

## **Land and Houses Public Company Limited and its subsidiaries**

### **Notes to interim consolidated financial statements**

**For the three-month and nine-month periods ended 30 September 2021**

#### **1. General information**

##### **1.1 The Company's general information**

Land and Houses Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in property development. The registered office of the Company is at No. 1, 37th Floor, Q. House Lumpini Building, South Satorn Road, Tungmahamek, Satorn, Bangkok.

##### **1.2 Coronavirus disease 2019 Pandemic**

A new wave of the Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

##### **1.3 Basis of preparation of interim financial information**

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language interim financial information.

#### **1.4 Basis of consolidation**

This interim financial information is prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2020, with there being no changes in the structure of subsidiaries during the current period.

#### **1.5 New financial reporting standards**

##### **a) Financial reporting standards that became effective in the current period**

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

##### **b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

#### **1.6 Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

## 2. Related party transactions

The relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
Atlantic Real Estate Co., Ltd.	Subsidiary
LH Mall & Hotel Co., Ltd.	Subsidiary
L&H Retail Management Co., Ltd.	Subsidiary (99.97 percent held by LH Mall & Hotel Co., Ltd.)
L&H Management Co., Ltd.	Subsidiary (99.98 percent held by LH Mall & Hotel Co., Ltd.)
L&H Hotel Management Co., Ltd.	Subsidiary (99.99 percent held by LH Mall & Hotel Co., Ltd.)
Land and Houses North Co., Ltd.	Subsidiary
Land and Houses Northeast Co., Ltd.	Subsidiary
Siam Tanee Property Co., Ltd.	Subsidiary
Siam Tanee Real Estate Co., Ltd.	Subsidiary (99.99 percent held by Siam Tanee Property Co., Ltd.)
L H Real Estate Co., Ltd.	Subsidiary
L H Asset Co., Ltd.	Subsidiary
L.H. Muang Mai Co., Ltd.	Subsidiary
L&H Property Co., Ltd.	Subsidiary
Land and Houses U.S.A., Inc.	Subsidiary
Asia Asset Advisory Co., Ltd.	Subsidiary
LH Financial Group Plc.	Associate
Land and Houses Bank Plc.	Associate (99.99 percent held by LH Financial Group Plc.)
Land and Houses Fund Management Co., Ltd.	Associate (99.99 percent held by LH Financial Group Plc.)
Quality Construction Products Plc.	Associate
Home Product Center Plc.	Associate
Land and Houses Property and Loan Fund-II	Associate
Quality Houses Plc.	Associate
Q.H. International Co., Ltd.	Associate (99.99 percent held by Quality Houses Plc.)
Quality Houses Leasehold Property Fund	Associate of Quality Houses Plc.
Muang Mai Property Co., Ltd.	Shareholder of subsidiary
Reco Resorts Pte Ltd.	Shareholder of subsidiary
Siam Retail Development Co., Ltd.	Common shareholder
Land and Houses Freehold and Leasehold Property Fund	Related company
LH Shopping Centers Leasehold Real Estate Investment Trust	Related company
LH Hotel Leasehold Real Estate Investment Trust	Related company
Trinity Securities Company Limited	Common director

(Unaudited but reviewed)

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	For the three-month period ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	98	116	2.50% - 3.70% p.a. (2020: 2.50% - 4.00% p.a.)
Management income	-	-	10	6	Approximate cost
Purchase of land	-	-	-	4	Approximate cost
Sales of land	-	-	111	68	Approximate cost
Compensation for using of land	-	-	-	138	Approximate cost
Interest expenses	-	-	4	4	2.13% p.a.
<u>Transactions with associates</u>					
Interest income	6	2	6	1	The interest rate as declared by the bank
Dividend income	696	505	696	505	Declared rate
Purchase of goods	13	12	9	11	Market price
<u>Transactions with related companies</u>					
Property management income	27	47	-	-	Contract price
Human-resources management income	8	7	-	-	Contract price
IT management income	1	1	-	-	Contract price
Interest income	5	5	-	-	3.05% p.a.
Dividend income	14	13	12	12	Declared rate
Rental and services expenses	20	19	15	15	Baht 250 - 960 per square metre per month
Property rental expenses	19	18	-	-	Contract price

(Unit: Million Baht)

	For the nine-month period ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	267	367	2.50% - 4.00% p.a. (2020: 2.50% - 4.50% p.a.)
Management income	-	-	27	15	Approximate cost
Purchase of land	-	-	-	19	Approximate cost
Sales of land	-	-	111	109	Approximate cost
Compensation for using of land	-	-	4	138	Approximate cost
Interest expenses	-	-	13	13	2.13% p.a.
<u>Transactions with associates</u>					
Interest income	22	14	20	7	The interest rate as declared by the bank
Dividend income	1,930	1,948	1,930	1,948	Declared rate
Purchase of goods	49	44	37	41	Market price
Property rental expenses	-	19	-	-	Contract price
<u>Transactions with related companies</u>					
Property management income	109	136	-	-	Contract price
Human-resources management income	23	23	-	-	Contract price
IT management income	3	3	-	-	Contract price
Interest income	9	13	-	-	3.05% p.a.
Dividend income	36	77	29	37	Declared rate
Rental and services expenses	60	57	45	44	Baht 250 - 960 per square metre per month
Property rental expenses	19	185	-	-	Contract price

