sub-committee Member, Pornsanti Co., Ltd. |
| 14. Ms. Monnaphat | Suphakitchanusan | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 15. Ms. Chonticha | Namdokmai | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 16. Ms. Wasikarn | Jirakongkit | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 17. Mrs. Jariya | Natapan | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 18. Ms. Mayura | Mantapong | Sub-committee Member, L.P.N. Development Public Co., Ltd. |
| 19. Mr. Pitchakorn | Srethaphakdi | LPN Team (trade partner company) |
| 20. Mr. Phoomphong | Bhumabhuti | LPN Team (trade partner company) |
| 21. Mr. Attasit | Uapisitwong | LPN Team (trade partner company) |
| 22. Mr. Komsan | Chaiyanat | LPN Team (trade partner company) |
| 23. Mr. Kornpapat | Supakijjanusan | LPN Team (trade partner company) |
| 24. Ms. Kunteera | Sirinitikorn | Sub-committee Member, L.P.N. Development Public Co., Ltd. and Secretary of the Committee |

In 2022, four meetings of Corporate Environmental and Social Responsibility Committee are held as follows:

| Meeting No. | Date | Agenda |
|-------------|------------------|---|
| 1 | 15 February 2022 | Oversee and monitor the operation related to environmental and social responsibility. |
| 2 | 21 April 2022 | |
| 3 | 8 July 2022 | |
| 4 | 14 October 2022 | |

Corporate Environmental and Social Responsibility Committee Charter

Summary of key points

1. Mission

The duty of the Corporate Environmental and Social Responsibility Committee is to provide oversight of the Company, subsidiary companies and affiliated companies' environmental and social responsibility which will focus on the impact on stakeholders.

2. Membership and Qualifications

- 2.1 The Board of Directors will appoint an appropriated person to be the Chairman of the Corporate Environmental and Social Responsibility Committee.
- 2.2 The Chairman of the Committee will select members of the Committee from qualified executives of the Company, subsidiary companies and affiliated companies and determine numbers of the Committee members.

3. Term of Office

- 3.1 The term of office of the Chairman and members of the Corporate Environmental and Social Responsibility Committee is limited to 2 (two) years.
- 3.2 Apart from retirement by rotation, the Chairman and members of Corporate Environmental and Social Responsibility Committee will vacate office upon:
 - (1) Death
 - (2) Resignation
 - (3) Being removed by the resolution of the Board of Directors
- 3.3 Any member of the Corporate Environmental and Social Responsibility Committee who wishes to resign shall submit the resignation letter to the Chairman of the Committee.
- 3.4 In case that the position of the Corporate Environmental and Social Responsibility Committee member has become vacant because of any other reasons apart from retirement by rotation, the Chairman of the Committee shall select and appoint a new member to fill the vacant position. The substitute member shall hold office for the remaining office term of the Corporate Environmental and Social Responsibility Committee Member only, except for the case that the remaining term of office of the member is less than 2 months.
- 3.5 The Chairman and members of the Corporate Environmental and Social Responsibility Committee who retires by rotation may be re-appointed again.

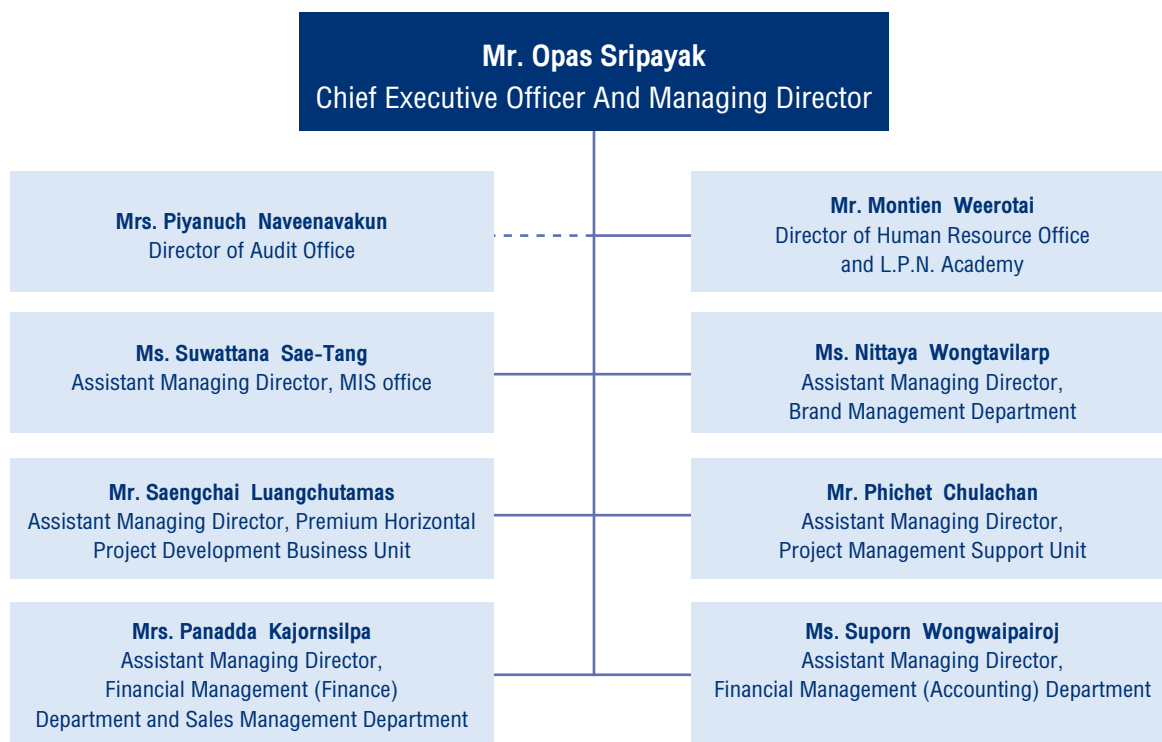
4. Duties and Responsibilities

- 4.1 Consider and approve Corporate Environmental and Social Responsibility policies and activities of the Company, subsidiary companies, affiliated companies and associated companies.
- 4.2 Consider the resources and budget for Corporate Environmental and Social Responsibility projects and activities.

5. Meetings

- 5.1 The Corporate Environmental and Social Responsibility Committee is to arrange or convene a meeting as deem appropriate. The Chairman of the Committee shall convene a meeting.
- 5.2 The Corporate Environmental and Social Responsibility Committee meeting must be attended by no less than half of its members in each meeting in order to constitute a quorum.
- 5.3 There solution of the Corporate Environmental and Social Responsibility Committee meeting will be passed by a majority of votes of the attending members on the quorum. Any members who have interests in the agenda must not attend the discussion or cast a vote on the matter.
- 5.4 The Chairman of the Corporate Environmental and Social Responsibility Committee will appoint a Secretary of the Committee as deem appropriate.

EXECUTIVES



The eight high-ranking executives comprising the first four managers after the Managing Director and managers in the accounting and finance department as of 31 December 2022 are as follows:

- | | | | |
|----|---------------|---------------|--|
| 1. | Mr. Montien | Weerotai | Director of Human Resource Office and L.P.N. Academy |
| 2. | Mrs. Piyanuch | Naveenavakun | Director of Audit Office |
| 3. | Ms. Suwattana | Sae-Tang | Assistant Managing Director, MIS office |
| 4. | Mr. Saengchai | Luangchutamas | Assistant Managing Director, Premium Horizontal Project Development Business Unit |
| 5. | Mr. Phichet | Chulachan | Assistant Managing Director, Project Management Support Unit |
| 6. | Mrs. Panadda | Kajornsilpa | Assistant Managing Director, Financial Management (Finance) Department and Sales Management Department |
| 7. | Ms. Suporn | Wongwaipairoj | Assistant Managing Director, Financial Management (Accounting) Department |
| 8. | Ms. Nittaya | Wongtavilarp | Assistant Managing Director, Brand Management Department |

The roles and responsibilities of high-ranking executives of the Company are to ensure that the operation is in accordance with the policy, vision, mission, strategy and target established annually by the Board of Directors as well as to operate the business in accordance with the business plan and manage the budget approved by the Board of Directors.

The qualifications of the high-ranking executives of the Company are in compliance with the Notification of the Capital Market Supervisory Board No. TorChor. 23/2551 Re: Definition of "Executives" under Chapter 3/1 of the Securities and Exchange Act B.E. 2535 (1992) as Amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008). All the ten high-ranking executives of the Company do not have prohibited characteristics as follows:

1. No criminal record in relation to offences against property
2. No history of transaction that causes conflict of interest with the Company

The directors and executives of the Company do not have distrustful characteristics stated in the Notification No. KorJor 8/2553 of the Securities and Exchange Commission Re: Concerning Stipulation on Distrustful Characters of Company's Director and Executive.

Remuneration for Directors and Executives

Remuneration for Directors and Subcommittee Members

Remuneration Policy for the Board of Directors and Subcommittee Members

The Nomination, Remuneration and Good Corporate Governance Committee is responsible for proposing the criteria and guideline for deciding remuneration for directors and subcommittee members. The remuneration proposed will be considered from the comparison with remuneration of the same industry with more or less the same size, business expansion rate as well as the growth of the Company.

The reward for directors paid in 2022 is calculated from the Dividend Growth Rate.

The Nomination, Remuneration and Good Corporate Governance Committee will present the remuneration rate for the directors, subcommittee members and reward for directors to the Board of Directors for endorsement and then to the Annual General Meeting of Shareholders for approval. The Board of Directors will decide the appropriate amount of the reward for directors to be paid. The directors will allocate the rewards as they deem appropriate. This will be effective from the date of approval from the Annual General Meeting of Shareholders until further notice.

The subcommittees entitled for the remuneration are as follows:

1. Audit Committee
2. Nomination, Remuneration and Good Corporate Governance Committee

The Risk Management Committee and the Corporate Environmental and Social Responsibility Committee will not be entitled to receive any remuneration. There is no position fee for independent directors and non-executive directors either.

In 2022, the remuneration for the Board of Directors and subcommittee members are as follows:

1. Financial Remuneration

Remuneration for directors in 2022 for the performance of duty includes transportation fee, reception fee, per diem, meeting allowance and necessary expenses (Articles of Association, Section 3 on Directors, Article 18). The Annual General Meeting of Shareholders in 2022 on 24 March 2022 resolves to approve the remuneration at the amount of 6,210,000 THB and rewards for directors in 2021 for the performance in 2021 at the amount of 1,702,891.17 THB. The latter amount will be allocated by the Board of Directors. Details are as follows:

| Position | Remuneration (THB) | | Reward for Directors for the Performance in 2021 Paid in 2022 |
|--|----------------------|--------------|---|
| | Monthly Remuneration | Position Fee | |
| Director | 25,000 | - | 1,702,891.17.-THB decreasing 62.50% of the rewards for Directors for the performance in 2020 (paid in 2021) |
| Chairman of the Board of Director | - | 60,000 | |
| Vice Chairman of the Board of Director | - | 30,000 | |
| Chairman of Audit Committee | - | 45,000 | |
| Audit Committee Member | - | 35,000 | |
| Chairman of Nomination, Remuneration and Good Corporate Governance Committee | - | 7,500 | |
| Nomination, Remuneration and Good Corporate Governance Committee Member | - | 5,000 | |

Remuneration for Each Director and Subcommittee Member in 2022

| No. | Directors | | Remuneration in 2022 (THB) | Reward for Directors Paid in 2022 (THB) |
|-----|----------------|----------------|----------------------------|---|
| 1 | Mr. Amornsuk | Noparumpa | 1,020,000 | 279,701.94 |
| 2 | Mr. Vudhiphol | Suriyabhivadh | 1,200,000 | 329,061.10 |
| 3 | Mr. Tikhamporn | Plengsrisuk | 660,000 | 180,983.60 |
| 4 | Mr. Khanchai | Vichakkhana | 810,000 | 222,116.24 |
| 5 | Mr. Krirk | Vanikkul | 780,000 | 213,889.71 |
| 6 | Mr. Weerasak | Wahawisal | 780,000 | 213,889.71 |
| 7 | Mr. Pichet | Supakijjanusan | 360,000 | 98,718.33 |
| 8 | Mrs. Yupa | Techakraisri | 300,000 | 82,265.27 |
| 9 | Mr. Kumpee | Chongthurakit | 300,000 | 82,265.27 |
| 10 | Mr. Opas | Sripayak | - | - |
| 11 | Mr. Apichart | Kasemkulsiri | - | - |
| 12 | Mr. Surawut | Sukcharoensin | - | - |

Note: 1. The reward for directors in 2022 is the reward for the performance of the Board of Directors in 2021 which is approved by the Annual General Meeting of Shareholders 2022 on 24 March 2022

- Mr. Opas Sripayak is the Chief Executive Director, Chief Executive Officer, Managing Director and a director by position and is an employee of the Company so he is not entitled to monthly remuneration and reward for directors as a director, executive director and subcommittee members of the Company.
- Mr. Apichart Kasemkulsiri and Mr. Surawut Sukcharoensin are appointed as Executive Committee Members and Directors of the Company but they are employees of the Company so they are not entitled to monthly remuneration and rewards as a director and an executive committee member.
- Four Independent Directors of the Company, namely Mr. Amornsuk Noparumpa, Mr. Vudhiphol Suriyabhivadh, Mr. Khanchai Vichakkhana and Mr. Weerasak Wahawisal do not take up Independent Director position or any position in subsidiary companies. Therefore, there are no other remunerations paid apart from the position fee in the Board of Directors and subcommittees and reward for directors as appeared in the above table.
- Mr. Krirk Vanikkul and Mr. Pichet Supakijjanusan are appointed as Directors of the LPP Property Management Co., Ltd. (LPP) which is a subsidiary of the Company. They are entitled to remuneration as appeared in the 'Directors' Remuneration received from being subsidiaries' directors' table.

2. Non-Financial Remuneration

Non-financial remuneration comprises group life insurance and annual medical check-up. The Company does not have any policy related to ESOP/EJIP/Warrant.

Remuneration for the Member of the Board of Directors and Subcommittees in 2021 LPP Property Management Co., Ltd.

| No. | Directors | | Remuneration/month (THB) |
|-----|--------------|----------------|--------------------------|
| 1 | Mr. Krirk | Vanikkul | 20,000 |
| 2 | Mr. Pichet | Supakijjanusan | 15,000 |
| 3 | Mr. Surawut | Sukcharoensin | - |
| 4 | Mr. Apichart | Kasemkulsiri | - |
| 5 | Ms. Somsri | Techakraisri | - |

Note: 1. Mr. Surawut Sukcharoensin and Mr. Apichart Kasemkulsiri are appointed as Directors of the Company and they are employees of the Company so they are not entitled to monthly remuneration as subsidiaries' directors.

- Ms. Somsri Techakraisri is an employee of LPP Property Management Co., Ltd. (LPP) so she is not entitled to monthly remuneration as the Director of the Company.

Remuneration for High-Ranking Executives

Remuneration Policy for High-Ranking Executives

The Executive Committee will consider the remuneration and bonus for high-ranking executives of the Company, subsidiary companies and affiliated companies. The consideration is based on business performance of the Company, implementation of the tasks assigned by the Board of Directors, Executive Committee and the Chief Executive Officer. There are short-term and long-term remunerations. The consideration for the short-term remuneration is based on the annual profit of the Company. It is the ability to generate profit of high-ranking executives who are responsible for cascading the policy established by the directors to staff of all levels. As for the long-term remuneration, it will be considered based on the Key Performance Indicators (KPIs) of the line of work under their responsibilities as well as the Individual KPIs in the performance evaluation. The remuneration will be established in consistence with the performance of the Company.

High-ranking executives of the Company in 2022 (as of 31 December 2022) refer to the followings:

1. Mr. Opas Sripayak, Mr. Apichart Kasemkulsiri and Mr. Surawut Sukcharoensin are employees of the Company so the remuneration refers to the remuneration as employees.
2. Deputy Managing Directors, Assistant Managing Directors, Accounting Manager and Finance Manager in 2021, the remunerations paid for the total of 27 high-ranking executives are as follows:

1. Financial Remuneration

| Details | Amount (THB) |
|-----------------------|-------------------|
| Remuneration (salary) | 62,542,180 |
| Bonus | 10,828,797 |
| Provident Fund | 154,500 |
| Social Security Fund | 2,275,975 |
| Other remunerations | 6,908,086 |
| Total | 82,709,538 |

2. Non-Financial Remuneration

- Non-financial remunerations include medical insurance and annual medical check-up.
- Mr. Opas Sripayak is the director and executive director of the Company by position as well as an employee of the Company. Therefore, he has an employee status under a yearly management contract with no provident fund and no other benefits.
- Mr. Apichart Kasemkulsiri and Mr. Surawut Sukcharoensin are the directors and executive directors of the Company by position as well as employees of the Company. Therefore, they are entitled to the provident fund as employees but not as directors of the Company.
- The Company does not have any policy related to ESOP / EJIP / Warrant.



STAFF

Number of Staff and Remuneration

The structure of human resources management of the Company and subsidiary companies is centralized in order to create unity and development in the same direction under the supervision of the Chief Executive Officer and the Chairman of the Executive Committee. Staff of the Company and subsidiary companies are always able to request for a transfer to advance their career.

The consideration for the remuneration of staff is based on the inflation rate, GDP as well as reference information from the remuneration survey in the property development and construction business group and the performance of the Company. In accordance with the policy of the Company, the remuneration for staff is paid in the form of salary, per diem and bonus and is based on the performance of the Company in each year to reciprocate the commitment and collaboration of all staff that play a vital role in achieving the goal of the Company.

Policy on Remuneration Paid to Staff of the Company, Subsidiary Companies and Affiliated Companies.

The Executive Committee and Managing Directors of the Company and subsidiary company will consider the remuneration for staff to encourage them to efficiently perform their duties in line with the annual business plan. It is stated in the policy that the overall remuneration must be consistent with the performance of the Company both in the short-term i.e. annual profit which is as a result of the ability to generate profit of the Company and commitment of all staff and in the long-term. The overall remuneration for staff will be calculated from the performance evaluation of staff. Based on balanced scorecard principles, corporate KPIs and strategic map are established as performance indicators. KPIs of each department are also identified. Strategic KPIs and operational KPIs are established to ensure that the business operation is in accordance with the business plan. Quarterly meetings are organized in each department to review the work plan. There are also individual KPIs to evaluate the performance of individual staff according to their responsibilities. The supervisor and staff will conduct the 360-degree evaluation together twice a year. The consideration for the remuneration and promotion of staff will be based on the result of the performance evaluation. The monitoring and evaluation of staff performance is conducted twice a year to ensure that individual performance of staff is in accordance with the goal of the organization.

The information compiled from the evaluation will be used for other human resources purposes such as consideration for bonus and promotion, salary raise and development of staff especially the talented ones and successors. It is to encourage staff to perform and build new generation of executives who will drive the organization forward.

In 2022, there are the total of 5,552 employees in the Company and subsidiary companies (including 27 high-ranking executives) which can be divided into different lines of work as follows (as of 31 December 2022):

| | | |
|--|--------------|----------------|
| Condominium Business Unit | 134 | persons |
| Premium Home Business Unit | 38 | persons |
| Commercial Property Rental Business Unit | 9 | persons |
| Support Unit | 61 | persons |
| Finance Management | 25 | persons |
| Brand Management | 31 | persons |
| Internal Audit | 4 | persons |
| Legal Office | 11 | persons |
| Information Department | 15 | persons |
| Human Resource Management | 4 | persons |
| L.P.N. Academy | 3 | persons |
| Pornsanti Co., Ltd. | 71 | persons |
| Lumpini Wisdom and Solution Co., Ltd. | 25 | persons |
| LPC Social Enterprise Co., Ltd. | 2,506 | persons |
| LPP Property Management Co., Ltd. | 1,667 | persons |
| Lumpini Project Management Service Co., Ltd. | 5 | persons |
| LSS Security Solutions Co., Ltd. | 943 | persons |
| Total | 5,552 | persons |

Total Remuneration (including 27 high-ranking executives) is as follows:

| Details | Amount (THB) |
|-----------------------|----------------------|
| Remuneration (salary) | 1,076,559,717 |
| Bonus | 87,968,628 |
| Provident Fund | 26,110,505 |
| Social Security Fund | 16,509,586 |
| Other remunerations | 186,388,099 |
| Total | 1,393,536,535 |

During 2012-2022, there has been no significant change in the number of staff and no major labor dispute.

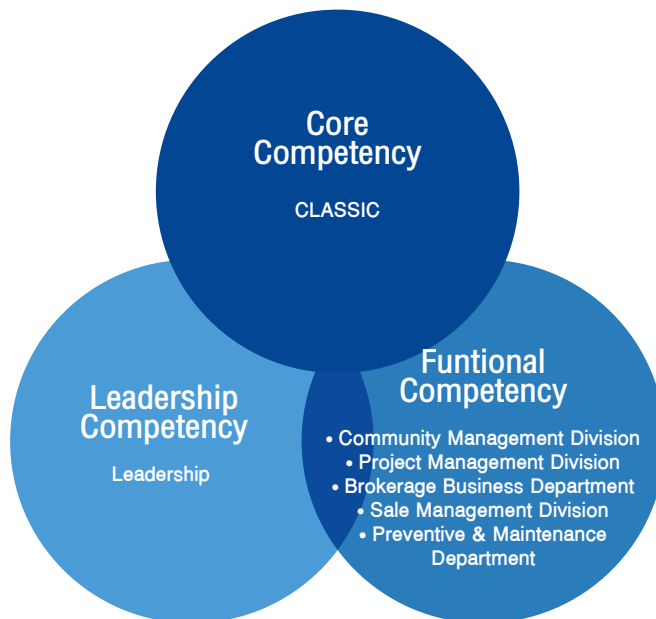
Staff Development Policy

In 2022, the Company focuses on developing proficient employees by building leadership competency of executive staff and developing knowledge and functional competency of operational staff in order to develop capable and professional personnel through various offline and online learning formats. The information on business growth plan, creation and recruitment of successors, appointment and transfer, annual performance evaluation and remuneration will be systematically linked with the data of the Human Resources Management Department for the efficiency of human resources management and development. Building and maintaining staff capacity will enable the Company to become a “value organization”. The Company has established L.P.N. Academy as the center of development and training for staff of the Company and its subsidiaries.

In 2022, L.P.N. Academy has organized the following trainings for staff of the Company and subsidiary companies:

1. Competency-Based Development

The core mission of L.P.N. Academy is to develop the capacity of staff with their line managers to encourage them to be enthusiastic and eager to develop themselves in terms of knowledge, skills, attributes or attitude to be of the standard expected by the organization. The assessment of capacity is done annually in different forms to assess whether the behavior of each individual reflects each aspect of capacity and how. The objective is to find a gap and prepare individual training and development plan to close that gap. It is also a tool that line managers can use to develop their team.



The competency-based development comprises the three following aspects:

1. Core Competency Development or C-L-A-S-S-I-C refers to the development of knowledge, skills and qualifications that everyone in the organization should have. Such knowledge, skills and qualifications are regularly reviewed and staff are encouraged to apply what they learn to their everyday work. The assessment has also continuously been done to build the traits that will support the organization to achieve its goal, mission and vision.
2. Management knowledge, skills and qualifications that are necessary for staff at executive and managerial level who are responsible for managing a team.
3. Competency Development refers to the development of knowledge, skills and qualifications that staff in each department should have so that they can perform their duties and responsibilities in their line of work to achieve the target.

Outcome of Leadership Competency Development

The development of leadership competency is very crucial to the success of the organization as leaders are directly responsible for leading and motivating a team to achieve the target. L.P.N. Academy has developed the leadership competency of middle to high-level executives (level 8-13) in seven aspects of competency. In 2022, L.P.N. Academy has supported the managerial level staff and supervisors to build coaching culture in their team for them to create individual development plans. In addition, it has encouraged online self-learning among staff and promoted digital learning for continuous learning and work development.

2. Development and Training

In 2022, the trainings organized are as follows:

2.1 Managerial & Leadership Course

The Company has prepared a development and training plan to develop the knowledge and skills. The focus is on the development of knowledge, skills and competency in managing individual, teams of staff and work. It is also to build leadership and develop leadership competency to meet the proficiency level expected by the organization. In the development plan, the training courses can be categorized into two types as follows:

2.1.1 Core Course

The course focuses on building a good attitude towards LPN operational standard such as LPN Way, Code of Conduct, LPN Proactive Services, social responsibility and participation in organization development towards sustainability, and etc.

2.1.2 Managerial Course

The course focuses on the development of management knowledge, skills and competency and coaching such as courses on Team Leader Excellence, the 6 Critical Practices for Leading a Team, Unlock your Potential and etc. Trainings are to be conducted in four levels as follow:

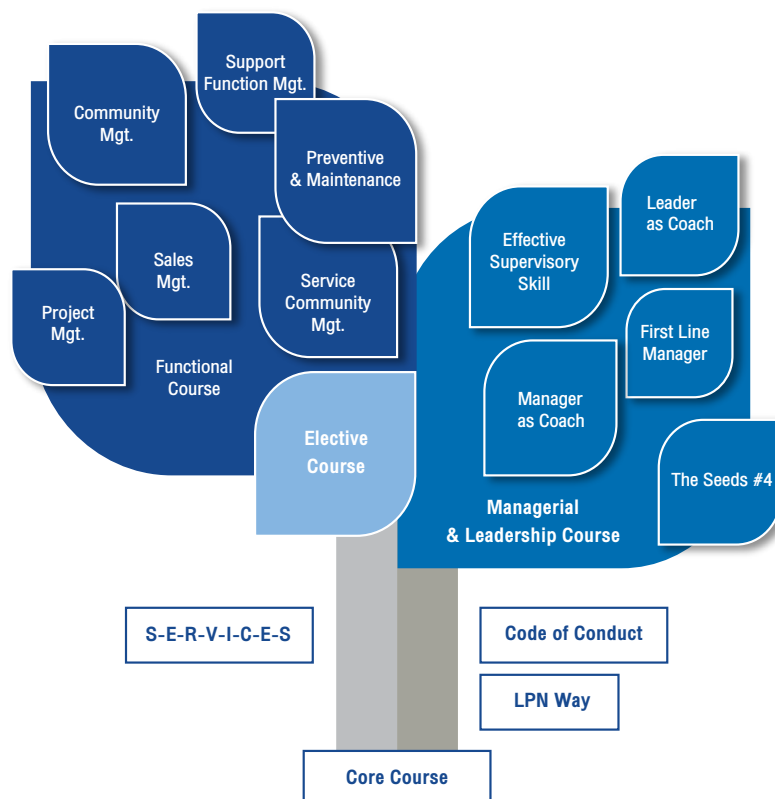
- High-level executive development plan (Level 11-13)
- Mid-level executive development plan (Level 8-10)
- Entry level manager development plan (Level 5-7)
- Operational Staff development plan (Level 2-4)

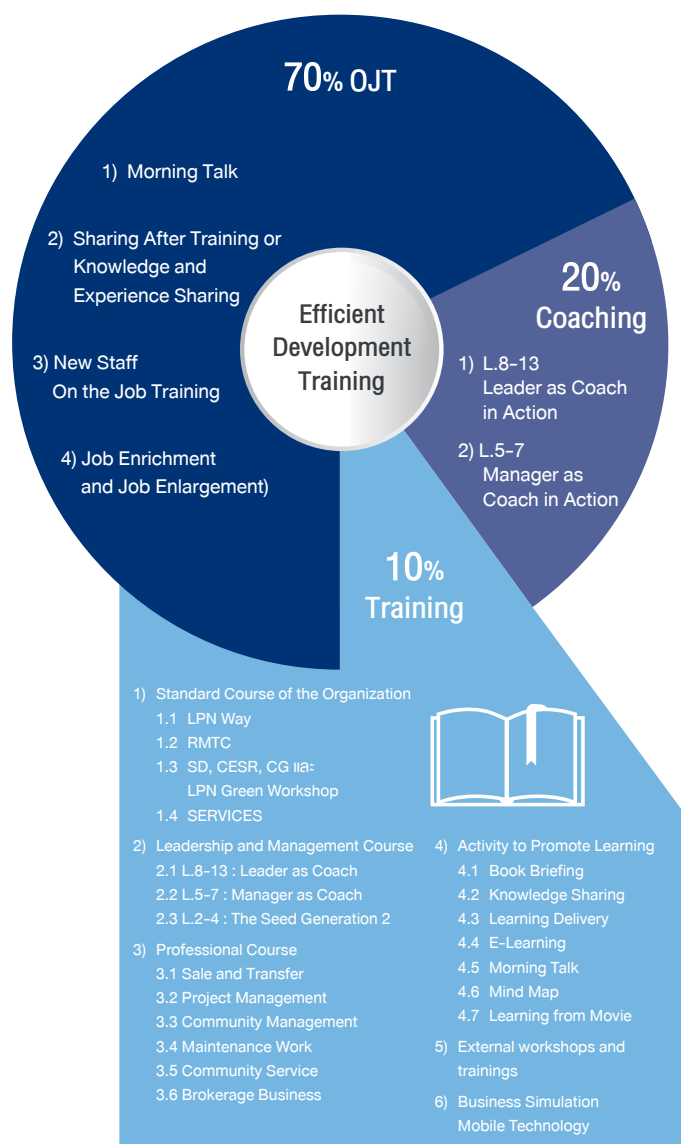
2.2 Functional Course

The aim of functional course is to develop knowledge and skills of staff in accordance with the operational characteristic of the Company. The emphasis is on improving knowledge, skills and abilities at work. The weakness, strength, operational performance in the previous year and professional necessity are analyzed. Training plans are designed according to work categories i.e., Sale-Transfer-Brokerage Business, Project Management, Community Management, Maintenance Work, Community Service and Support Function.

2.3 Elective Course

These courses are for building knowledge and skills of staff in all lines of work. The staff can choose which topic they would like to learn such as English for Communication, Safety at Work, Digital Literacy, and so on.





The Learning Ratio of 70:20:10

The learning ratio of 70:20:10 has been applied in planning the staff development and training. It also includes on the job training (OJT) and learning from interaction with others in order to apply the knowledge learned in classroom to actual workplace.

- 70 refers to learning from job-related experiences at the workplace and other supports.
- 20 refers to learning from society and interaction with others including knowledge sharing, coaching, mentoring or giving advice through social network.
- 10 refers to learning from trainings, workshops and online platform (ZOOM, MS Teams).

Outcome of the Development and Training

In 2022, the Company aims to create learning and development opportunity for staff. Staff are encouraged to plan their individual development together with their supervisors and continually develop themselves through self-learning method using the learning format designated by the organization. One hundred percent of staff in each level has created their individual development plans. The average training hours and self-development is 42.28 hours/person. It can be categorized by level and gender as follows:

| Type of Staff by Gender | Female | | Male | |
|--|-----------|---------|-----------|---------|
| | Total | Average | Total | Average |
| Self-Learning and Self Development Hours | | | | |
| - High-ranking executive (L.11-15) | 206.00 | 25.75 | 288.50 | 26.23 |
| - Middle-ranking executive (L.8-10) | 2,284.00 | 46.61 | 2,800.50 | 68.30 |
| - Entry level manager (L.5-7) | 12,427.80 | 48.00 | 7,147.40 | 41.31 |
| - Operational staff (L.2-4) | 30,256.00 | 44.10 | 26,282.20 | 38.50 |

| Level | Category | No. (Persons) | Total Training Hours | Average Training Hours |
|-------|--------------------------|---------------|----------------------|------------------------|
| 11-15 | High-ranking executive | 19.00 | 494.50 | 26.23 |
| 8-9 | Middle-ranking executive | 90.00 | 5084.50 | 56.50 |
| 5-7 | Entry level manager | 434.00 | 19575.20 | 45.11 |
| 2-4 | Operational staff | 1369.00 | 56,358.20 | 41.29 |

| Gender | No. (Persons) | Self-Learning and Self-Development Hours (Accumulated) | Self-Learning and Self-Development Hours (Average) |
|--------------|-----------------|--|--|
| Male | 847.00 | 34,193.60 | 40.37 |
| Female | 1,065.00 | 47,498.80 | 44.60 |
| Total | 1,912.00 | | |

3. Development of Trainers in the Organization

In 2022, L.P.N. Academy organizes 32 trainings courses that are led by 47 trainers of the Company. The knowledge from the courses can be applied to the work in the Company. The courses also help revise the knowledge and skills. Intensive courses led by internal trainers are signature courses in each line of work. For example, New Staff Orientation, Primary Knowledge in Community Management and Preventive & Maintenance (CM/P&M New Staff), LPN SERVICES, Digital Literacy Course, Community Management Training Course (CMTC), Preventive Maintenance To Community Management Training Course (PCMTC), Sales Management Training Course (SMTTC), Service Community Management Training Course (SCMTC), Condominium Act in Community Management, English for Communication, Finance and Accounting courses, Legal Knowledge in Community Management, Development of Mentor, Information Technology for Sale-Transfer-Community Management Work, development courses for each department, an etc.

4. Promotion of Self-Learning through E-Learning

In 2022, the L.P.N. Academy, together with the Information Department, has continually developed an LPN Academy website. The website serves as another channel for learning and helps make it easier for staff to register in training courses. It is also used as a tool to assess the knowledge and understanding of the trained staff. In addition, the Company develops an online system that can record knowledge and benefits from self-learning so that the staff can use it as another channel for self-development. Moreover, the Company has created courses on digital literacy, providing an online learning channel for employees. The employees can easily join the courses through Line OA: LPN Friends application on their smartphone devices. For examples, a Real Estate Know-How course, Service True Story, Knowledge in Management and knowledge that benefits each type of work in each function. These courses will promote online learning, increase learning opportunity, and make it more convenient for staff to access learning resources.

5. Development of Signature Courses to Create Professional-Quality Personnel

In 2022 L.P.N. Academy has personnel development courses that serve as signature courses for developing professional staff in each department. The courses are designed to develop strong leadership competency, management competency and team management competency as well as deliver service value to build service excellence. Throughout the year 2022, L.P.N. Academy has created 296 quality staff according to the following details.

- | | | | |
|---|------------------------------|-----------|-------------|
| - Develop professional service delivery team | through LPN SERVICES courses | 9 classes | 133 persons |
| - Develop professional community manager | through CMTC #20 | 1 class | 43 persons |
| - Develop professional community service head | through SCMTC #8, 9, 10 | 3 classes | 120 persons |

6. Promotion of Fundamental Education, Higher Education (High Vocational Certificate) and Extra Careers of Community Service Staff (Underprivileged Women)

In 2022 L.P.N. Academy together with LPC Social Enterprise in LPN Group, sign an MOU with Eamla-or Vocational College for the collaboration on educational opportunity for Lumpini community service staff, most of whom are underprivileged women. This is to continue what the Office of the Non-formal and Informal Education has been doing. High Vocational Certificate Program in Hotel Housekeeping, Hospitality Division, Tourism Industry Department, is provided for the Lumpini community service staff who graduated from the Non-Formal Education Promotion Project organized by the Company and the Office of the Non-formal and Informal Education as well as to the ones who finished Grade 12 from elsewhere.

- High Vocational Certificate Program 9 participants
- Fundamental Education Promotion Program (illiteracy - primary education - secondary education) 30 participants

7. Knowledge and Experience Sharing with Public and Educational Institutions

The Company provides an opportunity for educational institutes, government agencies and private organizations to learn about project development and management concept of the Company in order to cascade the knowledge to the society at large by sharing direct experiences. In 2022, the Company has shared the knowledge with five government educational institutions namely Faculty of Architecture - Chulalongkorn University, Faculty of Architecture - Chiang Mai University, Srinakharinwirot University - Prasarnmitr Campus, Asian Institute of Technology and Bangkok Christian College. The topics of interest are as follows:

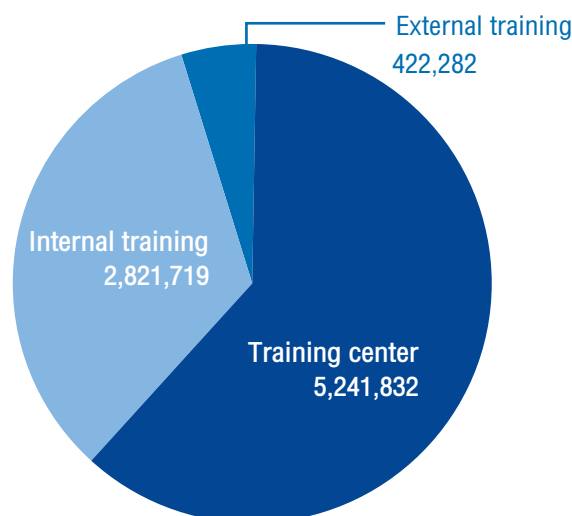
- Facility Management & Personnel Development Approach 1 group
- Building design concept, functional space plan and building system 1 group
- Application of research results in business development planning 1 group
Case study: L.P.N. Development Public Co., Ltd.
- Improving the quality of life and creating sustainable happiness for underprivileged women 1 group
- Factors that influence the decision of non-profit organizations to register 1 group
as social enterprises under the Social Enterprise Promotion Act B.E. 2562 (2019).

8. Budget for Training, Development and Seminar

In 2022, the Company provides a budget of 8,485,832 THB for development, training and seminar events through L.P.N. Academy. The details are as follows:

| | | |
|-------------------------|-----------|-----|
| Training center costs | 5,241,832 | THB |
| Internal training costs | 2,821,719 | THB |
| External training costs | 422,281 | THB |

The average training cost per person is 4,132 THB.



Policy to Promote and Educate Employees on Environmental and Social Responsibility

The business operation of the Company is environmentally and socially responsible. The Company strives to cultivate employees' pride and confidence in organizational values as well as ensures that they do something good in return for the society. The Company commits to educate staff on environmental and social issues. Each year the development plan and training topic will be determined by the Management and changed in accordance with current national circumstances.

In 2022, L.P.N. Academy has organized trainings for staff and executives. The environmental and social knowledge is directly provided in some trainings. In others, the topic is included as part of other courses. For example, the topics of environmental management trainings will be changed each time according to lines of work of staff attending that trainings, such as green space management (GREEN), environmental management and cleaning (Clean) and energy conservation, all year round. In addition, the Company has identified environmental and social responsibility as an important strategy in conducting business. A 6 Green LPN Workshop is organized to brainstorm ideas and prepare operational plan. It is also a project management strategy which is done in collaboration with trade partners or LPN Team. In compliance with LPN Green Standard Checklist, the environmental and social operational performance is reported in a monthly meeting. Besides, the executives of the Company also participate in communicating policy to staff involved in project management as well as executives and staff of LPN Team and educating them on environmental and social issues.

Policy to Provide Knowledge on Corruption

It is required that the directors, executives and staff of the Company and subsidiary companies must strictly comply with anti-corruption policy and measures of the Company. The knowledge on corruption issues is provided and communicated to staff all through the year via trainings, signboards and e-mails. The topics include:

1. Employee Code of Conduct training held every month especially for new staff.
2. Anti-corruption policy approved by the Board of Directors' Meeting Ref. 6/2014, effective on 11 December 2014.
3. Policy on Protection for Employees Who Inform on or Disclose of Wrongful Conduct or Non-Compliance with Laws and the Code of Conduct (Whistleblower Policy) approved by the Board of Directors' Meeting Ref. 6/2014, effective on 11 December 2014.

The Board of Directors' Meeting Ref. 5/2016 on 21 June 2016 resolved to approve the new Code of Conduct, effective from 21 June 2016 until further notice. The 2005 Code of Conduct of Directors and Code of Conduct of staff are invalidated. In addition, the announcement of the Board of Directors Ref. Sor Tor Mor 053/2559 Re: Donation and Sponsorship is issued as a guideline for directors and staff of the Company and subsidiary companies to comply with the principles of Conduct. The Code of Conduct is included in the orientation for new staff.

It is revised in 2022 and four additional tools are developed to enhance knowledge on ethics and anti-corruption practices, including:

- Ethics review and training courses online by organizing more than 40 training generations.
- Ethics knowledge review via the online system. More than 1,950 employees participated.
- Self-learning Ethical video clips which have 3,400 visits.
- Knowledge collection and ethical review form.

And requiring new employees to attend Ethics training along with orientation in every generation starting from 2022 onwards.



OTHER SIGNIFICANT INFORMATION

Company Secretary

The Board of Directors recognizes the importance of the roles and responsibilities of the Company Secretary who is to support the operation of the Company to be in accordance with the Principles of Good Corporate Governance and comply with rules and regulations of the Stock Exchange of Thailand and Securities Exchange Commission.

The Board of Directors has appointed **Miss Kornkanok Yimtanorm**, Director of Legal Office, L.P.N. Development Public Co., Ltd. to take up the position of the Company Secretary and be responsible for coordinating between the Board of Directors and the Management, being in charge of and coordinating the work relating to laws and regulations on the Principles of Good Corporate Governance, ensuring compliance with the regulations and announcements of the Stock Exchange of Thailand and Securities and Exchange Commission, following up the result of the implementation of resolutions of the Board of Directors' meeting and shareholders' meeting and filing the documents as required by law. The qualifications and experiences of the secretary are disclosed in Form 56-1 (One Report).

Compliance Unit Supervisor

In order to enhance the efficiency of the management system of the Company and uphold the utmost benefit in accordance with the Good Corporate Governance principles, the Board of Directors established a Compliance Unit. This unit is responsible for supervising and providing recommendation to the Management to ensure that the operations of all departments in the Company comply with laws, rules, related government regulations and the Company's good corporate governance policy and Code of Conduct. It is an independent unit separated from other departments and reports to the Nomination, Remuneration and Good Governance Committee.

Miss Piyanuch Naveenavakun, Director of Audit Office, is appointed as a responsible person who shall provide recommendation to the Management and employees, supervise and ensure that the operations of departments in the Company are in compliance with the Company's policy, corporate governance principles, Code of Conduct, and related laws, agreements, rules and regulations. She shall report the operations to the Management for acknowledgement on a regular basis within a given timeframe or report immediately in case of important or serious cases. Her qualifications and experiences are disclosed in the appendix.

Internal Audit Supervisor

In the Audit Committee's Meeting Ref. 1/2014 on 6 February 2014, the Audit Committee resolved to appoint **Mrs. Piyanuch Naveenavakun**, Assistant Managing Director and Director of Audit Department, to serve as an Internal Audit Supervisor and a Secretary of the Audit Committee. The Audit Committee agreed that her qualifications and experiences are suitable and sufficient to perform the duties. The appointment, demotion and transfer of an Internal Audit Supervisor need approval from the Audit Committee.

Accounting Supervisor

On 1 August 2017, the Executive Committee resolved to appoint **Ms. Suporn Wongwaipairoj** as an Assistant Managing Director in Financial Management (Accounting) to be responsible for the supervision of the Company's accounting.

Remuneration for Auditors

1. Audit Fee

In 2022 D.I.A International Auditing Co., Ltd. is the auditor of the Company and subsidiary companies in 2022. The audit fee is as follows:

| No. | Company | Amount |
|-----|--|------------------|
| 1 | L.P.N. Development Public Company Limited | 1,620,000 |
| 2 | Pornsanti Co., Ltd. | 445,000 |
| 3 | LPP Property Management Co., Ltd. | 317,000 |
| 4 | Lumpini Project Management Service Co., Ltd. | 222,000 |
| 5 | LPC Social Enterprise Co., Ltd. | 141,000 |
| 6 | Lumpini Wisdom and Solution Co., Ltd. | 206,000 |
| 7 | Dolsiri Development Co., Ltd. | 255,000 |
| 8 | LSS Security Solutions Co., Ltd. | 206,000 |
| | Total | 3,412,000 |

D.I.A International Auditing Co., Ltd. is the auditor and is not the director, staff, contractor or hold any other positions in the Company as stated in Section 121 of the Public Limited Companies Act B.E. 2535 and does not have a relationship or interest with the Company, subsidiary companies, affiliated companies and associated companies, executives, major shareholders or related persons. The auditor is independent and endorsed by the Securities and Exchange Commission. The Company does not buy other professional services from D.I.A International Auditing Co., Ltd..

In the same manner, the directors and executives of the Company have never been staff or partners or had any relationship with D.I.A International Auditing Co., Ltd. during the past two years.

2. Non - Audit Fee

- None -

08

**CORPORATE
GOVERNANCE
PERFORMANCE
REPORT**



NOMINATION, REMUNERATION AND GOOD CORPORATE GOVERNANCE COMMITTEE REPORT

The Nomination, Remuneration and Good Corporate Governance Committee has dedicatedly, cautiously, carefully and properly performed its duties assigned by the Board of Directors of the Company in order to uphold the good corporate governance policy of the Company and good corporate governance principles of the Stock Exchange of Thailand in relation to nomination and consideration of remuneration for various directors, high-ranking executives and staff that are transparent, fair and efficient.

In 2022, the Nomination, Remuneration and Good Corporate Governance Committee of L.P.N. Development Public Co., Ltd. (LPN) comprises five directors as follows:

- | | | |
|-----------------|----------------|---|
| 1. Mr. Khanchai | Vichakkhana | Director, Audit Committee Member and Independent Director |
| 2. Mr. Weerasak | Wahawisal | Director, Audit Committee Member and Independent Director |
| 3. Mr. Krirk | Vanikkul | Director, Audit Committee Member and Independent Director |
| 4. Mr. Pichet | Supakijjanusan | Director |
| 5. Mr. Opas | Sripayak | Director, Chief Executive Director, Chief Executive Officer and Chairman of Risk Management Committee |

Mr. Khanchai Vichakkhana serves as the Chairman of the Nomination, Remuneration and Good Corporate Governance Committee.

In 2022, the Nomination, Remuneration and Good Corporate Governance Committee holds the total of 6 meetings. The Committee Members have performed their duties to their full capacity and attend all meetings to consider various issues expressing opinions with open-minded. The Nomination, Remuneration and Good Corporate Governance Committee proposes the conclusion to the Board of Directors as follows:

1. Nomination

The Board of Directors (as proposed by the Nomination, Remuneration and Good Corporate Governance Committee, excluding interested committee members), has carefully considered competence and qualifications of the directors who are nominated to be appointed as directors in replacement of the directors who are to retire by rotation. Their performance, qualifications, characteristics, meeting attendance record, opinion expression and regular participation in the activities organized by the Company are taken into consideration. It is proposed to the Annual General Meeting of Shareholders in 2022 that four directors namely Mr. Vudhiphol Suriyabhivadh, Mr. Tikhamporn Plengsrisk, Mr. Krirk Vanikkul and Mr. Surawut Sukcharoensin are to be reappointed as directors of the Company for another term. It is because all of the four directors have performed their duties as directors of the Company and members of Committees perfectly, appropriately and outstandingly well.

2. Remuneration

The remuneration for executives and staff is fairly and reasonably considered by taking into account the inflation rate of the Bank of Thailand, the survey of remuneration of staff in every business group including information of other property development companies with approximately the same revenue. Business operation performance and performance evaluation of staff are also taken into consideration to ensure that the executives and staff of the Company are appropriately rewarded and motivated and feel engaged with the organization.

In 2022, the issues considered are as follows:

- Reward for directors in 2021, paid in 2022
- Remuneration for directors in 2022
- Bonus for staff for the performance in 2022
- Remuneration for staff in 2023
- Remuneration for executive directors in 2023
- Reward for executive directors in 2022
- Payment guideline for staff bonuses in 2023

3. Good Corporate Governance

3.1 The Nomination, Remuneration and Good Corporate Governance Committee has revised the Corporate Governance Policy of the Company to assure that it is up-to-date and in line with the new criteria announced by the supervisory authority. The policy is presented to the Board of Directors for approval every year. However, in 2022, the Nomination, Remuneration and Corporate Governance Committee has considered and reviewed the application of the Good Corporate Governance Principles for Listed Company or corporate governance (CG codes) and agreed that it is suitable and relevant to the Company's business context. The Board of Directors has considered the opinions and recommendations of the Nomination, Remuneration and Corporate Governance Committee and agreed that it is in line with the Thai Institute of Directors' recommendations to improve the corporate governance from the results of corporate governance assessment according to the criteria in the Corporate Governance Report of Thai Listed Company.

In 2022, the Company receives the following awards and assessment results on Good Corporate Governance as follows.

- The Company is ranked Excellent in the Corporate Governance Report of Thai Listed Companies (CGR) 2022 from the Thailand Institute of Directors (IOD).
- The Company receives a credit rating score at 98 from the 2022 Annual General Meeting Checklist Project (AGM Checklist) by the Thai Investors Association.

3.2 The Nomination, Remuneration and Good Corporate Governance Committee has arranged an annual evaluation of directors comprising self-evaluation of directors, cross-evaluation by other directors, the evaluation of the Board of Directors, the evaluation of the Chief Executive Officer and the evaluation of subcommittees i.e., the Audit Committee, the Nomination, Remuneration and Good Corporate Governance Committee, the Executive Committee, the Risk Management Committee and the Corporate Environmental and Social Responsibility Committee, to ensure that they are in accordance with good corporate governance principles. The evaluation forms are reviewed to ensure that they are appropriate so that the evaluation results clearly reflect the roles and responsibilities of the directors. The evaluation result of all categories is Very Good. The Nomination, Remuneration and Good Corporate Governance Committee determines to adopt the evaluation result as a guideline to improve its duty performance.

3.3 The Nomination, Remuneration and Good Corporate Governance Committee has considered revising the anti-corruption policy to ensure that it is still in line with business operations and current legal requirements and to make the practice clear to directors, executives and employees of the Company and its subsidiaries. The Board of Directors has approved the revision of the anti-corruption policy as proposed by the Nomination, Remuneration and Good Corporate Governance Committee.

4. Other business

Throughout 2022, all members of the Nomination, Remuneration and Good Corporate Governance Committee have given importance to the attendance of the meeting, the presentation of ideas and the preparation and study of further information related to the business of the Company comprehensively and cautiously. Each director is encouraged to express comments independently and creatively. This is to set the standard and common practices that are clear, transparent and fair in accordance with good corporate governance principles, for sustainable maximum benefit of the organization in the long run.



(Mr. Khanchai Vichakkhana)

Chairman of Nomination, Remuneration and
Good Corporate Governance Committee



EXECUTIVE COMMITTEE REPORT

Executive Committee is appointed by the Board of Directors to be in charge of the management and operation of the Company to ensure that they are in accordance with the policy and business strategy established by the Board of Directors and comply with business ethics and laws that are relevant to the Company's business.

In 2022, most businesses including the Company have suffered from the COVID-19 pandemic for the third consecutive year. There are also potential increases in inflation, costs and interest rates. Moreover, the global economy and nation's economy are in recession. As a result, business must be operated in a careful manner.

In 2022, there were 21 Executive Committee meetings. The Executive Committee, comprising Mr. Opas Sripayak, Mr. Apichart Kasemkulsiri and Mr. Surawut Sukcharoensin, attended the meetings. In each meeting, the Executive Committee members considered crucial issues and proposed them to the Board of Directors for approval on a case-by-case basis. The main points can be summarized as follows:

1. Consider and establish plans and operation strategy together with the Managing Director and executives of every department of the Company, subsidiary companies and joint stock companies.
2. Consider and approve the business plan, annual budget and investment of the Company, subsidiary companies and affiliated companies and proposed to the Board of Directors.
3. Consider and approve the transactions related to purchases of land as assigned by the Board of Directors.
4. Consider and approve the remuneration policy and salary structure of staff of the Company, subsidiary companies and affiliated companies.
5. Consider and monitor the performance of the Company, subsidiary companies and affiliated companies on a weekly basis.
6. Consider and assign individuals to take up the position of Executives of the Company, subsidiary companies, affiliated companies and joint stock companies.
7. Work on any other business as assigned by the Board of Directors.

The Executive Committee determines to perform the duties at full capacity for the highest benefit and the equality of shareholders and all stakeholders which lead to a stable and sustainable growth of the Company.

(Mr. Opas Sripayak)
Chairman of Executive Committee



RISK MANAGEMENT COMMITTEE REPORT

The Risk Management Committee is appointed by the Board of Directors. The duties and responsibilities are as follows:

1. Study, review and assess potential risks, including potential impact of risks on the organization and internal and external risks of the Company, subsidiary companies, affiliated companies and joint stock companies.
2. Establish a risk management policy to be proposed to the Board of Directors.
3. Establish a strategy to be in accordance with the risk management policy and the business directions of the Company, subsidiary companies, affiliated companies, and joint stock companies.
4. Review the sufficiency of the policy, follow up and evaluate the risk management system of the Company and subsidiary companies.

In 2022, the whole world including Thailand have continually suffered from the COVID-19 pandemic and the potential increases in inflation, costs and interest rates. Moreover, the global economy and nation's economy are entering recession. These has posed risks on business operations in several dimensions. The appointed Risk Management Committee has carefully performed its duties as assigned and followed the Risk Management Policy proposed to the Board of Directors.

In 2022, the Risk Management Committee had 3 meetings. The members of the 2022 Risk Management Committee are as follows.

- | | | |
|--------------------|---------------|---------------------------------------|
| 1. Mr. Opas | Sripayak | Chairman of Risk Management Committee |
| 2. Mr. Apichart | Kasemkulsiri | Committee Member |
| 3. Mr. Surawut | Sukcharoensin | Committee Member |
| 4. Ms. Somsri | Techakraisri | Committee Member |
| 5. Mr. Surasawadee | Suewaja | Committee Member |
| 6. Mr. Prapansak | Rakchaiwan | Committee Member |

The Risk Management Committee reports risks that might have a major impact on the business operation and the Company's strategy to the Board of Directors on a quarterly basis, including strategic risk, financial risk, environmental risk, operational risk, information risk and corruption risk. The Committee also comes up with a risk management plan and directions to control risks properly and manage them to an acceptable level or to reduce future risks.

The Risk Management Committee determines to perform the duties wholeheartedly in order to control risks to an acceptable level with no major impact on the Company, subsidiary companies, affiliated companies or joint stock companies for the highest benefits of shareholders and all stakeholders.

(Mr. Opas Sripayak)

Chairman of the Risk Management Committee



CORPORATE ENVIRONMENTAL AND SOCIAL RESPONSIBILITY COMMITTEE REPORT

The Corporate Environmental and Social Responsibility Committee was appointed by the resolution of the Board of Directors' Meeting Ref. 6/2012 on 23 August 2012. The roles and responsibilities of the Committee are stated in the Charter which was approved by the Board of Directors' Meeting Ref. 1/2013 on 14 February 2013.

The major roles and responsibilities of the Corporate Environmental and Social Responsibility Committee are attending meetings to approve the policy and operating framework related to Corporate Environmental and Social Responsibility (CESR) of the company group as well as to consider the CESR performance and provide guidance on environmental and social responsibility in order to minimize the impacts of the operation on all stakeholders and ensure that the CESR operation is in line with the policy of the Company. The meetings of the Corporate Environmental and Social Responsibility Committee are held on a quarterly basis.

During the past 34 years, the business operation of the Company and affiliated companies has been environmentally and socially responsible in all processes of LPN 6-8-10 platform, namely 6 Green LPN, that respects 8 stakeholders in 10 operational processes. The business is operated in accordance with the philosophy of sufficiency economy and corporate governance principles so as to create "Livable Community for All". This is in line with Global Reporting Initiative (GRI) and the 17 goals of the United Nation Sustainable Development Goals (UNSDGs) which gain acceptance globally. Business and enterprises' operations for sustainability according to the goals are encouraged. Moreover, the Company intensifies the organizing of a major event that has continually been organized since 1996 which is a blood donation event as well as relationship building activities with related organizations and support for environmental and social activities of various agencies.

In 2022, the emergence of natural disasters and global conflict emphasizes the importance of environmental care. The Company values socially and environmentally responsible practices. It follows the ESG (Environment, Social and Governance) standards from the design process to construction process as well as in its environmental protection. The Corporate Environmental and Social Responsibility Committee of the Company held meeting every quarter throughout the year 2022 to monitor the operating progress. It adopts the Net Zero Waste concept and reduces greenhouse gas emission according to the Carbon Neutral policy. In addition, the Committee has a resolution to proceed with the development of an operational dashboard for more efficient evaluation and monitoring of the operational data and to continuously implement the policy in 2023.

In addition, the Company still creates social opportunities for and upgrades the quality of life of underprivileged women by hiring them as Community Service Officers and providing basic education and career trainings which enable them to live in the society with dignity and happiness. The Company's subsidiary company is among the first social enterprises registered in the country. At present, it takes care of 1,646 underprivileged women. This caretaking is expanded to the elderly and the disabled in order to promote their quality of life and dignity and to relieve their burden and open an opportunity for them to do something good to the society in return.

All of the above are the values of being environmentally and socially responsible in the operation of property development business. The Corporate Environmental and Social Responsibility Committee plays a part in promoting participation in the organization and driving the Company to become a value organization in a sustainable manner.

(Mr. Prapansak Rakchaiwan)
Chairman of Corporate Environmental
and Social Responsibility Committee

09

INTERNAL CONTROL AND CONNECTED TRANSACTIONS





INTERNAL CONTROL

The Board of Directors of the Company emphasizes on operational process control system jointly established by the executives and personnel of the organization to build a reasonable confidence that the management is effective and efficient, and losses caused by volatile situations can be minimized. It also ensures that the operation of the Company is in accordance with the goals, objectives and related laws and regulations. Anti-corruption policy is established and communicated to staff at all levels to ensure a strict compliance. Regular audits are required, and its results must be constantly reported to the Board of Directors.

The Board of Directors has assessed the internal control system based on the report on the result of the assessment of the Audit Committee using the assessment form on the adequacy of the internal control system of the Securities and Exchange Commission of Thailand and Stock Exchange of Thailand which is in line with internal control international standard of The Committee of Sponsoring Organizations of the Treadway Commission (COSO). Five aspects with 17 subtopics of the internal control system of the Company are assessed as follows:

1. Control Environment

Environment and all operational process within the organization are significant basis for the internal control in order to develop an internal control discipline and an appropriate structure consisting of the following:

- The Company has effectively adjusted its organizational structure to be in correspondence with the current volatile situation. The chain of command, the written assignment of executive authority and responsibility and the clear designation of responsibilities for the balance of power are established under the supervision of the Board of Directors.
- Internal control activities that sufficiently and appropriately cover all activities are established and the operations are regularly examined to ensure that they are in compliance with related laws and regulations.
- The Code of Conduct is in writing and communicated to every level of staff so they can strictly comply with.
- The Board of Directors is independent from the Management and has the responsibility to oversee and audit internal control system in order for the organization to efficiently and effectively achieve its business goals.
- The anti-corruption policy of the Company is established together with clear and concrete channels for receiving complaints and whistleblowing matters.
- Personnel management operational policy and guideline are established. Staff performance appraisal is fair and in a written format. Disciplinary penalties are imposed.
- L.P.N. Academy has a competency development plan for staff in order to transform the Company into a learning organization and to respond to future business growth and expansion.

2. Risk Assessment

Vision, mission and objectives of the Company are clearly established in each year's Business Plan. The Risk Management Committee is established to supervise risk management. The internal and external risk factors are assessed and analyzed to identify a way to manage risks to an acceptable level especially during the coronavirus pandemic when the business operation strategy requires flexibility.

3. Control Activities

These components help ensure that the designated internal control policy and process have been adopted and practiced throughout the organization, which consist of the following:

- The Company prepares an operational manual for all departments to identify control points and to be used as a reference. The Executive Committee is responsible for ensuring compliance with the policy of the Company.
- Scope of authority, approval limit, financial transactions process, purchasing process and others are clearly established in written format in order to control the Company's assets and control connected transaction or conflict of interest transaction.
- All lines of work are designated for improvement. Their operational process must be developed in accordance with the changes in the organization's objectives, strategies and risks.
- The Internal Audit Department has implemented a monitoring system for processes that are vulnerable to corruption. Related operational systems are also improved for more efficiency.
- The Whistleblower policy is established to protect the informant who exposes wrongdoings that violate the Code of Conduct, rules and regulations of the Company or incidents of corruption.

- The Company has formulated and implemented its Personal Data Protection Policy, appointed a Data Protection Officer (DPO) of LPN group and developed a test to assess knowledge and understanding of the Personal Data Protection Act, B.E. 2562 (2019) to ensure that the personal data governance suits and be supportive to each business in an efficient manner.

4. Information and Communication

The Company develops information and communication technology systems to continuously support all operational processes in preparation for the expansion of the Company. Payments are controlled by budget system and approval authority. An information system network is established and monitored to ensure that the information received is accurate and reliable. The Company also gives importance to secure information technology system, the right of access to information and electronic filing system and backup system. An effective internal communication channel is established to provide employees at all levels with the accurate, reliable and up-to-date information. There are also channels for communicating information externally, filing complaints or giving feedback on products, which are the Company's website, www.lpn.co.th or the call center at 02-689-6888.

5. Monitoring and Evaluation

The Company systematically monitors and controls every level of operation, from supervisors, their lines of supervision to high-ranking executives in charge of that line of work to ensure the completion and appropriateness of the operation. The internal audit agency inspects and assesses internal control activities and reports to the Audit Committee directly and later to the Board of Directors. The Board of Directors will discuss how to adjust the operational direction in response to fluctuating circumstances in each period of time.

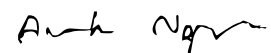
Comments of the Board of Directors of the Company on Internal Control System

In the Board of Directors' Meeting Ref.1/2023 on 16 February 2023, the Board of Directors assesses the internal control system from the report on the assessment of the sufficiency of internal control system of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee agrees that the internal control system of the Company is appropriate and efficient enough for its business operation and in accordance with internal control international standard of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) in all five aspects, namely, organization control, risk assessment, operation control, information and communication system and monitoring system. The Board of Directors opines that the internal control system of the Company in terms of transactions with major stakeholders is sufficient and able to respond to inconstant risks. The allocation of human resources is sufficient. The Company supports the development of staff's knowledge, skills and abilities and provides proper tools in order to ensure effective operation.

In 2022, staff at all levels are required by the Company to study the Code of Conduct and take a quiz online so that they can correctly and properly put it into practice and truly benefit from it. This is in compliance with the anti-corruption guideline which focuses on special communication channels both within and outside the organization in a written format. A Whistleblower policy is established to safely protect the informant providing information on any wrongdoings that violate the law and Code of Conduct.

In addition, the Company places an importance on the Personal Data Protection Act, B.E. 2562 (2019) by appointing a Data Protection Office (DPO) as required by laws, organizing online trainings and tests, creating awareness of all employees at all level as well as governing and inspecting the operation of related persons to ensure that they follow the set operating guideline. If an operation is found to be inconsistent with laws or cause risks, relevant operating process, including collection, usage and disclosure of personal data, must be revised or improved.

As for internal control of other issues, the Board of Directors opines that the internal control of the Company is also sufficient. Moreover, the auditor of the Company, Mr. Wirote Satjathamukul from D.I.A. International Auditing Co., Ltd. who is the auditor of the quarterly financial statements and the financial statements of 2022 does not recognize any insufficiencies of the internal control system of the Company.



(Mr. Amornsuk Noparumpa)
Chairman of the Board of Directors

Internal Accounting Control System Report

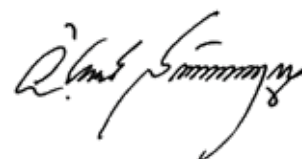
Dear Board of Directors, L.P.N. Development Public Co., Ltd.

D.I.A. International Co., Ltd. ("D.I.A. International") has audited the financial statements of L.P.N. Development Public Co., Ltd. ("The Company") for the year ending 31 December 2022 and has presented the audit report dated 16 February 2023 to the Board of Directors. Please kindly be informed that in order to audit the above financial statements in accordance with the generally accepted accounting standard to opine that the financial statements accurately reflect the financial position and the operational performance in line with the generally accepted accounting standard, D.I.A. International has studied and assessed the efficiency of the internal accounting control system of the Company as necessary for the benefit of formulating the proper scope of the audit work. D.I.A. International does not find any significant error in the internal accounting control system that will significantly affect the opinion on the financial statements as at 31 December 2022.

The Management of L.P.N. Development Public Co., Ltd. has been responsible for arranging internal accounting control system and ensuring strict compliance with the regulations. It requires an estimation and discretion in considering the expected benefits as well as costs associated with the use of such control system. Such internal control system has provided reasonable assurance to the Management.

However, please be informed that D.I.A. International does not audit all the accounting items but has randomly done so. Furthermore, the objective of the study and assessment of the efficiency of the internal accounting control system is for the benefit of the auditing of the above financial statements. As a result, D.I.A. International is unable to point out all the errors there may be in the internal control system of the Company.

D.I.A. International would like to thank the staff of the Company for offering their cooperation in the auditing.



(Mr. Wirote Satjathamnukul)

Certified Public Accountant No. 5128

16 February 2023



CONNECTED TRANSACTIONS

| Type of Transaction/Company/Relationship | Direct/Indirect Shareholding of the Company (%) | Connected Transaction Value | | | Pricing Policy |
|---|---|-----------------------------|----------------|---------------|---|
| | | 2020 | 2021 | 2022 | |
| Incomes and expenses between L.P.N. Development PCL and its subsidiaries and associates | | | | | |
| Income from rental and service business | | | | | |
| Pornsanti Co., Ltd. | 99.99 | 120,000.00 | 120,000.00 | 120,000.00 | Contract price which is based on market price |
| LPP Property Management Co., Ltd. | 99.99 | 2,514,854.40 | 1,805,338.40 | 2,150,166.40 | |
| Lumpini Project Management Service Co., Ltd. | 99.99 | 838,436.27 | 599,560.00 | 270,000.00 | |
| LPC Social Enterprise Co.Ltd. | 99.95 | 866,018.72 | 1,107,730.80 | 1,670,953.29 | |
| Lumpini Wisdom and Solution Co., Ltd. | 99.99 | 120,000.00 | 334,838.71 | 490,800.00 | |
| LSS Solutions Security Guard Co., Ltd. | 99.97 | - | - | 267,741.93 | |
| Dolsiri Development Co., Ltd. | 49.99 | 14,064,196.45 | - | 120,000.00 | |
| Total | | 18,523,505.84 | 3,967,467.91 | 5,089,661.62 | |
| Interest income | | | | | |
| Pornsanti Co., Ltd. | 99.99 | 11,402,139.19 | 6,388,552.23 | 20,631,484.31 | Demand promissory note Interest rate: 3.14% - 3.56% per year |
| Kamala Senior Living, Co., Ltd. | 25.00 | 3,436,284.16 | 3,652,637.16 | 3,838,099.15 | Demand promissory note Interest rate: 5% per year |
| Dolsiri Development Co., Ltd. | 49.99 | 1,698,082.33 | 5,227,329.04 | 8,265,342.78 | Demand promissory note Interest rate: 5% per year |
| Total | | 16,536,505.68 | 15,268,518.43 | 32,734,926.24 | |
| Income from other services | | | | | |
| Dolsiri Development Co., Ltd. | 49.99 | - | 11,543,478.42 | 1,785,502.60 | Contract price which is based on market price |
| LPP Property Management Co., Ltd. | 99.99 | - | 6,000,000.00 | - | |
| Total | | - | 17,543,478.42 | 1,785,502.60 | |
| Cost of real estate development | | | | | |
| LPP Property Management Co., Ltd. | 99.99 | 37,577,680.77 | 24,220,062.52 | 27,522,020.15 | Contract price which is based on market price |
| Lumpini Project Management Service Co., Ltd. | 99.99 | 71,123,367.10 | 89,257,882.32 | 37,542,024.69 | |
| LPC Social Enterprise Co.Ltd. | 99.95 | 6,066,723.62 | 4,656,566.34 | 4,106,932.71 | |
| Lumpini Wisdom and Solution Co., Ltd. | 99.99 | 19,532,000.00 | 20,000,000.00 | 20,000,000.00 | |
| LSS Solutions Security Guard Co., Ltd. | 99.97 | 294,000.00 | 3,076,000.00 | 1,453,366.66 | |
| Total | | 134,593,771.49 | 141,210,511.18 | 90,624,344.21 | |

| Type of Transaction/Company/Relationship | Direct/indirect Shareholding of the Company (%) | Connected Transaction Value | | | Pricing Policy |
|---|---|-----------------------------|---------------|---------------|---|
| | | 2020 | 2021 | 2022 | |
| Incomes and expenses between L.P.N. Development PCL and its subsidiaries and associates | | | | | |
| Cost of rental and service business | | | | | |
| LPP Property Management Co., Ltd. | 99.99 | 10,724,248.52 | 8,766,580.44 | 10,911,182.90 | Contract price which is based on market price |
| Lumpini Project Management Service Co., Ltd. | 99.99 | 69,524.00 | 2,308,609.89 | 938,730.00 | |
| LPC Social Enterprise Co.Ltd. | 99.95 | 5,507,398.96 | 5,551,808.36 | 5,903,540.65 | |
| LSS Solutions Security Guard Co., Ltd. | 99.97 | - | 6,485,554.52 | 8,171,154.72 | |
| Total | | 16,301,171.48 | 23,112,553.21 | 25,924,608.27 | |
| Expenses on sale | | | | | |
| LPP Property Management Co., Ltd. | 99.99 | 1,288,446.71 | 166,637.39 | 27,468,356.07 | Contract price which is based on market price |
| Lumpini Project Management Service Co., Ltd. | 99.99 | 810,070.00 | - | - | |
| LPC Social Enterprise Co.Ltd. | 99.95 | 36,074.76 | 3,271.02 | - | |
| Total | | 2,134,591.47 | 169,908.41 | 27,468,356.07 | |
| Administrative Expenses | | | | | |
| Pornsanti Co., Ltd. | 99.99 | 4,440,000.00 | 4,440,000.00 | 3,660,000.00 | Contract price which is based on market price |
| LPP Property Management Co., Ltd. | 99.99 | 3,628,327.29 | 1,062,609.88 | 3,000,664.00 | |
| Lumpini Project Management Service Co., Ltd. | 99.99 | 24,000.00 | - | - | |
| LPC Social Enterprise Co.Ltd. | 99.95 | 9,304,916.50 | 8,954,060.08 | 9,687,301.61 | |
| LSS Solutions Security Guard Co., Ltd. | 99.97 | 130,800.00 | 2,666,227.88 | 3,081,745.33 | |
| Total | | 17,528,043.79 | 17,122,897.84 | 19,429,710.94 | |

Connected Transactions with Interested Parties

The Company encourages its employees and related persons to own a home by giving discounts as a form of benefit for those who reserve to buy condominium units in projects developed by the Company. The policy on this matter is as follows:

1. The condominium unit must be purchased and sold in the name of the employees or their relatives
2. The employee will be given a discount after the ownership of condominium unit is transferred. The discount will be announced in the Company project by project.
3. The employee will also be entitled to all other benefits similar to other customers.

| Name | Unit | No. of Units | Total Selling Price | Discount on Transfer | Note |
|--|----------------|--------------|---------------------|----------------------|-----------------------|
| Place 168 Pinkloa | | | | | |
| Somsri Techakraisri | B-0804, B-0805 | 2 | 6,700,000.00 | 520,000.00 | Not yet transferred |
| Total | | 2 | 6,700,000.00 | 520,000.00 | |
| Lumpini Place Taopoon Interchange | | | | | |
| Suwattana Sae Tang | A-2926 | 1 | 3,200,000.00 | 801,000.00 | Transferred in Dec 22 |
| Total | | 1 | 3,200,000.00 | 801,000.00 | |

Intercompany Loan, as of 31 December 2022

| Lender | Borrower | Debt Instrument | Amount (THB) | Interest Rate (per year) (%) |
|-----------------------------------|--------------------------------|-----------------|------------------|------------------------------|
| L.P.N. Development PCL | Pornsanti Co., Ltd. | Promissory note | 1,686,550,000.00 | 3.14 - 3.56 |
| L.P.N. Development PCL | Kamala Senior Living, Co., Ltd | Promissory note | 79,375,000.00 | 5.00 |
| L.P.N. Development PCL | Dolsiri Development Co., Ltd. | Promissory note | 218,500,000.00 | 5.00 |
| LPP Property Management Co., Ltd. | L.P.N. Development PCL | Promissory note | 307,000,000.00 | 0.93 - 1.21 |

10

FINANCIAL STATEMENT



REPORT ON THE RESPONSIBILITY OF THE BOARD OF DIRECTORS ON FINANCIAL REPORTS

The Board of Directors is responsible for the consolidated financial statements of L.P.N. Development Public Co., Ltd. and subsidiary companies as well as financial information appearing in Form 56-1 and the Annual Report. The said financial statements have been prepared in accordance with generally accepted accounting standards by applying appropriate accounting policy which has been practiced regularly and with careful discretion and best estimation. Important information is also adequately disclosed in the notes to the financial statements.

The Board of Directors is aware of the accuracy and transparency of the financial statements. There are appropriate and efficient internal control systems, adequate disclosure of important information in the notes to financial statements as well as explanations and analysis so as to ensure the accuracy and completion of the record of the accounting information for the highest benefit of the shareholders and investors in using the financial statements.

With regard to this matter, the Board of Directors, as of 31 December 2022, has appointed an Audit Committee which comprises 4 Independent Directors namely Mr. Vudhiphol Suriyabhivadh, Mr. Weerasak Wahawisal, Mr. Khantachai Vichakkhana and Mr. Krirk Vanikkul. Three of whom, Mr. Vudhiphol Suriyabhivadh, Mr. Weerasak Wahawisal and Mr. Krirk Vanikkul, have knowledge and experiences in accounting and finance to review accounting policy and quality of the financial report and internal control system. The comments of the Audit Committee on this matter appear in the Audit Committee's report which is shown in Form 56-1 and in the 2022 Annual Report.

The Board of Directors opines that the overall internal control system of the company is at the satisfactory level and able to reasonably build confidence on the reliability of the financial statements of the company and subsidiary companies as of 31 December 2022.

(Amornsuk Noparumpa)

Chairman of the Board of Directors



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2022

To The Shareholders of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED as at December 31, 2022, and 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 Consolidated and Separate 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 consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with 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 judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key Audit Matters included Auditing Procedures are as follows:

1. Revenue recognition from sales of real estate (consolidated and separate financial statements)

Revenue from sales of real estate is the most significant amount in the statement of comprehensive income, the Group has numerous real estate projects and sales agreements with a variety of conditions, pertaining to matters such as sales promotions and offering special discounts in order to stimulate sales volume. I have therefore focused on the recognition of revenue from sales of real estate of the Group to be corresponded with Thai Financial Reporting Standards.

I have obtained an assurance in respect of recognition of revenue from sales of real estate by included;

- Assessed and tested the Group's IT system and its internal controls with respect to the revenue cycle, by making enquiry the persons who taken on responsibility, obtained an understanding and made sampling test the operation of the designed controls.
- Performed analytical procedures on revenue from sales of real estate data in order to check the possible fault of sales transactions throughout the fiscal period, especially for accounts posting to journal vouchers.

- Performed sampling test sales agreements whether revenue recognition was conformed to the conditions as stipulated in the relevant agreement, and corresponded with the Group's policy or not.
- Checked selling documents during the year and nearly end of the accounting period on a sampling basis.
- Tested by sampling the sale volume stimulation such as providing discount or other way and methodology to stimulate sales volume whether the accounting record is corresponded to the generally accepted accounting principles or not.

2. Presentation of finished goods valuation (consolidated and separate financial statements)

As stated in notes 3.6 and 7 to financial statements, the Group has inventories – finished goods as at December 31, 2022 in the amount of Baht 7,119.35 million (Separate : Baht 6,670.67 million) of which this amount is material in the financial statements, and were presented at the lower of cost or net realizable value. The certain project of the Company is a mega-project with the various units of condominium that have been effected from the current economic condition and the financial institution has strictly provided in personal loans (the buyer) in which required to acquire real estate especially in condominium. As a result, the Management has made substantively judgment and estimations for measuring finished goods at the lower of cost or net realizable value. The significant judgment comprise the determination of contingent selling price, provided discount and sales promotion estimates in order to stimulate sales volume in the future. The assumption for those matters used by the Management will have the impact on the presentation of finished goods and expenses incurred from allowance for devaluation of finished goods in the statements of comprehensive income (if applicable).

I have obtained an assurance in respect of the presentation of finished goods valuation, by included;

- Obtained an understanding of the sale plan and selling price determination policy of the Management and sale promotion policy in order to stimulate sale volume to meet a target as expected by the Management.
- Assessed the significant judgment of the Management related to expected salable price in the future.
- Compared the selling price of the Group and the competitor in the same or nearby area and it is believed that such nearby area has resulted in making decision of the buyer.
- Checked the current actual selling price of such project to compare with the salable price in the future.
- Checked the selling price of units sold after the reporting date including related sale promotion.

3. Presentation of investment properties value (consolidated and separate financial statements)

As stated in notes 3.10 and 9 to financial statements, the Group has investment properties as at December 31, 2022 in the amount of Baht 2,993.98 million (separate: Baht 3,043.08 million) of which this amount is material in the financial statements, presented carrying value by the cost less accumulated depreciation and provision for impairment (if applicable). Management assesses, whether there are events indicating potential impairment of assets in assumption could cause the carrying amount exceed its recoverable amount. Management led to measure fair value on which the calculation by using key assumptions, market price comparative and the judgement of the Management and the independent appraiser.

I have obtained an assurance in respect of the valuation of investment properties, by included;

- Considered the events indicating of potential impairment of land held for development in each project.
- Analyzed and tested by sampling the return rate which expected to be received that covered the recoverable value or not.
- Evaluated the competence, knowledge and independent of the independent appraiser.
- Evaluated the methodology used in assets valuation of the independent appraiser that are appropriated for the nature of assets.
- Evaluated the assumptions used in assets valuation of the Management and the independent appraiser.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report of the Group, but does not include the consolidated and separate 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 consolidated and separate financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above 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 Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate 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 Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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.

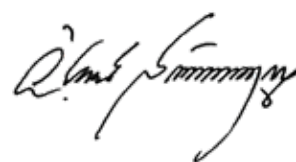
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going 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 consolidated and separate 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 consolidated and separate 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 the Code of Ethics for Professional Accountants 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 consolidated and separate 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.

D I A International Audit Co., Ltd.



(Mr. Wirote Satjathamnukul)
C.P.A. (Thailand)
Registration No. 5128
February 16, 2023



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2021

To The Shareholders of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED as at December 31, 2021, and 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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key Audit Matters included Auditing Procedures are as follows:

1. Revenue recognition from sales of real estate (consolidated and separate financial statements)

Revenue from sales of real estate is the most significant amount in the statement of comprehensive income, the Group has numerous real estate projects and sales agreements with a variety of conditions, pertaining to matters such as sales promotions and offering special discounts in order to stimulate sales volume. I have therefore focused on the recognition of revenue from sales of real estate of the Group to be corresponded with Thai Financial Reporting Standards.

I have obtained an assurance in respect of recognition of revenue from sales of real estate by included;

- Assessed and tested the Group's IT system and its internal controls with respect to the revenue cycle, by making enquiry the persons who taken on responsibility, obtained an understanding and made sampling test the operation of the designed controls.
- Performed analytical procedures on revenue from sales of real estate data in order to check the possible fault of sales transactions throughout the fiscal period, especially for accounts posting to journal vouchers.
- Performed sampling test sales agreements whether revenue recognition was conformed to the conditions as stipulated in the relevant agreement, and corresponded with the Group's policy or not.

- Checked selling documents during the year and nearly end of the accounting period on a sampling basis.
- Tested by sampling the sale volume stimulation such as providing discount or other way and methodology to stimulate sales volume whether the accounting record is corresponded to the generally accepted accounting principles or not.

2. Presentation of finished goods valuation (consolidated and separate financial statements)

As stated in notes 3.6 and 7 to financial statements, the Group has inventories – finished goods as at December 31, 2021 in the amount of Baht 8,838.04 million (Separate : Baht 8,556.02 million) of which this amount is material in the financial statements, and were presented at the lower of cost or net realizable value. The certain project of the Company is a mega-project with the various units of condominium that have been effected from the current economic condition and the financial institution has strictly provided in personal loans (the buyer) in which required to acquire real estate especially in condominium. As a result, the Management has made substantively judgment and estimations for measuring finished goods at the lower of cost or net realizable value. The significant judgment comprise the determination of contingent selling price, provided discount and sales promotion estimates in order to stimulate sales volume in the future. The assumption for those matters used by the Management will have the impact on the presentation of finished goods and expenses incurred from allowance for devaluation of finished goods in the statements of comprehensive income (if applicable).

I have obtained an assurance in respect of the presentation of finished goods valuation, by included;

- Obtained an understanding of the sale plan and selling price determination policy of the Management and sale promotion policy in order to stimulate sale volume to meet a target as expected by the Management.
- Assessed the significant judgment of the Management related to expected salable price in the future.
- Compared the selling price of the Group and the competitor in the same or nearby area and it is believed that such nearby area has resulted in making decision of the buyer.
- Checked the current actual selling price of such project to compare with the salable price in the future.
- Checked the selling price of units sold after the reporting date including related sale promotion.

3. Presentation of investment properties value (consolidated and separate financial statements)

As stated in notes 3.10 and 9 to financial statements, the Group has investment properties as at December 31, 2021 in the amount of Baht 3,140.45 million (separate: Baht 3,191.42 million) of which this amount is material in the financial statements, presented carrying value by the cost less accumulated depreciation and provision for impairment (if applicable). Management assesses, whether there are events indicating potential impairment of assets in assumption could cause the carrying amount exceed its recoverable amount. Management led to measure fair value on which the calculation by using key assumptions, market price comparative and the judgement of the Management and the independent appraiser.

I have obtained an assurance in respect of the valuation of investment properties, by included;

- Considered the events indicating of potential impairment of land held for development in each project.
- Analyzed and tested by sampling the return rate which expected to be received that covered the recoverable value or not.
- Evaluated the competence, knowledge and independent of the independent appraiser.
- Evaluated the methodology used in assets valuation of the independent appraiser that are appropriated for the nature of assets.
- Evaluated the assumptions used in assets valuation of the Management and the independent appraiser.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report of the Group, but does not include the consolidated and separate 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 consolidated and separate financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above 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 Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate 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 Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company'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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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.

D I A International Audit Co., Ltd.



(Mr. Wirote Satjathamnukul)
C.P.A. (Thailand)
Registration No. 5128
February 10, 2022



INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020

To The Shareholders of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED as at December 31, 2020, and 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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key Audit Matters included Auditing Procedures are as follows:

1. Revenue recognition from sales of real estate (consolidated and separate financial statements)

Revenue from sales of real estate is the most significant amount in the statement of comprehensive income, the Group has numerous real estate projects and sales agreements with a variety of conditions, pertaining to matters such as sales promotions and offering special discounts in order stimulate sales volume. I have therefore focused on the recognition of revenue from sales of real estate of the Group to be corresponded with Thai Financial Reporting Standards.

I have obtained an assurance in respect of recognition of revenue from sales of real estate by included;

- Assessed and tested the Group's IT system and its internal controls with respect to the revenue cycle, by making enquiry the persons who taken on responsibility, obtained an understanding and made sapling test the operation of the designed controls.

- Performed analytical procedures on revenue from sales of real estate data in order to check the possible fault of sales transactions throughout the fiscal period, especially for accounts posting to journal vouchers.
- Performed sampling test sales agreements whether revenue recognition was conformed to the conditions as stipulated in the relevant agreement, and corresponded with the Group's policy or not.
- Checked selling documents during the year and nearly end of the accounting period on a sampling basis.
- Tested by sampling the sale volume stimulation such as providing discount or other way and methodology to stimulate sales volume whether the accounting record is corresponded to the generally accepted accounting principles or not.
- Tested by sampling revenues from sale of real estate in the form of housing estate whether about the Company completely complied with the obligations as stipulated in agreement or not.