(Unaudited but reviewed)

As at 30 September 2021 and 31 December 2020, the balances of the accounts between the Group and those related companies are as follows:

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
<b>Deposits at financial institution</b>				
<b>(shown under cash and cash equivalents)</b>				
<u>Associate</u>				
Land and Houses Bank Plc.	1,625.3	4,843.5	835.7	4,105.6
<b>Amounts due from and accounts receivables - related parties (Note 4)</b>				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L H Asset Co., Ltd.	-	-	-	9.4
	-	-	-	9.4
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	0.2	1.0	-	-
Land and Houses Freehold and Leasehold				
Property Fund	2.4	-	-	-
Siam Retail Development Co., Ltd.	5.7	16.3	-	-
LH Shopping Centers Leasehold				
Real Estate Investment Trust	2.0	4.6	-	-
	10.3	21.9	-	-
Total	10.3	21.9	-	9.4
<b>Accrued interest receivables - related parties (Note 4)</b>				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	4.2	0.2
LH Mall & Hotel Co., Ltd.	-	-	32.2	8.4
L H Asset Co., Ltd.	-	-	0.6	0.5
Land and Houses Northeast Co., Ltd.	-	-	46.0	17.2
Siam Tanee Property Co., Ltd.	-	-	10.4	3.5
Land and Houses U.S.A., Inc.	-	-	85.9	-
	-	-	179.3	29.8

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
<u>Associate</u>				
Land and Houses Bank Plc.	0.2	2.5	-	2.3
	0.2	2.5	-	2.3
<u>Related company</u>				
Reco Resorts Pte Ltd.	11.2	13.7	-	-
	11.2	13.7	-	-
Total	11.4	16.2	179.3	32.1
<b>Other current financial assets (Note 6)</b>				
<u>Associates</u>				
Land and Houses Bank Plc.	30.0	30.0	-	-
Land and Houses Fund Management Co., Ltd.	300.2	1,000.5	300.2	1,000.5
Total	330.2	1,030.5	300.2	1,000.5
<b>Current portion of long-term loans to related parties</b>				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses U.S.A., Inc.	-	-	5,697.6	6,266.2
	-	-	5,697.6	6,266.2
<u>Related company</u>				
Reco Resorts Pte Ltd.	603.7	-	-	-
	603.7	-	-	-
Total	603.7	-	5,697.6	6,266.2
<b>Long-term loans to related parties</b>				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	335.0	30.0
LH Mall & Hotel Co., Ltd.	-	-	2,190.0	920.0
L H Asset Co., Ltd.	-	-	1,620.0	2,000.0
Land and Houses Northeast Co., Ltd.	-	-	1,720.0	1,620.0
Siam Tanee Property Co., Ltd.	-	-	382.0	322.0
Land and Houses U.S.A., Inc.	-	-	2,059.0	1,821.9
	-	-	8,306.0	6,713.9
<u>Related company</u>				
Reco Resorts Pte Ltd.	-	534.2	-	-
	-	534.2	-	-
Total	-	534.2	8,306.0	6,713.9

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
<b>Deposits to related company</b>				
<b>(shown under other non-current assets)</b>				
<u>Related company</u>				
Quality Houses Leasehold Property Fund	16.4	15.7	12.9	12.3
<b>Trade accounts payable - related parties (Note 17)</b>				
<u>Associates</u>				
Quality Construction Products Plc.	3.0	4.5	1.2	4.5
Home Product Center Plc.	0.6	0.8	0.4	0.2
	3.6	5.3	1.6	4.7
<u>Related companies</u>				
LH Shopping Centers Leasehold Real				
Estate Investment Trust	-	0.4	-	-
Land and Houses Freehold and Leasehold				
Property Fund	-	0.6	-	-
	-	1.0	-	-
Total	3.6	6.3	1.6	4.7
<b>Other payables - related parties (Note 17)</b>				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	4.2	-
	-	-	4.2	-
<u>Associate</u>				
Home Product Center Plc.	8.4	6.2	6.8	5.7
	8.4	6.2	6.8	5.7
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	0.3	0.3	0.2	0.3
LH Shopping Centers Leasehold Real				
Estate Investment Trust	0.6	-	-	-
	0.9	0.3	0.2	0.3
Total	9.3	6.5	11.2	6.0