2. Presentation of finished goods valuation (consolidated and separate financial statements)

As stated in notes 3.6 and 8 to financial statements, the Group has inventories - finished goods as at December 31, 2020 in the amount of Baht 9,090.76 million (Separate : Baht 8,839.08 million) of which this amount is material in the financial statements, and were presented at the lower of cost or net realizable value. The certain project of the Company is a mega-project with the various units of condominium that have been effected from the current economic condition and the financial institution has strictly provided in personal loans (the buyer) in which required to acquire real estate especially in condominium. As a result, the Management has made substantively judgment and estimations for measuring finished goods at the lower of cost or net realizable value. The significant judgment comprise the determination of contingent selling price, provided discount and sales promotion estimates in order to stimulate sales volume in the future. The assumption for those matters used by the Management will have the impact on the presentation of finished goods and expenses incurred from allowance for devaluation of finished goods in the statements of comprehensive income (if applicable).

I have obtained an assurance in respect of the presentation of finished goods valuation, by included;

- Obtained an understanding of the sale plan and selling price determination policy of the Management and sale promotion policy in order to stimulate sale volume to meet a target as expected by the Management.
- Assessed the significant judgment of the Management related to expected salable price in the future.
- Compared the selling price of the Company and the competitor in the same or nearby area and it is believed that such nearby area has resulted in making decision of the buyer.
- Checked the current actual selling price of such project to compare with the salable price in the future.
- Checked the selling price of units sold after the reporting date including related sale promotion.

3. Presentation of investment properties value (consolidated and separate financial statements)

As stated in notes 3.10 and 11 to financial statements, the Group has investment properties as at December 31, 2020 in the amount of Baht 3,099.67 million (separate: Baht 3,154.55 million) of which this amount is material in the financial statements, presented carrying value by the cost less accumulated depreciation and provision for impairment (if applicable). Management assesses, whether there are events indicating potential impairment of assets in assumption could cause the carrying amount exceed its recoverable amount. Management led to measure fair value on which the calculation by using key assumptions, market price comparative and the judgement of the Management and the independent appraiser.

I have obtained an assurance in respect of the valuation of investment properties, by included;

- Considered the events indicating of potential impairment of land held for development in each project.
- Analyzed and tested by sampling the return rate which expected to be received that covered the recoverable value or not.
- Evaluated the competence, knowledge and independent of the independent appraiser.
- Evaluated the methodology used in assets valuation of the independent appraiser that are appropriated for the nature of assets.
- Evaluated the assumptions used in assets valuation of the Management and the independent appraiser.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report of the Group, but does not include the consolidated and separate 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 consolidated and separate financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above 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 Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate 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 Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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.

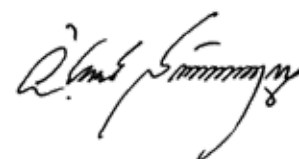
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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.

D I A International Audit Co., Ltd.



(Mr. Wirote Satjathamnukul)

C.P.A. (Thailand)

Registration No. 5128

February 11, 2021



STATEMENTS OF FINANCIAL

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

| | Note | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|------------|--|-------------------|--------------------------------------|-------------------|
| | | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 3.2 | 508,088,858.94 | 334,954,207.74 | 233,563,343.09 | 198,641,816.87 |
| Trade and other current receivables | 5 | 734,859,706.44 | 748,451,587.60 | 297,057,761.90 | 323,187,700.49 |
| Short-term loans to related parties | 8.2 | 297,875,000.00 | 202,125,000.00 | 1,984,425,000.00 | 331,675,000.00 |
| Land and costs of project under construction | 3.5, 6.1 | 11,041,819,566.58 | 9,027,772,425.67 | 7,639,856,525.08 | 7,285,419,757.69 |
| Inventories - finished goods | 3.6, 7 | 7,119,348,776.70 | 8,838,037,982.85 | 6,670,674,867.34 | 8,556,018,492.13 |
| Total current assets | | 19,701,991,908.66 | 19,151,341,203.86 | 16,825,577,497.41 | 16,694,942,767.18 |
| Non-current assets | | | | | |
| Investments in subsidiaries and associates | 3.7, 8.4 | 54,029,256.18 | 55,768,128.83 | 638,935,417.15 | 632,595,422.15 |
| Land and costs of project held for development | 3.8, 6.2 | 538,583,899.66 | 537,144,083.07 | 504,178,808.29 | 502,738,991.70 |
| Investment properties | 3.10, 9 | 2,993,982,210.22 | 3,140,450,567.23 | 3,043,084,131.51 | 3,191,417,262.05 |
| Property, plant and equipment | 3.11, 10 | 266,069,703.39 | 280,176,425.24 | 153,664,102.18 | 166,903,286.65 |
| Right-of-use assets - leasehold right | 3.9, 11 | 179,220,987.94 | 186,691,940.42 | 179,220,987.94 | 186,691,940.42 |
| Right-of-use assets | 3.16, 20.1 | 11,751,752.07 | 13,587,577.67 | 42,671,087.22 | 71,128,616.83 |
| Goodwill | 3.13 | 32,763,266.27 | 32,763,266.27 | - | - |
| Other intangible assets | 3.14, 12 | 6,391,280.08 | 7,612,465.81 | 3,232,184.80 | 5,926,647.26 |
| Deferred tax assets | 3.18, 13 | 149,105,843.65 | 193,949,389.36 | 104,824,742.04 | 144,233,058.61 |
| Other non-current assets | | | | | |
| Income tax deducted at source | | 51,584,470.18 | 56,350,889.43 | 13,242,136.01 | 13,362,866.57 |
| Related receivables-employee benefits | 8.5 | - | - | 38,545,901.00 | - |
| Others | | 128,608,709.49 | 120,790,796.25 | 86,377,959.57 | 86,070,097.26 |
| Total non-current assets | | 4,412,091,379.13 | 4,625,285,529.58 | 4,807,977,457.71 | 5,001,068,189.50 |
| TOTAL ASSETS | | 24,114,083,287.79 | 23,776,626,733.44 | 21,633,554,955.12 | 21,696,010,956.68 |

(Please see notes to the financial statements which formed an integral part of these statements.)

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (Cont'd)
AS AT DECEMBER 31, 2022

| | | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|------------|--|-------------------|--------------------------------------|-------------------|
| | Note | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Current liabilities | | | | | |
| Bank overdrafts and short-term borrowings | | | | | |
| from financial institutions | 14 | 6,666,044,670.37 | 4,832,987,459.99 | 5,734,810,028.37 | 4,164,339,209.99 |
| Trade and other current payables | 15 | 942,244,520.26 | 1,169,667,961.50 | 710,128,660.32 | 909,758,815.85 |
| Short-term borrowings from related parties | 8.7 | - | - | 307,000,000.00 | 402,000,000.00 |
| Current portion of long-term borrowings | 17 | - | 97,548,350.00 | - | 55,600,000.00 |
| Current portion of debentures | 18 | 47,592,699.84 | 2,168,000,000.00 | 47,592,699.84 | 2,168,000,000.00 |
| Current portion of liabilities under sale contract | | | | | |
| of assets granted customers to resell | 19 | 22,126,512.00 | - | 22,126,512.00 | - |
| Current portion of lease liabilities | 20.2 | 4,401,234.80 | 6,131,581.36 | 4,989,757.36 | 7,998,325.73 |
| Current income tax payable | | 18,311,209.65 | 4,287,482.45 | 7,770,397.66 | - |
| Total current liabilities | | 7,700,720,846.92 | 8,278,622,835.30 | 6,834,418,055.55 | 7,707,696,351.57 |
| Non-current liabilities | | | | | |
| Unearned rental income | 16 | 239,982,926.06 | 250,421,940.26 | 239,982,926.06 | 250,421,940.26 |
| Long-term borrowings | 17 | 450,234,340.00 | 455,000,000.00 | - | 441,000,000.00 |
| Debentures | 18 | 3,385,647,752.23 | 1,936,228,882.10 | 3,385,647,752.23 | 1,936,228,882.10 |
| Liabilities under sale contract of assets | | | | | |
| granted customers to resell | 19 | - | 925,244,914.00 | - | 925,244,914.00 |
| Lease liabilities | 3.16, 20.2 | 5,603,820.26 | 5,187,595.53 | 39,011,589.00 | 62,962,070.42 |
| Non-current provisions for | | | | | |
| employee benefit | 3.21.2, 21 | 371,727,650.00 | 438,399,647.26 | 137,989,079.00 | 141,721,346.76 |
| Other non-current liabilities | | | | | |
| Rental and service deposit | | 49,239,922.89 | 45,653,281.78 | 48,514,937.89 | 44,956,892.78 |
| Others | | 43,400,027.97 | 44,668,550.54 | 31,179,942.26 | 30,755,006.69 |
| Total non-current liabilities | | 4,545,836,439.41 | 4,100,804,811.47 | 3,882,326,226.44 | 3,833,291,053.01 |
| Total liabilities | | 12,246,557,286.33 | 12,379,427,646.77 | 10,716,744,281.99 | 11,540,987,404.58 |

(Please see notes to the financial statements which formed an integral part of these statements.)

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT DECEMBER 31, 2022

| | | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|-------------|--|-------------------|--------------------------------------|-------------------|
| | <i>Note</i> | December 31, 2022 | December 31, 2021 | December 31, 2022 | December 31, 2021 |
| LIABILITIES AND SHAREHOLDERS' EQUITY (Cont'd) | | | | | |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| Authorized share capital | | | | | |
| 1,475,698,768 ordinary shares | | | | | |
| at Baht 1.00 each | | | 1,475,698,768.00 | | 1,475,698,768.00 |
| 1,454,198,768 ordinary shares | | | | | |
| at Baht 1.00 each | | 1,454,198,768.00 | | 1,454,198,768.00 | |
| Issued and fully paid-up share capital | | | | | |
| 1,475,698,768 ordinary shares | | | | | |
| at Baht 1.00 each | | | 1,475,698,768.00 | | 1,475,698,768.00 |
| 1,454,198,768 ordinary shares | | | | | |
| at Baht 1.00 each | | 1,454,198,768.00 | | 1,454,198,768.00 | |
| Treasury shares | 24 | - | (142,107,790.01) | - | (142,107,790.01) |
| Share premium | | 441,807,166.00 | 441,807,166.00 | 441,807,166.00 | 441,807,166.00 |
| Share premium on treasury shares | 24 | - | 39,061,748.24 | - | 39,061,748.24 |
| Gains (losses) on changes in shareholding | | | | | |
| proportion in subsidiaries | | (1,052,991.24) | (1,052,991.24) | - | - |
| Retained earnings | | | | | |
| Appropriated | | | | | |
| Legal reserve | 26.1 | 148,000,000.00 | 148,000,000.00 | 148,000,000.00 | 148,000,000.00 |
| Reserve for treasury shares | 26.2 | - | 142,107,790.01 | - | 142,107,790.01 |
| Unappropriated | | 9,824,353,033.65 | 9,293,476,993.89 | 8,872,804,739.13 | 8,050,455,869.86 |
| Total owners of the Company | | 11,867,305,976.41 | 11,396,991,684.89 | 10,916,810,673.13 | 10,155,023,552.10 |
| Non-controlling interests | | 220,025.05 | 207,401.78 | - | - |
| Total shareholders' equity | | 11,867,526,001.46 | 11,397,199,086.67 | 10,916,810,673.13 | 10,155,023,552.10 |
| Total liabilities and shareholders' equity | | 24,114,083,287.79 | 23,776,626,733.44 | 21,633,554,955.12 | 21,696,010,956.68 |

(Please see notes to the financial statements which formed an integral part of these statements.)

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022

| | | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|----------|--|--------------------|--------------------------------------|--------------------|
| | Note | 2022 | 2021 | 2022 | 2021 |
| Revenues from sales and services | | | | | |
| Sales | | 8,422,977,060.05 | 4,044,136,211.41 | 7,254,860,370.96 | 2,979,072,793.09 |
| Rental and service business income | | 308,010,698.08 | 272,556,538.85 | 303,186,111.77 | 270,227,211.73 |
| Management business income | | 1,544,757,090.51 | 1,253,277,924.66 | - | - |
| Total revenues from sales and services | | 10,275,744,848.64 | 5,569,970,674.92 | 7,558,046,482.73 | 3,249,300,004.82 |
| Cost of sales and services | | | | | |
| Cost of sales | | (6,633,597,446.61) | (3,096,069,574.47) | (5,718,020,001.66) | (2,281,242,173.29) |
| Cost of rental and service business | | (203,777,645.09) | (174,381,416.09) | (196,050,181.49) | (168,924,106.09) |
| Cost of management business | | (1,185,785,209.94) | (918,824,203.57) | - | - |
| Total cost of sales and services | | (8,023,160,301.64) | (4,189,275,194.13) | (5,914,070,183.15) | (2,450,166,279.38) |
| Gross profit | | 2,252,584,547.00 | 1,380,695,480.79 | 1,643,976,299.58 | 799,133,725.44 |
| Other income | | | | | |
| Interest income | | 13,660,105.67 | 10,781,279.32 | 33,921,451.48 | 16,878,129.22 |
| Dividend received | | - | - | 555,985,268.58 | 53,994,060.00 |
| Contract changing income | | 3,941,521.60 | 1,254,772.88 | 2,907,322.50 | 74,672.88 |
| Gain on sales of assets | | 562,432.83 | 3,194,228.20 | 541,978.38 | 3,194,228.20 |
| Others | | 7,413,052.01 | 12,844,744.35 | 11,063,032.95 | 13,130,606.71 |
| Total other income | | 25,577,112.11 | 28,075,024.75 | 604,419,053.89 | 87,271,697.01 |
| Distribution costs | | (624,986,228.19) | (266,663,046.87) | (572,364,034.12) | (197,174,935.46) |
| Administrative expenses | | (642,588,106.44) | (562,891,712.02) | (377,630,084.60) | (347,485,452.37) |
| Finance costs | | (190,878,046.23) | (189,307,998.31) | (209,557,702.09) | (195,252,244.70) |
| Share of profit (loss) of associates | 8.4 | (1,738,872.65) | (4,745,136.79) | - | - |
| Profit before income tax expense | | 817,970,405.60 | 385,162,611.55 | 1,088,843,532.66 | 146,492,789.92 |
| Tax expense | 3.18, 13 | (205,807,555.48) | (82,801,477.19) | (146,963,146.20) | (24,590,310.55) |
| Profit for the year | | 612,162,850.12 | 302,361,134.36 | 941,880,386.46 | 121,902,479.37 |
| Other comprehensive income : | | | | | |
| Components of other comprehensive income that will not be reclassified to profit or loss | | | | | |
| Gains (losses) on re-measurements of defined benefit plans | | 76,300,026.29 | - | 38,027,984.77 | - |
| Other comprehensive income (expense) for the year - net of tax | | 76,300,026.29 | - | 38,027,984.77 | - |
| Total comprehensive income for the year | | 688,462,876.41 | 302,361,134.36 | 979,908,371.23 | 121,902,479.37 |
| Attributable to | | | | | |
| Owners of the Company | | 612,139,869.75 | 302,337,113.48 | 941,880,386.46 | 121,902,479.37 |
| Non-controlling interests | | 22,980.37 | 24,020.88 | - | - |
| | | 612,162,850.12 | 302,361,134.36 | 941,880,386.46 | 121,902,479.37 |
| Total comprehensive income attributable to | | | | | |
| Owners of the Company | | 688,435,541.72 | 302,337,113.48 | 979,908,371.23 | 121,902,479.37 |
| Non-controlling interests | | 27,334.69 | 24,020.88 | - | - |
| | | 688,462,876.41 | 302,361,134.36 | 979,908,371.23 | 121,902,479.37 |
| Earnings per share | | | | | |
| Basic earnings per share | 3.20 | 0.42 | 0.21 | 0.65 | 0.08 |
| Weighted average number of ordinary shares (share) | | 1,454,198,768 | 1,454,198,768 | 1,454,198,768 | 1,454,198,768 |

(Please see notes to the financial statements which formed an integral part of these statements.)

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|------------------|--------------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cash flows from operating activities | | | | |
| Profit for the year | 612,162,850.12 | 302,361,134.36 | 941,880,386.46 | 121,902,479.37 |
| Adjustment to reconcile profit to cash receipt | | | | |
| (disbursement) | | | | |
| Tax expense | 205,807,555.48 | 82,801,477.19 | 146,963,146.20 | 24,590,310.55 |
| Finance costs | 190,878,046.23 | 189,307,998.31 | 209,557,702.09 | 195,252,244.70 |
| Non-current provisions for employee benefit | 64,098,930.27 | 53,991,406.00 | 15,754,034.01 | 14,214,910.00 |
| Bad debt and doubtful accounts | 300,093.95 | - | 300,093.95 | - |
| Depreciation of operating and investing assets, amortization of other intangible assets and leasehold right | 108,194,971.13 | 107,162,918.76 | 103,567,225.92 | 103,997,889.53 |
| Dividend received | - | - | (555,985,268.58) | (53,994,060.00) |
| (Gain) on sale of investment | - | - | (5,099,465.52) | - |
| (Gain) on sales of assets | (868,292.31) | (4,282,152.62) | (868,292.31) | (4,282,152.62) |
| Loss on write-off assets lost/donation | 1,863,062.88 | 51,204.16 | 1,863,035.88 | 51,203.16 |
| Share of other comprehensive income of associates | 1,738,872.65 | 4,745,136.79 | - | - |
| Profit from operation before changes in operating assets and liabilities | 1,184,176,090.40 | 736,139,122.95 | 857,932,598.10 | 401,732,824.69 |
| Operating assets, (increase) decrease | | | | |
| Trade and other current receivables | 24,294,736.81 | (390,704,991.08) | 31,647,884.39 | (166,248,244.06) |
| Trade and other current receivables - related parties | (12,103,441.93) | (8,826,747.02) | (5,822,066.46) | (15,262,600.83) |
| Inventories | 1,800,375,781.90 | 137,592,894.97 | 1,967,030,200.54 | 167,756,931.35 |
| Land and costs of project under construction | (1,751,218,588.54) | (300,034,217.91) | (145,780,562.58) | 1,920,945.12 |
| Deposits at bank with obligations | (12,290,817.37) | (4,118,456.88) | (5,370,607.20) | (1,363,936.16) |
| Other non-current assets | 4,729,708.13 | (1,157,575.57) | 5,062,744.89 | 2,616,976.22 |
| Operating assets (increase) decrease | 53,787,379.00 | (567,249,093.49) | 1,846,767,593.58 | (10,579,928.36) |
| Operating liabilities, increase (decrease) | | | | |
| Trade and other current payables | (267,308,022.52) | (101,176,634.17) | (280,268,370.40) | (128,195,524.10) |
| Trade and other current payables - related parties | - | - | 41,318,047.81 | 11,255,155.52 |
| Unearned rental income | (10,439,014.20) | (10,439,014.20) | (10,439,014.20) | (10,439,014.20) |
| Other non-current liabilities | 4,263,059.65 | 12,553,205.34 | 4,469,155.68 | 9,829,433.16 |
| Employee benefits paid | (35,824,787.17) | (18,742,765.04) | (10,497,221.81) | (4,826,973.54) |
| Operating liabilities, increase (decrease) | (309,308,764.24) | (117,805,208.07) | (255,417,402.92) | (122,376,923.16) |
| Cash generated (paid) from operation | 928,654,705.16 | 51,084,821.39 | 2,449,282,788.76 | 268,775,973.17 |
| Interest paid | (450,651,443.43) | (355,801,585.60) | (415,186,193.23) | (346,485,387.50) |
| Income tax received | 7,298,985.18 | 695,608.76 | - | - |
| Income tax paid | (168,119,517.51) | (196,438,728.54) | (109,170,697.60) | (115,490,135.33) |
| Net cash provided by (used in) operating activities | 317,182,729.40 | (500,459,883.99) | 1,924,925,897.93 | (193,199,549.66) |

(Please see notes to the financial statements which formed an integral part of these statements.)

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont'd)
FOR THE YEAR ENDED DECEMBER 31, 2022

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|--|--------------------|--------------------------------------|--------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cash flows from investing activities | | | | |
| Proceeds from sales of investment | - | - | 78,759,450.52 | - |
| Short-term loans to related parties, (increase) decrease | (95,750,000.00) | (77,375,000.00) | (1,652,750,000.00) | (21,925,000.00) |
| Investments in subsidiaries and associates | - | - | (79,999,980.00) | - |
| Dividend received | - | - | 555,985,268.58 | 53,994,060.00 |
| Right-of use assets | (1,214,250.00) | - | (359,500.00) | - |
| Acquire of fixed assets | (11,287,403.36) | (13,148,145.95) | (4,748,915.50) | (10,702,500.73) |
| Acquire of other intangible assets | (3,054,758.99) | (1,246,515.21) | (1,292,104.06) | (1,221,515.21) |
| Proceeds from sales of fixed assets | 1,138,940.82 | 1,126,947.05 | 1,138,940.82 | 1,126,947.05 |
| Proceeds from sales of investment properties | - | 14,000,000.00 | - | 14,000,000.00 |
| Deposit at bank with obligations | - | 377,745.00 | - | - |
| Net cash provided by (used in) investing activities | (110,167,471.53) | (76,264,969.11) | (1,103,266,839.64) | 35,271,991.11 |
| Cash flows from financing activities | | | | |
| Repayments for bank overdrafts | (425,954.99) | 412,708.65 | (425,954.99) | 412,708.65 |
| Proceeds from short-term borrowings from related parties | - | - | (95,000,000.00) | 31,000,000.00 |
| Proceeds from short-term borrowings from financial institutions | 9,979,744,000.00 | 6,966,450,000.00 | 9,412,000,000.00 | 6,186,000,000.00 |
| Repayments for short-term borrowings from financial institutions | (8,141,552,108.00) | (6,729,066,850.00) | (7,836,394,500.00) | (6,334,371,000.00) |
| Prepaid interest expenses-short-term borrowings | (24,480,286.53) | (13,791,250.00) | (24,480,286.53) | (13,791,250.00) |
| Proceeds from long-term borrowings | 1,038,923,290.00 | 705,600,000.00 | 327,000,000.00 | 496,600,000.00 |
| Repayments for long-term borrowings | (1,141,237,300.00) | (153,051,650.00) | (823,600,000.00) | - |
| Proceeds from debentures | 1,500,000,000.00 | 1,948,000,000.00 | 1,500,000,000.00 | 1,948,000,000.00 |
| Repayments for debentures | (2,168,000,000.00) | (1,980,000,000.00) | (2,168,000,000.00) | (1,980,000,000.00) |
| Payment for debentures issuance fee | (11,147,329.17) | (12,565,413.07) | (11,147,329.17) | (12,565,413.07) |
| Prepaid interest expenses-debentures | - | (2,856,253.44) | - | (2,856,253.44) |
| Payments for liabilities under sale contracts of | | | | |
| assets granted customers to resell | (840,946,414.00) | - | (840,946,414.00) | - |
| Payments for lease liabilities | (6,760,053.33) | (7,294,814.50) | (7,750,756.73) | (9,016,208.71) |
| Dividend paid | (217,998,450.65) | (726,858,772.47) | (217,992,290.65) | (726,852,832.47) |
| Net cash provided by (used in) financing activities | (33,880,606.67) | (5,022,294.83) | (786,737,532.07) | (417,440,249.04) |
| Net increase (decrease) in cash and cash equivalents | 173,134,651.20 | (581,747,147.93) | 34,921,526.22 | (575,367,807.59) |
| Cash and cash equivalents as at January 1 | 334,954,207.74 | 916,701,355.67 | 198,641,816.87 | 774,009,624.46 |
| Cash and cash equivalents as at December 31 | 508,088,858.94 | 334,954,207.74 | 233,563,343.09 | 198,641,816.87 |

Supplemental disclosures of cash flows information see notes 29 to financial statements.

(Please see notes to the financial statements which formed an integral part of these statements.)

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

CONSOLIDATED FINANCIAL STATEMENTS

| | Note | Owners of the Company | | | | |
|---|----------|-----------------------|-------------------------------------|-------------------------------------|------------------|--|
| | | Share capital | Share premium on ordinary shares | Share premium on treasury shares | Treasury shares | Gains (losses) on |
| | | | | | | Changes in shareholding proportion in subsidiaries |
| Beginning balance as at January 1, 2021 | | 1,475,698,768.00 | 441,807,166.00 | 39,061,748.24 | (142,107,790.01) | (1,052,991.24) |
| Dividend paid of subsidiaries | | - | - | - | - | - |
| Dividend paid | 25.4 | - | - | - | - | - |
| Interim dividend paid | 25.3 | - | - | - | - | - |
| Profit (loss) for the year | | - | - | - | - | - |
| Other comprehensive income | | - | - | - | - | - |
| Total comprehensive income for the year | | - | - | - | - | - |
| Balance as at December 31, 2021 | | 1,475,698,768.00 | 441,807,166.00 | 39,061,748.24 | (142,107,790.01) | (1,052,991.24) |
| Treasury shares decreased during the year | 24, 26.2 | (21,500,000.00) | - | (39,061,748.24) | 142,107,790.01 | - |
| Dividend paid of subsidiaries | | - | - | - | - | - |
| Dividend paid | 25.2 | - | - | - | - | - |
| Interim dividend paid | 25.1 | - | - | - | - | - |
| Profit (loss) for the year | | - | - | - | - | - |
| Other comprehensive income | | - | - | - | - | - |
| Total comprehensive income for the year | | - | - | - | - | - |
| Balance as at December 31, 2022 | | 1,454,198,768.00 | 441,807,166.00 | - | - | (1,052,991.24) |

(Please see notes to the financial statements which formed an integral part of these statements.)

Consolidated financial statements (Baht)

(Baht)

| Retained earnings | | | Total shareholders of the Company | Non-controlling interests | Total |
|-------------------|--|------------------|---|------------------------------|-------------------|
| Legal reserve | Appropriated Reserve for treasury shares | Unappropriated | | | |
| 148,000,000.00 | 142,107,790.01 | 9,718,205,744.41 | 11,821,720,435.41 | 189,320.90 | 11,821,909,756.31 |
| - | - | - | - | (5,940.00) | (5,940.00) |
| - | - | (581,667,847.20) | (581,667,847.20) | - | (581,667,847.20) |
| - | - | (145,398,016.80) | (145,398,016.80) | - | (145,398,016.80) |
| - | - | 302,337,113.48 | 302,337,113.48 | 24,020.88 | 302,361,134.36 |
| - | - | - | - | - | - |
| - | - | 302,337,113.48 | 302,337,113.48 | 24,020.88 | 302,361,134.36 |
| 148,000,000.00 | 142,107,790.01 | 9,293,476,993.89 | 11,396,991,684.89 | 207,401.78 | 11,397,199,086.67 |
| - | (142,107,790.01) | 60,561,748.24 | - | - | - |
| - | - | - | - | (14,711.42) | (14,711.42) |
| - | - | (72,709,123.40) | (72,709,123.40) | - | (72,709,123.40) |
| - | - | (145,412,126.80) | (145,412,126.80) | - | (145,412,126.80) |
| - | - | 612,139,869.75 | 612,139,869.75 | 22,980.37 | 612,162,850.12 |
| - | - | 76,295,671.97 | 76,295,671.97 | 4,354.32 | 76,300,026.29 |
| - | - | 688,435,541.72 | 688,435,541.72 | 27,334.69 | 688,462,876.41 |
| 148,000,000.00 | - | 9,824,353,033.65 | 11,867,305,976.41 | 220,025.05 | 11,867,526,001.46 |

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Cont'd)

FOR THE YEAR ENDED DECEMBER 31, 2022

SEPARATE FINANCIAL STATEMENTS

| | | Share capital | Share premium on ordinary shares | Share premium on treasury shares |
|---|-------------|------------------|-------------------------------------|-------------------------------------|
| | <i>Note</i> | | | |
| Beginning balance as at January 1, 2021 | | 1,475,698,768.00 | 441,807,166.00 | 39,061,748.24 |
| Dividend paid | 25.4 | - | - | - |
| Interim dividend paid | 25.3 | - | - | - |
| Profit (loss) for the year | | - | - | - |
| Other comprehensive income | | - | - | - |
| Total comprehensive income for the year | | - | - | - |
| Balance as at December 31, 2021 | | 1,475,698,768.00 | 441,807,166.00 | 39,061,748.24 |
| Treasury shares decreased during the year | 24, 26.2 | (21,500,000.00) | - | (39,061,748.24) |
| Dividend paid | 25.2 | - | - | - |
| Interim dividend paid | 25.1 | - | - | - |
| Profit (loss) for the year | | - | - | - |
| Other comprehensive income | | - | - | - |
| Total comprehensive income for the year | | - | - | - |
| Balance as at December 31, 2022 | | 1,454,198,768.00 | 441,807,166.00 | - |

(Please see notes to the financial statements which formed an integral part of these statements.)

(Baht)

| Treasury shares | Retained earnings | | | Total |
|------------------|-------------------|--------------------------------|------------------|-------------------|
| | Appropriated | | Unappropriated | |
| | Legal reserve | Reserve for treasury shares | | |
| (142,107,790.01) | 148,000,000.00 | 142,107,790.01 | 8,655,619,254.49 | 10,760,186,936.73 |
| - | - | - | (581,667,847.20) | (581,667,847.20) |
| - | - | - | (145,398,016.80) | (145,398,016.80) |
| - | - | - | 121,902,479.37 | 121,902,479.37 |
| - | - | - | - | - |
| - | - | - | 121,902,479.37 | 121,902,479.37 |
| (142,107,790.01) | 148,000,000.00 | 142,107,790.01 | 8,050,455,869.86 | 10,155,023,552.10 |
| 142,107,790.01 | - | (142,107,790.01) | 60,561,748.24 | - |
| - | - | - | (72,709,123.40) | (72,709,123.40) |
| - | - | - | (145,412,126.80) | (145,412,126.80) |
| - | - | - | 941,880,386.46 | 941,880,386.46 |
| - | - | - | 38,027,984.77 | 38,027,984.77 |
| - | - | - | 979,908,371.23 | 979,908,371.23 |
| - | 148,000,000.00 | - | 8,872,804,739.13 | 10,916,810,673.13 |



NOTES TO INTERIM FINANCIAL STATEMENTS

L.P.N. DEVELOPMENT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1. Company's operation

L.P.N. Development Public Company Limited (The Company) has been listed in the Stock Exchange of Thailand since on June 21, 1994. Type of business is Real Estate. The Company's location is 1168/109, 36th Floor, Lumpini Tower, Rama IV Rd., Tungmahamek, Sathorn, Bangkok.

2. Basis of preparation and presentation of the financial statements

2.1 Financial statements preparation basis

These financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS); including interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP) and the regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017 regarding the preparation and submission of financial statements and reports for the financial performance of the listed companies B.E. 2560. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding the condensed form should be included in the financial statements (No. 3) B.E. 2562 dated December 26, 2019.

The Company's financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 The consolidated financial statements for the year ended December 31, 2022 and 2021 consist of the financial statements of L.P.N. Development Public Company Limited and its subsidiaries. The Company held in its subsidiaries and associates shares capital as follows:-

| | Percentage owned | | Type of business | Relationship |
|--|------------------|-------|------------------|---|
| | 2022 | 2021 | | |
| Subsidiaries | | | | |
| 1. Pornsanti Co., Ltd. | 99.99 | 99.99 | Real Estate | Subsidiary |
| 2. L P P Property Management Co., Ltd. | 99.99 | 99.99 | Service | Subsidiary |
| 3. Lumpini Project Management Services Co., Ltd. | 99.99 | 99.99 | Service | Subsidiary (indirectly held by L P P Property Management Co., Ltd. at 100%) |

| | Percentage owned | | Type of business | Relationship |
|---|------------------|-------|------------------|---|
| | 2022 | 2021 | | |
| 4. L P C Social Enterprise Co., Ltd. | 99.95 | 99.95 | Service | Subsidiary (in the third quarter of 2022 indirectly held by L P P Property Management Co., Ltd. at 10%) |
| 5. Lumpini Wisdom and Solution Co., Ltd. | 99.99 | 99.99 | Service | Subsidiary (indirectly held by Lumpini Project Management Services Co., Ltd. at 100%) In the third quarter of 2022 held by L.P.N. Development Public Company Limited |
| 6. LSS Solutions Security Guard Co., Ltd. | 99.97 | 99.97 | Service | Subsidiary (indirectly held by L P P Property Management Co., Ltd. at 100%) |
| Associates | | | | |
| 1. Kamala Senior Living Co., Ltd. | 25.00 | 25.00 | Real Estate | Associate |
| 2. Dolsiri Development Co., Ltd. | 49.99 | 49.99 | Real Estate | Associate |

On April 5, 2021, Lumpini Property Management Co., Ltd. has changed its title name to L P P Property Management Co., Ltd.

Business combinations

The Company applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration.

Associates

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies.

Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Company measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquirer.

Changes in the Company's ownership interests in subsidiaries that do not result the Company losing control over the subsidiaries are accounted for as equity transactions.

Interests in equity-accounted investees

Interests in associates are accounted for using the equity method. They are recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Loss on control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

2.3 Transaction with related companies

Inter-company transactions have been eliminated in the consolidated financial statements.

2.4 The consolidated financial statements have been presented the consolidated financial position and results of operations of L.P.N. Development Public Company Limited and its subsidiaries. The usefulness of transaction of consolidated financial statements for other purposes may be limited due to the difference business of those consolidated companies.**2.5 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted a number of revised financial reporting standards, which are effective for the financial statements for the year beginning on or after January 1, 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, for some standards, providing temporary reliefs or temporary exemptions for users.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.6 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has announced for adoption a number of revised financial reporting standards, which are effective for the financial statements for the year beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards.

The management of the Group is currently in process of evaluating the plan to be executed and considering the impact of these standards on the financial statements in the year when they are adopted.

3. Summary of Significant Accounting Policies

3.1 Income and expenses recognition

- 3.1.1 The Company recognized revenues from contracts with customers when the performance obligations are satisfied. Revenues from sales (condominiums and land with house) and recognized when the control of products have been transferred to the buyers and presented at the contract value less discounts and any sales promotion. The recognized amount and cost incurred in respect of the transaction can be measured reliably.
- Amounts received or the rights to receive from customers in which the obligations to be satisfied, are presented as contract liabilities in statements of financial position which recognized as income when the performance obligations stipulated in the contract are satisfied.
- 3.1.2 Revenues from sub-lease of operating lease are recognized as income by a straight-line basis on over the lease term.
- 3.1.3 Rental and services income relating to investment properties are recognized over the period on which the rendering services are performed.
- 3.1.4 Revenues from services are recognized as income when the services are rendered.
- 3.1.5 Interest income is calculated using the effective interest method and recognized on an accrual basis. The effective interest rate is multiplied by the gross carrying amount of a financial assets, except for the financial assets that have subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).
- 3.1.6 Dividends are recognized when the right to receive the dividends is established.
- 3.1.7 Other income and expenses are recognized on an accrual basis.
- 3.1.8 Cost of sales of land and house, and condominium residence are calculated on area and selling price basis.
- 3.1.9 Finance cost, interest expense from financial liabilities at amortized cost is calculated using the effective interest method and are recognized on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, and investment in bills of exchange which an original maturity is 3 months or less and are not subject to restriction on withdrawal.

3.3 Financial instruments

Financial assets are initially measured at fair value and added by transaction costs other than financial assets at fair value through profit or loss. Trade accounts receivables that do not have a significant financing component, are measured at transaction price as described in the accounting policy for revenues recognition.

3.3.1 Classification and measurement

Financial assets classified as debt instruments are measured at fair value through profit or loss, other comprehensive income or amortized cost. The classification is derived by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets classified as equity instruments are measured at fair value through profit or loss, or fair value through other comprehensive income.

Financial liabilities are classified and measured by amortized cost method.

3.3.2 Derecognition of financial instruments

A financial asset is primarily derecognized 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 neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized 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 recognized in profit or loss.

3.3.3 Impairment of financial assets

The Group recognizes an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. 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. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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).

For trade accounts receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. It is 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.

3.3.4 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.4 Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e., as prices) or indirectly (i.e., observable prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

3.5 Land and costs of project under construction

Land and cost of project under development are shown by the lower of specific method or net realizable value. The project cost consists of cost of land, development cost, construction cost, directly related expenses of the project and interest expenses. Interest expenses will be stopped to recognize as cost whenever the construction project have been completed or ceased.

3.6 Inventories

Inventories consist of completed condominium, land and house which have not been transferred to the buyer are valued at the lower of cost by using specific method or net realizable value.

3.7 Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements are stated at cost less provision for impairment (if any) and investments in associates in the consolidated financial statements are stated by equity method.

3.8 Land and cost of project held for development is land and cost of project held for future development, is stated at cost less provision for impairment (if any). Cost consist of land and other related expenses for acquisition of land and cost of project including borrowing cost incurred from development and is derecognized when the development is ceased.

3.9 Right-of-use assets - leasehold right

Right-of-use assets - leasehold right are amortized by a straight-line basis on over the period of the lease for 30 years.

3.10 Investment properties/depreciation

Investment properties are properties held to earn rental or for capital appreciation or both, is measured at cost less accumulated depreciation and provision for impairment (if any).

Cost is included the estimated costs of dismantlement, removal the item and restoration the site on which it is located, the obligations for which the Company incurs. The residual value and the useful life of an asset is required to review at least at the financial year-end. Depreciation is calculated on a straight-line basis at the rate as follows:

| | Number of years |
|---|-----------------|
| Condominium (office building and residence) and car parking | 40 |
| Office decoration and equipment | 5 - 10 |

3.11 Property, plants and equipment/depreciation

- Lands are valued at cost.
- Building and equipment are stated at cost less accumulated depreciation and provision for impairment (if any).
- Cost is included the estimated costs of dismantlement, removal the item and restoration the site on which it is located, the obligations for which the Company incurs. The residual value and the useful life of an asset is required to review at least at the financial year-end.
- Depreciation is calculated on a straight-line basis at the rate as follows :

| | Number of years |
|---------------------------------|-----------------|
| Condominium and office building | 40 |
| Office decoration and equipment | 10 |
| Computer | 5 |
| Vehicles | 5 |

3.12 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the year they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.13 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 recognized 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.

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 to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

3.14 Other intangible assets and amortization

Intangible assets are carried at cost less accumulated amortization and provision for accumulated impairment of such assets (if any). The Group amortized intangible assets with finite useful lives, over which economic useful lives of those assets and will determine whether there is any indication that those assets have suffered an impairment. The estimated useful lives and amortization method are reviewed at the end of each reporting period. Amortization is recognized as expenses in part of profit or loss. Intangible assets are measured at cost and amortized on a straight-line basis over their estimated useful lives as follows:

| | Number of years |
|-------------------|-----------------|
| Computer software | 5 |

3.15 Impairment of non-financial assets

The Company has assessed the impairment of investment properties, investing capital, land and cost of undeveloped projects and intangible assets whenever events or changes indicate that the carrying amount of assets exceeds its recoverable value. The impairment loss will be recognized in statements of comprehensive income. The Company will reverse the impairment loss whenever there is no longer impairment or reduction in impairment.

Recoverable value of asset is either the net selling price or value from utilization of that asset, whichever is higher. The impairment will be estimated from each item of assets or each asset unit generating cash flow, whichever is practical.

3.16 Leases

At inception of contract, the Company 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 Company 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 Company recognizes right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Group as a lessee

Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and provision for impairment (if any) and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost of such asset reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets, as follows:

| | Number of years |
|------------------|-----------------|
| Office buildings | 17 - 20 |
| Office equipment | 5 |
| Computer | 5 |
| Vehicles | 5 |

Lease liabilities

At the commencement date of the lease, the Group recognize lease liabilities measured at the of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease present value 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 modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognized as expenses on a straight-line basis over the lease term.

Lessor

The Group classify each of its leases as either a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risk and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term.

Sub lease

When the Group is an intermediate lessor, it accounts for its interests in the head lease and sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to underlying asset. If a head lease is a short-term lease to which the Group apply the exemption described in Short-term leases and leases of low-value asset, then it classifies the sub-lease as an operating lease.

The Group as an intermediate lessor accounts for the sublease as follow:

- If the sublease is classified as an operating lease, the Group continue to account for the lease liability and right-of-use asset on the head lease like any other lease; or
- If the sublease is classified as a finance lease, the Group derecognize the right-of-use asset on the head lease at the sublease commencement date and continue to account for the original lease liability in the head lease.

3.17 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 associated companies 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.

3.18 Income tax expenses

Income tax expenses for the accounting year comprises current tax and deferred tax.

3.18.1 Current tax

The Group recorded income tax to be paid in each year as expenses in that year and calculated income tax in conditions as prescribed by the Revenue Code.

3.18.2 Deferred tax

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced 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 utilized.

Deferred tax is recognized directly to shareholders' equity, except to the extent that it relates to items recognized directly in equity.

3.19 Provisions

The Company recognizes a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of economic benefits resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. If some or all the expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received if the Company settles the obligation. The amount recognized should not exceed the amount of the provision.

3.20 Earnings per share

Earnings per share as presented in the statements of comprehensive income is the basic earnings per share which are calculated by dividing profit (loss) for the year attributable to the Company's shareholders (excluded other comprehensive income expense) by the weighted average number of ordinary shares issued during the year.

3.21 Provident fund and employee benefits

3.21.1 Provident fund

The Group has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

3.21.2 Employee benefits

The Group provides for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method. The calculation was made by utilizing various assumptions about future events. The Company is responsible for the selection of appropriate assumptions. The assumptions used in determining the net period cost for employee benefits include the discount rate, the rate of salary increment, and employee turnover. Any changes in these assumptions will impact the net periodic cost recorded for employee benefits. On an annual basis, the Group determines the appropriate discount rate, which represents the interest rate that should be used to determine the present value of future cash flows currently expected to be required to settle the employee benefits. In determining the appropriate discount rate, the Group considers the market yield based on Thai government bonds with currency and term similar to the estimated term of benefit obligation.

Actuarial gains and losses arising from defined benefits plans are recognized immediately in other comprehensive income.

Past service costs are immediately recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring-related costs.

4. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts in the financial statements and disclosures in notes to financial statements; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

4.1 Allowance for expected credit losses of trade receivables and contract assets

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgment 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.

4.2 Allowance for obsoleted inventories

The Group has made allowance for obsolete by estimating the net realizable value was calculated from the selling price in the ordinary course of business, less the selling expenses. Furthermore, the calculation of the net realizable estimation was based on historical experiences, management's knowledge of the industry and future market trends.

4.3 Investment properties/property, plant and equipment/depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment 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 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 judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

4.4 Project development costs estimation

In calculating cost of land and houses and condominium sold, the Group has to estimate all project development costs. Comprising land and land improvement costs, design and construction costs, public utility costs, borrowing costs and other related costs. The management estimates these costs based on their business experience and revisits the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated cost.

4.5 Post-employment benefits under defined benefit plans

The obligations under the defined benefit plans are 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 etc.

5. Trade and other current receivables

As at December 31, 2022 and 2021 comprise:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|----------------|--------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| 5.1 Trade accounts receivable-related parties (see note 8.1) | | | | |
| Trade accounts receivable-related parties | 30,646,574.35 | 19,705,672.98 | 40,889,264.74 | 35,607,198.28 |
| Total trade accounts receivable-related parties | 30,646,574.35 | 19,705,672.98 | 40,889,264.74 | 35,607,198.28 |
| 5.2 Other current receivables | | | | |
| Deposit of goods | 289,001,180.00 | 404,738,185.00 | 182,589,380.00 | 213,579,085.00 |
| Advance payment to contractor | 29,633,088.30 | 28,505,395.11 | - | 10,725,443.10 |
| Accrued income | 203,387,902.05 | 141,844,975.67 | 49,193.91 | 49,193.91 |
| Advance payment | 83,786,527.04 | 59,244,499.71 | 18,505,394.37 | 12,730,187.36 |
| Prepaid expenses | 42,317,086.53 | 46,138,633.30 | 20,387,723.06 | 20,157,450.72 |
| Others | 56,087,348.17 | 48,274,225.83 | 34,636,805.82 | 30,879,142.12 |
| Other current receivables | 704,213,132.09 | 728,745,914.62 | 256,168,497.16 | 288,120,502.21 |
| Total trade and other current receivables | 734,859,706.44 | 748,451,587.60 | 297,057,761.90 | 323,187,700.49 |

6. Land and cost of project under construction, and land and cost of project held for development

6.1 Land and cost of project under construction as at December 31, 2022 and 2021 are as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---------------------------------|--|------------------|--------------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Land | 8,639,127,809.57 | 6,363,876,102.23 | 5,737,857,829.00 | 5,030,874,293.24 |
| Cost of construction and design | 1,822,576,917.72 | 2,187,076,505.30 | 1,402,189,165.24 | 1,831,356,467.85 |
| Other expenses | 112,357,049.17 | 97,601,860.72 | 107,432,712.15 | 94,759,176.92 |
| Interest expenses | 467,757,790.12 | 379,217,957.42 | 392,376,818.69 | 328,429,819.68 |
| Total | 11,041,819,566.58 | 9,027,772,425.67 | 7,639,856,525.08 | 7,285,419,757.69 |

- As at December 31, 2022 and 2021, the Group remaining project in progress are twenty three projects (Separate: twelve projects) and twenty four projects (Separate: thirteen projects) respectively.
- As at December 31, 2022 and 2021, part of land and cost of project under construction amounted to Baht 10,412.15 million (Separate: Baht 7,335.90 million) and Baht 8,261.52 million (Separate: Baht 6,984.25 million) respectively, the Group were mortgaged as collateral as stated in notes to financial statements No. 22.
- As at December 31, 2022 and 2021, the Group's interests were capitalized as cost of project for the amount of Baht 268.15 million (Separate: Baht 210.10 million) and Baht 188.65 million (Separate: Baht 170.19 million) respectively.
- As at December 31, 2022 and 2021, the Company has transferred land and cost of project under construction amount of Baht 1.15 million and Baht 4.63 million respectively, to be land held for development as stated in notes to financial statements No. 6.2.
- As at December 31, 2021, the Group has transferred land and cost of project held for development at net amount of Baht 471.95 million (Separate: Baht 443.25 million) to be land and cost of project under construction as stated in notes to financial statements No. 6.2.

6.2 Land and cost of project held for development as at December 31, 2022 and 2021 are as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|--|------------------|--------------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Land | 828,136,353.33 | 828,128,353.33 | 807,386,121.37 | 807,378,121.37 |
| Cost of construction and design | 42,588,607.43 | 41,436,390.44 | 31,245,132.69 | 30,092,915.70 |
| Other expenses | 1,950,413.39 | 1,670,813.79 | 603,556.89 | 323,957.29 |
| Interest expenses | 14,206,038.77 | 14,206,038.77 | 13,241,510.60 | 13,241,510.60 |
| Total | 886,881,412.92 | 885,441,596.33 | 852,476,321.55 | 851,036,504.96 |
| <u>Less</u> Provision for impairment of assets | (348,297,513.26) | (348,297,513.26) | (348,297,513.26) | (348,297,513.26) |
| Cost of project held for development - net | 538,583,899.66 | 537,144,083.07 | 504,178,808.29 | 502,738,991.70 |

- As at December 31, 2022 and 2021, the Company has mortgaged parts of land held for development amount of Baht 164.02 million and Baht 42.12 million respectively, as collateral as stated in notes to financial statements No. 22.
- As at December 31, 2022 and 2021, the Company has transferred land and cost of project under construction amount of Baht 1.15 million and Baht 4.63 million respectively, to be land held for development as stated in notes to financial statements No. 6.1.
- As at December 31, 2021, the Group has transferred land and cost of project held for development at net amount of Baht 471.95 million (Separate: Baht 443.25 million) to be land and cost of project under construction as stated in notes to financial statements No. 6.1.

7. Inventories - finished goods

As at December 31, 2022 and 2021 comprise:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------|--|------------------|--------------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Condominium residence | 6,532,854,204.39 | 5,991,683,199.55 | 6,532,854,204.39 | 5,991,683,199.55 |
| Office building | - | 1,888,626,724.82 | - | 1,888,626,724.82 |
| Townhome | 586,494,572.31 | 957,728,058.48 | 137,820,662.95 | 675,708,567.76 |
| Total inventories - net | 7,119,348,776.70 | 8,838,037,982.85 | 6,670,674,867.34 | 8,556,018,492.13 |

- As at December 31, 2022 and 2021, the Company has transferred inventories – finished goods amount of Baht 70.15 million and Baht 131.08 million respectively, to be investment properties as stated in notes to financial statements No. 9.
- As at December 31, 2022 and 2021, inventories – finished goods amount of Baht 414.38 million (Separate: Baht 354.09 million) and Baht 570.39 million (Separate: Baht 490.40 million) respectively, were entered into agreement to buy and to sell for which the ownership were not transferred.
- As at December 31, 2022 and 2021, inventories – finished goods amount of Baht 1,154.40 million (Separate: Baht 753.70 million) and Baht 1,481.49 million (Separate: Baht 1,253.61 million) respectively, the Group were mortgaged as collateral as stated in notes to financial statements No. 22.
- As at December 31, 2022 and 2021, the Company has transferred net investment properties amount of Baht 149.76 million and Baht 15.75 million respectively, to be inventories-finished goods as stated in notes to financial statements No. 9.
- As at December 31, 2022, the Company has transferred suite room for rent decoration amount of Baht 2.08 million to be inventories-finished goods in order to sell such room as stated in notes to financial statements No. 10.

8. Related transactions

| Company | Relationship | Description | Pricing policy |
|--|--------------|--|---|
| 1. PORNANTI CO., LTD. | A | - Lease of office building provided by subsidiary (shown as right of use assets and lease liabilities) | At the price in agreement on the market price basis |
| | | - Lease of office building provided to subsidiary (shown as rent and service business income) | At the price in agreement on the market price basis |
| | | - Loan providing to subsidiary (shown as short-term loans to related party) | Promissory notes due at call, interest rate of 3.14 - 3.56% per annum |
| 2. L P P PROPERTY MANAGEMENT CO., LTD. | A | - Lease of office building provided to subsidiary (shown as rent and service business income) | At the price in agreement on the market price basis |
| | | - Assets for rent system management services, system design – condominium management provided by subsidiary (shown as cost of real estate development and cost of rent and services business) | Collect service fee under agreement on the market price basis |
| | | - Borrowings from subsidiary (shown as short-term borrowings from related parties) | Promissory notes due at call, interest rate of 0.93 - 1.21% per annum |

8. Related transactions (Cont'd)

| Company | Relationship | Description | Pricing policy |
|--|--------------|--|---|
| 3. LUMPINI PROJECT MANAGEMENT SERVICES CO., LTD. | A | - Lease of office building provided to subsidiary (shown as rent and service business income) | At the price in agreement on the market price basis |
| | | - Construction management services provided by subsidiary (shown as cost of real estate development) | Collect service fee under agreement on the market price basis |
| | | - Borrowings from subsidiary (shown as short-term borrowings from related parties) | Promissory notes due at call, interest rate of 0.93 - 0.99% per annum |
| 4. L P C SOCIAL ENTERPRISE CO., LTD. | A | - Lease of office building provided to subsidiary (shown as rent and service business income) | At the price in agreement on the market price basis |
| | | - Provide cleaning services and receptionist services by subsidiary (shown as cost of rent and service business, capital expenditures in real estate development, and administrative expenses) | Collect service fee under agreement on the market price basis |
| 5. LUMPINI WISDOM AND SOLUTION CO., LTD. | A | - Provide advisory services and management for project development (shown as cost of real estate development) | At the price in agreement on the market price basis |
| 6. LSS SOLUTIONS SECURITY GUARD CO., LTD. | A | - Provide security services (shown as cost of real estate development and administrative expenses) | At the price in agreement on the market price basis |
| 7. KAMALA SENIOR LIVING CO., LTD. | B | - Loan providing to associate (shown as short-term loans to related party) | Promissory notes due at call, interest rate of 5% per annum |

8. Related transactions (Cont'd)

| Company | Relationship | Description | Pricing policy |
|----------------------------------|--------------|---|---|
| 8. DOLSIRI DEVELOPMENT CO., LTD. | B | - Lease of office building provided to associate (shown as rent and service business income) | At the price in agreement on the market price basis |
| | | - Construction management services and central utilities (shown as other service income) | At the price in agreement on the market price basis |
| | | - Loan providing to associate (shown as short-term loans to related party) | Promissory notes due at call, interest rate of 5% per annum |
| A | = | Subsidiary of the Company | |
| B | = | Associate of the Company | |

8.1 Related party receivables

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|---------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| L P P PROPERTY MANAGEMENT CO., LTD. | - | - | 8,217,596.00 | 15,060,025.86 |
| LUMPINI PROJECT MANAGEMENT SERVICES CO., LTD. | - | - | 1,374,387.00 | 1,374,387.00 |
| L P C SOCIAL ENTERPRISE CO., LTD. | - | - | 1,066,484.63 | 1,047,973.19 |
| LSS SOLUTIONS SECURITY GUARD CO., LTD. | - | - | 269,616.12 | - |
| KAMALA SENIOR LIVING CO., LTD. | 14,500,719.18 | 10,662,620.03 | 14,500,719.18 | 10,662,620.03 |
| DOLSIRI DEVELOPMENT CO., LTD. | 16,145,855.17 | 9,043,052.95 | 15,460,461.81 | 6,922,192.20 |
| Total | 30,646,574.35 | 19,705,672.98 | 40,889,264.74 | 35,067,198.28 |

8.2 Short-term loans to related parties

| | Consolidated financial statements (Baht) | | | |
|--------------------------------|--|---------------|----------|-------------------|
| | January 1, 2022 | Increase | Decrease | December 31, 2022 |
| KAMALA SENIOR LIVING CO., LTD. | 75,625,000.00 | 3,750,000.00 | - | 79,375,000.00 |
| DOLSIRI DEVELOPMENT CO., LTD. | 126,500,000.00 | 92,000,000.00 | - | 218,500,000.00 |
| Total | 202,125,000.00 | 95,750,000.00 | - | 297,875,000.00 |

| Separate financial statements (Baht) | | | | |
|--------------------------------------|-----------------|------------------|-----------------|-------------------|
| | January 1, 2022 | Increase | Decrease | December 31, 2022 |
| PORNSANTI CO., LTD. | 129,550,000.00 | 1,637,000,000.00 | (80,000,000.00) | 1,686,550,000.00 |
| KAMALA SENIOR LIVING CO., LTD. | 75,625,000.00 | 3,750,000.00 | - | 79,375,000.00 |
| DOLSIRI DEVELOPMENT CO., LTD. | 126,500,000.00 | 92,000,000.00 | - | 218,500,000.00 |
| Total | 331,675,000.00 | 1,732,750,000.00 | (80,000,000.00) | 1,984,425,000.00 |

8.3 Right-of-use assets

| Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|------|--------------------------------------|---------------|
| | 2022 | 2021 | |
| PORNSANTI CO., LTD. | - | - | 36,030,402.50 |
| Total | - | - | 36,030,402.50 |

8.4 Investment in subsidiaries and associates

| Consolidated financial statements (Baht) | | | | | | |
|--|-------|---------------|---------------|------------------------|----------------|----------------|
| Percentage of shareholding | | Equity method | | Share of profit (loss) | | |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Associates | | | | | | |
| KAMALA SENIOR LIVING CO., LTD. | 25.00 | 25.00 | 5,857,239.43 | 7,021,636.55 | (1,164,397.12) | (4,081,662.60) |
| DOLSIRI DEVELOPMENT CO., LTD. | 49.99 | 49.99 | 48,172,016.75 | 48,746,492.28 | (574,475.53) | (663,474.19) |
| Total | | | 54,029,256.18 | 55,768,128.83 | (1,738,872.65) | (4,745,136.79) |

| Separate financial statements (Baht) | | | | |
|---|-------|-------------|----------------|----------------|
| Percentage of shareholding | | Cost method | | |
| | 2022 | 2021 | 2022 | 2021 |
| Subsidiaries | | | | |
| PORNSANTI CO., LTD. | 99.99 | 99.99 | 473,037,237.15 | 473,037,237.15 |
| L P P PROPERTY MANAGEMENT CO., LTD. | 99.99 | 99.99 | 49,998,800.00 | 9,998,800.00 |
| (and is an indirect shareholder in subsidiary of | | | | |
| LSS Solutions Security Guard Co., Ltd. at 100%) | | | | |
| In the third quarter of 2022 indirectly held shares | | | | |
| in subsidiary of Lumpini Project Management | | | | |
| Services Co., Ltd. at 100% and | | | | |
| L P C Social Enterprise Co., Ltd. at 10% | | | | |

| | Separate financial statements (Baht) | | | |
|--|--------------------------------------|-------|----------------|----------------|
| | Percentage of shareholding | | Cost method | |
| | 2022 | 2021 | 2022 | 2021 |
| Subsidiaries (Cont'd) | | | | |
| LUMPINI PROJECT MANAGEMENT SERVICES CO., LTD. (and is an indirect shareholder in subsidiary of Lumpini Wisdom and Solution Co., Ltd. at 100%) | - | 99.99 | - | 73,559,985.00 |
| L P C SOCIAL ENTERPRISE CO., LTD. | 89.95 | 99.95 | 899,500.00 | 999,500.00 |
| LUMPINI WISDOM AND SOLUTION CO., LTD. | 99.99 | - | 39,999,980.00 | - |
| Associates | | | | |
| KAMALA SENIOR LIVING CO., LTD. | 25.00 | 25.00 | 25,000,000.00 | 25,000,000.00 |
| DOLSIRI DEVELOPMENT CO., LTD. | 49.99 | 49.99 | 49,999,900.00 | 49,999,900.00 |
| Total | | | 638,935,417.15 | 632,595,422.15 |

Subsidiaries

On March 21, 2022, the Company has additionally invested in the increase share capital of L P P Property Management Co., Ltd., a subsidiary of Baht 40 million from Baht 10 million to Baht 50 million. The proportion of investment remains the existing ratio.

On March 22, 2022, L P P Property Management Co., Ltd., subsidiary of the Company, has additionally invested in the share capital of LSS Solutions Security Guard Co., Ltd. of Baht 9 million from Baht 1 million to Baht 10 million. The proportion of investment remains the existing ratio.

On September 30, 2022, there is changes in shareholding proportion under the same control of Lumpini Project Management Service Co., Ltd. from the Company held at 99.99% to L P P Property Management Co., Ltd. held at 99.99%.

On September 30, 2022, there is changes in shareholding proportion under the same control of L P C Social Enterprise Co., Ltd. from the Company held at 99.95% to 89.95% and L P P Property Management Co., Ltd. held at 10%.

On September 30, 2022, there is changes in shareholding proportion under the same control of Lumpini Project Management Service Co., Ltd. from it held shares of Lumpini Wisdom and Solutions Co., Ltd. at 99.99% to the Company held shares in total.

8.5 Related receivables-employee benefits

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|------|--------------------------------------|------|
| | 2022 | 2021 | 2022 | 2021 |
| LUMPINI PROJECT MANAGEMENT SERVICES CO., LTD. | - | - | 38,545,901.00 | - |
| Total | - | - | 38,545,901.00 | - |

8.6 Related party payables

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|--|------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| PORNSANTI CO., LTD. | - | - | - | 1,016.00 |
| L P P PROPERTY MANAGEMENT CO., LTD. | - | - | 30,495,053.09 | 619,207.76 |
| LUMPINI PROJECT MANAGEMENT SERVICES CO., LTD. | - | - | 19,200,051.00 | 13,061,820.02 |
| L P C SOCIAL ENTERPRISE CO., LTD. | - | - | 1,778,417.00 | 1,616,866.00 |
| LUMPINI WISDOM AND SOLUTION CO., LTD. | - | - | 5,486,425.00 | - |
| LSS SOLUTIONS SECURITY GUARD CO., LTD. | - | - | 1,028,201.69 | 1,371,190.19 |
| DOLSIRI DEVELOPMENT CO., LTD. | - | 123,360.00 | - | 123,360.00 |
| Total | - | 123,360.00 | 57,988,147.78 | 16,793,459.97 |

8.7 Short-term borrowings from related parties

| | Separate financial statements (Baht) | | | |
|--|--------------------------------------|----------------|------------------|-------------------|
| | January 1, 2022 | Increase | Decrease | December 31, 2022 |
| L P P PROPERTY MANAGEMENT CO., LTD. | 379,000,000.00 | 237,000,000.00 | (309,000,000.00) | 307,000,000.00 |
| LUMPINI PROJECT MANAGEMENT SERVICES CO., LTD. | 23,000,000.00 | 7,000,000.00 | (30,000,000.00) | - |
| Total | 402,000,000.00 | 244,000,000.00 | (339,000,000.00) | 307,000,000.00 |

8.8 Lease liabilities

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---------------------|--|------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| PORNSANTI CO., LTD. | - | - | 38,255,988.09 | 61,593,858.04 |
| Total | - | - | 38,255,988.09 | 61,595,878.04 |

8.9 Business transactions with related parties

8.9.1 Revenues from rent and service business

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------------|--|------|--------------------------------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| PORNSANTI CO., LTD. | - | - | 120,000.00 | 120,000.00 |
| L P P PROPERTY MANAGEMENT | | | | |
| CO., LTD. | - | - | 2,150,166.40 | 1,805,338.40 |
| LUMPINI PROJECT MANAGEMENT | | | | |
| SERVICES CO., LTD. | - | - | 270,000.00 | 599,560.00 |
| L P C SOCIAL ENTERPRISE | | | | |
| CO., LTD. | - | - | 1,670,953.29 | 1,107,730.80 |
| LUMPINI WISDOM AND SOLUTION | | | | |
| CO., LTD. | - | - | 490,800.00 | 334,838.71 |
| LSS SOLUTIONS SECURITY GUARD | | | | |
| CO., LTD. | - | - | 267,741.93 | - |
| DOLSIRI DEVELOPMENT CO., LTD. | 120,000.00 | - | 120,000.00 | - |
| Total | 120,000.00 | - | 5,089,661.62 | 3,967,467.91 |

8.9.2 Revenues from interest income

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--------------------------------|--|--------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| PORNSANTI CO., LTD. | - | - | 20,631,484.31 | 6,388,552.23 |
| KAMALA SENIOR LIVING CO., LTD. | 3,838,099.15 | 3,652,637.16 | 3,838,099.15 | 3,652,637.16 |
| DOLSIRI DEVELOPMENT CO., LTD. | 8,265,342.78 | 5,227,329.04 | 8,265,342.78 | 5,227,329.04 |
| Total | 12,103,441.93 | 8,879,966.20 | 32,734,926.24 | 15,268,518.43 |

8.9.3 Other service income

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------------|--|---------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| DOLSIRI DEVELOPMENT CO., LTD. | 1,785,502.60 | 11,543,478.42 | 1,785,502.60 | 11,543,478.42 |
| Total | 1,785,502.60 | 11,543,478.42 | 1,785,502.60 | 11,543,478.42 |

8.9.4 Miscellaneous income

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---------------------------|--|------|--------------------------------------|--------------|
| | 2022 | 2021 | 2022 | 2021 |
| L P P PROPERTY MANAGEMENT | | | | |
| CO., LTD. | - | - | - | 6,000,000.00 |
| Total | - | - | - | 6,000,000.00 |

8.9.5 Cost of real estate development

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|------------------------------|--|------|--------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| L P P PROPERTY MANAGEMENT | | | | |
| CO., LTD. | - | - | 27,522,020.15 | 24,220,062.52 |
| LUMPINI PROJECT MANAGEMENT | | | | |
| SERVICES CO., LTD. | - | - | 37,542,024.69 | 89,257,882.32 |
| L P C SOCIAL ENTERPRISE | | | | |
| CO., LTD. | - | - | 4,106,932.71 | 4,656,566.34 |
| LUMPINI WISDOM AND SOLUTION | | | | |
| CO., LTD. | - | - | 20,000,000.00 | 20,000,000.00 |
| LSS SOLUTIONS SECURITY GUARD | | | | |
| CO., LTD. | - | - | 1,453,366.66 | 3,076,000.00 |
| Total | - | - | 90,624,344.21 | 141,210,511.18 |

8.9.6 Cost of rental and service business

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|------------------------------|--|------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| L P P PROPERTY MANAGEMENT | | | | |
| CO., LTD. | - | - | 10,911,182.90 | 8,766,580.44 |
| LUMPINI PROJECT MANAGEMENT | | | | |
| SERVICES CO., LTD. | - | - | 938,730.00 | 2,308,609.89 |
| L P C SOCIAL ENTERPRISE | | | | |
| CO., LTD. | - | - | 5,903,540.65 | 5,551,808.36 |
| LSS SOLUTIONS SECURITY GUARD | | | | |
| CO., LTD. | - | - | 8,171,154.72 | 6,485,554.52 |
| Total | - | - | 25,924,608.27 | 23,112,553.21 |

8.9.7 Selling expenses

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------------------|--|------|--------------------------------------|------------|
| | 2022 | 2021 | 2022 | 2021 |
| L P P PROPERTY MANAGEMENT CO., LTD. | - | - | 27,468,356.07 | 166,637.39 |
| L P C SOCIAL ENTERPRISE CO., LTD. | - | - | - | 3,271.02 |
| Total | - | - | 27,468,356.07 | 169,908.41 |

8.9.8 Administrative expenses

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|--|------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| PORNSANTI CO., LTD. | - | - | 3,660,000.00 | 4,440,000.00 |
| L P P PROPERTY MANAGEMENT CO., LTD. | - | - | 3,000,664.00 | 1,062,609.88 |
| L P C SOCIAL ENTERPRISE CO., LTD. | - | - | 9,687,301.61 | 8,954,060.08 |
| LSS SOLUTIONS SECURITY GUARD CO., LTD. | - | - | 3,081,745.33 | 2,666,227.88 |
| Total | - | - | 19,429,710.94 | 17,122,897.84 |

8.9.9 Directors and management benefit expenses

For the year ended December 31, 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|------------------------------|--|---------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Short-term employee benefits | 78,554,613.78 | 82,084,817.73 | 46,383,502.34 | 54,750,329.53 |
| Post-employment benefits | 3,668,187.00 | 4,965,340.00 | 2,507,811.00 | 3,201,468.00 |
| Total | 82,222,800.78 | 87,050,157.73 | 48,891,313.34 | 57,951,797.53 |

9. Investment properties

As at December 31, 2022 and 2021 are as follows:

| | Consolidated financial statements (Baht) | | |
|---|--|------------------------------------|------------------|
| | Condominium building | Office decoration and equipment | Total |
| Cost : | | | |
| As at January 1, 2021 | 3,306,309,328.01 | 60,812,333.06 | 3,367,121,661.07 |
| Transferred from inventories | 131,079,917.95 | - | 131,079,917.95 |
| Disposal/write-off | (12,148,830.42) | (1,449,687.54) | (13,598,517.96) |
| Transferred to inventories | (17,956,622.57) | - | (17,956,622.57) |
| Others | (1,943,631.82) | 1,199,893.10 | (743,738.72) |
| As at December 31, 2021 | 3,405,340,161.15 | 60,562,538.62 | 3,465,902,699.77 |
| Transferred from inventories | 70,152,495.37 | - | 70,152,495.37 |
| Disposal/write-off | - | (41,336.91) | (41,336.91) |
| Transferred to inventories | (153,642,074.58) | (466,473.46) | (154,108,548.04) |
| As at December 31, 2022 | 3,321,850,581.94 | 60,054,728.25 | 3,381,905,310.19 |
| Accumulated depreciation : | | | |
| As at January 1, 2021 | 241,219,732.71 | 26,226,989.27 | 267,446,721.98 |
| Depreciation for the year | 58,078,833.97 | 5,925,684.87 | 64,004,518.84 |
| Depreciation of disposal/write-off | (3,086,831.75) | (702,363.22) | (3,789,194.97) |
| Transferred to inventories | (2,209,913.31) | - | (2,209,913.31) |
| As at December 31, 2021 | 294,001,821.62 | 31,450,310.92 | 325,452,132.54 |
| Depreciation for the year | 61,422,597.29 | 5,410,630.83 | 66,833,228.12 |
| Depreciation of disposal/write-off | - | (17,422.35) | (17,422.35) |
| Transferred to inventories | (4,124,466.08) | (220,372.26) | (4,344,838.34) |
| As at December 31, 2022 | 351,299,952.83 | 36,623,147.14 | 387,923,099.97 |
| Net book value : | | | |
| As at December 31, 2022 | 2,970,550,629.11 | 23,431,581.11 | 2,993,982,210.22 |
| As at December 31, 2021 | 3,111,338,339.53 | 29,112,227.70 | 3,140,450,567.23 |
| Depreciation for the year ended December 31, 2022 | | | 66,833,228.12 |
| Depreciation for the year ended December 31, 2021 | | | 64,004,518.84 |

| | Separate financial statements (Baht) | | |
|---|--------------------------------------|------------------------------------|------------------|
| | Condominium building | Office decoration and equipment | Total |
| Cost : | | | |
| As at January 1, 2021 | 3,371,203,292.53 | 71,613,365.05 | 3,442,816,657.58 |
| Transferred from inventories | 131,079,917.95 | - | 131,079,917.95 |
| Disposal/write-off | (12,148,830.42) | (1,449,687.54) | (13,598,517.96) |
| Transferred to inventories | (17,956,622.57) | - | (17,956,622.57) |
| As at December 31, 2021 | 3,472,177,757.49 | 70,163,677.51 | 3,542,341,435.00 |
| Transferred from inventories | 70,152,495.37 | - | 70,152,495.37 |
| Disposal/write-off | - | (41,336.91) | (41,336.91) |
| Transferred to inventories | (153,642,074.58) | (466,473.46) | (154,108,548.04) |
| As at December 31, 2022 | 3,388,688,178.28 | 69,655,867.14 | 3,458,344,045.42 |
| Accumulated depreciation : | | | |
| As at January 1, 2021 | 253,962,665.61 | 34,300,331.96 | 288,262,997.57 |
| Depreciation for the year | 62,505,723.17 | 6,154,560.49 | 68,660,283.66 |
| Depreciation of disposal/write-off | (3,086,831.75) | (702,363.22) | (3,789,194.97) |
| Transferred to inventories | (2,209,913.31) | - | (2,209,913.31) |
| As at December 31, 2021 | 311,171,643.72 | 39,752,529.23 | 350,924,172.95 |
| Depreciation for the year | 63,039,505.01 | 5,658,496.64 | 68,698,001.65 |
| Depreciation of disposal/write-off | - | (17,422.35) | (17,422.35) |
| Transferred to inventories | (4,124,466.08) | (220,372.26) | (4,344,838.34) |
| As at December 31, 2022 | 370,086,682.65 | 45,173,231.26 | 415,259,913.91 |
| Net book value : | | | |
| As at December 31, 2022 | 3,018,601,495.63 | 24,482,635.88 | 3,043,084,131.51 |
| As at December 31, 2021 | 3,161,006,113.77 | 30,411,148.28 | 3,191,417,262.05 |
| Depreciation for the year ended December 31, 2022 | | | 68,698,001.65 |
| Depreciation for the year ended December 31, 2021 | | | 68,660,283.66 |

As at December 31, 2022 and 2021, the Company has transferred inventories - finished goods amount of Baht 70.15 million and Baht 131.08 million respectively, to be investment properties as stated in notes to financial statements No. 7.

As at December 31, 2022 and 2021, the Company has transferred net investment properties amount of Baht 149.76 million and Baht 15.75 million respectively, to be inventories-finished goods as stated in notes to financial statements No. 7.

As at December 31, 2022 and 2021, investment properties amount of Baht 18.61 million and Baht 765.95 million respectively, are residential condominium that are subject to the obligation under sale contract of which is granted the right to resell by the customers as stated in notes to financial statements No. 19.

As at December 31, 2022 and 2021, investment properties amount of Baht 593.38 million (Separate: Baht 586.60 million) and Baht 603.83 million (Separate: Baht 596.69 million) respectively, the Group were mortgaged as collateral as stated in notes to financial statements No. 22.

As at December 31, 2022 and 2021, the Company has investment properties which were fully depreciated, but still in use at the cost value amounting to Baht 13.43 million and Baht 12.61 million respectively.

As at December 31, 2022 and 2021, investment properties at the carrying value amount of Baht 2,993.98 million (Separate: Baht 3,043.08 million) and Baht 3,140.45 million (Separate: Baht 3,191.42 million) respectively, had the fair value amount of Baht 4,899.92 million (Separate: Baht 5,426.90 million) and Baht 5,037.87 million (Separate: Baht 5,564.85 million) respectively.

10. Property, plant and equipments

As at December 31, 2022 and 2021 are as follows:

| Consolidated financial statements (Baht) | | | | | | | | |
|--|----------------------|---------------|-----------------------|------------------|----------------|-----------------------|--------------------|----------------|
| | Condominium building | Computer | Furniture and fixture | Office equipment | Vehicles | Work under decoration | Tools and supplies | Total |
| Cost: | | | | | | | | |
| As at January 1, 2021 | 274,492,866.38 | 49,263,896.66 | 122,978,962.34 | 21,320,584.01 | 8,035,508.68 | 7,264,176.78 | 12,759,308.10 | 496,115,302.95 |
| Acquisition | - | 633,161.78 | 8,978,030.43 | 647,908.26 | - | 586,157.47 | 2,302,888.01 | 13,148,145.95 |
| Disposal/write-off | - | - | (19,700.00) | (109,914.01) | (2,959,000.00) | - | - | (3,088,614.01) |
| Transfer, reclassify (Note 20.1) | - | - | - | 294,250.55 | 5,615,900.00 | - | - | 5,910,150.55 |
| Others | 1,943,631.82 | - | 5,790,049.68 | - | - | (7,020,998.84) | - | 712,682.66 |
| As at December 31, 2021 | 276,436,498.20 | 49,897,058.44 | 137,727,342.45 | 22,152,828.81 | 10,692,408.68 | 829,335.41 | 15,062,196.11 | 512,797,668.10 |
| Acquisition | - | 2,104,985.70 | 1,621,205.27 | 1,289,620.20 | 22,800.00 | 1,118,859.59 | 5,129,932.60 | 11,287,403.36 |
| Disposal/write-off | - | - | (339,046.71) | (2,314,610.67) | (6,073,900.00) | - | - | (8,727,557.38) |
| Transfer, reclassify (Note 20.1) | - | - | - | 1,915,470.01 | 1,309,000.00 | - | - | 3,224,470.01 |
| Others | - | - | (1,479,909.19) | - | - | (888,275.08) | - | (2,368,184.27) |
| As at December 31, 2022 | 276,436,498.20 | 52,002,044.14 | 137,529,591.82 | 23,043,308.35 | 5,950,308.68 | 1,059,919.92 | 20,192,128.71 | 516,213,799.82 |

Cost:

Separate financial statements (Baht)

| | Condominium building | Computer | Furniture and fixture | Office equipment | Vehicles | Work under decoration | Total |
|----------------------------------|----------------------|---------------|-----------------------|------------------|----------------|-----------------------|----------------|
| <u>Cost :</u> | | | | | | | |
| As at January 1, 2021 | 95,522,487.56 | 29,031,196.15 | 110,204,993.92 | 12,773,133.77 | 8,035,508.68 | 7,264,176.78 | 262,831,496.86 |
| Acquisition | - | 605,983.78 | 8,978,030.43 | 532,329.05 | - | 586,157.47 | 10,702,500.73 |
| Disposal/write-off | - | - | (19,700.00) | (109,199.87) | (2,959,000.00) | - | (3,087,899.87) |
| Transfer, reclassify (Note 20.1) | - | - | - | 294,250.55 | 5,615,900.00 | - | 5,910,150.55 |
| Others | - | - | 6,989,942.78 | - | - | (7,020,998.84) | (31,056.06) |
| As at December 31, 2021 | 95,522,487.56 | 29,637,179.93 | 126,153,267.13 | 13,490,513.50 | 10,692,408.68 | 829,335.41 | 276,325,192.21 |
| Acquisition | - | 1,235,856.27 | 1,532,529.02 | 861,670.62 | - | 1,118,859.59 | 4,748,915.50 |
| Disposal/write-off | - | - | (339,046.71) | (1,263,280.36) | (6,073,900.00) | - | (7,676,227.07) |
| Transfer, reclassify (Note 20.1) | - | - | - | 958,719.70 | 1,309,000.00 | - | 2,267,719.70 |
| Others | - | - | (1,479,909.19) | - | - | (888,275.08) | (2,368,184.27) |
| As at December 31, 2022 | 95,522,487.56 | 30,873,036.20 | 125,866,840.25 | 14,047,623.46 | 5,927,508.68 | 1,059,919.92 | 273,297,416.07 |

Separate financial statements (cont'd) (Baht)

| | Condominium building | Computer | Furniture and fixture | Office equipment | Vehicles | Work under decoration | Total |
|---|----------------------|---------------|-----------------------|------------------|----------------|-----------------------|----------------|
| <u>Accumulated depreciation :</u> | | | | | | | |
| As at January 1, 2021 | 20,067,994.32 | 22,823,846.65 | 32,912,091.32 | 7,781,655.67 | 7,735,938.45 | - | 91,321,526.41 |
| Depreciation for the year | 2,046,965.00 | 2,123,346.39 | 10,024,424.49 | 901,392.04 | 202,850.25 | - | 15,298,978.17 |
| Depreciation of disposal/write-off | - | - | (2,484.41) | (81,287.75) | (1,917,453.11) | - | (2,001,225.27) |
| Transfer, reclassify (Note 20.1) | - | - | - | 294,249.55 | 4,511,884.82 | - | 4,806,134.37 |
| Others | - | - | (3,508.12) | - | - | - | (3,508.12) |
| As at December 31, 2021 | 22,114,959.32 | 24,947,193.04 | 42,930,523.28 | 8,896,009.51 | 10,533,220.41 | - | 109,421,905.56 |
| Depreciation for the year | 2,046,965.00 | 2,013,057.23 | 10,462,265.81 | 929,915.75 | 165,488.07 | - | 15,617,691.86 |
| Depreciation of disposal/write-off | - | - | (74,658.46) | (1,207,518.81) | (5,812,815.35) | - | (7,094,992.62) |
| Transfer, reclassify (Note 20.1) | - | - | - | 958,718.70 | 1,022,813.24 | - | 1,981,531.94 |
| Others | - | - | (292,822.85) | - | - | - | (292,822.85) |
| As at December 31, 2022 | 24,161,924.32 | 26,960,250.27 | 53,025,307.78 | 9,577,125.15 | 5,908,706.37 | - | 119,633,313.89 |
| <u>Net book value :</u> | | | | | | | |
| As at December 31, 2022 | 71,360,563.24 | 3,912,785.93 | 72,841,532.47 | 4,470,498.31 | 18,802.31 | 1,059,919.92 | 153,664,102.18 |
| As at December 31, 2021 | 73,407,528.24 | 4,689,986.89 | 83,222,743.85 | 4,594,503.99 | 159,188.27 | 829,335.41 | 166,903,286.65 |
| Depreciation for the year ended December 31, 2022 | | | | | | | 15,617,691.86 |
| Depreciation for the year ended December 31, 2021 | | | | | | | 15,298,978.17 |

As at December 31, 2022 and 2021, land and building amount of Baht 74.61 million and Baht 78.28 million respectively, were mortgaged as collateral as stated in notes to financial statements No. 22.

As at December 31, 2022 and 2021, the Group has fixed assets at cost of Baht 89.51 million (Separate: Baht 54.46 million) and Baht 88.80 million (Separate: Baht 55.63 million) respectively, which were fully depreciated but are still in use.

As at December 31, 2022, the Company has transferred suite room for rent decoration amount of Baht 2.08 million to be inventories-finished goods in order to sell such room as stated in notes to financial statements. No. 7.

11. Right-of-use assets - leasehold right

Book value of right-of-use assets - leasehold right as at December 31, 2022 and 2021 are as follows:

| | Consolidated and Separate financial statements (Baht) | |
|--|--|----------------|
| | 2022 | 2021 |
| Leasehold right | 186,691,940.42 | 194,162,892.90 |
| <u>Less</u> Accumulated amortization of right-of-use assets - leasehold right | (7,470,952.48) | (7,470,952.48) |
| Net | 179,220,987.94 | 186,691,940.42 |

Amortization for the year ended December 31, 2022, amounted to Baht 7.47 million.

Amortization for the year ended December 31, 2021, amounted to Baht 7.47 million.

In 2015, the Company entered into lease agreement of land with the Crown Property Bureau (lessor) in order to provide the residence for the time limit of 30 years from the date construction of building and its construction is completed or not exceed 2 years whichever is earlier. The lessor assigned such land to the Company on March 1, 2015. The Company can be extended the period of the lease for two intervals of 30 years each by informing the intension to extend the lease agreement in written to the lessor within the year 25th and 55th including the signing in extended agreement or new agreement in the year 28th and 58th where both parties have to hire each itself independent appraiser to appraise the leased assets by market value and the properly appropriated rental. The Company has made rental in full on the agreement date already, which is deemed as leasehold right deposit in full. When the period is over without any extension of agreement, the property on the aforementioned land will become the property of the lessor and the Company is responsible for all relevant to transferring of ownership expenses.

In 2016, the Company has constructed residential building by entering into land lease agreement with The Crown Property Bureau to be completed for lease and sub-lease for a period of 30 years that the sub-lease will be terminated on December 22, 2046.

12. Other intangible assets

As at December 31, 2022 and 2021 are as follows:

| | Consolidated financial statements (Baht) | | |
|---|--|----------------------------|----------------|
| | Computer software | Software under development | Total |
| <u>Cost :</u> | | | |
| As at January 1, 2021 | 74,506,547.48 | 4,293,168.54 | 78,799,716.02 |
| Acquisition | 134,247.00 | 1,112,268.21 | 1,246,515.21 |
| Others | 536,093.00 | (536,093.00) | - |
| As at December 31, 2021 | 75,176,887.48 | 4,869,343.75 | 80,046,231.23 |
| Acquisition | 2,891,583.99 | 163,175.00 | 3,054,758.99 |
| Others | 1,670,894.88 | (3,199,430.26) | (1,528,535.38) |
| As at December 31, 2022 | 79,739,366.35 | 1,833,088.49 | 81,572,454.84 |
| <u>Accumulated amortization :</u> | | | |
| As at January 1, 2021 | 69,883,200.82 | - | 69,883,200.82 |
| Amortization for the year | 2,550,564.60 | - | 2,550,564.60 |
| As at December 31, 2021 | 72,433,765.42 | - | 72,433,765.42 |
| Amortization for the year | 2,747,409.34 | - | 2,747,409.34 |
| As at December 31, 2022 | 75,181,174.76 | - | 75,181,174.76 |
| <u>Net book value :</u> | | | |
| As at December 31, 2022 | 4,558,191.59 | 1,833,088.49 | 6,391,280.08 |
| As at December 31, 2021 | 2,743,122.06 | 4,869,343.75 | 7,612,465.81 |
| Amortization for the year ended December 31, 2022 | | | 2,747,409.34 |
| Amortization for the year ended December 31, 2021 | | | 2,550,564.60 |

| | Separate financial statements (Baht) | | |
|---|--------------------------------------|----------------------------|----------------|
| | Computer software | Software under development | Total |
| <u>Cost :</u> | | | |
| As at January 1, 2021 | 65,494,160.02 | 2,764,045.12 | 68,258,205.14 |
| Acquisition | 109,247.00 | 1,112,268.21 | 1,221,515.21 |
| Others | 536,093.00 | (536,093.00) | - |
| As at December 31, 2021 | 66,139,500.02 | 3,340,220.33 | 69,479,720.35 |
| Acquisition | 1,128,929.06 | 163,175.00 | 1,292,104.06 |
| Others | 1,670,894.88 | (3,199,430.26) | (1,528,535.38) |
| As at December 31, 2022 | 68,939,323.96 | 303,965.07 | 69,243,289.03 |
| <u>Accumulated amortization :</u> | | | |
| As at January 1, 2021 | 61,457,461.55 | - | 61,457,461.55 |
| Amortization for the year | 2,095,611.54 | - | 2,095,611.54 |
| As at December 31, 2021 | 63,553,073.09 | - | 63,553,073.09 |
| Amortization for the year | 2,458,031.14 | - | 2,458,031.14 |
| As at December 31, 2022 | 66,011,104.23 | - | 66,011,104.23 |
| <u>Net book value :</u> | | | |
| As at December 31, 2022 | 2,928,219.73 | 303,965.07 | 3,232,184.80 |
| As at December 31, 2021 | 2,586,426.93 | 3,340,220.33 | 5,926,647.26 |
| Amortization for the year ended December 31, 2022 | | | 2,458,031.14 |
| Amortization for the year ended December 31, 2021 | | | 2,095,611.54 |

As at December 31, 2022 and 2021, the Group has intangible assets at cost of Baht 70.62 million (Separate: Baht 62.09 million) and Baht 64.71 million (Separate: Baht 56.21 million) respectively, which were fully depreciated but are still in use.

13. Tax expense/deferred tax

Tax expense for the year ended December 31, 2022 and 2021 are summarized as follows:

| | Statements of comprehensive income | | | |
|--|--|----------------------|--------------------------------------|----------------------|
| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
| | 2022 | 2021 | 2022 | 2021 |
| Current tax : | | | | |
| Income tax for the year | 179,377,008.50 | 92,015,324.70 | 116,941,095.26 | 29,865,901.76 |
| Adjustment in respect of income tax expenses of previous year | 233,115.34 | (1,045,452.18) | 120,730.56 | (1,156,818.10) |
| Deferred tax : | | | | |
| Deferred tax derived from temporary differences | 26,197,431.64 | (8,168,395.33) | 29,901,320.38 | (4,118,773.11) |
| Tax expense presented in statements of comprehensive income | 205,807,555.48 | 82,801,477.19 | 146,963,146.20 | 24,590,310.55 |

Reconciliation between tax expenses and multiplication of accounting profit and tax rate used for the year ended December 31, 2022 and 2021 can be presented as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|----------------------|--------------------------------------|----------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Accounting profit before income tax | 817,970,405.60 | 385,162,611.55 | 1,088,843,532.66 | 146,492,789.92 |
| Income tax rate | 20% | 20% | 20% | 20% |
| Accounting profit before income tax multiply by tax rate | 163,594,081.13 | 77,032,522.31 | 217,768,706.53 | 29,298,557.98 |
| Adjustment in respect of income tax expenses of previous year | 233,115.34 | (1,045,452.18) | 120,730.56 | (1,156,818.10) |
| Taxable effects for : | | | | |
| Other expenses for which accounting base differ from tax base | (599,531.86) | (2,954,015.77) | (706,100.45) | (1,459,816.05) |
| Other income for which accounting base differ from tax base | (258,803.15) | (1,915,973.44) | (228,666.16) | (1,016,694.16) |
| Income from the sale of real estate subject to additional tax recognition | 39,358,866.35 | 7,493,486.40 | 39,191,946.35 | 7,326,566.40 |
| Exempted dividend received | - | - | (111,197,053.72) | (10,798,812.00) |
| Non-deductible expenses | 2,418,370.60 | 2,748,291.08 | 2,013,583.09 | 2,397,326.48 |
| Others | 1,061,457.07 | 1,442,618.79 | - | - |
| Total | 41,980,359.01 | 6,814,407.06 | (70,926,290.89) | (3,551,429.33) |
| Tax expense presented in statements of comprehensive income | 205,807,555.48 | 82,801,477.19 | 146,963,146.20 | 24,590,310.55 |
| Effective income tax rate | 25.16% | 21.50% | 13.50% | 16.79% |

Deferred tax assets components comprise the following transaction:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|-----------------------|--------------------------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Deferred tax assets | | | | |
| Revenues recognition from sale of real | | | | |
| estate on tax base | 702,835.03 | 31,858,661.05 | 702,835.03 | 31,858,661.05 |
| Provision for devaluation of assets | 78,366,720.48 | 78,366,720.48 | 78,366,720.48 | 78,366,720.48 |
| Reserve for long-term employee benefits | 63,169,116.72 | 76,866,337.84 | 19,888,635.60 | 28,344,269.35 |
| Expenses provisions | 5,920,435.21 | 5,939,135.21 | 4,544,386.35 | 4,544,386.35 |
| Lease | 946,736.21 | 918,534.78 | 1,322,164.58 | 1,119,021.38 |
| | <u>149,105,843.65</u> | <u>193,949,389.36</u> | <u>104,824,742.04</u> | <u>144,233,058.61</u> |

14. Bank overdrafts and short-term borrowings from financial institutions

As at December 31, 2022 and 2021 comprise:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---------------------------------------|--|-------------------------|--------------------------------------|-------------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Bank overdrafts | - | 425,954.99 | - | 425,954.99 |
| Short-term borrowings from financial | | | | |
| institutions | 6,676,840,142.00 | 4,838,648,250.00 | 5,745,605,500.00 | 4,170,000,000.00 |
| <u>Less Prepaid interest expenses</u> | <u>(10,795,471.63)</u> | <u>(6,086,745.00)</u> | <u>(10,795,471.63)</u> | <u>(6,086,745.00)</u> |
| Total | <u>6,666,044,670.37</u> | <u>4,832,987,459.99</u> | <u>5,734,810,028.37</u> | <u>4,164,339,209.99</u> |

Bank overdrafts and short-term borrowings are guaranteed by the Group's securities as stated in notes to financial statements No. 22.

15. Trade and other current payables

As at December 31, 2022 and 2021 comprise:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|--|------------------|--------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| 15.1 Trade accounts payable | | | | |
| Trade accounts payable | 475,630,085.75 | 614,896,391.09 | 362,830,944.94 | 491,251,101.96 |
| Total trade accounts payable | 475,630,085.75 | 614,896,391.09 | 362,830,944.94 | 491,251,101.96 |
| 15.2 Trade accounts payable-related parties (see note 8.6) | | | | |
| Trade accounts payable-related parties | - | 123,360.00 | 57,988,147.78 | 16,793,459.97 |
| Total trade accounts payable-related parties | - | 123,360.00 | 57,988,147.78 | 16,793,459.97 |
| 15.3 Other current payables | | | | |
| Dividend payable | 4,363,174.51 | 4,234,214.96 | 4,363,174.51 | 4,234,214.96 |
| Cash received in advance | 77,820,536.60 | 179,785,919.40 | 71,981,594.60 | 158,450,169.40 |
| Retentions | 96,833,320.54 | 78,165,644.61 | 69,087,664.02 | 61,413,696.54 |
| Accrued expenses | 137,133,417.17 | 163,744,397.37 | 74,666,381.32 | 112,927,540.77 |
| Others | 150,463,985.69 | 128,718,034.07 | 69,210,753.15 | 64,688,632.25 |
| Total other current payables | 466,614,434.51 | 554,648,210.41 | 289,309,567.60 | 401,714,253.92 |
| Total trade and other current payables | 942,244,520.26 | 1,169,667,961.50 | 710,128,660.32 | 909,758,815.85 |

16. Unearned leasehold right income

As at December 31, 2022 and 2021 comprise:

| | Consolidated and Separate financial statements (Baht) | |
|---|---|-----------------|
| | 2022 | 2021 |
| Unearned rental income | 260,860,954.46 | 271,299,968.66 |
| <u>Less</u> Recognized as rental income during the year | (10,439,014.20) | (10,439,014.20) |
| <u>Less</u> Unearned rental income realized within 1 year | (10,439,014.20) | (10,439,014.20) |
| Net | 239,982,926.06 | 250,421,940.26 |

In 2016, the Company has constructed residential building on which entered into lease of land agreement with the Crown Property Bureau, the construction is already completed to be sub-leased for the period of 30 years. The sub-lease agreement will be terminated on December 22, 2046.

As at December 31, 2022 and 2021, the Company has unearned rental to be recognized as income in the future under operating lease with the details as follows:

| | Consolidated and Separate financial statements (Baht) | |
|---------------------------------------|---|----------------|
| | 2022 | 2021 |
| Within 1 year | 10,439,014.20 | 10,439,014.20 |
| Over 1 year but not over than 5 years | 41,784,656.84 | 41,784,656.84 |
| Over 5 years | 198,198,269.22 | 208,637,283.42 |

17. Long-term borrowings

As at December 31, 2022 and 2021 comprise:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|-----------------|--------------------------------------|-----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Borrowings from financial institutions | 450,234,340.00 | 552,548,350.00 | - | 496,600,000.00 |
| <u>Less</u> Current portion of borrowings | | | | |
| from financial institutions | - | (97,548,350.00) | - | (55,600,000.00) |
| Total | 450,234,340.00 | 455,000,000.00 | - | 441,000,000.00 |

Movements of long-term borrowings as at December 31, 2022 and 2021 has the details as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------|--|------------------|--------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Balance as at January 1 | 552,548,350.00 | - | 496,600,000.00 | - |
| Proceeds | 1,038,923,290.00 | 705,600,000.00 | 327,000,000.00 | 496,000,000.00 |
| Repayment | (1,141,237,300.00) | (153,051,650.00) | (823,600,000.00) | - |
| Total | 450,234,340.00 | 552,548,350.00 | - | 496,000,000.00 |

Details of long-term borrowings separated by each financial institution, are presented as follows:

| Financial institution | Balance of | | Interest rate under | | Repayment condition |
|---------------------------|----------------------|---------|---------------------|------------|---|
| | long-term borrowings | | agreement | | |
| | 2022 | 2021 | 2022 | 2021 | |
| | Million | Million | % | % | |
| | Baht | Baht | per annum | per annum | |
| 1 st institute | 28.83 | 14.00 | MLR – 2.75 | MLR – 2.75 | Repay the principal to the bank not less than 70% of selling price and must repay under conditions in agreement, long-term borrowings are guaranteed by security of the Company as stated in notes to financial statements No. 22 |
| 2 nd institute | 36.07 | 41.95 | MLR – 2.00 | MLR – 2.00 | Repay the principal to the bank not less than 70% of selling price and must repay under conditions in agreement, long-term borrowings are guaranteed by security of the Company as stated in notes to financial statements No. 22 |
| 3 rd institute | - | 496.60 | MLR – 1.75 | MLR – 1.75 | Repay by 48 installments, pay only interest for 1 st -12 th installment and not less than Baht 13.90 million for 13 th -38 th installment. |
| 4 th institute | 61.11 | - | MLR – 2.75 | - | Repay the principal to the bank not less than 70% of selling price and must repay under conditions in agreement, long-term borrowings are guaranteed by security of the Company as stated in notes to financial statements No. 22 |

| Financial institution | Balance of | | Interest rate under | | Repayment condition |
|---------------------------|----------------------|-----------------|---------------------|----------------|---|
| | long-term borrowings | | agreement | | |
| | 2022 | 2021 | 2022 | 2021 | |
| | Million Baht | Million Baht | % per annum | % per annum | |
| 5 th institute | 297.22 | - | MLR – 2.00 | - | Repay the principal to the bank not less than 70% of selling price and must repay under conditions in agreement, long-term borrowings are guaranteed by security of the Company as stated in notes to financial statements No. 22 |
| 6 th institute | 27.00 | - | MLR – 1.75 | - | Repay the principal to the bank not less than 70% of selling price and must repay under conditions in agreement, long-term borrowings are guaranteed by security of the Company as stated in notes to financial statements No. 22 |
| Total | 450.23 | 552.55 | | | |

18. Debentures

As at December 31, 2022 and 2021 comprise:

| | Consolidated and Separate financial statements (Baht) | |
|---|---|-------------------------|
| | 2022 | 2021 |
| Debentures | 3,448,000,000.00 | 4,116,000,000.00 |
| <u>Less</u> Deferred debentures issuance expenses | (14,352,247.77) | (9,996,484.46) |
| <u>Less</u> Prepaid interest expenses | (407,300.16) | (1,774,633.44) |
| <u>Less</u> Current portion of debentures | (47,592,699.84) | (2,168,000,000.00) |
| Net | <u>3,385,647,752.23</u> | <u>1,936,228,882.10</u> |

Details of unsubordinated and unsecured without holders' representative debentures are as follows:

| Issuance date | 2022 | 2021 | Interest rate | Period (year) | Maturity date | Interest payment |
|--------------------|-----------------|-----------------|---------------|------------------|--------------------|------------------|
| | Amount (MB) | Amount (MB) | | | | |
| May 13, 2022 | 1,500.00 | - | Fixed 4.10% | 3 | May 13, 2025 | Every 3 months |
| September 17, 2021 | 400.00 | 400.00 | Fixed 3.95% | 3 | September 17, 2024 | Every 6 months |
| May 13, 2021 | 1,500.00 | 1,500.00 | Fixed 3.95% | 3 | May 13, 2024 | Every 3 months |
| April 2, 2021 | 48.00 | 48.00 | Fixed 3.00% | 2 | April 24, 2023 | At maturity |
| October 10, 2019 | - | 554.70 | Fixed 2.70% | 3 | October 10, 2022 | Every 6 months |
| October 10, 2019 | - | 445.30 | Fixed 2.70% | 3 | October 10, 2022 | Every 6 months |
| April 12, 2019 | - | 1,168.00 | Fixed 2.95% | 3 | April 12, 2022 | Every 6 months |
| Total | <u>3,448.00</u> | <u>4,116.00</u> | | | | |

19. Liabilities under sale contract of assets granted customers to resell

As at December 31, 2022 and 2021 comprise:

| | Consolidated and Separate financial statements (Baht) | |
|--|---|-----------------------|
| | 2022 | 2021 |
| Liabilities under sale contract of assets granted customers to resell | 925,244,914.00 | 925,244,914.00 |
| <u>Less</u> Payments for liabilities under sale contracts of assets from customers exercised right under resell contract | (840,946,414.00) | - |
| <u>Less</u> Liabilities under sale contracts of assets from customers had not exercised right under resell contract | (62,171,988.00) | - |
| <u>Less</u> Current portion of liabilities under sale contract of assets granted customers to resell | (22,126,512.00) | - |
| Net | <u>-</u> | <u>925,244,914.00</u> |

The Company entered into contracts with other customers by receiving payment in accordance with the selling price and transferring the ownership of condominium units to the customers that agreed the Company still use the benefits from condominium units by renting or providing any benefits for 36 months from the ownership transferring date in which the Company will pay remuneration at the fixed rate every month for the use of condominium units to the customer throughout 36 months. In addition, such contract stipulated the condition that the customers are granted to resell the condominium units after the 36th month by the repurchase price as specified in the contract which equal to the first selling price transferred to customers. If the customer wishes to resell, they must notify the Company since the 25th month and gave a chance to the Company for further selling to another person.

20. Leases

The Group entered into lease relating to lease of office building and rent of vehicles.

20.1 Right of use assets

As at December 31, 2022 and 2021 comprise:

| | Consolidated financial statements (Baht) | | |
|---|--|----------------|----------------|
| | Office equipment | Vehicles | Total |
| <u>Cost :</u> | | | |
| As at January 1, 2021 | 2,209,720.56 | 41,102,900.00 | 43,312,620.56 |
| Acquisition | - | 1,589,000.00 | 1,589,000.00 |
| Transfer, reclassify (Note 10) | (294,250.55) | (5,615,900.00) | (5,910,150.55) |
| As at December 31, 2021 | 1,915,470.01 | 37,076,000.00 | 38,991,470.01 |
| Acquisition | 1,737,661.50 | 4,857,000.00 | 6,594,661.50 |
| Transfer, reclassify (Note 10) | (1,915,470.01) | (1,309,000.00) | (3,224,470.01) |
| As at December 31, 2022 | 1,737,661.50 | 40,624,000.00 | 42,361,661.50 |
| <u>Accumulated depreciation :</u> | | | |
| As at January 1, 2021 | 1,671,896.04 | 20,374,142.30 | 22,046,038.34 |
| Depreciation for the year | 411,874.80 | 7,752,113.57 | 8,163,988.37 |
| Transfer, reclassify (Note 10) | (294,249.55) | (4,511,884.82) | (4,806,134.37) |
| As at December 31, 2021 | 1,789,521.29 | 23,614,371.05 | 25,403,892.34 |
| Depreciation for the year | 329,702.39 | 7,814,592.95 | 8,144,295.34 |
| Transfer, reclassify (Note 10) | (1,915,465.01) | (1,022,813.24) | (2,938,278.25) |
| As at December 31, 2022 | 203,758.67 | 30,406,150.76 | 30,609,909.43 |
| <u>Net book value :</u> | | | |
| As at December 31, 2022 | 1,533,902.83 | 10,217,849.24 | 11,751,752.07 |
| As at December 31, 2021 | 125,948.72 | 13,461,628.95 | 13,587,577.67 |
| Depreciation for the year ended December 31, 2022 | | | 8,144,295.34 |
| Depreciation for the year ended December 31, 2021 | | | 8,163,988.37 |

| | Separate financial statements (Baht) | | | |
|---|--------------------------------------|------------------|----------------|-----------------|
| | Condominium | | | |
| | building | Office equipment | Vehicles | Total |
| <u>Cost :</u> | | | | |
| As at January 1, 2021 | 66,594,753.47 | 1,252,970.25 | 38,300,900.00 | 106,148,623.72 |
| Transfer, reclassify (Note 10) | - | (294,250.55) | (5,615,900.00) | (5,910,150.55) |
| As at December 31, 2021 | 66,594,753.47 | 958,719.70 | 32,685,000.00 | 100,238,473.17 |
| Acquisition | - | 898,211.50 | 1,438,000.00 | 2,336,211.50 |
| Transfer, reclassify (Note 10) | - | (958,719.70) | (1,309,000.00) | (2,267,719.70) |
| Decrease from changes in contract | (21,185,004.56) | - | - | (21,185,004.56) |
| As at December 31, 2022 | 45,409,748.91 | 898,211.50 | 32,814,000.00 | 79,121,960.41 |
| <u>Accumulated depreciation :</u> | | | | |
| As at January 1, 2021 | 3,329,737.67 | 969,405.44 | 19,144,783.92 | 23,443,927.03 |
| Depreciation for the year | 3,329,737.69 | 220,524.75 | 6,921,801.24 | 10,472,063.68 |
| Transfer, reclassify (Note 10) | - | (294,249.55) | (4,511,884.82) | (4,806,134.37) |
| As at December 31, 2021 | 6,659,475.36 | 895,680.64 | 21,554,700.34 | 29,109,856.34 |
| Depreciation for the year | 2,719,871.05 | 168,362.58 | 6,434,315.16 | 9,322,548.79 |
| Transfer, reclassify (Note 10) | - | (958,718.70) | (1,022,813.24) | (1,981,531.94) |
| As at December 31, 2022 | 9,379,346.41 | 105,324.52 | 26,966,202.26 | 36,450,873.19 |
| <u>Net book value :</u> | | | | |
| As at December 31, 2022 | 36,030,402.50 | 792,886.98 | 5,847,797.74 | 42,671,087.22 |
| As at December 31, 2021 | 59,935,278.11 | 63,039.06 | 11,130,299.66 | 71,128,616.83 |
| Depreciation for the year ended December 31, 2022 | | | | 9,322,548.79 |
| Depreciation for the year ended December 31, 2021 | | | | 10,472,063.68 |

20.2 Lease liabilities

Carrying value and movements of lease liabilities as at December 31, 2022 and 2021 are as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-----------------------------------|--|----------------|--------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| As at January 1 | 11,319,176.89 | 17,422,241.39 | 70,960,396.15 | 79,976,604.86 |
| Increase during the year | 5,445,931.50 | 1,191,750.00 | 1,976,711.50 | - |
| Payments | (6,760,053.33) | (7,294,814.50) | (7,750,756.73) | (9,016,208.71) |
| Decrease from changes in contract | - | - | (21,185,004.56) | - |
| Total | 10,005,055.06 | 11,319,176.89 | 44,001,346.36 | 70,960,396.15 |
| <u>Less</u> Current portion | (4,401,234.80) | (6,131,581.36) | (4,989,757.36) | (7,998,325.73) |
| Lease liabilities - net of | | | | |
| current portion | 5,603,820.26 | 5,187,595.53 | 39,011,589.00 | 62,962,070.42 |

The Group has obligations to be paid minimum rental under lease as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--------------------------------------|--|---------------|--------------------------------------|-----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Within 1 year | 4,836,815.94 | 6,581,043.16 | 6,300,883.94 | 10,207,361.36 |
| Over 1 year less than 3 years | 4,262,772.00 | 4,999,081.94 | 7,722,457.00 | 12,940,258.94 |
| Over 3 years less than 5 years | 1,844,931.00 | 382,204.00 | 6,441,273.00 | 8,934,619.00 |
| Over 5 years | - | - | 34,560,000.00 | 57,720,000.00 |
| | 10,944,518.94 | 11,962,329.10 | 55,024,613.94 | 89,802,239.30 |
| <u>Less</u> Future interest of lease | (939,463.88) | (643,152.21) | (11,023,267.58) | (18,841,843.15) |
| Present value of lease liabilities | 10,005,055.06 | 11,319,176.89 | 44,001,346.36 | 70,960,396.15 |

Lease expenses recognized in the following items in part of profit or loss

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------------------|--|--------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Depreciation of right of use assets | 8,144,295.34 | 8,163,988.37 | 9,322,548.79 | 10,472,063.68 |
| Interest of lease liabilities | 651,522.00 | 883,498.58 | 1,928,373.80 | 2,690,143.97 |
| Short-term lease expenses | 2,083,746.45 | 1,807,928.41 | 768,715.25 | 471,005.97 |
| Lease expense related to leases of | | | | |
| low-value assets | 4,179,186.06 | 4,224,867.35 | 1,714,509.56 | 2,218,020.75 |

21. Non-current provisions for employee benefit

Changes in employee benefit obligations are as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|--|-----------------|--------------------------------------|----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Beginning balance as at January 1 | 438,399,647.26 | 403,151,006.30 | 141,721,346.76 | 132,333,410.30 |
| Current cost of service | 50,788,772.30 | 47,453,247.00 | 12,775,705.02 | 12,104,604.00 |
| Interest cost | 7,206,905.97 | 6,538,159.00 | 2,709,804.99 | 2,110,306.00 |
| Actuarial (gains) losses | | | | |
| - Post-employment benefits | (94,946,140.36) | - | (47,534,980.96) | - |
| - Other long-term benefits | 6,103,252.00 | - | 268,524.00 | - |
| Increase (decrease) in liabilities from | | | | |
| inter-group employees transferring | - | - | 38,545,901.00 | - |
| Employee benefit paid | (35,824,787.17) | (18,742,765.04) | (10,497,221.81) | (4,826,973.54) |
| Ending balance | 371,727,650.00 | 438,399,647.26 | 137,989,079.00 | 141,721,346.76 |

Expenses recognized in profit or loss

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------|--|---------------|--------------------------------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cost of service | 15,769,820.00 | 15,335,310.00 | - | - |
| Administrative expenses | 48,329,110.27 | 38,656,096.00 | 15,754,034.01 | 14,214,910.00 |
| Total | 64,098,930.27 | 53,991,406.00 | 15,754,034.01 | 14,214,910.00 |

Actuarial gains (losses) recognized in other comprehensive income (expense) arising from:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------------|--|------|--------------------------------------|------|
| | 2022 | 2021 | 2022 | 2021 |
| Financial assumptions | (75,599,105.00) | - | (24,364,390.00) | - |
| Demographic assumptions | (27,623,933.00) | - | (7,070,591.00) | - |
| Experience adjustment | 8,276,897.64 | - | (16,099,999.96) | - |
| Total | (94,946,140.36) | - | (47,534,980.96) | - |

The principal actuarial assumptions used were summarized as follow:

| | Consolidated and Separate financial statements | |
|----------------------|--|--|
| | 2022 | 2021 |
| Discount rate | 1.37 - 5.22 per annum | 1.19 - 2.28 per annum |
| Mortality | According to TMO 2017 male and female tables | According to TMO 2017 male and female tables |
| Employee turnover | Age-related scale and kind of employees and daily staff | Age-related scale and kind of employees and daily staff |
| Salary increase rate | Separate by group of employees and results of work at the rate of 3 - 7% of basic salaries | Separate by group of employees and results of work at the rate of 5 - 8% of basic salaries |

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--------------------------------|--|-----------------|--------------------------------------|-----------------|
| | 2022 | 2021 | 2022 | 2021 |
| Discount rate | | | | |
| - Increase rate (1% movement) | (30,996,780.00) | (43,844,669.00) | (9,939,100.00) | (13,144,078.00) |
| - Decrease rate (1% movement) | 35,614,819.00 | 51,354,451.00 | 11,294,248.00 | 15,273,786.00 |
| Salary increase rates | | | | |
| - Increase rate (1% movement) | 33,077,495.00 | 55,977,470.00 | 10,600,149.00 | 16,988,146.00 |
| - Decrease rate (1% movement) | (29,374,550.00) | (48,387,958.00) | (9,521,126.00) | (14,802,440.00) |
| Employees turnover rates | | | | |
| - Increase rate (20% movement) | (28,750,005.00) | (46,440,774.00) | (6,628,731.00) | (12,022,841.00) |
| - Decrease rate (20% movement) | 35,168,989.00 | 58,067,013.00 | 7,823,397.00 | 14,672,983.00 |
| Gold spot rates | | | | |
| - Increase rate (20% movement) | 5,281,565.00 | 4,625,368.00 | 1,366,388.00 | 1,159,125.00 |
| - Decrease rate (20% movement) | (5,281,714.00) | (4,625,545.00) | (1,366,424.00) | (1,159,147.00) |

22. Pledged securities

| | Note | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|---|----------|--|--------------------------|--------------------------------------|-------------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Part of land and cost of project under construction and part of land held for development | 6.1, 6.2 | 10,576,165,776.63 | 8,303,644,756.70 | 7,499,920,931.67 | 7,026,370,900.75 |
| Inventories | 7 | 1,154,398,637.66 | 1,481,491,297.17 | 753,704,177.66 | 1,253,611,338.18 |
| Investment property - land and building for lease | 9 | 593,381,436.61 | 603,826,328.93 | 586,600,785.00 | 596,692,183.25 |
| Land and office building | 10 | 74,610,604.52 | 78,279,502.37 | 74,610,604.52 | 78,279,502.37 |
| Total | | 12,398,556,455.42 | 10,467,241,885.17 | 8,914,836,498.85 | 8,954,953,924.55 |

As at December 31, 2022 and 2021, the Group has mortgaged securities as guarantee against borrowings from commercial bank and financial institution for credit line of Baht 13,544.86 million (Separate: Baht 10,579.86 million) and Baht 14,264.98 million (Separate: Baht 12,610.39 million) respectively, as stated in notes to financial statements No. 14 and 17.

23. Contingent liabilities and obligations

- 23.1 As at December 31, 2022 and 2021, the Group has contingent liabilities from letter of guarantee issued by bank to government agency and state enterprise amounting to Baht 728.42 million (Separate: Baht 357.87 million) and Baht 517.16 million (Separate: Baht 194.56 million) respectively.
- 23.2 As at December 31, 2022 and 2021, the Group had the obligation under the agreement with the contractor which has to complete the construction work for approximately Baht 2,315.16 million (Separate: Baht 1,815.07 million) and Baht 1,163.85 million (Separate: Baht 789.91 million) respectively.
- 23.3 As at December 31, 2022 and 2021, the Group has commitment on payment for land under covenants and agreement for the remaining amount of Baht 1,128.50 million (Separate: Baht 730.36 million) and Baht 1,360.85 million (Separate: Baht 772.74 million) respectively.
- 23.4 As at December 31, 2022 and 2021, the Company has contingent liabilities from guarantee credit line of a subsidiary with financial institution's issuance of letter of guarantee in the amount of Baht 800 million.
- 23.5 In the year 2021, the Company was sued in a consumer protection lawsuit total 14 cases which are currently under the mediation appointment by the Court of First Instance. There are two cases in which the Court of First Instance decides the Company to refund the down payment and pay the insignificant amounts of indemnity, respectively. However, such cases are still pending the Appeal Court.

24. Treasury shares

According to the resolution of the Board of directors' meeting No. 8/2018 held on November 20, 2018 passed to approve the share repurchase program for financial management purpose not exceed 42 million shares equivalent to 2.85% of total paid-up capital, with the maximum amount not exceeding Baht 400 million. The repurchased period in the Stock Exchange of Thailand will be started from December 4, 2018 to June 3, 2019. The period of shares resold is after 6 months from the completion date of share repurchase but not later than 3 years from December 4, 2019 to June 3, 2022. According to the resolution of the Board of directors' meeting held on November 7, 2019, passed to approve the resell of shares repurchased for financial management for 21.50 million shares in the reselling price not less than 85% of average closing share price of the last 5 business days. The period of shares resold is from December 4, 2019 to June 3, 2022. If the exercise period is matured and the shares repurchased could not be sold that the Company will decrease share capital by cutting the shares repurchased out. When the deadline has 21,500,000 treasury ordinary shares with the cost price of Baht 142.11 million such treasury shares have not been sold. Therefore, there is registration to decrease such entire 21,500,000 treasury shares, reduced share premium on treasury shares amounting to Baht 39.06 million and reduced retained earnings of Baht 81.55 million in accordance with the resolutions of the Board of directors' meeting No. 4/2022 held on August 4, 2022.

As at December 31, 2021, the Company has treasury shares for 21,500,000 shares at cost of Baht 142.11 million.

25. Dividend paid

For the year 2022

- 25.1 According to the minutes of the Board of directors' meeting No. 4/2022 held on August 4, 2022, passed the resolution to pay dividend to the shareholders from retained earnings at Baht 0.10 per share for 1,454.20 million shares amounting to Baht 145.42 million (already deducted by treasury shares) by deducting shares without the right to receive annual dividend total 0.08 million shares at Baht 0.10 per share amounting to Baht 0.01 million. The remaining dividend should be actually paid amount of Baht 145.41 million which was paid on September 1, 2022.
- 25.2 According to the shareholders' general meeting No. 1/2022 held on March 24, 2022, passed the resolution to pay dividend to the shareholders from the results of the Company's operation for the year 2021 at Baht 0.15 per share for the total 1,454.20 million shares amounting to Baht 218.13 million (already deducted by treasury shares) by deducting shares without the right to received annual dividend total 0.45 million shares at Baht 0.05 each, amounting to Baht 0.02 million which remains dividend to be actually paid amount of Baht 218.11 million by deducting the interim dividend paid amount of Baht 145.40 million. The remaining dividend should be paid amount of Baht 72.71 million which was paid on April 21, 2022.

For the year 2021

- 25.1 According to the minutes of the Board of directors' meeting No. 4/2021 held on August 5, 2021, passed the resolution to pay dividend to the shareholders from retained earnings at Baht 0.10 per share for 1,454.20 million shares amounting to Baht 145.42 million (already deducted by treasury shares) by deducting shares without the right to receive annual dividend total 0.20 million shares at Baht 0.10 per share amounting to Baht 0.02 million. The remaining dividend should be actually paid amount of Baht 145.40 million which was paid on September 3, 2021.
- 25.2 According to the shareholders' general meeting No. 1/2021 held on March 25, 2021, passed the resolution to pay dividend to the shareholders from the results of the Company's operation for the year 2020 at Baht 1.40 per share for the total 1,454.20 million shares amounting to Baht 2,035.88 million (already deducted by treasury shares) by deducting shares without the right to received annual dividend total 0.03 million shares at Baht 0.40 each, amounting to Baht 0.04 million which remains dividend to be actually paid amount of Baht 2,035.84 million by deducting the interim dividend paid amount of Baht 1,454.17 million. The remaining dividend should be paid amount of Baht 581.67 million which was paid on April 8, 2021.

26. Retained earnings

26.1 Legal reserve - fully reserved

According to the Public Company Limited Act B.E. 2535, the Company is required to set aside a legal reserve at least 5% of annual net profit after deducting deficit brought forward (if any) until the legal reserve reach 10% of authorized share capital. Such legal reserve is not available for dividend distribution.

26.2 Reserve for treasury shares

As at December 31, 2022, the Company had reserves for treasury shares out of the appropriated retained earnings amount of Baht 142.11 million from the registration of treasury shares decreasing as discussed in notes 24 to the financial statements.

As at December 31, 2021, the Company appropriated retained earnings amount of Baht 142.11 million as reserve for treasury shares in accordance with the guidance of the Judicial Committee and the Federations of Accounting Profession in the caption treasury stock under Section 66/1(2).

27. Financial instruments

Financial risk management and policies

The Group financial instruments, as defined under Thai Financial Reporting Standards No. 7 "Financial Instruments: Disclosure", principally comprise cash and cash equivalents, trade and other current receivables, other long-term investment, trade and other current payables, debentures and lease liabilities. The Group exposed to financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk in respect of receivables. However, since the Group has not transferred the ownership of sold assets to the buyer until the payment under agreement is fully made. Then, the Company has expected not to incur materially damages from debt collection.

Interest rate risk of financial assets and financial liabilities

The Group is exposed to significant interest rate risk in respect of bank deposits, short-term borrowings, long-term borrowings, and debentures. However, caused by the most of the Company's financial assets and financial liabilities had material floating interest rate based on market rate or at the fixed rate which closed to the current market rate, therefore, the Company is not exposed to the risk from fluctuation of such interest rate.

As at December 31, 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarized 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.

Consolidated financial statements (Million Baht)

December 31, 2022

Fixed interest rates

| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | Interest rate (% per annum) |
|---|---------------|---------------|-----------------|--------------|------------------------|----------------------|------------------|-----------------------------|
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 461.86 | 46.23 | 508.09 | 0.05 - 0.45 |
| Trade and other current receivables | - | - | - | - | - | 235.31 | 235.31 | - |
| Loans to related parties | 297.88 | - | - | - | - | - | 297.88 | 5.00 |
| Total financial assets | <u>297.88</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>461.86</u> | <u>281.54</u> | <u>1,041.28</u> | |
| Financial liabilities | | | | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | - | - | - | - | 6,666.04 | - | 6,666.04 | Note 14 |
| Trade and other current payables | - | - | - | - | - | 840.71 | 840.71 | Note 15 |
| Long-term borrowings | - | - | 450.24 | - | - | - | 450.24 | Note 17 |
| Debentures | - | 47.59 | 3,385.65 | - | - | - | 3,433.24 | Note 18 |
| Liabilities under sale contract of assets granted customers to resell | - | 22.13 | - | - | - | - | 22.13 | Note 19 |
| Lease liabilities | - | 4.40 | 5.60 | - | - | - | 10.00 | Note 20.2 |
| Total financial liabilities | <u>-</u> | <u>74.12</u> | <u>3,841.49</u> | <u>-</u> | <u>6,666.04</u> | <u>840.71</u> | <u>11,422.36</u> | |

Separate financial statements (Million Baht)

December 31, 2022

Fixed interest rates

| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | Interest rate (% per annum) |
|---|-----------------|---------------|-----------------|--------------|------------------------|----------------------|------------------|-----------------------------|
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 214.29 | 19.27 | 233.56 | 0.05 - 0.45 |
| Trade and other current receivables | - | - | - | - | - | 40.94 | 40.94 | - |
| Loans to related parties | 1,984.43 | - | - | - | - | - | 1,984.43 | 3.14 - 5.00 |
| Total financial assets | <u>1,984.43</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>214.29</u> | <u>60.21</u> | <u>2,258.93</u> | |
| Financial liabilities | | | | | | | | |
| Short-term borrowings from related parties | 307.00 | - | - | - | - | - | 307.00 | Note 8.7 |
| Bank overdrafts and short-term borrowings from financial institutions | - | - | - | - | 5,734.81 | - | 5,734.81 | Note 14 |
| Trade and other current payables | - | - | - | - | - | 619.83 | 619.83 | Note 15 |
| Debentures | - | 47.59 | 3,385.65 | - | - | - | 3,433.24 | Note 18 |
| Liabilities under sale contract of assets granted customers to resell | - | 22.13 | - | - | - | - | 22.13 | Note 19 |
| Lease liabilities | - | 4.99 | 10.05 | 28.96 | - | - | 44.00 | Note 20.2 |
| Total financial liabilities | <u>307.00</u> | <u>74.71</u> | <u>3,395.70</u> | <u>28.96</u> | <u>5,734.81</u> | <u>619.83</u> | <u>10,161.01</u> | |

Consolidated financial statements (Million Baht)

December 31, 2021

| | Fixed interest rates | | | | | | Total | Interest rate (% per annum) |
|---|----------------------|------------------|-----------------|-----------------|---------------------------|-------------------------|------------------|--------------------------------|
| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Floating interest rate | Non-interest bearing | | |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 304.94 | 30.01 | 334.95 | 0.05 - 0.45 |
| Trade and other current receivables | - | - | - | - | - | 161.78 | 161.78 | - |
| Loans to related parties | 202.13 | - | - | - | - | - | 202.13 | 5.00 |
| Total financial assets | <u>202.13</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>304.94</u> | <u>191.79</u> | <u>698.86</u> | |
| Financial liabilities | | | | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | - | - | - | - | 4,832.99 | - | 4,832.99 | Note 14 |
| Trade and other current payables | - | - | - | - | - | 964.84 | 964.84 | Note 15 |
| Long-term borrowings | - | 97.55 | 455.00 | - | - | - | 552.55 | Note 17 |
| Debentures | - | 2,168.00 | 1,936.23 | - | - | - | 4,104.23 | Note 18 |
| Liabilities under sale contract of assets granted customers to resell | - | - | 925.24 | - | - | - | 925.24 | Note 19 |
| Lease liabilities | - | 6.13 | 5.19 | - | - | - | 11.32 | Note 20.2 |
| Total financial liabilities | <u>-</u> | <u>2,271.68</u> | <u>3,321.66</u> | <u>-</u> | <u>4,832.99</u> | <u>964.84</u> | <u>11,391.17</u> | |

Separate financial statements (Million Baht)

December 31, 2021

| | Fixed interest rates | | | | | | Total | Interest rate (% per annum) |
|---|----------------------|------------------|-----------------|-----------------|---------------------------|-------------------------|------------------|--------------------------------|
| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Floating interest rate | Non-interest bearing | | |
| Financial assets | | | | | | | | |
| Cash and cash equivalents | - | - | - | - | 180.75 | 17.89 | 198.64 | 0.04 - 0.20 |
| Trade and other current receivables | - | - | - | - | - | 35.12 | 35.12 | - |
| Loans to related parties | 331.67 | - | - | - | - | - | 331.67 | 3.01 - 5.00 |
| Total financial assets | <u>331.67</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>180.75</u> | <u>53.01</u> | <u>565.43</u> | |
| Financial liabilities | | | | | | | | |
| Short-term borrowings from related parties | 402.00 | - | - | - | - | - | 402.00 | Note 8.7 |
| Bank overdrafts and short-term borrowings from financial institutions | - | - | - | - | 4,164.34 | - | 4,164.34 | Note 14 |
| Trade and other current payables | - | - | - | - | - | 730.98 | 730.98 | Note 15 |
| Long-term borrowings | - | 55.60 | 441.00 | - | - | - | 496.60 | Note 17 |
| Debentures | - | 2,168.00 | 1,936.23 | - | - | - | 4,104.23 | Note 18 |
| Liabilities under sale contract of assets granted customers to resell | - | - | 925.24 | - | - | - | 925.24 | Note 19 |
| Lease liabilities | - | 8.00 | 15.27 | 47.69 | - | - | 70.96 | Note 20.2 |
| Total financial liabilities | <u>402.00</u> | <u>2,231.60</u> | <u>3,317.74</u> | <u>47.69</u> | <u>4,164.34</u> | <u>730.98</u> | <u>10,894.35</u> | |

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use bank loans and issuing debentures. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded that it was low. The Group has access to a sufficient variety of sources of funding.

The below table summarizes the maturity profile of the Group's as at December 31, 2022 and 2021 based on contractual undiscounted cash flows:

| | Consolidated financial statements (Baht) | | | | |
|--|--|------------------|------------------|---------------|-------------------|
| | December 31, 2022 | | | | |
| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Total |
| Non-derivatives | | | | | |
| Bank overdrafts and short-term | | | | | |
| borrowings from financial institutions | - | 6,666,044,670.37 | - | - | 6,666,044,670.37 |
| Trade and other current payables | - | 840,708,094.68 | - | - | 840,708,094.68 |
| Long-term borrowings | - | - | 450,234,340.00 | - | 450,234,340.00 |
| Debentures | - | 47,592,699.84 | 3,385,647,752.23 | - | 3,433,240,452.07 |
| Current portion of liabilities under | | | | | |
| sale contract of assets granted | | | | | |
| customers to resell | - | 22,126,512.00 | - | - | 22,126,512.00 |
| Lease liabilities | - | 4,836,815.94 | 6,107,703.00 | - | 10,944,518.94 |
| Current income tax payable | - | 18,079,251.63 | - | - | 18,079,251.63 |
| | - | 7,599,388,044.46 | 3,841,989,795.23 | - | 11,441,377,839.69 |
| | | | | | |
| | | | | | |
| | Separate financial statements (Baht) | | | | |
| | December 31, 2022 | | | | |
| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Total |
| Non-derivatives | | | | | |
| Short-term borrowings from related parties | 307,000,000.00 | - | - | - | 307,000,000.00 |
| Bank overdrafts and short-term | | | | | |
| borrowings from financial institutions | - | 5,734,810,028.37 | - | - | 5,734,810,028.37 |
| Trade and other current payables | - | 619,827,565.65 | - | - | 619,827,565.65 |
| Debentures | - | 47,592,699.84 | 3,385,647,752.23 | - | 3,433,240,452.07 |
| Current portion of liabilities under | | | | | |
| sale contract of assets granted | | | | | |
| customers to resell | - | 22,126,512.00 | - | - | 22,126,512.00 |
| Lease liabilities | - | 6,300,883.94 | 14,163,730.00 | 34,560,000.00 | 55,024,613.94 |
| Current income tax payable | - | 7,385,619.31 | - | - | 7,385,619.31 |
| | 307,000,000.00 | 6,438,043,309.11 | 3,399,811,482.23 | 34,560,000.00 | 10,179,414,791.34 |

Consolidated financial statements (Baht)

| | December 31, 2021 | | | | |
|---|-------------------|------------------|------------------|--------------|-------------------|
| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Total |
| Non-derivatives | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | - | 4,832,987,459.99 | - | - | 4,832,987,459.99 |
| Trade and other current payables | - | 964,843,614.92 | - | - | 964,843,614.92 |
| Long-term borrowings | - | 97,548,350.00 | 455,000,000.00 | - | 552,548,350.00 |
| Debentures | - | 2,168,000,000.00 | 1,936,228,882.10 | - | 4,104,228,882.10 |
| Liabilities under sale contract of assets granted customers to resell | - | - | 925,244,914.00 | - | 925,244,914.00 |
| Lease liabilities | - | 6,131,581.36 | 5,187,595.53 | - | 11,319,176.89 |
| Current income tax payable | - | 4,287,482.45 | - | - | 4,287,482.45 |
| | - | 8,073,798,488.72 | 3,321,661,391.63 | - | 11,395,459,880.35 |

Separate financial statements (Baht)

| | December 31, 2021 | | | | |
|---|-------------------|------------------|------------------|---------------|-------------------|
| | On demand | Within 1 year | 1 - 5 years | Over 5 years | Total |
| Non-derivatives | | | | | |
| Short-term borrowings from related parties | 402,000,000.00 | - | - | - | 402,000,000.00 |
| Bank overdrafts and short-term borrowings from financial institutions | - | 4,164,339,209.99 | - | - | 4,164,339,209.99 |
| Trade and other current payables | - | 730,978,818.70 | - | - | 730,978,818.70 |
| Long-term borrowings | - | 55,600,000.00 | 441,000,000.00 | - | 496,600,000.00 |
| Debentures | - | 2,168,000,000.00 | 1,936,228,882.10 | - | 4,104,228,882.10 |
| Liabilities under sale contract of assets granted customers to resell | - | - | 925,244,914.00 | - | 925,244,914.00 |
| Lease liabilities | - | 7,998,325.73 | 15,273,522.50 | 47,688,547.92 | 70,960,396.15 |
| | 402,000,000.00 | 7,126,916,354.42 | 3,317,747,318.60 | 47,688,547.92 | 10,894,352,220.94 |

Fair value of financial instruments

This is because most of the financial instruments of the Group are classified as short-term or bear interest rates close to market interest rates. The Group therefore estimates the fair value of financial instruments. Most of them were close to the book value shown in the statement of financial position. Except debentures, which have summarized the book value and fair value comparison as follows:

Consolidated and Separate financial statements (Baht)

| | December 31, 2022 | | December 31, 2021 | |
|------------------------------|-------------------|------------------|-------------------|------------------|
| | Carrying value | Fair value | Carrying value | Fair value |
| Financial liabilities | | | | |
| Debentures | 3,433,240,452.07 | 3,421,166,682.13 | 4,104,228,882.10 | 4,084,258,587.91 |

28. Fair value hierarchy

As at December 31, 2022 and 2021, the Group has assets and liabilities that are measured at fair value or fair value are disclosed.

Classified by fair value hierarchy as follows:

| Consolidated financial statements (Baht) | | | | |
|---|---------|------------------|---------|------------------|
| December 31, 2022 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets for which fair value are disclosed | | | | |
| Investment properties | - | 4,899,916,640.91 | - | 4,899,916,640.91 |
| Liabilities for which fair value are disclosed | | | | |
| Debentures | - | 3,421,166,682.13 | - | 3,421,166,682.13 |
| | | | | |
| Separate financial statements (Baht) | | | | |
| December 31, 2022 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets for which fair value are disclosed | | | | |
| Investment properties | - | 5,426,898,170.91 | - | 5,426,898,170.91 |
| Liabilities for which fair value are disclosed | | | | |
| Debentures | - | 3,421,166,682.13 | - | 3,421,166,682.13 |
| | | | | |
| Consolidated financial statements (Baht) | | | | |
| December 31, 2021 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets for which fair value are disclosed | | | | |
| Investment properties | - | 5,037,869,365.91 | - | 5,037,869,365.91 |
| Liabilities for which fair value are disclosed | | | | |
| Debentures | - | 4,084,258,587.91 | - | 4,084,258,587.91 |
| | | | | |
| Separate financial statements (Baht) | | | | |
| December 31, 2021 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets for which fair value are disclosed | | | | |
| Investment properties | - | 5,564,850,895.91 | - | 5,564,850,895.91 |
| Liabilities for which fair value are disclosed | | | | |
| Debentures | - | 4,084,258,587.91 | - | 4,084,258,587.91 |

During the current year, the Group has not changing in the methodology and assumptions used in estimating the fair value of financial instruments and the transfers between the fair value hierarchy are unavailable.

29. Additional disclosure of cash flows information

29.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks in the statements of financial position as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|-------------------|--|-----------------------|--------------------------------------|-----------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Cash | 1,226,795.83 | 1,047,603.11 | 197,278.53 | 143,918.15 |
| Current accounts | 45,004,612.16 | 28,962,142.12 | 19,076,338.12 | 17,744,568.62 |
| Savings deposit | 461,770,373.95 | 304,929,589.72 | 214,268,026.44 | 180,738,457.31 |
| Cheque in transit | 87,077.00 | 14,872.79 | 21,700.00 | 14,872.79 |
| | <u>508,088,858.94</u> | <u>334,954,207.74</u> | <u>233,563,343.09</u> | <u>198,641,816.87</u> |

29.2 Land and cost of project under construction

In the year 2022 and 2021, the Company has transferred land and cost of project under construction to be land and cost of project held for development in the amount of Baht 1.15 million and Baht 4.63 million respectively.

In the year 2021, the Group has transferred land and cost of project held for development at net amount of Baht 471.95 million (Separate: Baht 443.25 million) to be land and cost of project under construction.

29.3 Investment properties

In the year 2022 and 2021, the Company has transferred net investment properties amount of Baht 149.76 million and Baht 15.75 million respectively, to be inventories-finished goods.

In the year 2022 and 2021, the Company has transferred inventories - finished goods amount of Baht 70.15 million and Baht 131.08 million respectively, to be investment properties.

29.4 Property, plant and equipment

In the year 2022, the Company has transferred suite room for rent decoration amount of Baht 2.08 million to be inventories-finished goods in order to sell such room as stated.

29.5 Financial lease assets

29.5.1 In the year 2022 and 2021, the Group has made hire purchase assets in the amount of Baht 6.59 million (Separate: Baht 2.34 million) and Baht 1.59 million respectively, by making payment total amount Baht 1.79 million (Separate: Baht 0.52 million) and Baht 0.56 million respectively, the remaining amount is recorded as financial lease liabilities in full.

29.5.2 In the year 2022, the Company changed the office building lease, resulting in a decrease in assets and liabilities under the lease amounted to Baht 21.19 million.

29.6 In the year 2022 and 2021, the Group has interest expenses in part of cost of real estate development for sale amount of Baht 268.15 million (Separate: Baht 210.10 million) and Baht 188.65 million (Separate: Baht 170.19 million) respectively.

30. Operating segment information

As at December 31, 2022, comprise:

| Business type | (Baht : Million) | | | | | | |
|---|------------------|----------------|----------------------|------------|------------|-----------|------------|
| | Real estate | Rent & Service | Service & Management | Others | Total | Eliminate | Total |
| Revenues from sales and services | 8,422.98 | 316.64 | 1,714.99 | - | 10,454.61 | (178.87) | 10,275.74 |
| Cost of sales and services | (6,633.60) | (204.92) | (1,310.79) | - | (8,149.31) | 126.15 | (8,023.16) |
| Gross profit | 1,789.38 | 111.72 | 404.20 | - | 2,305.30 | (52.72) | 2,252.58 |
| Other income | - | - | - | 611.24 | 611.24 | (585.66) | 25.58 |
| Distribution costs | - | - | - | (652.45) | (652.45) | 27.46 | (624.99) |
| Administrative expenses | - | - | - | (670.78) | (670.78) | 28.19 | (642.59) |
| Finance costs | - | - | - | (213.09) | (213.09) | 22.21 | (190.88) |
| Share of profit (loss) of associates | - | - | - | - | - | (1.74) | (1.74) |
| Profit (loss) before income tax expense | 1,789.38 | 111.72 | 404.20 | (925.08) | 1,380.22 | (562.26) | 817.96 |
| Tax expense | - | - | - | (205.69) | (205.69) | (0.11) | (205.80) |
| Profit (loss) for the year | 1,789.38 | 111.72 | 404.20 | (1,130.77) | 1,174.53 | (562.37) | 612.16 |
| Attributable to: | | | | | | | |
| Owners of the Company | | | | | | | 612.14 |
| Non-controlling interests | | | | | | | 0.02 |
| | | | | | | | 612.16 |
| Other comprehensive income | | | | | | | |
| Remeasurements of defined benefit plans | 37.04 | - | 39.26 | - | 76.30 | - | 76.30 |
| Total comprehensive income (expense) for the year | 1,826.42 | 111.72 | 443.46 | (1,130.77) | 1,250.83 | (562.37) | 688.46 |
| Attributable total comprehensive income to: | | | | | | | |
| Owners of the Company | | | | | | | 688.43 |
| Non-controlling interests | | | | | | | 0.03 |
| | | | | | | | 688.46 |
| Fixed assets as at December 31, 2022 | | 3,095.88 | - | 164.17 | 3,260.05 | - | 3,260.05 |

Inter-company transactions are income from service, rental and interest income, such transaction are in the normal course of business.

30. Operating segment information (cont'd)

As at December 31, 2021, comprise:

(Baht : Million)

| Business type | Real estate | Rent & Service | Service & Management | Others | Total | Eliminate | Total |
|---|----------------|-------------------|-------------------------|------------|------------|-----------|------------|
| Revenues from sales and services | 4,044.14 | 280.96 | 1,450.42 | - | 5,775.52 | (205.55) | 5,569.97 |
| Cost of sales and services | (3,096.07) | (175.25) | (1,100.59) | - | (4,371.91) | 182.64 | (4,189.27) |
| Gross profit | 948.07 | 105.71 | 349.83 | - | 1,403.61 | (22.91) | 1,380.70 |
| Other income | - | - | - | 98.22 | 98.22 | (70.14) | 28.08 |
| Distribution costs | - | - | - | (266.83) | (266.83) | 0.17 | (266.66) |
| Administrative expenses | - | - | - | (594.29) | (594.29) | 31.39 | (562.90) |
| Finance costs | - | - | - | (197.60) | (197.60) | 8.29 | (189.31) |
| Share of profit (loss) of associates | - | - | - | - | - | (4.75) | (4.75) |
| Profit (loss) before income tax expense | 948.07 | 105.71 | 349.83 | (960.50) | 443.11 | (57.95) | 385.16 |
| Tax expense | - | - | - | (82.64) | (82.64) | (0.16) | (82.80) |
| Profit (loss) for the year | 948.07 | 105.71 | 349.83 | (1,043.14) | 360.47 | (58.11) | 302.36 |
| Attributable to: | | | | | | | |
| Owners of the Company | | | | | | | 302.34 |
| Non-controlling interests | | | | | | | 0.02 |
| | | | | | | | 302.36 |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive income (expense) | | | | | | | |
| for the year | 948.07 | 105.71 | 349.83 | (1,043.14) | 360.47 | (58.11) | 302.36 |
| Attributable total comprehensive income to: | | | | | | | |
| Owners of the Company | | | | | | | 302.34 |
| Non-controlling interests | | | | | | | 0.02 |
| | | | | | | | 302.36 |
| Fixed assets as at December 31, 2021 | | 3,246.79 | - | 173.84 | 3,420.63 | - | 3,420.63 |

Inter-company transactions are income from service, rental and interest income, such transaction are in the normal course of business.

31. Expenses analyzed by nature

Significant expenses analyzed by nature are as follows:

| | Consolidated financial statements (Baht) | | Separate financial statements (Baht) | |
|--|--|------------------|--------------------------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| Acquire of land and payment for | | | | |
| construction during the year | 6,928,955,381.37 | 3,796,173,678.94 | 4,187,113,144.26 | 2,605,040,231.93 |
| Changes in inventories | (295,357,934.76) | (700,104,104.47) | 1,530,906,857.40 | (323,798,058.64) |
| Salaries, wages and other employees | | | | |
| benefit expenses | 1,478,297,110.29 | 1,317,263,653.23 | 188,816,887.94 | 186,473,594.31 |
| Specific Business Tax and transference | | | | |
| fee | 319,148,559.96 | 160,172,400.82 | 273,646,976.00 | 119,724,735.82 |
| Depreciation | 92,604,331.56 | 91,527,977.91 | 86,773,724.65 | 86,054,873.37 |
| Depreciation - right-of-use assets | 8,144,295.34 | 8,163,988.37 | 9,322,548.79 | 10,472,063.68 |
| Amortization - right-of-use assets - | | | | |
| leasehold right | 7,470,952.48 | 7,470,952.48 | 7,470,952.48 | 7,470,952.48 |
| Loss (gain) on sales of assets | (868,292.31) | (4,282,152.62) | (868,292.31) | (4,282,152.62) |

32. Provident fund

The fund consists of voluntary contributions by employees based on monthly salary at the rate of 2-15%, the Group's contribution of an additional 3-7% of the employee's basic salary which was paid into the provident fund. The Group paid the contribution to provident fund as follows:

| | Consolidated financial statements (Million Baht) | | Separate financial statements (Million Baht) | |
|--------------------------------|--|-------|--|------|
| | 2022 | 2021 | 2022 | 2021 |
| Contribution to provident fund | 23.75 | 25.14 | 6.15 | 6.34 |

33. Capital management

The objective of capital management of the Group is to prepare the financial structure to be properly appropriated and preserve the ability to continue their operations as a going concern.

As at December 31, 2022 and 2021, the Group has debt to equity ratio as summarized below:

| | Consolidated financial statements | | Separate financial statements | |
|----------------------|-----------------------------------|------|-------------------------------|------|
| | 2022 | 2021 | 2022 | 2021 |
| Debt to equity ratio | 1.03 | 1.09 | 0.98 | 1.14 |

34. Reclassification in financial statements

The Group has reclassified the certain accounts of the financial statements for corresponding with the current reclassification which have not affected to statements of comprehensive income or shareholders' equity as previously reported. The reclassification in the financial statements for the year ended December 31, 2021 to be corresponded with the financial statements for the year ended December 31, 2022 are as follows:

| | Consolidated financial statements (Baht) | | |
|---|--|------------------|---------------------------|
| | Before reclassify | Reclassification | After reclassification |
| Statements of comprehensive income for the year | | | |
| Cost of management business | 688,900,619.24 | 229,923,584.33 | 918,824,203.57 |
| Administrative expenses | 710,730,478.62 | (147,838,766.60) | 562,891,712.02 |
| Management benefit expenses | 71,298,774.62 | (71,298,774.62) | - |
| Directors' remuneration | 10,786,043.11 | (10,786,043.11) | - |
| | Separate financial statements (Baht) | | |
| | Before reclassify | Reclassification | After reclassification |
| Statements of comprehensive income for year | | | |
| Administrative expenses | 292,735,122.84 | 54,750,329.53 | 347,485,452.37 |
| Management benefit expenses | 43,999,286.42 | (43,999,286.42) | - |
| Directors' remuneration | 10,751,043.11 | (10,751,043.11) | - |

35. Events after the reporting period

On February 16, 2023, at the Board of directors' meeting of the Company, passed the resolution to submit to the general meeting of the shareholders for approval dividend payment for the year 2022 at Baht 0.22 per share amounting to Baht 319.92 million which was already paid interim dividend at Baht 0.10 per share on September 1, 2022, therefore, the remaining will be paid at Baht 0.12 per share. Thus, such approval depends upon the shareholders' meeting on April 3, 2023.

36. Approval of financial statements

These financial statements were approved and authorized for issue by the Board of directors of the Company on February 16, 2023.



APPENDIX







BOARD OF DIRECTORS



01



02



03



04



05



06



07



08



09



10



11



12

01 Mr. Amornsuk Noparumpa

04 Mr. Khanchai Vichakkhana

07 Pichet Supakijjanusan

10 Mr. Opas Sripayak

02 Mr. Vudhiphol Suriyabhivadh

05 Mr. Krirk Vanikkul

08 Mrs. Yupa Techakraisri

11 Mr. Apichart Kasemkulsiri

03 Mr. Tikhamporn Plengsisuk

06 Mr. Weerasak Wahawisal

09 Mr. Kumpee Chongthurakit

12 Mr. Surawut Sukcharoensin

Mr. Amornsuk Noparumpa

Chairman of the Board of Directors and Independent Director

Year of Appointment as a Director: 2005

Age : 77 Years

Education

- Barrister-at-Law, Lincoln's Inn, London
- Barrister-at-Law, Council of Legal Education Thailand
- LL.B. (Honors), Thammasat University
- Diploma from the National Defence College of Thailand (Class 399)

Training

- Certification of Completion of Directors Certification Program (DCP 30/2003), Audit Committee Program (ACP 23/2008), Role of Compensation Committee (RCC 9/2009) and Role of the Chairman Program (RCP 36/2015) from the Thai Institute of Directors
- Curriculum in Security Psychology, Class 31
- Curriculum in Advanced Management, Class 7

Work Experiences During the Past Five Years

Listed Companies

- 2018 - present • Chairman of the Board of Directors and Independent Director, L.P.N. Development Public Co., Ltd.
- 2017 - present • Independent Director, Energy Absolute Public Co., Ltd.
- 1998 - present • Director, Chairman of Audit Committee and Nomination and Remuneration Committee Member, RCL Public Co., Ltd.

Non-Listed Companies

- None -

Other positions that may cause a conflict of interest with the Company

- None -

Positions in the government sector

- None -

Work Experiences in the Past

- Chairman of Audit Committee and Chairman of Nomination, Remuneration and Good Corporate Governance Committee, L.P.N. Development Public Co., Ltd.
- Director, Audit Committee Member, Executive Director, Nomination, Remuneration and Human Resources Development Committee and advisor to the Executive Committee, Thai Airways International Public Co., Ltd.
- Chairman of the Board of Directors, Siam Realty and Services Co., Ltd.
- Chairman of the Board of Directors, Ayudhaya Securities Public Co., Ltd.
- Vice President, Bank of Ayudhaya Public Co., Ltd.
- Director General, Department of Probation, Ministry of Justice
- Deputy Director General, Department of Legal Execution, Ministry of Justice
- Judge

Criminal records during the past 10 years :

- None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) :

- None -



Mr. Vudhiphol Suriyabhivadh

**Vice Chairman of the Board of Directors,
Chairman of Audit Committee and Independent Director**

Year of Appointment as a Director: 1998

Age : 78 Years

Education

- Bachelor of Commerce (Accountancy), University of New South Wales, Australia
- LL.B., Sukhothai Thammathirat University
- Diploma, Management Course, International Institute for Management Development: IMD, Lausanne, Switzerland

Training

- Directors Certification Program (DCP 36/2003), Audit Committee Program (ACP 7/2005) and Director Certification Program Update (CDPU 3/2015) from the Thai Institute of Directors Association (IOD)

Work Experiences During the Past Five Years

Listed companies

- 2018 - Present • Vice Chairman of the Board of Directors, Chairman of Audit Committee and Independent Director, L.P.N. Development Public Co., Ltd.
- 2015 - Present • Chairman of Audit Committee and Independent Director, L.P.N. Development Public Co., Ltd.
- 2005 - Present • Chairman of Audit Committee, Nomination and Remuneration Committee Member and Independent Director, Thai Wah Public Co., Ltd.
- 2005 - Present • Chairman of Audit and Risk Management Committee, Nomination and Remuneration Committee Member and Independent Director, Laguna Resort and Hotel Public Co., Ltd.

Non-Listed Companies

- None -

Other positions that may cause a conflict of interest with the Company

- None -

Positions in the government sector

- None -

Work Experiences in the Past

- Chairman of Nomination, Remuneration and Good Corporate Governance Committee, L.P.N. Development Public Co., Ltd.
- Director, East Asiatic (Thailand) Public Co., Ltd.

Criminal records during the past 10 years : - None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) :

1,447,000 shares



Mr. Tikhamporn Plengsrisuk

Vice Chairman of the Board of Directors

Year of Appointment of a Director: 1989

Age : 73 Years

Education

- Bachelor of Engineering, Chulalongkorn University

Training

- Directors Certification Program (DCP 23/2002) and Finance for Non-Finance Directors (FND 4/2003) from the Thai Institute of Directors Association (IOD)

Work Experiences During the Past Five Years

Listed companies

- 2018 - Present • Vice Chairman of the Board of Directors, L.P.N. Development Public Co., Ltd.

Non-Listed Companies

- None -

Other positions that may cause a conflict of interest with the Company

- None -

Positions in the government sector

- None -

Work Experiences in the Past

- Director, Chief Executive Officer, Chief Executive Director, Nomination, Remuneration and Good Corporate Governance Committee and Chairman of Risk Management Committee, L.P.N. Development Public Co., Ltd.
- Chairman of the Board of Directors and Director Lumpini Project Management Service Co., Ltd.
- Director, LPP Property Management Co., Ltd.
- Director, Pornsanti Co., Ltd.
- Director, Lumpini Wisdom and Solution Co., Ltd.
- Consultant, Grand Unity Development Co., Ltd.
- Director, Grand Unity Development Co., Ltd.

Criminal records during the past 10 years : - None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) : - None -



Mr. Khanchai Vichakkhana

Director, Audit Committee Member, Chairman of Nomination, Remuneration and Good Corporate Governance Committee and Independent Director

Year of Appointment as a Director: 2014

Age : 74 Years

Education

- Master of Political Science (Public Administration), Thammasat University
- Bachelor of Laws, Thammasat University

Training

- Curriculum in Politics and Administration in the Democratic Retiree for High-Level Executives, Class 8, King Prajadhipok's Institute
- Curriculum in Chief Information Officer
- Curriculum in management capacity testing, Office of the Civil Service Commission
- Curriculum in Computer for Government Officers, Kasetsart University, in accordance with the resolution of the cabinet
- Curriculum in the design of examination to recruit personnel of the Department of Lands, Class 2, Training Division, Department of Lands
- Curriculum in Land Relationship Building, Office of Permanent Secretary, Ministry of Interior
- Curriculum in Advance Management, Class 30, Institute of Administration Development, Department of Provincial Administration
- Curriculum in High-level Land Administrator, Class 3, Department of Lands
- Curriculum in Internal Security Operations Command, Royal Thai Army
- Curriculum in speaker of Department of Lands, Class 2, Department of Lands
- Curriculum in Public Disaster Relief, Fire Police Division, Royal Thai Police
- Curriculum in Forensic Science, Class 9, Forensic Science Association of Thailand
- Director Accreditation Program (DAP 112/2014), Role of Compensation Committee (RCC 19/2014) and Director Certification Program (DCP 119/2015) from the Thai Institute of Directors Association (IOD)

Work Experiences During the Past Five Years

Listed companies

- 2017 - Present • Vice Chairman of the Board of Directors and Director of Tonghua Holding Public Company Limited
- 2014 - Present • Director, Audit Committee Member, Chairman of Nomination, Remuneration and Good Corporate Governance, Committee Member and Independent Director, L.P.N. Development Public Co., Ltd.
- 2016 - Present • Director and Independent Director, TPI Polene Power Public Co., Ltd.
- 2009 - Present • Chairman of the Board and Independent Director, TPI Polene Public Co., Ltd.

Non-Listed Companies - None -

Other positions that may cause a conflict of interest with the Company - None -

Positions in the government sector

- Committee Member, EPA Thammasat Foundation
- Director of Asset Management, Thai Red Cross Society
- Committee Member, Association and Foundation of Pensioners, Ministry of Interior
- Member of Triam Udom Suksa Alumni Foundation
- Member of Property Management Committee, Srisavarindhira Thai Red Cross Institute of Nursing
- Assets Management Committee Member, The Chaipattana Foundation
- Committee Member, Foundation of Somdejphrapiyamaharajommaneeyakhet School and Hospital
- Committee Member, Environment for Better Life Foundation

Work Experiences in the Past

- Deputy Director General, Department of Lands (Executive 9)
- Director, Bureau of Land Registry Standard (Land Administrative Officer Level 9)
- Policy and Plan Analysis Officer (Land)
- Inspector, Department of Lands (Land Officer Level 8)
- Director of Land Business Control Division
- Director of Land Administration Division
- Director of Land Documents Division
- Land Officer, Chonburi province
- Land Officer, Phuket province (Land Officer Level 8)
- Land Officer, Nonthaburi province and Bangyai branch
- Land Officer, Nakornnayok province
- Land Officer, Uttaradit province (Land Officer level 7)

Criminal records during the past 10 years :

- None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) :

- None -



Mr. Krirk Vanikkul

Director, Audit Committee
Member, Nomination,
Remuneration and
Good Corporate Governance
Committee Member and
Independent Director

Year of Appointment
as a Director: 2018

Age : 68 Years

Education

- B.A. In Jurisprudence (Hons. Oxon), University of Oxford
- Barrister-at-Law, Middle Temple
- Barrister-at-Law, Institute of Legal Education of the Thai Bar
- LL.B. (Second Class Honors), Chulalongkorn University

Training

- Advanced Management Program (AMP), Harvard Business School
- Chartered Director Course, Thai Institute of Directors Association
- Curriculum in Advanced Management (Class 7), Capital Market Academy
- Director Certification Program (DCP 42/2004) and Improving the Quality of Financial Reporting (QFR 3/2006), Thai Institute of Directors Association (IOD)

Work Experiences During the Past Five Years

Listed Companies

- 2018 - Present • Director, Audit Committee Member, Nomination, Remuneration and Good Corporate Governance Committee Member and Independent Director, L.P.N. Development Public Co., Ltd.
- 2016 - Present • Independent Director and Audit Committee Member, Osotspa Public Co., Ltd.
- 2015 - Present • Independent Director, Siam Commercial Bank Public Co., Ltd.

Non-Listed Companies

- 2021 - Present • Chairman of the Board of Directors, LPP Property Management Co., Ltd.

Other positions that may cause a conflict of interest with the Company - None -

Positions in the government sector

- 2019 - Present • Steering Committee, Medical and Healthcare Service Group, Thai Red Cross Society
- 2015 - 2019 • Steering Committee, King Chulalongkorn Memorial Hospital
- 2012 - Present • Member of the Council of State, Office of the Council of State

Work Experiences in the Past

- Expert Commission Member, Office of Knowledge Management & Development (Public Organization)
- Independent Director, Italian-Thai Development Public Company Limited
- Chairman of Government Housing Bank
- Chairman for Real Estate Information Center
- Deputy Governor of Financial Institutions Stability, Bank of Thailand
- Assistant Governor of Financial Institutions Policy Group at Bank of Thailand
- Senior Director, Legal Department, Bank of Thailand
- Director, Legal Department, Bank of Thailand
- Judge

Criminal records during the past 10 years : - None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) :

579,100 shares



Mr. Weerasak Wahawisal

Director, Audit Committee
Member, Nomination,
Remuneration and
Good Corporate
Governance Committee
Member and Independent
Director

Year of Appointment
of a Director: 2006

Age : 66 Years

Education

- Master of Accounting Sciences,
University of Illinois,
United States of America
- Master of Business Administration,
Ohio University,
United States of America
- Bachelor of Business Administration
(Honors), Thammasat University

Training

- Director Accreditation Program
(DAP 63/2007), Director Certification
Program (DCP 91/2007),
Role of Compensation Committee
(RCC 15/2012), Audit Committee
Program (ACP 45/2013),
Director Certification Program
Update (DCPU 1/2014),
Chartered Director Class
(CDC 8/2014) and Advance Audit
Committee Program (AACP 20/2015)
from the Thai Institute of Directors
Association (IOD)

Work Experiences During the Past Five Years

- 2006 - Present • Director, Audit Committee Member, Nomination, Remuneration
and Good Corporate Governance Committee Member and
Independent Director, L.P.N. Development Public Co., Ltd.
- 2016-Present • Corporate Admin Director, Bangkok Ranch Public Co., Ltd.

Non-Listed companies: - None -

Any other positions which may cause conflict of interest with the company: - None -

Government sector: - None -

Work Experiences in the Past

- Vice President of Accounting, RCL Public Co., Ltd.
- Senior Vice President, Hutchison CAT Wireless Multimedia Ltd.
- Head of Finance Support, TA Orange Co., Ltd.

Criminal records during the past 10 years : - None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) : - None -



Mr. Pichet Supakijjanusan

Director and Nomination,
Remuneration and Good
Corporate Governance
Committee Member

Year of Appointment
of a Director: 1989

Age : 73 Years

Education

- Bachelor of Architecture,
Chulalongkorn University

Training

- Directors Certification Program (DCP 27/2003), Finance for Non-Finance Directors (FND 4/2003) and Audit Committee Program (ACP 21/2008) from the Thai Institute of Directors Association (IOD)

Work Experiences During the Past Five Years

Listed companies

2009 – Present • Director and Nomination, Remuneration and Good Corporate Governance Committee Member, L.P.N. Development Public Co., Ltd.

Non-Listed Companies

2021 – Present • Directors, LPP Property Management Co., Ltd.

Other positions that may cause a conflict of interest with the Company

- None -

Positions in the government sector

- None -

Work Experiences in the Past

- Director and Chairman of the Board of Directors, Lumpini Project Management Service Co., Ltd.
- Executive Director, Risk Management Committee Member and Chairman of Corporate Environmental and Social Responsibility Committee, L.P.N. Development Public Co., Ltd.
- Director, Pornsanti Co., Ltd.
- Director, Lumpini Wisdom and Solution Co., Ltd.
- Qualified Director, Engineering and Business Management Program (EBM), Faculty of Engineering, Thammasat University
- Director, Audit Committee Member and Independent Director, Merchant Partners Securities Public Co., Ltd.
- Director, Grand Unity Development Co., Ltd.

Criminal records during the past 10 years :

- None -

Shareholding in the Company (including spouse's) (as of 31 December 2022): - None -



Mrs. Yupa Techakraisri

Director

Year of Appointment
of a Director: 1989

Age : 72 Years

Education

- Bachelor of Economics,
Ramkhamhaeng University
- Certificate of Advanced Accounting,
Pitman Examination Institute

Training

- Directors Certification Program
(DCP 32/2003) from the Thai
Institute of Directors Association
(IOD)

Work Experiences During the Past Five Years

Listed companies

- 1989 - Present • Director, L.P.N. Development Public Co., Ltd.
- 1989 - Present • Director, T. Krungthai Industries Public Co., Ltd.

Non-Listed Companies

- None -

Other positions that may cause a conflict of interest with the Company

- None -

Positions in the government sector

- None -

Criminal records during the past 10 years :

- None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) :14,669,499
shares or 0.99% of the total issued shares

* Mrs. Yupa Techakraisri and Mr. Kumpee Chongthurakit are siblings.



Mr. Kumpee Chongthurakit

Director

Year of Appointment
of a Director: 1989

Age : 68 Years

Education

- Bachelor of Business Administration,
Assumption University

Training

- Director Accreditation Program
(DAP 4/2003) and Directors
Certification Program (DCP 48/2004)
from the Thai Institute of Directors
Association (IOD)

Work Experiences During the Past Five Years

Listed companies

- 1989 - Present • Director, L.P.N. Development Public Co., Ltd.

Non-Listed Companies

- 1987 - Present • Director, S.S.A. Group Co., Ltd.
- 1987 - Present • Director, S.S.A. Industries Co., Ltd.

Other positions that may cause a conflict of interest with the Company - None -

Positions in the government sector

- None -

Work Experiences in the Past

- Director, T. Krungthai Industries Public Co., Ltd.
- Executive Director and Risk Management Committee Member,
L.P.N. Development Public Co., Ltd.
- Director, LPP Property Management Co., Ltd.
- Director, Pornsanti Co., Ltd.
- Director, Lumpini Project Management Service Co., Ltd.
- Director, Srisamang Factory Co., Ltd.
- Marketing Officer, Diethelm Bangkok Co., Ltd.

Criminal records during the past 10 years : - None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) :

18,050,000 shares

* Mrs. Yupa Techakraisri and Mr. Kumpee Chongthurakit are siblings.



Mr. Opas Sripayak

Director, Chief Executive
Director, Chief Executive Officer,
Nomination, Remuneration and
Good Corporate Governance
Committee Member, Chairman
of Risk Management Committee,
and Managing Director

Year of Appointment
of a Director: 2006

Age : 60 Years



Education

- Mini M.B.A., Thammasat University
- Bachelor of Architecture,
Silpakorn University

Training

- Finance for Non-Finance Directors
(FND 24/2005) and Directors
Certification Program (DCP 71/2006)
from the Thai Institute of Directors
Association (IOD)

Work Experiences During the Past Five Years

Listed companies

- 2006 - Present • Director, Chief Executive Director, Chief Executive Officer, Nomination, Remuneration and Good Corporate Governance Committee Member, Chairman of Risk Management Committee, and Managing Director, L.P.N. Development Public Co., Ltd.

Non-Listed Companies

- 2021 - Present • Chairman of the Board of Directors, Dolsiri Development Co., Ltd.
2018 - Present • Chairman of the Board of Directors, Lumpini Property Management, Co., Ltd.
2019 - Present • Director, Dolsiri Development Co., Ltd.
2018 - Present • Chairman of the Board of Directors, Pornsanti Co., Ltd.
2018 - Present • Chairman of the Board of Directors, LPC Social Enterprise Co., Ltd.
2017 - Present • Chairman of the Board of Directors, Lumpini Wisdom and Solution Co., Ltd.
2017 - Present • Directors, Lumpini Project Management Service Co., Ltd.

Other positions that may cause a conflict of interest with the Company - None -
Positions in the government sector - None -

Work Experiences in the Past

- Chairman of the Board of Directors, LPP Property Management Co., Ltd.
- Assistant Managing Director, LPP Property Management Co., Ltd.
- Manager, Research and Development Department,
Lumpini Property Management Co., Ltd.
- Manager, Sales Department, L.P.N. Development Public Co., Ltd.
- Manager, Customer Services Department, L.P.N. Development Public Co., Ltd.

Criminal records during the past 10 years : - None -
Shareholding in the Company (including spouse's) (as of 31 December 2022) : - None -

Mr. Apichart Kasemkulsiri

Director, Executive Director,
Risk Management Committee
Member and Chief Financial
Officer

Year of Appointment
as a Director: 2018

Age : 56 Years

Education

- MBA, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- BBA, Department of Banking and Finance, Chulalongkorn Business School, Chulalongkorn University

Training

- Thai-Chinese Leadership Studies (Class4), Thai-Chinese Leadership Institute of Huachiew Chalermprakiet University
- Curriculum in Advanced Management (Class 27), Capital Market Academy (2018)
- Directors Certification Program (DCP 73/2006), Thai Institute of Directors Association (IOD)
- TLCA CFO Professional Development Program (TLCA CEO CPO) 2019, 2020, 2021

Work Experiences During the Past Five Years

Listed Companies

- 2022 - Present • Chairman of Risk Management Committee, and Independent Director, Thai Eastern Group Holding Public Co., Ltd.
- 2021 - Present • Chairman of the Nomination and Remuneration Committee, Thitikorn Public Company Limited
- 2019 - Present • Chairman of the Audit Committee and Independent Director, Thitikorn Public Company Limited
- 2018 - Present • Director, Executive Director, Risk Management Committee Member and Chief Finance Officer, L.P.N. Development Public Co., Ltd.
- 2004 - Present • Director, T. Krungthai Industries Public Co., Ltd.

Non-Listed Companies

- 2020 - Present • Director, Kamala Senior Living Co., Ltd.
- 2020 - Present • Directors, Lumpini Project Management Service Co., Ltd.
- 2019 - Present • Director, Dolsiri Development Co., Ltd.
- 2018 - Present • Director, Lumpini Property Management, Co., Ltd.
- 2018 - Present • Director, Pornsanti Co., Ltd.
- 2018 - Present • Director, LPC Social Enterprise Co., Ltd.
- 2007 - Present • Director, Sri Sam Ank Suppliers Co., Ltd.

Other positions that may cause a conflict of interest with the Company - None -

Positions in the government sector - None -

Work Experiences in the Past

- Chairman of Risk Management Committee, and Independent Director, Thai Eastern Group Holding Public Co., Ltd.
- Member of the Executive Committee and Service Executive Vice President, Treasury and Banking Operations Group, Industrial and Commercial Bank of China (Thai) Public Co., Ltd.
- Director, ICBC (Thai) Leasing Co., Ltd.
- Director, ACL Securities Co., Ltd.
- Chief Financial Officer, Samart I-Mobile Public Co., Ltd.

Criminal records during the past 10 years : - None -

Shareholding in the Company (including spouse's) (as of 31 December 2022) : - None -



Mr. Surawut Sukcharoensin

**Director, Executive Director,
Risk Management Committee
Member and Chief Strategy
Officer**

**Year of Appointment
as a Director: 2018**

Age : 47 Years

Education

- Certificate in Supply Chain and Logistics, Massachusetts Institute of Technology, USA
- MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- M.Sc., Engineering Business Management, University of Warwick, UK
- Master's Degree, Engineering Management, Chulalongkorn University
- B.Eng., Electronics Engineering, Assumption University

Training

- Directors Certification Program (DCP 267/2018), Thai Institute of Directors Association (IOD)

Work Experiences During the Past Five Years

Listed Companies

- 2018 - Present • Director, Executive Director, Risk Management Committee Member and Chief Strategy Officer, L.P.N. Development Public Co., Ltd.

Non-Listed Companies

- 2021 - Present • Director and Chief Executive Officer, LPP Property Management Co., Ltd.
 2020 - Present • Directors, Lumpini Project Management Service Co., Ltd.
 2020 - Present • Director, Lumpini Wisdom and Solution Co., Ltd.
 2020 - Present • Director, LSS Solution Security Guard Co., Ltd.
 2019 - Present • Director, Dolsiri Development Co., Ltd.
 2018 - Present • Director, Lumpini Property Management Co., Ltd.
 2018 - Present • Director, Pornsanti Co., Ltd.
 2018 - Present • Director, LPC Social Enterprise Co., Ltd.

Other positions that may cause a conflict of interest with the Company - None -
Positions in the government sector - None -

Work Experiences in the Past

- Head of Business Planning and Operations Development, Ekachai Distribution System Co., Ltd.
- Operation Manager, Renoir Consulting (Thailand) Co., Ltd.
- Freelance Consultant
- Chief Operation Officer (Internet Media), Gamenet (Asia) Co., Ltd. (Hong Kong)
- Consultant, Accenture (Thailand, Hong Kong)
- Process Engineer, Chartered Semiconductor (Singapore)

Criminal records during the past 10 years : - None -

Shareholding in the Company (including spouse) (as of 31 December 2022) :
 250,000 shares



Miss Kornkanok Yimtanorm

Company Secretary

Age : 37 Years

Education

- Bachelor of Laws, Ramkhamhaeng University

Training

- Law Practice Training Center (#37), Lawyers Council of Thailand
(A lawyer license was obtained.)
- Construction Accounting and Construction Contract
- Construction Claim & Dispute
- Class Action, SEC/SET
- Board Reporting Program BRP 17/2015 (IOD)
- Company Reporting Program CRP 11/2015 (IOD)
- Company Secretary Program CSP 93/2018 (IOD)
- Advances for Corporate Secretaries, Thai Company Secretary Club,
Thai Listed Companies Association
- Professional Development Program for Company Secretary #1/2021,
Thai Listed Companies Association

Work Experiences During the Past Five Years

Listed Companies

- | | |
|----------------|---|
| 2018 - 2021 | • Manager of Company Secretary Division, Legal Office, L.P.N. Development Public Co., Ltd. |
| 2022 - Present | • Company Secretary and Director of Legal Office, L.P.N. Development Public Co., Ltd. |

Non-Listed Companies :

- None -

Other positions that may cause a conflict of interest with the Company :

- None -

Government Sector :

- None -

Work Experiences in the Past

- Manager of Compliance Department, Lumpini Project Management Co., Ltd.
- Secretary of Managing Director, LPP Property Management Co., Ltd.
L.P.N. Development Public Co., Ltd.
- Manager of Community Law Department, L.P.N. Development Public Co., Ltd.
- Legal Officer, LPP Property Management Co., Ltd.

Criminal records during the past 10 years :

- None -

Shareholding in the Company (as at 31 December 2022) :

- None -



Ms. Suporn Wongwaipairoj

Assistant Managing Director

Age : 57 Years

Education

- Bachelor of Business Administration (Finance and Banking), Ramkhamhaeng University
- Bachelor of Accountancy, Sukhothai Thammathirat Open University
- Master of Business Administration, Siam University

Training

- Continuous Professional Development training courses - at least 12 hours yearly
- Management Discussion and Analysis (MD&A)
- Accounting Management for Listed Companies impacted by COVID-19
- Relief Measure and Financial Reporting Guidelines for Entities Impacted by COVID-19
- Thai Accounting Standard's impacts on 2020 Financial Statements
- Cashflow management & Forecast
- Financial management for Listed Companies
- Financial Management for Listed Companies during the New Normal
- Implementation of the National e-Payment Master Plan
- Qualification of CFO and Chief Accountant
- Leadership
- Continuous Process Improvement

Work Experiences During the Past Five Years

Supervising the accounting and tax matters of LPN Group

Work Experiences in the Past

Accountant and Accounting Manager of LPN Group

Criminal records during the past 10 years : - None -

Shareholding in the Company (Including spouse's) (as of 31 December 2022):

108,400 shares (0.01%)





POSITIONS HELD BY THE COMPANY DIRECTORS IN SUBSIDIARIES AND ASSOCIATES

| Name | Subsidiaries | | | | | | Associates | |
|------------------------------|---------------------|-----------------------------------|--|---------------------------------|---------------------------------------|--|-------------------------------|--------------------------------|
| | Pornsanti Co., Ltd. | LPP Property Management Co., Ltd. | Lumpini Project Management Service Co., Ltd. | LPC Social Enterprise Co., Ltd. | Lumpini Wisdom and Solution Co., Ltd. | LSS Solutions Security Guard Co., Ltd. | Dolsiri Development Co., Ltd. | Kamala Senior Living Co., Ltd. |
| 1. Mr. Pichet Supakijjanusan | - | / | - | - | - | - | - | - |
| 2. Mr. Opas Sripayak | X | - | X | X | X | - | / | - |
| 3. Mr. Apichart Kasemkulsiri | / | // | / | / | - | - | / | / |
| 4. Mr. Surawut Sukcharoensin | / | // | / | / | / | X | / | - |
| 5. Mr. Krirk Vanikkul | - | X | - | - | - | - | - | - |

Notes : X = Chairman of the Board of Directors / = Director // = Executive Director

INTERNAL AUDIT SUPERVISOR

THE COMPANY OPERATIONS SUPERVISOR

Mrs. Piyanuch Naveenavakun

Director of Audit Department
and Secretary
of Audit Committee

Age: 60 years

Education

- M.B.A., Thai Chamber of Commerce University
- Bachelor of Business Administration (Accounting), Ramkhamhaeng University

Training

- IT Audit Masterclass Series 2018, NSTDA Academy
- Corruption Prevention in the organization, Class 13, Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Leader Manager as a Coach Development Program, AcComm & Image International Co., Ltd.
- Internal Audit Program: Prepared Course for Certified Internal Auditor (Pre - CIA), Chulalongkorn Business School
- CPIAT, the Institute of Internal Auditors of Thailand
- Strategic Thinking and Execution Course, Management & Psychology Institute (MPI)
- Audit and Control Strategy for Management, Management & Psychology Institute (MPI)
- Accounting Information Analysis for Management to Achieve Competitive Advantage, Assumption Personnel Development Center
- Accountant and Internal Audit Operations, The Institute of Certified Accountants and Auditor of Thailand

Work Experiences during the past five years

Listed Companies

- Assistant Managing Director, Director of Audit Department and Secretary of Audit Committee, L.P.N. Development PCL

Non-Listed Companies

-None-

Other positions that may cause a conflict of interest with the Company

-None-

Positions in the government sector

-None-

Work Experiences in the Past

- Assistant Managing Director (Accounting and Finance), Lumpini Property Management Co., Ltd.
- Director, LPC Social Enterprise Co., Ltd.

Criminal records during the past 10 years :

-None-

Shareholding in the Company (including spouse) (as at 31 December 2022) :

-None-





ASSETS USED IN BUSINESS OPERATION

Assets L.P.N. Development Public Co., Ltd.

| | Assets for Investment | Location | Space (Sq. m.) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|----|---|-------------------------------|-------------------|-----------------------------------|--|-----------------|---------------|
| 1 | Lumpini Tower | Rama 4 Rd. | 5,353.92 | 84.24 | 425.23 | Appraised Price | TTB, BAY, BBL |
| 2 | L.P.N. Tower | Ratchadapisek Rd. | 799.56 | 10.65 | 58.71 | Appraised Price | TTB |
| 3 | Siphraya Riverview | Yotha Rd. | 4,409.44 | 11.98 | 16.15 | Appraised Price | - |
| 4 | Lumpini Place Sathorn | Narathiwassratchanakharin Rd. | 184.14 | 6.06 | 14.73 | Appraised Price | - |
| 5 | Lumpini Residence Sathorn | Narathiwassratchanakharin Rd. | 2,238.55 | 54.05 | 120.11 | Appraised Price | - |
| 6 | Lumpini Ville Sukhumvit 77 | Onnut Rd. | 176.81 | 3.96 | 14.14 | Appraised Price | - |
| 7 | Lumpini Place Pinklao | Boromrajchonanee Rd. | 36.95 | 1.32 | 2.96 | Appraised Price | - |
| 8 | Lumpini Place Pinklao 2 | Boromrajchonanee Rd. | 311.13 | 9.41 | 23.33 | Appraised Price | - |
| 9 | Lumpini Suite Pinklao | Boromrajchonanee Rd. | 339.80 | 14.07 | 30.58 | Appraised Price | - |
| 10 | Lumpini Park Pinklao | Boromrajchonanee Rd. | 479.19 | 12.43 | 35.94 | Appraised Price | - |
| 11 | Lumpini Place Narathiwass-Chaophraya | Rama 3 Rd. | 614.16 | 23.98 | 49.13 | Appraised Price | - |
| 12 | Lumpini Place Phahol-Saphan Kwai | Pradipat Rd. | 120.52 | 3.65 | 12.05 | Appraised Price | - |
| 13 | Lumpini Ville Ramkamhaeng 26 | Ramkamhaeng Rd. | 239.44 | 4.88 | 15.56 | Appraised Price | - |
| 14 | Lumpini Place Ramindra-Laksi | Ramindra Rd. | 258.92 | 8.23 | 16.83 | Appraised Price | - |
| 15 | Lumpini CondoTown Rattanathibes | Rattanathibes Rd. | 252.37 | 5.86 | 15.14 | Appraised Price | - |
| 16 | Lumpini Suite Rama 8 | Aroonamarin Rd. | 230.92 | 7.82 | 15.01 | Appraised Price | - |
| 17 | Lumpini Place Rama 8 | Aroonamarin Rd. | 231.12 | 5.97 | 12.71 | Appraised Price | - |
| 18 | Lumpini CondoTown Bangkhae | Bangkhae Rd. | 72.31 | 1.61 | 4.34 | Appraised Price | - |
| 19 | Lumpini Ville Ratburana-Riverview | Rasburana Rd. | 487.32 | 12.50 | 31.68 | Appraised Price | - |
| 20 | Lumpini Ville Ladprao-Chokchai 4 | Ladprao Rd. | 163.18 | 3.72 | 14.69 | Appraised Price | - |
| 21 | Lumpini Place Ratchayothin | Paholyothin Rd. | 97.79 | 4.45 | 10.61 | Appraised Price | - |
| 22 | Lumpini Place Rama 4-Kluaynamthai | Rama 4 Rd. | 173.74 | 6.11 | 15.64 | Appraised Price | - |
| 23 | Lumpini Park Riverside-Rama 3 | Rama 3 Rd. | 200.91 | 5.19 | 18.08 | Appraised Price | - |
| 24 | Lumpini CondoTown Nida-Serithai | Serithai Rd. | 153.30 | 4.33 | 9.20 | Appraised Price | - |
| 25 | Lumpini Ville Pattanakarn-New Petchaburi | Pattanakarn Rd. | 476.39 | 14.81 | 37.16 | Appraised Price | - |
| 26 | Lumpini Ville Pibulsongkram-Riverview | Pibulsongkram Rd. | 88.91 | 2.96 | 7.56 | Appraised Price | - |
| 27 | Lumpini Ville Chaengwattana-Pakkred | Chaengwattana Rd. | 254.55 | 8.94 | 21.64 | Appraised Price | - |
| 28 | Lumpini CondoTown Nida-Serithai 2 | Serithai Rd. | 149.91 | 5.24 | 8.99 | Appraised Price | - |
| 29 | Lumpini CondoTown North Pattaya-Sukhumvit | Sukhumvit Rd. | 193.05 | 5.65 | 9.65 | Appraised Price | - |
| 30 | Lumpini CondoTown North Pattaya-Sukhumvit (Minimall) | Sukhumvit Rd. | 935.16 | 31.39 | 6.65 | Appraised Price | SCB |
| 31 | Lumpini Megacity Bangna | Bangna-Trad Rd. | 445.59 | 13.89 | 30.61 | Appraised Price | - |

| | Assets for Investment | Location | Space (Sq. m.) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|----|---|----------------------------|-------------------|-----------------------------------|--|-----------------|-------------|
| 32 | Lumpini Ville Naklua-Wongamart | Pattaya-Naklua Rd. | 308.69 | 11.39 | 19.81 | Appraised Price | - |
| 33 | Lumpini Ville Ramkamhaeng 60/2 | Ramkamhaeng Rd. | 305.06 | 10.65 | 24.40 | Appraised Price | - |
| 34 | Lumpini CondoTown Ramindra-Ladplakao | Ramindra - Ladplakao Rd. | 168.86 | 5.73 | 10.98 | Appraised Price | - |
| 35 | Lumpini Ville Sukhumvit 109-Bearing | Sukhumvit Rd. | 245.26 | 7.97 | 14.72 | Appraised Price | - |
| 36 | Lumpini Ville Sukhumvit 77 (2) | Sukhumvit 77 Rd. | 118.76 | 3.52 | 9.50 | Appraised Price | - |
| 37 | Lumpini Park Rattanathibes-Ngarmwongwarn | Rattanathibes Rd. | 324.28 | 13.02 | 29.19 | Appraised Price | - |
| 38 | Lumpini CondoTown Chonburi-Sukhumvit | Bansuan, Muang District | 532.06 | 12.80 | 30.31 | Appraised Price | - |
| 39 | Lumpini Place Srinakarin-Huamark Station | Srinakarin Rd. | 390.24 | 15.01 | 31.22 | Appraised Price | - |
| 40 | Lumpini Ville Prachachuen-Pongpet 2 | Prachachuen Rd. | 261.94 | 8.75 | 20.96 | Appraised Price | - |
| 41 | Lumpini Place Suksawasdi-Rama 2 | Suksawasdi Rd. | 397.09 | 14.66 | 32.80 | Appraised Price | - |
| 42 | Lumpini Place UD-Posri | Makkaeng, Muang District | 2,734.27 | 91.97 | 159.13 | Appraised Price | - |
| 43 | Lumpini Place UD-Posri (Minimall) | Makkaeng, Muang District | 6,901.00 | 209.25 | 235.96 | Appraised Price | ISBT |
| 44 | Lumpini Ville Onnut-Ladkrabang | Onnut - Ladkrabang Rd. | 263.76 | 11.10 | 17.14 | Appraised Price | - |
| 45 | Lumpini Township Rangsit-Klong 1 | Rangsit - Nakhon Nayok Rd. | 353.17 | 6.81 | 18.61 | Appraised Price | - |
| 46 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F1 | Rangsit - Nakhon Nayok Rd. | 4,253.83 | 95.61 | 169.21 | Appraised Price | - |
| 47 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F2 | Rangsit - Nakhon Nayok Rd. | 4,253.83 | 96.05 | 169.21 | Appraised Price | - |
| 48 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F3 | Rangsit - Nakhon Nayok Rd. | 3,909.83 | 88.50 | 155.53 | Appraised Price | - |
| 49 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F4 | Rangsit - Nakhon Nayok Rd. | 4,253.83 | 92.23 | 169.21 | Appraised Price | - |
| 50 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F5 | Rangsit - Nakhon Nayok Rd. | 4,253.83 | 92.66 | 169.21 | Appraised Price | - |
| 51 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F6 | Rangsit - Nakhon Nayok Rd. | 3,909.19 | 85.37 | 155.47 | Appraised Price | - |
| 52 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F7 | Rangsit - Nakhon Nayok Rd. | 4,253.83 | 94.55 | 169.21 | Appraised Price | - |
| 53 | Lumpini Township Rangsit-Klong 1, Phase 3, Building F8 | Rangsit - Nakhon Nayok Rd. | 4,253.83 | 94.74 | 157.87 | Appraised Price | - |
| 54 | Lumpini Township Rangsit-Klong 1, Building F | Rangsit - Nakhon Nayok Rd. | 2,833.15 | 48.43 | 107.14 | Market Price | - |
| 55 | Lumpini Township Rangsit-Klong 1 (Community) 1st-2nd Floor | Rangsit - Nakhon Nayok Rd. | 8,867.00 | 175.46 | 228.50 | Appraised Price | BAY |
| 56 | Lumpini CondoTown Ramindra-Ladplakao (2) | Ramindra - Ladplakao Rd. | 197.03 | 6.98 | 12.81 | Appraised Price | - |
| 57 | Lumpini Park Rama 9-Ratchada | Rama 9 Rd. | 320.08 | 11.81 | 28.81 | Appraised Price | - |
| 58 | Lumpini Ville Onnut 46 | Onnut Rd. | 340.12 | 10.23 | 20.41 | Appraised Price | - |
| 59 | Lumpini Ville Onnut-Pattanakarn | Onnut Rd. | 464.12 | 13.44 | 30.17 | Appraised Price | - |
| 60 | Lumpini Park Petchakasem 98 (Commercial Building) | Petchakasem Rd. | 1,134.90 | 75.61 | 84.60 | Appraised Price | UOB |
| 61 | Lumpini Park Petchakasem 98 (C, D) | Petchakasem Rd. | 2,466.55 | 103.73 | 154.48 | Appraised Price | - |
| 62 | Lumpini Place Boromrajchonanee-Pinklao | Boromrajchonanee Rd. | 307.83 | 10.30 | 20.01 | Appraised Price | - |
| 63 | Lumpini CondoTown Romklao-Suvarnabhumi | Romklao Rd. | 327.58 | 8.43 | 19.65 | Appraised Price | - |
| 64 | Lumpini Ville Onnut-Ladkrabang 2 | Onnut - Ladkrabang Rd. | 208.02 | 6.44 | 13.52 | Appraised Price | - |

| Assets for Investment | | Location | Space (Sq. m.) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|------------------------------------|--|---------------------|-------------------|-----------------------------------|--|-----------------|-------------|
| 65 | Lumpini Park Nawamin - Sriburapa | Nawamin Rd. | 293.70 | 10.02 | 19.09 | Appraised Price | - |
| 66 | Lumpini Ville Nakornin - Riverview | Saiwatnakornin Rd. | 291.78 | 9.98 | 26.26 | Appraised Price | - |
| 67 | Lumpini Mixx Teparak - Srinakarin | Srinakarin Rd. | 401.89 | 12.81 | 24.11 | Appraised Price | - |
| 68 | Lumpini Ville Sukhumvit 76 - Bearing Station | Sukhumvit Rd. | 281.43 | 8.96 | 18.29 | Appraised Price | - |
| 69 | Lumpini Ville Ratchaphruek - Bang Waek | Ratchaphruek Rd. | 345.03 | 10.96 | 20.70 | Appraised Price | - |
| 70 | Lumpini Ville Phra Nang Klao Riverview | Rattanathibes Rd. | 3,531.51 | 142.32 | 183.01 | Appraised Price | - |
| 71 | Lumpini Ville Ratburana - Riverview 2 | Ratburana Rd. | 148.78 | 5.59 | 12.65 | Appraised Price | - |
| 72 | Lumpini Place Bang Na KM. 3 | Bang Na Rd. | 280.89 | 9.89 | 23.88 | Appraised Price | - |
| 73 | The Selected Kaset - Ngamwongwan by LPN | Kaset - Nawamin Rd. | 22.62 | 1.61 | 2.26 | Appraised Price | - |
| 74 | Lumpini Park Vibhavadi - Chatuchak | Vibhavadi Rd. | 205.30 | 9.03 | 26.69 | Appraised Price | - |
| 75 | Lumpini Ville Sukhumvit 76 - Bearing 2 | Sukhumvit Rd. | 66.58 | 2.86 | 4.32 | Market Price | - |
| 76 | Lumpini Ville Chaengwattana 10 | Chaengwattana Rd. | 74.29 | 2.58 | 4.23 | Market Price | - |
| 77 | Lumpini Park Phahon 32 | Paholyothin Rd. | 3,986.15 | 345.45 | 422.85 | Appraised Price | - |
| 78 | Lumpini Place Rama 3 - Riverine | Rama 3 Rd. | 4,233.86 | 255.38 | 490.24 | Appraised Price | - |
| 79 | Lumpini Selected Sutthisan - Saphan Khwai | Paholyothin Rd. | 2,946.82 | 193.11 | 303.77 | Appraised Price | - |
| Total Assets for Investment | | | | 3,043.08 | 5,426.90 | | |

| Office Assets | | Location | Space (Sq. m.) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|------------------------------------|---|-------------------------------|-------------------|-----------------------------------|--|-----------------|-------------|
| 1 | Lumpini Tower | Rama 4 Rd. | 1,450.58 | 27.96 | 124.71 | Appraised Price | TTB , BAY |
| 2 | Commercial building in front of Lumpini CondoTown Chonburi-Sukhumvit project | Bansuan, Muang district | 124.00 | 6.95 | 7.28 | Market Price | - |
| 3 | Lumpini Township Rangsit-Klong 1 (Community mall) 3rd floor | Rangsit - Nakhon Nayok Rd. | 2,052.00 | 40.41 | 42.28 | Market Price | - |
| 4 | Lumpini Township Rangsit-Klong 1 (Community mall) the front dome | Rangsit - Nakhon Nayok Rd. | 336.00 | 6.24 | 6.53 | Market Price | - |
| Total Assets for Investment | | | | 81.56 | 180.80 | | |

| | Real Estate for Investment | Location | Space (Sq. m.) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|-----------------------|---|-----------------------------|-------------------|-----------------------------------|--|-------------|-------------|
| 1 | Lumpini Ville Ramintra-Laksi | Ramintra Rd. | 25.15 | 0.96 | 1.50 | MarketPrice | - |
| 2 | Lumpini Parkbeach Jomtien | Pattaya - Jomtien 2 Rd. | 251.72 | 12.58 | 18.37 | MarketPrice | - |
| 3 | Lumpini Condotown Chonburi-Sukhumvit | Bansuan, Muang District | 99.12 | 2.88 | 3.68 | MarketPrice | - |
| 4 | Lumpini ParkBeach Cha-Am 2 | Cha-am, Cha-am District | 2,708.69 | 198.14 | 265.89 | MarketPrice | - |
| 5 | Lumpini Place UD-Posri | Makkaeng, Muang District | 238.22 | 9.42 | 12.89 | MarketPrice | - |
| 6 | Lumpini Parkbeach Cha-Am | Cha - am, Cha - am District | 28.10 | 2.95 | 3.20 | MarketPrice | - |
| 7 | Lumpini Seaview Cha-Am (A) | Cha - am, Cha - am District | 7,634.38 | 279.87 | 415.01 | MarketPrice | - |
| 8 | Lumpini Township Rangsit-Klong 1 | Rangsit Rd. | 39,686.48 | 984.45 | 1,470.58 | MarketPrice | - |
| 9 | Lumpini Park Phetkasem 98 (A, B) | Phetkasem Rd. | 169.27 | 6.64 | 9.72 | MarketPrice | - |
| 10 | Lumpini Park Phetkasem 98 (C, D) | Phetkasem Rd. | 8,169.10 | 359.37 | 476.19 | MarketPrice | - |
| 11 | Lumpini Ville Phra Nang Klao-Riverview | Sai Ma, Muang District | 2,933.89 | 112.99 | 152.51 | MarketPrice | - |
| 12 | Lumpini Ville Ratburana-Riverview 2 | Ratburana Rd. | 74.39 | 2.88 | 4.07 | MarketPrice | - |
| 13 | Lumpini Suite Din Daeng-Rachaprarop | Din Daeng Rd. | 1,837.00 | 156.37 | 228.37 | MarketPrice | - |
| 14 | The Selected Kaset-Ngamwongwan by LPN | Kaset - Nawamin Rd. | 90.48 | 8.15 | 10.50 | MarketPrice | - |
| 15 | Lumpini Park Phahon 32 | Paholyothin Rd. | 8,245.34 | 801.42 | 990.49 | MarketPrice | SCB |
| 16 | Lumpini Place Ratchada-Sathu | Ratchadaphisek Rd. | 2,364.11 | 155.54 | 262.32 | MarketPrice | - |
| 17 | Lumpini Place Rama 3-Riverine | Rama 3 Rd. | 6,257.31 | 407.42 | 540.45 | MarketPrice | SCB |
| 18 | Lumpini Ville Suksawat Rama 2 | Rama 2 Rd. | 1,863.58 | 114.94 | 153.13 | MarketPrice | SCB |
| 19 | Lumpini Selected Sutthisan-Saphan Khwai | Sutthisan Rd. | 684.71 | 50.22 | 77.30 | MarketPrice | - |
| 20 | Lumpini Park Vibhavadi-Chatuchak | Vibhavadi Rd. | 291.71 | 13.00 | 19.11 | MarketPrice | - |
| 21 | Lumpini Ville Sukhumvit 76-Bearing Station (Phase 2) | Sukhumvit Rd. | 67.06 | 2.95 | 4.35 | MarketPrice | - |
| 22 | Lumpini Park Borom Ratchachonni-Sirindhorn | Rung Pracha Rd. | 7,807.11 | 461.68 | 618.30 | MarketPrice | SCB |
| 23 | Lumpini Ville Phatanakan-Srinakarin | Phatthanakan Rd. | 456.85 | 16.94 | 24.66 | MarketPrice | - |
| 24 | Lumpini Place Taopoon Interchange | Krung Thep-Nonthaburi Rd. | 9,445.06 | 613.78 | 918.84 | MarketPrice | - |
| 25 | Lumpini Ville Chaengwatthana 10 | Chaengwatthana Rd. | 9,138.35 | 319.63 | 453.22 | MarketPrice | - |
| 26 | Lumpini Ville Chaengwatthana-Pakkret Station | Chaengwatthana Rd. | 12,707.33 | 654.98 | 917.61 | MarketPrice | - |
| 27 | Lumpini Selected Charan 65-Sirindhorn Station | Charan Sanit Wong Rd. | 10,550.99 | 604.69 | 803.98 | MarketPrice | - |
| 28 | Lumpini Ville Sukhumvit 101/1-Punnawithi | Sukhumvit Rd. | 3,477.15 | 178.01 | 237.67 | MarketPrice | - |
| 29 | Lumpini Town Place Sukhumvit-Srinakarin* | Srinakarin Rd. | 431.40 | 75.79 | 90.54 | MarketPrice | - |
| 30 | BAAN 365 RAMA III (TOWN HOME)* | Rama 3 Rd. | 128.00 | 62.03 | 73.20 | MarketPrice | - |
| Total Assets for Sale | | | | 6,670.67 | 9,257.66 | | |

* Note: Unit is in Square Wa

| Assets under Development | | Location | Space (rai-ngarn- sq.wa) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|---------------------------------------|---|---------------------------|--------------------------------|-----------------------------------|--|--------------|-------------|
| 1 | Lumpini Mixx Narathiwas-Ratchada | Rama 3 Rd. | 3-1-68.60 | 1,014.65 | 1,014.65 | Market Price | KBANK |
| 2 | Lumpini Place | Chaengwatthana Rd. | 3-1-2.40 | 452.13 | 452.13 | Market Price | KBANK |
| | Chaengwatthana-Pakkret Station | | 20-0-28.60 | 807.25 | 807.25 | Market Price | BBL |
| 3 | Lumpini Condotown Ekkachai 48 C, D (Phase 1) | Ekkachai Rd. | 7-1-75.90 | 1,148.00 | 1,148.00 | Market Price | KBANK |
| | | | 9-1-33.80 | 378.55 | 378.55 | Market Price | KKP |
| 4 | Lumpini Ville Charan-Fai Chai (Bldg. C) | Charan Sanit Wong Rd. | 6-0-17.20 | 726.51 | 726.51 | Market Price | KTB |
| 5 | Ville 168 Bangwa | Petchkasem Rd. | 7-1-96.00 | 536.61 | 536.61 | Market Price | KBANK |
| 6 | Place 168 Pinklao | Borommaratchachonnani Rd. | 25-2-67.10 | 1,504.46 | 1,504.46 | Market Price | BAY |
| 7 | Park 168 Onnut 19 | Sukhumvit Rd. | 6-3-49.50 | 327.72 | 327.72 | Market Price | KKP |
| 8 | Maison 168 Muangthong | Chaengwatthana Rd. | 9-3-64.00 | 440.03 | 440.03 | Market Price | UOB |
| 9 | Residence 168 Ratchaphruek | Inthrawat Rd. | 8-2-24.50 | 155.13 | 155.13 | Market Price | - |
| 10 | Residence 168 On nut 46 | Sukhumvit Rd. | 5-1-56.40 | 148.82 | 148.82 | Market Price | - |
| 11 | Lumpini Townplace Sukhumvit -Srinakarin | Srinakarin Rd. | | | | | |
| 12 | Villa 168 @ Westgate | Kanchanaphisek Rd. | | | | | |
| Total Assets under Development | | | | 7,639.86 | 7,639.86 | | |

| Assets Pending Development | | Location | Space (rai-ngarn- sq.wa) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|---|---|-------------------------------|--------------------------------|-----------------------------------|--|--------------|-------------|
| 1 | Land in front of Lumpini Place Sathorn | Naradhiwas Rajanagarindra Rd. | 2-0-44.10 | 122.92 | 122.92 | Market Price | TTB |
| 2 | Land in front of Lumpini Place Sathorn | Naradhiwas Rajanagarindra Rd. | 0-0-73.00 | 7.36 | 7.36 | Market Price | - |
| 3 | Lumpini SeaView Cha-Am | Cha-am, Cha-am District | 0-2-66.00 | 8.91 | 8.91 | Market Price | - |
| 4 | Lumpini Place Hua Hin 7 | Hua Hin Soi 7 Rd. | 4-0-11.20 | 139.94 | 139.94 | Market Price | - |
| 5 | Lumpini Condotown Romklao-Suvarnabhumi | Romklao Rd. | 0-1-20.50 | 3.85 | 3.85 | Market Price | - |
| 6 | Lumpini Ville Ratchaphruek-Bang Waek | Ratchaphruek Rd. | 0-0-25.30 | 1.54 | 1.54 | Market Price | - |
| 7 | Lumpini Township Rangsit-Klong 2 | Rangsit-Nakhon Nayok Rd. | 0-3-00.00 | 1.25 | 1.25 | Market Price | - |
| 8 | A plot of land in front of Lumpini Place Sathorn Project | Naradhiwas Rajanagarindra Rd. | 0-2-69.30 | 121.90 | 121.90 | Market Price | TTB |
| 9 | Lumpini Park Rama 9-Ratchada | Rama 9 Rd. | 0-3-34.30 | 47.32 | 47.32 | Market Price | - |
| 10 | Haus 168 Westgate | Kanchanaphisek Rd. | 2-0-86.20 | 49.20 | 49.20 | Market Price | - |
| Total Assets Pending Development | | | | 504.18 | 504.18 | | |

| Assets with Leasehold Right | | Location | Space (Sq. m.) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|--|------------------------------------|-------------------|-------------------|-----------------------------------|--|--------------|-------------|
| 1 | Lumpini Place Rama 4-Ratchadapisek | Ratchadapisek Rd. | 4,992.50 | 179.22 | 312.43 | Market Price | - |
| Total Assets with Leasehold Right | | | | 179.22 | 312.43 | | |

Total Assets of L.P.N. Development Public Co., Ltd.

18,118.58 | 23,321.82

Pornsanti Co., Ltd.

| | Assets for Investment | Location | Space (Sq. m.) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|------------------------------------|----------------------------|-----------|-------------------|-----------------------------------|--|-----------------|-------------|
| 1 | P.S.T. Condo Ville Tower 1 | Nonsi Rd. | 278.45 | 0.47 | 9.31 | Appraised Price | - |
| 2 | P.S.T. Condo Ville Tower 2 | Nonsi Rd. | 136.71 | 2.51 | 5.06 | Appraised Price | - |
| 3 | P.S.T. City Home | Nonsi Rd. | 11,637.89 | 50.66 | 114.73 | Appraised Price | TTB |
| Total Assets for Investment | | | | 53.64 | 129.10 | | |

| | Assets for Sale | Location | Space (sq.wa) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|------------------------------|--|--------------------------------------|------------------|-----------------------------------|--|--------------|-------------|
| 1 | Lumpini Townville Ratchaphruek-Pinklao (Phase 2.2) | Ratchaphruek Rd. | 74.90 | 9.79 | 13.85 | Market Price | - |
| 2 | Lumpini Townville Ratchaphruek-Pinklao (Phase 3) | Ratchaphruek Rd. | 230.70 | 24.91 | 36.05 | Market Price | - |
| 3 | Lumpini Townville Lat Pla Duk-Bang Phai Station (Phase 2) | Ban Ban Sai-Ban Khlong Ta Son Rd. | 25.90 | 3.26 | 3.50 | Market Price | - |
| 4 | Lumpini Townplace Rama 2-Tha Kham | Takham Rd. | 320.30 | 40.67 | 55.93 | Market Price | KBANK |
| 5 | Lumpini Townville Phahon Yothin-Saphan Mai | Phahon Yothin Rd. | 42.00 | 5.11 | 5.68 | Market Price | - |
| 6 | Lumpini Townville Lat Krabang-Suvarnabhumi | Lat Krabang Rd. | 1,914.70 | 231.51 | 337.47 | Market Price | KTB |
| 7 | Maison 168 Latphrao 101 | Latphrao Rd. | 319.80 | 72.67 | 108.80 | Market Price | BAY |
| 8 | Lumpini Townville Saimai 18-Phahonyothin | Saimai Rd. | 482.90 | 60.76 | 91.68 | Market Price | TTB |
| Total Assets for Sale | | | | 448.67 | 652.95 | | |



| Assets under Development | | Location | Space (rai-ngarn- sq.wa) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|--------------------------------|---|---------------------|--------------------------------|-----------------------------------|--|--------------|-------------|
| 1 | Baan Lumpini Town Ville Ratchaphruek-Pinklao (Phase 3) | Ratchaphruek Rd. | 16-3-93.70 | 10.69 | 10.69 | Market Price | - |
| 2 | Lumpini Town Place Rama 2-Tha Kham | Takham Rd. | 9-2-66.20 | 147.84 | 147.84 | Market Price | KBANK |
| 3 | Lumpini Townville Lat Krabang-Suvarnabhumi | Lat Krabang Rd. | 23-0-20.20 | 291.59 | 291.59 | Market Price | KTB |
| 4 | Maison 168 Latphrao 101 | Latphrao Rd. | 6-3-13.80 | 227.19 | 227.19 | Market Price | BAY |
| 5 | Venue 168 Ratchaphruek | Ratchaphruek Rd. | 28-1-13.20 | 365.17 | 365.17 | Market Price | BBL |
| 6 | Lumpini Townville Saimai 18-Phahonyothin | Saimai Rd. | 11-1-65.00 | 182.23 | 182.23 | Market Price | TTB |
| 7 | Venue 168 Khukhot | Liap Khlong Sam Rd. | 55-0-36.20 | 478.17 | 478.17 | Market Price | KBANK |
| 8 | Venue 168 Westgate | Wat Lat Pla Duk Rd. | 54-1-74.60 | 545.15 | 545.15 | Market Price | TISCO |
| 9 | Venue 168 Pracha Uthit 90 | Pracha Uthit 90 Rd. | 53-1-71.20 | 452.40 | 452.40 | Market Price | KTB |
| 10 | House 168 Kaew-In | Kaew-In Rd. | 50-3-10.80 | 386.49 | 386.49 | Market Price | SCB |
| 11 | House 168 Bang Yai | Bang Yai Rd. | 53-0-58.20 | 315.03 | 315.03 | Market Price | - |
| Total Assets under Development | | | | 3,401.96 | 3,401.96 | | |

| Assets Pending Development | | Location | Space (rai-ngarn- sq.wa) | Book Value (million THB) | Appraised Value (million THB) | Appraiser | Obligations |
|----------------------------------|-----------------------------------|--------------|--------------------------------|-----------------------------------|--|--------------|-------------|
| 1 | Lumpini Townville Suksawat-Rama 2 | Suksawat Rd. | 1-1-40.70 | 34.41 | 34.41 | Market Price | - |
| Total Assets Pending Development | | | | 34.41 | 34.41 | | |

Total Assets of Pornsanti Co., Ltd.

3,938.68 | 4,218.42

Total Assets
of L.P.N. Development Public Co., Ltd. and Pornsanti Co., Ltd.

22,057.26 | 27,540.24



CODE OF CONDUCT

The Board of Directors' Meeting Ref. 5/2016 on 21 June 2016 resolved to approve the new Code of Conduct as the best practice guideline for directors and staff, effective from 21 June 2016 until further notice. The 2005 Code of Conduct of Directors and Code of Conduct of Staff are terminated. The Code of Conduct is prepared in accordance with good corporate governance principles for the benefit of the Company, shareholders, directors, staff and other stakeholders. It comprises 14 sections as follows:

| | |
|------------|--|
| Section 1 | Human and Labor Rights |
| Section 2 | Environment, Health and Safety |
| Section 3 | Anti-Corruption |
| Section 4 | Gifts and Entertainment |
| Section 5 | Conflict of Interest |
| Section 6 | Involvement in Political Activities |
| Section 7 | Information and Property |
| Section 8 | Disclosure of Information and Communication |
| Section 9 | Transaction of LPN |
| Section 10 | Trade Competition |
| Section 11 | Anti-Money Laundering |
| Section 12 | Code of Conduct of Directors |
| Section 13 | Code of Conduct of Staff |
| Section 14 | Receipt of Complaints and Whistleblower Protection |

Code of Conduct L.P.N. Development Public Co., Ltd.

Definition

| | | |
|------------------------------|-----------|--|
| Code of Conduct of LPN Group | refers to | the good practice for business operation of LPN Group, here in after referred to as "Code of Conduct." |
| Company | refers to | L.P.N. Development Public Co., Ltd. |
| LPN Group | refers to | 1. L.P.N. Development Public Co., Ltd. 2. Subsidiary companies of L.P.N. Development Public Co., Ltd. |
| Subsidiary company | refers to | companies or juristic persons in which L.P.N. Development Public Co., Ltd. directly or indirectly holds more than 50% of shares with voting rights. |
| Director | refers to | directors of L.P.N. Development Public Co., Ltd. |
| Executive | refers to | LPN's Managerial staff at Level 5 and higher |
| Staff | refers to | staff of LPN |
| Consultant | refers to | persons who are not staff and are appointed by the Board of Directors or executive directors of the Company |
| Stakeholder | refers to | persons who are involved with LPN such as directors, staff, shareholders, customers, competitors, creditors, society and environment. |
| Misconduct | refers to | any actions that violate laws, rules or regulations and are done for the benefit of oneself or others. |
| Corruption | refers to | any types of bribery such as an offer or promise on money, asset or other inappropriate benefits from the government officers, government sectors or private sectors so that such person could proceed or disregard his/her function in order to acquire, retain the business or achieve any improper benefits in business transactions. |
| Giving or receiving a bribe | refers to | an offer or receipt of gifts, rewards or other benefits for oneself or others in order to commit dishonest or illegal action or violate the Code of Conduct. |

| | | |
|-----------------------|-----------|---|
| Donation | refers to | an amount of money given for religious, educational, public benefit or charitable purposes. |
| Sponsorship | refers to | an amount of money given to promote the business, brand or reputation of the Company. |
| Important Information | refers to | information related to the business operation of LPN. Should such information be wrongfully and inappropriately disclosed, it may have significant impact on the business operation of LPN, share price or the decision-making of investors, for example, information in the financial statements, information related to investment in projects, information on dividend payment that has not yet been disclosed to the Stock Exchange of Thailand, etc. |
| LPN's Property | refers to | all types of properties i.e. movable properties, immovable properties, tangible properties, intangible properties or any other properties owned or kept by LPN. |
| Intellectual Property | refers to | copyrights, patents, trademarks and trade secrets. |

Human and Labor Rights



Human Rights and Equal Treatment

Definition

Human rights refers to basic rights of every human being to be protected from discrimination due to differences in physical and mental aspects, race, nationality, religion, gender, language, age, skin, education, social status or any other traits.

Principle

LPN realizes and fully respects the dignity of human beings and equality of all people without any discrimination. All staff of the Company and subsidiary companies must treat each other and all stakeholders with respect and behave themselves properly in accordance with the regulations of the Company and good traditions without causing a negative impact on the image of the Company. Furthermore, LPN has realized the importance of labor so it treats the employees in compliance with labor laws and relevant regulations on a fair basis, whether they be Thai or immigrant workers.

Guideline

1. Treat each other with respect and fairness on inclusive basis. Do not consider difference in race, religion, nationality, gender, age, education background, physical and mental aspects or any other social statuses. Personal rights and freedoms must not be violated directly or indirectly.
2. Take great care at work to prevent risk in human rights violation in business operation.
3. Monitor business activities to prevent human rights violation and report to supervisor or Human Resources Management Department when cases of human rights violation are found.
4. Do not discriminate against religious beliefs or practices and treat everyone fairly in assignment, promotion, remuneration and transfer without discrimination.
5. Treat migrant workers properly as follows:
 - Take actions to overcome language barriers by providing a translator and putting up signs in their native language to convey important messages related to safety, rights, hygiene, etc.
 - Support fair employment of migrant workers such as providing legally required wages and benefits for the good quality of life of migrant workers.
 - Promote rights, liberty and well-being of migrant workers as required by law and regulations and provide safe, hygienic and well-maintained accommodation to migrant workers.

Threats and Harassment

Principle

LPN commits to create pleasant and respectful work environment for all staff such as between colleagues, supervisors and subordinates and staff and customers to promote good relationship in the workplace.

Guideline

The Company believes in a good working atmosphere for best efficiency without any forms of harassment. Various forms of harassment include:

1. Verbal harassment such as distortion, accusation and damage to reputation.
2. Physical harassment such as threat and assault.
3. Visual harassment such as aggressive messages and offensive action or pictures.
4. Sexual harassment such as courtship, being taken advantage of or physical or verbal sexual abuse.

Environment, Health and Safety

Environment

Principle

LPN establishes a policy to seriously protect the environment in all operational processes of both real estate development and community management, starting from land procurement, environmentally responsible product design, management of environmental impacts, using appropriate technologies to reduce possible environmental impacts from business operation as well as raising environmental awareness of staff.

Guideline

1. Comply with laws, regulations and practical guidelines on environment such as the design and construction process in order to prevent or minimize environmental impacts.
2. Make the most of resources such as water, electricity and construction materials and encourage resource efficiency and environmental impact minimization.
3. Provide assistance and support on appropriate environmental management to LPN projects and surrounding communities.
4. Disclose LPN environmental information in an accurate and transparent manner via appropriate channels.
5. Establish a Corporate Environmental and Social Responsibility committee to identify and review environmental measures in all processes.

Health and Safety

Principle

LPN gives importance to health and safety of all staff.

Guideline

1. Comply with laws, standards and regulations on health and safety in order to prevent or minimize possible impacts.
2. Regularly examine the safety of the workplace, provide safety equipment to staff and or ganize fire drill annually.
3. Organize activities to promote health and well-being of staff such as annual medical check-up, exercise sessions and annual retreat.
4. Identify a medical doctor of the Company to provide healthcare consultation service and treat staff who may have or have health problems.

Anti-Corruption

Definition

Corruption refers to any types of bribery such as an offer or promise on money, asset or other inappropriate benefits from the government officers, government sectors or private sectors so that such person could proceed or disregard his/her function in order to acquire, retain the business or achieve any improper benefits in business transactions. Exception shall be applied in case of laws, regulations, customs and local traditions enable to do so.

Donation refers to an amount of money given for religious, educational, public benefit or charitable purposes.

Sponsorship refers to an amount of money given to promote the business, brand or reputation of the Company.



Principle

The business operation of LPN must be done in a rightful, transparent and auditable manner. Related laws and regulations and anti-corruption policy of LPN must be strictly complied with. All staff must not take any actions that will impact the reputation and image of LPN regarding corruption issues.

Guideline

1. Do not commit or accept all forms of corruption directly or indirectly.
2. Must be careful with operational process with high risk such as sale and marketing, land and asset procurement, construction process, human resources management process, contract execution, giving and receiving gifts and donating or giving sponsorship, etc.
3. Arrange giving of donation and financial support in a transparent way and in compliance with the laws.
4. Arrange giving of sponsorship carefully. It must be straightforward and in accordance with the business objective for the positive image and reputation of the Company. The sponsorship must also be given on behalf of the Company only.
5. Must be careful with giving or receiving gifts and organizing reception. The giving or receiving of gifts must be in accordance with the regulations of the Company.
6. Must not ignore or neglect any corruption conditions involved directly with LPN. All staff must notify such act to supervisors or responsible persons and offer their cooperation in the investigation process.
7. Must be careful when doing transactions with person, juristic person or any organization involved with corruption accusation.
8. The procurement process must be strictly in accordance with the established procurement regulations of LPN to prevent procurement corruption.

Gifts and Entertainment

Principle

The Company strives to build a strong and sustainable relationship with customers, shareholders, trade partners and business partners of the Company. The virtue and reputation of the Company are the basis for such strong relationship. As a result, staffs are not permitted to receive monetary or non-monetary gifts from others, to request for or take a bribe or loan or special treatment which may affect a business decision of the staff on behalf of the Company.

The exchange of gifts or a reception could be done as appropriate for business purposes and for the maintenance of business relations. Staff may accept non-monetary gifts on formal occasion according to the custom of each locality and relevant laws. The value of the gift must be appropriate and must not create a motivation for unfair decision making.

Guideline

1. Do not accept or give valuable items, service, reception or other benefits that may cause influence or motivation in decision making and unfair treatment or unfair benefit for the giver.
2. When giving or receiving gifts or reception to business partners, it should be ensured that the value is appropriate to the occasion and complies with the laws, regulations or custom in each locality.
3. Avoid exchanging valuable gifts or expensive gift exchanges which are too frequent or the case which may imply support or obligations towards each other. If in doubt of the appropriateness of a gift acceptance, services, benefits or any gestures, staff should consult their supervisor.
4. Giving or accepting reception must be appropriate to the occasion and custom or in compliance with a business contract. When a reception is organized, the expenses must be appropriate.
5. Keep records of the expenses as evidence of the value of the items, service or reception, so that they can be examined later.
6. Be careful for the case of offering items, services and reception to the supervisor or accepting items, services and reception from the subordinate. Such giving and accepting of gifts must not create motivation leading to unfair decision making.
7. If you have been assigned or permitted by your supervisor to provide an assistance to an outside agency, you may receive items, reception or other benefits in return. Such items must be in accordance with the guidelines or standards that agency has identified.

Conflict of Interest



Principle

LPN is determined to do the right things. Therefore, staff must aim for the utmost benefit of LPN, comply with the laws and ethics and avoid action that can create a conflict of interest both internally and externally that may affect any decision and performance.

Guideline

1. Avoid getting involved in transaction with parties having relation with you such as being a family member or close relative. If your family members are involved with or become shareholders of any business which may cause conflict of interest with LPN, you must inform the Executive Committee in a written format.
2. Must not conduct a business that would compete with the business of LPN. Avoid being a shareholder with decision-making authority or being a director or executive of a business that competes with or resembles the business of LPN.
3. Avoid conflict of personal interests and that of LPN's in connection with business partners and any other persons.
4. Both during the employment and after employment ends, staff must not disclose confidential information or information that may have significant impact on LPN.
5. Avoid conducting other business for personal interests that may affect your performance in or the image of LPN such as becoming a director or advisor of other companies, organizations or business associations, except being approved by the Executive Directors.
6. Must not ask for a loan from business partners of LPN except from financial institutions as this may influence your performance as the representative of LPN.
7. Must not seek benefit from the information acquired from your position or responsibility.
8. Must not search for information, contact or trade any securities or assets on a regular basis for one's own or other people's benefits and not for LPN's benefits during working hours.

Involvement in Political Activities



Definition

Political Contributions refers to a monetary or non-monetary contribution directly or indirectly made to a political party, politician, persons involved with politics or political force for unfair treatment or business advantage. This does not include the freedom of staff to exercise their political rights by participating in a political activity without any involvement with the Company or claiming that it is done on behalf of the Company.

Principle

The business operation policy of LPN is to remain politically neutral. The Company will not be involved with any political activities and/or any activities organized with the objective of providing political assistance such as giving fund or resources of LPN to directly or indirectly support a political party, political group, persons with political influence or candidates of any kind in local, regional or national levels.

Nonetheless, LPN realizes that political right is the fundamental right of a citizen and recognizes the freedom of staff to exercise their political right in the constitution such as voting or belonging to a political party. Staff also have the right to participate in a political activity which must be legal and must not affect LPN.

Guideline

1. Exercise the political right on your behalf and avoid taking any action that will make other people believe that it is done on LPN's behalf.
2. Avoid any act that others might construe as signifying LPN's involvement in or support or preference for a political action, political party, political group or persons with political influence.
3. Not wearing LPN uniform or using any LPN symbols that would lead others to believe that you are a staff of LPN while engaging in any type of political activity or event involved with any political party.
4. Refrain from expression of political opinions at the workplace or during working hours as this may lead to conflict in a workplace.

Information and Property



Personal Information

Principle

LPN respects the personal freedom and rights of staff. Personal information of staff such as biographical data, educational background, financial status, health-related data, criminal record, professional experiences, numbers or codes that would reveal the identity of a person, finger prints, photographs or other data must be protected and not be used, disclosed or transferred to other parties. Privacy violation is regarded as a disciplinary misconduct and violation of the Protection of Personal Information Act, except for the case that it is the duty honestly done, in compliance with the law or for common interest.

Guideline

1. Do not use, disclose or transfer personal information of staff or other persons without the consent from such person.
2. A person in charge of storing information held or maintained by LPN must protect personal information of staff and business related parties.

The use, disclosure or transfer of personal information of staff or other persons could be done for usual work as necessary, on legitimate basis or for common interest.

Recording, Reporting and Information Keeping

Principle

LPN emphasizes the management of information in the organization. The information must be accurately recorded and reported in accordance with the established criteria. It must also be in compliance with the related announcements, rules, regulations and laws.

The information must be kept in a safe storage and can be used when needed.

Guideline

1. The record of information and reporting must be done in an accurate and timely manner. All accounting items, minor or major, must be compiled. All types of information of the Company must be accurate, in accordance with the standard, transparent and in compliance with the criteria, announcement, rules and regulations of LPN or the law such as submission of information to the Human Resources Management Department, preparation of expense report, working time record, record of customers' information, record of income, record of financial items and other items and record of investment or general information of the Company. Information distortion and error in the record or report preparation are considered as violation of the Code of Conduct.
2. The reporting of information must be accurate, transparent and according to the facts.
3. Important documents and confidential information should be kept by special procedures established for each level or type of information. It must be ensured that internal information and information relating to business stakeholders such as customers and trade partners are safely and appropriately stored.
4. Storage of information should be done in accordance with the regulations established by LPN or the law. It must be done carefully and systematically to facilitate easy access.

When the period for storage of information or documents has expired, the staff responsible should ensure that the data or documents are destroyed in the manner appropriate for each type of document and in compliance with law (if applicable), for example, destroying accounting documents.

5. The information of the Company that has not yet been disclosed to the public must not be disclosed except as required by law or approved by high-ranking executives.

The confidential information is inclusive of the information of the customers, products, services, work plan, strategy, operational process and operation system. Staff must not use the information known or prepared as a staff of the Company for their own benefit or for the benefit of others. The personal information of staff, information on remuneration and benefits and medical information must be kept confidential. Such information could only be disclosed to internal or external persons when it is absolutely necessary to do so. The staff responsible for keeping such personal information must carefully comply with the established policy and strictly keep the information confidential.

6. Only the responsible staff has the right to access the files, whether they are kept electronically in a computer or in other forms.
7. Unauthorized staffs are not permitted to access, duplicate, distribute, delete, destroy or change the information, change the password or take any other actions that would cause a damage to the information. The Company will monitor compliance with related laws and regulations. The company has assigned the Human Resources Department and Heads of Departments to monitor compliance with related laws and regulations to ensure appropriate behavior. The revision and improvement of the Code will be done accordingly to the suitability of the business environment.

Insider Trading

Principle

The use of inside information which is important information must be appropriately done in compliance with the law and good corporate governance principles. It must take into account the possible impacts on the stakeholders. The information must not be used for personal benefits.

Guideline

1. Must not use important inside information that has not been disclosed to the public regarding securities trading at anytime since it may affect the securities of the Company and will have advantage over outsiders.
2. Staff who are the four top level executives after the Managing Director as stated in the criteria of the Securities and Exchange Commission and the Stock Exchange of Thailand i.e. executives who have access to and are aware of important information, accounting staff who are responsible for preparing financial statements and staff of other departments that are related to disclosure of information such as Directors' Office must not buy or sell the securities of the Company during the period of one month prior to the disclosure of the financial statements to the public or during the period prior to the disclosure of other information that may affect the share price of the Company.
3. Avoid giving advice or opinion on securities of the Company or buying or selling Company stock unless the Company has assigned such advice-giving as a part of your work.
4. Staff knowing the information that has not been disclosed to the public must not trade the Company's securities and must not give advice for other persons to do so.
5. Staffs are prohibited from disclosing or conveying corporate information to unauthorized persons, including their own family members, relatives and friends.

Use and Maintenance of Company's Property

Principle

LPN's property must be efficiently used for the full benefit. Staff must protect the property from loss, damage or personal use for themselves and other people.

Guideline

1. Must protect and take care of LPN's property and prevent it from damage or loss.
2. Must not misuse LPN's property or use the property illegally.

Use and Maintenance of Information Technology System

Principle

LPN emphasizes that information technology is used efficiently and safely according to LPN's policy and regulations. The system will be protected from infringement or use without permission.

Guideline

1. Electronic information and information technologies are properties of LPN. The use of electronic equipment and information must be in compliance with LPN's policy and regulations and the laws. Executives and staff must not take action that violates LPN's policy and regulations and the laws.
2. Only authorized executives and staff have access to information, whether it is in electronic or other forms.
3. Staff must avoid using the information technology and information in system that may violate the right of other users or affect the efficiency of the operation of the system.
4. Do not use the system to access or to send information that is against good ethics, gamble-related, affects national security or violates other people's rights.
5. Use the system according to the authority granted and keep password confidential and do not consent other people to use your password to access the system.
6. Avoid opening files from unknown source and using data recording tool that has been used with a computer suspicious of virus infection or malware.
7. Avoid installing programs and configuration of the system that may affect security of the system. If you have any issue or find abnormality in the system, you have to contact IT helpdesk right away.

Use and Maintenance of Intellectual Property

Principle

LPN regards intellectual property i.e. copyright, patent, trademark and trade secrets as valuable assets of LPN. Executives and staff must strictly comply with the established policy and protect LPN's intellectual property from unauthorized use or distribution.

Furthermore, staff must not violate the intellectual property rights of others. Operational guidelines have been established clearly, for example, in terms of copyright, the Company has a policy on the usage of the information system of the Company and regularly monitors the usage of various software programs to prevent the use of pirated software or the software that is not related to work.

Guideline

1. The use of information must be within the scope of the duty and responsibility assigned only.
2. Staff must protect LPN's intellectual property from infringement and disclosure without permission.
3. Staffs are obliged to report to a supervisor or related department when they observe any actions that violate intellectual property rights, trade secrets and information of LPN or others.
4. The usage of various software programs of LPN staff is monitored to prevent the use of pirated software or the software that is not related to work.
5. Any innovation created or come up with while being on duty as LPN staffs are regarded as the property of LPN unless it is clearly stated in a written contract that the ownership of the innovation will belong to the staff who creates it.
6. Staff must not violate, use or distribute intellectual property, trade secrets or information of other persons except they are the owner of such property or information.
7. Staff must not duplicate, adapt or do anything with the intellectual property of LPN whether it is for their own benefit or for the benefit of others except for the case that a written permission is obtained from LPN.
8. When the employment is terminated, staff must hand intellectual properties and/or trade secrets as well as the work they create as LPN staff over to the Company.

Disclosure of Information and Communication



Disclosure of Information

Principle

LPN's disclosure of information is based on transparency, accuracy and completion. It must be in compliance with the law and fair whether the information is disclosed verbally, at a press conference, in a written format or any other manner.

Guideline

1. Disclosure of information that has not been disclosed to the public via any channels must be done by authorized persons such as the Company's director, executive director or Managing Director as the case may be. The person disclosing the information must ensure that it is done with great care, accuracy and completeness in a timely manner. Actions must be taken to ensure that all stakeholders sufficiently and fairly receive the information.
2. As for the disclosure of other information, it must be ensured that the information disclosed is based on facts and is accurate and clear without the intention or the possibility of tempting other people to misunderstand the information.

Communication

Principle

LPN honestly and transparently conducts its business and communicates to internal and external audiences. The marketing communication of brand and the use of LPN logo are communicated to the government sector, the customers and the society at large via appropriate communication channels. The communication is accurately done, takes into account fairness to all stakeholders and must not cause any damages on LPN. Also, LPN listens to the opinions and needs of the stakeholders.

Guideline

1. Provide accurate and complete information on the products and services.
2. The communication must be socially and environmentally responsible.
3. Do not exaggerate the quality of products and services. The marketing communication such as advertisement and public relations must be based on facts and accurately and fairly done.
4. Avoid the marketing communication that directly compares the products and services of LPN with those of the competitors.
5. Avoid communicating messages that could lead to social conflict such as the nation, religion and monarchy as well as political opinions, opinions on gender or any other matters that contradict morals, traditions and cultures.
6. Do not over exaggerate to make consumers misunderstand the quality of products, services or other qualifications of LPN, except for using the technique that enables the consumers and the public to realize that it is not true but is developed for advertisement purposes. It must be clearly stated that it is not true.
7. Use corporate logo accurately with the permission of the responsible department and avoid using the logo for personal benefit.
8. Must not be ignorant and always monitor any communication that involves the organization or may affect the image and reputation of the organization as well as the misuse of the logo.
9. When disseminating or expressing personal opinion online, staff should indicate that this is their personal opinion and not an opinion expressed as a staff of LPN.

Transaction of LPN



Connected Transactions with Subsidiary Companies

Principle

The connected transactions between the Company and subsidiary companies must be done in compliance with related laws and regulations as well as the regulations established by the Company.

Guideline

1. Carefully study the regulations, processes and authority before making any transactions.
2. Comply with the guidelines on the approval of connected transactions, related party transactions or transactions with possibility of conflict of interest for the utmost benefit of the Company and subsidiary companies. Such transactions must also be done in compliance with the law.
3. Connected transactions must be fairly and reasonably done in accordance with the general terms and conditions.

Transaction with External Parties

Principle

The transactions with external parties must be done in compliance with the related rules, regulations and laws and strictly approved by LPN especially in terms of asset acquisition and retirement.

Guideline

1. Study and comply with the policy and guidelines for interacting with each group of stakeholders.
2. Strictly comply with procedures established in procurement and recruitment regulations. The priority should be given to legal entities rather than persons, except in cases where special expertise is required from particular individuals or for the benefit of LPN.
3. The transaction must take into consideration the market value and price. It must not be biased, unfair or illegal.
4. Avoid making transactions that may have social and environmental impacts or defame LPN although such transactions are beneficial for LPN.

Trade Competition

**Principle**

The policy of LPN is to conduct the business with ethics and honestly and fairly comply with the rules and laws on trade competition. The Company engages in a friendly competition with the competitors in order to support each other in a way that will not damage the business or relationship with one another.

Guideline

1. Do not search after secret information of competitors or take dishonest, illegal or unethical action to acquire such information of competitors.
2. Do not take any action that will bring about unfair competition or trade monopoly.
3. Do not make any agreements with the competitors or other persons that would reduce or limit trade competition.
4. Do not take any actions that will damage the reputation of the competitors.

Anti-Money Laundering

**Principle**

LPN complies with the guidelines and laws related to the prevention of money laundering. LPN will not accept transfers or conversions of assets or support such actions insofar as they are related to criminal activities and will prevent anyone using LPN as a channel or instrument for the dispersion or concealment of illegally obtained assets or income.

Guideline

1. When engaging in a transaction or agreement with new trade partners, individuals or legal entities and noticing a suspicious action, staff must use caution in making such transaction and ensure that the money is legally obtained.
2. Do not make a transfer to an unknown account or an account that does not belong to the other party or trade partner. Do not accept a suspicious payment.
3. If you notice an unusual transaction or suspicious action, immediately report to your supervisor.



Code of Conduct of Directors

The directors of the Company must understand their roles and responsibilities as a director of the Company and must honestly and carefully perform their duties by taking into account the utmost benefit of the Company and fairness towards shareholders and stakeholders in order for the shareholders, investors and the public to be confident in the standard of the business operation of the Company.

Apart from the above Code of Conducts, the roles, duties and responsibilities of the directors of LPN are as follows:

1. **Honesty, Fairness and Integrity**

Directors must perform their duty with honesty, adhere to the truth and do not discriminate based on race, religion, gender, marital status or physical disabilities. Directors will adhere to the truth and will not cause any misunderstandings directly or indirectly, will not tell lies or take false action and will not cause any misunderstandings by not speaking or not taking any action.

2. **Independence**

Directors must make a decision and perform their duty independently by not prioritizing personal interests, rewards and cash or non-cash remuneration over the independence to make use of factual and reasonable information in their performance.

3. **Personal Transactions and Confidentiality**

Personal transactions and other businesses of directors must be separated from the performance as a director of LPN. Directors must not use the name of LPN in personal transactions or other businesses, must not involve in the business that will damage the reputation LPN and do not disclose confidential information of the customers, staff and the operation of the Company to the third party except when such disclosure is agreed by LPN. Director must not misuse the information received as a director.

4. **Disclosure of Benefits**

Directors must disclose any benefits from their own business or other businesses including anything that will cause conflict of interests or could lead to conflict of interests with the Company. Any operations directors have with LPN must be appropriate in order to avoid conflict of interests which may happen or be understood as being happened.

5. **Compliance with Law**

Directors must comply with laws, rules and regulations which are related to the business operation and will not take advantage of the loopholes in the laws, rules and regulations for unjust personal benefit or benefit of LPN.

6. **Equal Opportunities to Shareholders**

Directors must maintain shareholders' interests as being trusted and consider the benefits of other stakeholders to LPN.

7. Roles and Responsibilities of the Board of Directors and Directors of Subsidiary Companies

7.1 Duty to LPN

- Dedicate their time fully to perform their duty as a director of LPN and act in accordance with the Principles of Good Corporate Governance and the Code of Conduct of the Company.
- Employ independent discretion in the corporate governance.
- Be responsible to the shareholders and consider the benefits of other stakeholders by adhering to the Code of Conduct and abide by laws.
- Recruit high-ranking executives who are competent and able to fully dedicate themselves for the benefit of LPN.
- Ensure that the Management reports important issues of LPN in order for the operation to be efficient.
- Inform the Board of Directors in a written format when he/she becomes a director of other companies, organizations or associations. Such position must not conflict with the interests of LPN and the performance of the duty or being a shareholder in any business must not cause conflict of interests with the business of the Company.

7.2 Duty to Shareholders

- Ensure that the financial status and the management of LPN are accurate and appropriate to entail suitable rewards to the shareholders.
- Ensure that LPN has disclosed important information to all shareholders equally in the complete, accurate, factual, timely and transparent manner.
- Ensure that LPN equally gives importance to and respect the rights of all shareholders.
- Ensure that LPN explains the details of the performance and financial status of the Company in accordance with the disclosure of information principles.
- Ensure that LPN gives importance to the recommendations from shareholders and apply the good ones for the benefit of the operation of the Company.

7.3 Duty to Staff

- Treat all staff fairly and do not discriminate anyone because of the difference in race, religion, nationality, gender, age, education background or personal affection.
- Listen to opinions or recommendations of staff and consider applying them for the benefits of the Company.
- Do not violate rights or individual liberty of staff directly or indirectly.

7.4 Duty to Other Stakeholders

- Ensure that LPN complies with related laws and regulations.
- Ensure that LPN gives importance to any impacts on other stakeholders, community, society and environment.

8. Discretion in the Performance

- 8.1 Attend all Board of Directors' meetings and inform the Company in advance if unable to attend.
- 8.2 Research about the environment which may impact the business of LPN.
- 8.3 Study any related laws, rules or regulations which involve with the performance as a director of the Company.
- 8.4 Spend sufficient time to carefully consider the information in advance.
- 8.5 Consider and give independent opinions. In case that any directors disagree with the meeting resolution, such directors could request that the disagreement be recorded in the Board of Directors' Meeting minutes.
- 8.6 Encourage communication between the Board of Directors and the Certified Public Accountant (CPA) in order to ensure that the performance of the CPA is independent and efficient and to ensure the cooperation from the Management and Internal Audit Department.
- 8.7 Perform the duty as a director in accordance with related laws, rules and regulations as well as business standards and ethics.
- 8.8 When in doubt, the Board of Directors could ask for more information or explanations from the Management or adviser of LPN.
- 8.9 Directors, including family members, must not take any action which may cause doubts about their honesty and fairness by requesting or accepting money, gifts or other benefits from partners of the business of LPN such as constructors and businessmen except in the occasion of a traditional festival but the gifts must not be unreasonably or uncommonly expensive.

9. Conflict of Interest

- 9.1 Must not exploit the power of the director position to seek personal benefit or benefits of their intimates either directly or indirectly.
- 9.2 Inform the Company without delay in case of the followings:
 - Acceptance of the position of director or adviser of other companies.
 - Directors and family members are involved with or are shareholders of any businesses which may cause conflict of interests with LPN.
 - Have interests directly or indirectly in any contracts made with LPN Directors must identify the nature of the contract, name of the parties and interests in the contract.
 - Hold assets or debentures of LPN Directors must identify the assets as well as any changes.

- 9.3 Avoid any conflict of interests. In case of conflict of interests, the director must consider not to participate in the discussion or to refrain from casting a vote in such agenda or be absent from the meeting in the agenda or refuse to accept the related meeting document or resign from the position of the director if the conflict is of significance.
- 9.4 Executive Directors must be careful about conflict of interests which may occur during the performance in the Management and the performance as a director who is trusted by shareholders.
- 9.5 Directors should not be involved with the purchase/sell of the shares of LPN for short-term investments.

10. Use of the Information of LPN

- 10.1 Must not use the information received as a director of LPN unjustly.
- 10.2 Must not disclose information such as the information on business confidentiality or information which may affect the business to external parties.
- 10.3 Must not purchase and sell shares while withholding the information which may affect share price if disclosed to the public.
- 10.4 Maintain confidentiality of LPN be careful not to leak any documents or confidentiality of the Company to others or to unrelated persons which may cause damages to the Company.
- 10.5 Must not use internal information for personal benefit or benefit of others especially if such information is important to the changes of the value of the assets which are not yet disclosed to the public.
- 10.6 Must not reveal any information which are not yet disclosed to the public and may affect the Company's share price. Such information includes:
 - Profit forecast
 - Issuance of new securities
 - Loan
 - Possible merge of businesses
 - Important changes in performance
 - New investment projects
 - Liquidity problems

Code of Conduct of Staff



Section 1-11 of the Code of Conduct above has been established as a guideline for staff's action and a preliminary standard for ethical behavior of LPN staff. It is one of the mechanisms to remind the staff to be cautious. However, LPN has also established a Code of Conduct for Staff which is the compliance with laws, duties and responsibilities so that staff would be careful and will not do anything that violates the regulations, standards or rules that could be harmful to the Company's reputation and image.

Compliance with Law and Regulations of LPN

All staff are responsible for familiarizing themselves with and obey the Code of Conduct as well as other policies of the Company which are issued later on.

1. Law and Regulations of the Company

- Staff must obey all the laws and regulations of LPN.
- The violation or the request to others to violate the laws, resolutions of the shareholders, resolutions of the Board of Directors, policies, regulations, rules, orders or policies of LPN by claiming that it is to increase the profit of LPN or any other reasons are not justifiable.
- Staff must perform their duty with honesty by taking into consideration the interests of LPN in spite of the appearance of any loopholes in the regulations, rules and orders of LPN.
- Staff must report the violation of LPN's policies or suspicious behavior immediately and cooperate in the following investigation of such violation.
- Staff must show leadership and comply with LPN's policies or any other related regulations.

2. Securities Exchange Law and Insider Trading

- Staff must strictly comply with the regulations of the Stock Exchange of Thailand, Securities and Exchange Commission, Capital Market Supervisory Board and other related laws which include the equal disclosure of information to shareholders or the public.
- The use of internal information which is not yet disclosed to the public or shareholders for the personal trading benefit is considered unethical.

Gambling, Drinking and Drugs

1. Staff are not permitted to possess, buy, sell, transport, drink or use alcoholic drinks, drugs or controlled substance (except medicine prescribed by a doctor) while at work or doing business for LPN. Staff are only allowed to have alcoholic drink in appropriate amount at the workplace only during a party or any other occasions which are approved by high-ranking executives.
2. All kinds of gambles are prohibited during working hours or within the premises of LPN or the premises that are under the responsibility of LPN.

Other Jobs or External Activities

LPN's staff must not be employed by other companies or do any external activities that are not related to LPN while being employed by LPN or being on duty.

Duty and Responsibilities of Staff

Duty to LPN

- Maintain the reputation of LPN.
- Be honest.
- Comply with rules, regulations and disciplines of LPN.
- Maintain good attitude, be proud of LPN and do not dispraise the Company.
- Inform related agency of any situation which may affect LPN, misbehavior and illegal behavior in order to prevent and solve the problem.
- Make use of LPN's property for the best benefit.
- Perform the duty to their full capacity, be prudent, prompt, hard-working and reasonable and give importance to the interest of LPN.
- Be punctual and make full use of the working hours for the benefit of LPN.
- Refrain from voting or resolving in a meeting in the case which may entail conflict of interests.
- Comply with the Principles of Good Corporate Governance of LPN.

Duty to customers

- Treat customers with respect, provide quick and correct services and treat all customers equally.
- Strictly keep customers' information confidential.
- Be trustworthy to customers.
- Avoid the situation which may cause conflict of interests with customers.

Duty to shareholders

- Aim to build growth base on actual capacity so that shareholders are rewarded sustainably from efficient performance and for good performance of LPN.
- Respect the right of shareholders in receiving necessary information to equally assess LPN and disclose the performance and financial status of the Company as required by the Stock Exchange of Thailand and the Securities and Exchange Commission.
- Treat all shareholders equally in shareholders' meeting.

Duty to supervisors and colleagues

- Cooperate and assist each other.
- Respect the supervisor.
- Care for the well-being of and have compassion for supervisees.
- Educate and pass on professional knowledge to colleagues.
- Avoid accepting gifts with high value from colleagues and supervisees.
- Avoid gossiping about personal issues or information of colleagues.
- Treat the supervisor and colleagues with politeness and good human relations.
- Avoid taking credit from others' work.
- Maintain a good attitude and do not make false and unfair accusations against the supervisor or colleagues.

Duty to themselves

- Be a moral person and behave appropriately. Avoid all kinds of gambles.
- Be truthful to yourself and others.
- Always develop knowledge and capacity in order to increase working skills.
- Perform duty with honesty. Do not dishonestly seek for benefits for their own interests.
- Refrain from using assets, equipment and working hours of LPN for personal benefit.
- Refrain from showing off their position or relations with LPN for political benefits or to support any political parties.

Receipt of Complaints and Whistleblower Protection



Receipt of Complaints

LPN provides the opportunity for staff to complain, express their opinions and report a misconduct, corruption and illegal and unethical behaviors as follows:

1. Communication channels for submitting complaints

- 1.1 Complain verbally or in writing via email, WhatsApp and Line of the Chief Executive Officer or the authorized person or send an email to director@lpn.co.th.
- 1.2 Send a letter to PO Box 21, Yannawa, Bangkok 10120.

2. Compilation of information and investigation of complaints

- 2.1 When a complaint is submitted, the person receiving the complaint must inform the Chief Executive Officer to take action.
- 2.2 If the complaint is complicated and involves many departments in LPN, the receiver of complaint must make a proposal to the Chief Executive Officer to appoint a "Fact-Finding Committee" to investigate the issue.
- 2.3 After the facts are compiled, if the person handling complaint opines that there is a reason to believe that a corruption, misconduct or illegal action is committed by staff, he/she shall submit the matter to the Chief Executive Officer to assign the Human Resources Management Department to appoint an "Investigation Committee."
- 2.4 The receiver of complaint must inform the outcome of the investigation to the complainant. In case that the complainant choose to disclose himself/herself and a misconduct does occur and has significant impact on the reputation, value and image of the Company, the issue must be submitted to the Executive Committee and Audit Committee to consider a course of action or a punishment in accordance with the regulations of LPN.

Policy on Protection for Employees Who Inform on or Disclose of Wrongful Conduct or Non-Compliance with Laws and the Code of Conduct (Whistleblower Policy)

1. The protection will be provided as soon as the complaint is submitted.
2. The Company will regard the related information as secret and will disclose only so much of it as necessary to ensure the safety of the complainant.
3. If the complainant believes that he/she will not be safe or incur harm, he/she may ask LPN to provide appropriate protection, or LPN may provide such protection without the complainant's request if it is believed that danger or harm is likely to occur.

Unethical behavior

All staff and executives must comply with the Code of Conduct. The unethical behaviors which are regarded as the violation of the Code of Conduct are as follows:

1. Violate the Code of Conduct.
2. Encourage or advise others not to comply with the Code of Conduct.
3. Ignore and neglect the action that violates the Code of Conduct.
4. Fail to cooperate in the investigation or obstruct the fact-finding procedure or the investigation of a violation of the Code of Conduct.

This Code of Conduct is approved by the Board of Directors' Meeting Ref. 5/2016 of L.P.N. Development Public Co., Ltd. on 21 June 2016 and will be effective from 21 June 2016 until further notice. The Code of Business Conduct of the Board of Directors and the Code of Conduct of Staff in 2005 are no longer in force.

Announced on 21 June 2016.

(Mr. Amornsuk Noparumpa)
Chairman

L.P.N. Development Public Co., Ltd.



AUDIT COMMITTEE REPORT 2022

Audit Committee of L.P.N. Development Public Co., Ltd. comprises four independent directors, namely, Mr. Vudhiphol Suriyabhivadh, Chairman of Audit Committee, Mr. Khanchai Vichakkhana, Audit Committee, Member Mr. Krirk Vanikkul, Audit Committee Member and Mr. Weerasak Wahawisal, Audit Committee Member. All of Audit Committee Member are equipped with related qualifications, experiences and knowledge.

The Audit Committee has independently performed its duties as assigned by the Board of Directors to ensure good corporate governance of the Company which is in accordance with the regulations and good practice of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee holds five meetings altogether with the participation of the high-ranking executives and Certified Public Accountant in the agendas related to audit results report and consideration of financial information in order to be informed of the Certified Public Accountant's comments on the financial statements of the Company as well as other significant issues. The Audit Committee reports the result of all meetings to the Board of Directors' Meeting. The summary of main duties of the Audit Committee is as follows:

1. Review of Financial Statement. The Audit Committee has reviewed the quarterly and 2022 Financial Statements of L.P.N. Development Public Co., Ltd., Consolidated Financial Statements and connected transactions in joint meetings with the Management and the Director of Internal Audit Department. The Certified Public Accountant have also been invited to attend the meetings in which quarterly and annual financial statements of the Company are being considered. The Audit Committee asks the Certified Public Accountant to provide comments on the accuracy and completion of the financial statements, the amendment of important accounting items and other issues that may affect the financial statements. Also, sufficient information is disclosed in a timely and reliable manner to ensure that the financial statements are in accordance with the regulations and generally accepted accounting standards for the benefit of users of the financial statements. The Audit Committee has considered the audit scope and guideline and annual plan of the auditors. The Audit Committee organizes one joint meeting with the Certified Public Accountant without the presence of the Management of the Company to independently discuss major issues related to the preparation of the financial statements and the disclosure of information useful for the users of the financial statements. The Audit Committee has ensured that the preparation of the financial statements and the disclosure of the notes to financial statements are in accordance with the regulations and financial standard before approving the financial statements.
2. Review of Risk Management. The Risk Management Committee has reviewed the policy and the direction of risk management of the business to be in line with the changing of environment and situation, by taking into consideration the internal and external factors, possibilities of impact and managed risks to be at the acceptable level. The Audit Committee has been following up the issues on a regular basis and provides guidelines and recommendations in order for the Risk Management Committee to manage risks to be in accordance with and supportive of the strategy of the organization. The Audit Committee has established the plan for the review of anti-corruption management process to ensure the efficiency and sufficiency of internal control of the processes that are prone to corruption risk.
3. Review of Internal Control System. The Audit Committee considers and reviews the internal control system together with the Director of Internal Audit Department and Certified Public Accountant on a quarterly basis from the internal audit plan and internal audit report according to the approved plan in order to have a sufficient management and quick responses to changing situation. The issues considered are the operation, the care for resources and assets, the prevention of mistakes, losses and corruption, the reliability of the financial statements and strict compliance with law and regulations. The Audit Committee has ensured that the management and internal control systems are appropriate, taking the utmost benefit of the Company into consideration and having no significant flaw. This was in line with the opinion of the Certified Public Accountant and the internal audit department.

4. Review of Good Corporate Governance. The Nomination, Remuneration and Good Corporate Governance Committee has reviewed the business operation policy of the Company to be in accordance with good corporate governance principles to ensure the strict compliance with the regulations of the Stock Exchange of Thailand and related laws about the operation of real estate development business and to give fair treatment to every stakeholders especially with regards to connected transactions of affiliated companies. The Audit Committee has ensured that the operation of the business of the Company is transparent, reasonable and auditable.
5. Supervision of Internal Audit. The Audit Committee has reviewed the annual internal audit plan and long-term audit plan by focusing on the random audit of the items in the financial statements and considering the result of the audit on a quarterly basis and solving the issues on a timely basis. The Audit Committee opines that the internal audit system of the Company is sufficient, appropriate and effective as well as promotes the development of the quality of audit work in terms of personnel and operation that is in line with the international standard.
6. Appointment of Auditors for the Year 2023. The Audit Committee agrees to propose D.I.A International Auditing to be the auditor of L.P.N. Development Public Co., Ltd. in 2023 and proposes to the Board of Directors for consideration and approval from the Annual General Meeting of Shareholders 2023.

On behalf of the Audit Committee



(Mr. Vudhiphol Suriyabhivadh)
Chairman of Audit Committee

OVER 130 QUALITY PROJECTS BY LPN CREATING HAPPINESS IN LIVABLE COMMUNITY



01 Lumpini Tower



02 L.P.N. Tower



03 Lumpini Place (Soi Kraisi)



04 L.P.N. Mini Office



05 P.S.T. CondoVille



06 P.S.T. Mini Office



07 Siphaya RiverView



08 P.S.T. City Home



09 Baan Lumpini Bangbuathong



10 Baan Lumpini Bangbuathong 2



11 Lumpini Place Sathorn



12 Lumpini Center Happyland



13 Lumpini Center Latphrao 111



14 Lumpini Place Suanplu - Sathorn



15 Lumpini Place Rama 4 - Sathorn



16 Lumpini Residence Sathorn



17 Lumpini Place Narathiwat 24



18 Lumpini Place Rama 3 - Charoenkrung



19 Lumpini Ville Mary - Sathorn



20 Lumpini Place Narathiwatrachanakarin



21 Lumpini Suite Sukhumvit 41



22 Lumpini Place Rama 3 - Riverview



23 Lumpini Center Sukhumvit 77



24 Lumpini Center Nawamin



25 Lumpini Ville Phahon - Suthisarn



26 Lumpini Ville Sukhumvit 77



27 Lumpini Ville Cultural Center

28 Lumpini Place
Narathiwas - Chaophraya29 Lumpini Place
Phahon - Saphankwai

30 Lumpini Place Pinklao



31 Lumpini Place Pinklao 2



32 Lumpini CondoTown Ramindra - Laksi

33 Lumpini CondoTown
Bodindecha-Ramkhamhaeng

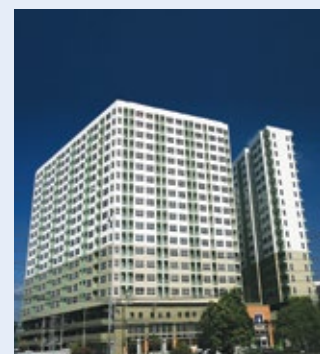
34 Lumpini Place Ratchada - Thapra



35 Lumpini Ville Ramkhamhaeng 44



36 Lumpini Ville Ramindra - Laksi

37 Lumpini Ville
Prachachuen - Phongphet



38 Lumpini Suite Pinklao



39 Lumpini CondoTown Ratanathibes



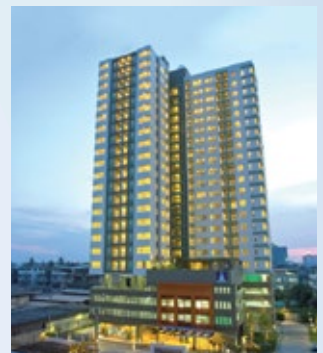
40 Lumpini Ville Ramkhamhaeng 26



41 Lumpini Rama 8



42 Lumpini Place Rama 9 - Ratchada



43 Lumpini Ville Bangkai



44 Lumpini Place Ramindra - Laksi



45 Lumpini CondoTown Bangkhue



46 Lumpini Park Pinklao



47 Lumpini Place
Rama 4 - Kluaynamthai



48 Lumpini Place Ratchayothin



49 Lumpini Ville Lasalle - Bearing



50 Lumpini Ville Ratburana - Riverview



51 Lumpini Ville Latphrao - Chokchai 4



52 Lumpini CondoTown Nida - Serithai



53 Lumpini CondoTown Nida - Serithai 2



54 Lumpini CondoTown
Ramindra - Nawamin



55 Lumpini Park Riverside - Rama 3



56 Lumpini Ville
Phibulsongkhram - Riverview



57 Lumpini Ville
Chaengwatthana - Pakkret



58 Lumpini Ville
Phatthanakan - New Phetchaburi



59 Lumpini CondoTown
North Pattaya - Sukhumvit



60 Lumpini ParkBeach Jomtien



61 Lumpini CondoTown
Ramindra - Latplakhao



62 Lumpini MegaCity Bangna



63 Lumpini Ville Naklua - Wongamart



64 Lumpini Ville Sukhumvit 77 (2)



65 Lumpini CondoTown
Chonburi - Sukhumvit



66 Lumpini Ville Sukhumvit 109 - Bearing



67 Lumpini Ville
Prachachuen - Phongphet 2



68 Lumpini CondoTown Ramindra - Latplakhao 2



69 Lumpini Ville On nut - Lat Krabang



70 Lumpini Ville Ramkhamhaeng 60/2



71 Lumpini Ville On nut 46



72 Lumpini Place
Srinakarin - Huamak Station



73 Lumpini Place Suksawat - Rama 2



74 Lumpini Township Rangsit - Khlong1



75 Lumpini Place Borom Ratchachonni - Pinklao



76 Lumpini Ville On nut - Lat Krabang 2



77 Lumpini Park Rama 9 - Ratchada



78 Lumpini Park Nawamin - Si Burapha



79 Lumpini Ville Onnut - Phatthanakan



80 Lumpini SeaView Jomtien



81 Lumpini Park Phetkasem 98



82 Lumpini Park Rattanathibet - Ngamwongwan



83 Lumpini Mixx
Thepharak - Srinakarin



84 Lumpini CondoTown
Romklao - Suvarnabhumi



85 Lumpini ParkBeach Cha-am



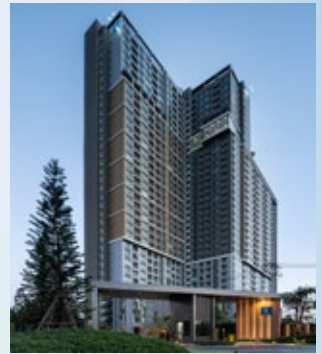
86 Lumpini Ville
Sukhumvit 76 - Bearing Station



87 Lumpini Suite
Dindaeng - Ratchaprarop



88 Lumpini Place Bangna Km 3



89 Lumpini Place Rama 3 - Riverine



90 Lumpini Park Phahon 32



91 Lumpini Ville Ratburana - Riverview 2



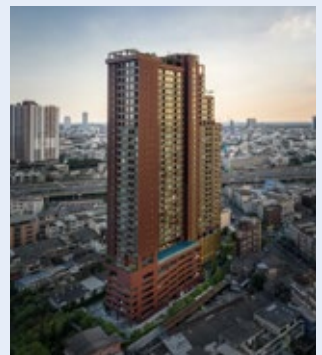
92 Lumpini Ville
Ratchaphruek - Bang Waek



93 Lumpini Ville Pranangklao - Riverview



94 Lumpini Ville
Sukhumvit 76 - Bearing Station 2



95 Lumpini Place Ratchada - Sathu



96 Lumpini Suite
Phetchaburi - Makkasan



97 Lumpini ParkBeach Cha-am 2



98 Lumpini Ville Suksawat - Rama 2



99 Lumpini SeaView Cha-am



100 Lumpini Ville
Phattanan - Srinakarin



101 Lumpini Park Boromratchonnanee - Sirindhorn



102 The Selected Kaset - Ngamwongwan by L.P.N.



103 Lumpini Ville Sukhumvit 101/1 - Punnaithi



104 Lumpini Park Vibhavadi - Chatuchak



105 Lumpini Tower Vibhavadi - Chatuchak



106 Lumpini Selected Charan 65 - Sirindhorn Station



107 Lumpini Place Taopoon Interchange



108 Lumpini Selected
Sutthisan - Saphankwai



109 Lumpini Ville
Chaengwattana - Pakkret Station



110 Lumpini Ville Chaengwattana 10



111 Lumpini CondoTown Ekachai 48



112 Lumpini Ville Charan - Faichai



113 Lumpini Town Ville
Chaengwattana - Tiwanon



114 Lumpini Town Resident
Ladprao Station



115 Lumpini Town Resident Bangna - Srinakarin



116 Baan Lumpini Suan Luang Rama 9



117 Lumpini Town Place Sukhumvit 62



118 Lumpini Town Ville Srinakarin Bearing



119 Lumpini Townhome
Ratchada - Rama 3



120 Baan Lumpini Townville
Suksawat - Rama 2



121 Baan Lumpini Townville
Permsin - Watcharaphol



122 Lumpini Townplace
Ratchayothin - Sana



123 Baan Lumpini Townville Ratchaphruek - Nakhon In



124 Baan Lumpini Townville Rangsit - Klong 2



125 Baan Lumpini Townville Ladpladuk - Bangpai Station



126 Baan Lumpini Townville Ratchapruek - Pinklao



127 Baan Lumpini Townpark Takham - Rama 2



128 Baan 365 Rama III



129 Lumpini Townplace Rama 2-Tha Kham



130 Lumpini Townplace Sukhumvit - Srinakarin



131 Lumpini Townville Ladkrabang - Suvarnabhumi



132 Lumpini Townville Saimai 18 - Phahonyothin



133 Lumpini TownPlace Ladprao 101 - Pho Kao



134 Lumpini Townville Phahonyothin - Saimai



135 Villa 168 @Westgate



136 Lumpini Suite Ratchada - Rama 3



137 Grand Heritage Thonglor



138 Grand Parkview Asoke



139 Lumpini Place WaterCliff



140 Parkview Vipavadi



TRANSFORM FOR BETTER LIVING



56-1 ONE REPORT
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