(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
<b>Accrued interest payables - related party (Note 17)</b>				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	10.5	15.1
<b>Long-term loan from related party</b>				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	840.0	840.0
<b>Lease liabilities</b>				
<u>Associate</u>				
Land and Houses Property and Loan Fund-II	234.8	285.3	-	-
	234.8	285.3	-	-
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	284.5	326.1	250.0	283.3
LH Hotel Leasehold Real Estate				
Investment Trust	3,986.5	4,404.8	-	-
	4,271.0	4,730.9	250.0	283.3
Total	4,505.8	5,016.2	250.0	283.3

Current portion of long-term loans to related parties are unsecured loans to subsidiaries in the form of promissory notes without collateral. Interest charged at the rate between 3.00% and 3.70% per annum. The loans are due in December 2021.

Long-term loans to related parties are unsecured loans to subsidiaries in the form of promissory notes without collateral. Interest charged at the rate between 2.50% and 3.55% per annum. The loans amounting to Baht 6,247 million (31 December 2020: Baht 4,892 million) are due at call and the loans amounting to Baht 2,059 million (31 December 2020: Baht 1,822 million) are due in November 2022. As at 30 September 2021, loans amounting to Baht 6,247 million (31 December 2020: Baht 4,892 million) are presented as long-term loans because the Company has no intention to call for such loans from subsidiaries within the next 12 months.

Long-term loan from related party is unsecured loan from L&H Property Co., Ltd. without collateral. Interest charged at the rate 2.13% per annum. The loan is repayable by 28 February 2022. As at 30 September 2021, the loan is presented as current portion of long-term loan from related party in the statement of financial position.

(Unaudited but reviewed)

During the nine-month period ended 30 September 2021, movements of loans to/loans from between the Group and those related companies were as follows:

(Unit: Million Baht)

Consolidated financial statements			
1 January			30 September
2021	Increase	Decrease	2021
<b>Current portion of long-term loan to related party</b>			
<u>Related company</u>			
Reco Resorts Pte Ltd.	-	603.7	-
			603.7
<b>Long-term loan to related party</b>			
<u>Related company</u>			
Reco Resorts Pte Ltd.	534.2	69.5	(603.7)
			-

(Unit: Million Baht)

Separate financial statements			
1 January			30 September
2021	Increase	Decrease	2021
<b>Current portion of long-term loan to related party</b>			
<u>Subsidiary</u>			
Land and Houses U.S.A., Inc.	6,266.2	891.0	(1,459.6)
			5,697.6
<b>Long-term loans to related parties</b>			
<u>Subsidiaries</u>			
Atlantic Real Estate Co., Ltd.	30.0	305.0	-
			335.0
LH Mall & Hotel Co., Ltd.	920.0	1,270.0	-
			2,190.0
L H Asset Co., Ltd.	2,000.0	120.0	(500.0)
			1,620.0
Land and Houses Northeast Co., Ltd.	1,620.0	160.0	(60.0)
			1,720.0
Siam Tanee Property Co., Ltd.	322.0	60.0	-
			382.0
Land and Houses U.S.A., Inc.	1,821.9	237.1	-
			2,059.0
Total	6,713.9	2,152.1	(560.0)
			8,306.0
<b>Current portion of long-term loan from related party</b>			
<u>Subsidiary</u>			
L&H Property Co., Ltd.	-	840.0	-
			840.0
<b>Long-term loan from related party</b>			
<u>Subsidiary</u>			
L&H Property Co., Ltd.	840.0	-	(840.0)
			-

#### Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2021 and 2020, the Group had employee benefit expenses payable to their directors and management as below.

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements			
	For the three-month period		For the nine-month period	
	ended 30 September		ended 30 September	
	2021	2020	2021	2020
Short-term employee benefits	46	44	146	145
Post-employment benefits	1	2	5	6
Total	47	46	151	151

(Unit: Million Baht)

	Separate financial statements			
	For the three-month period		For the nine-month periods	
	ended 30 September		ended 30 September	
	2021	2020	2021	2020
Short-term employee benefits	36	34	107	102
Post-employment benefits	1	1	2	3
Total	37	35	109	105

#### Commitments and contingent liabilities of related parties

The Company had outstanding guarantee obligations with its related parties, as described in Note 26.3.

### **3. Cash and cash equivalents**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Cash	5,418	5,273	2,590	2,580
Bank deposits	1,789,610	1,884,822	1,024,010	833,309
Cheques in transit	700,824	348,581	639,525	318,940
Fixed deposits receipt	2,406,503	4,874,254	2,000,000	4,500,000
Total	4,902,355	7,112,930	3,666,125	5,654,829

As at 30 September 2021, bank deposits and fixed deposits receipt carried interests between 0.05% and 0.45% per annum (31 December 2020: 0.05% and 0.55% per annum).

**4. Trade and other receivables**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Trade receivables - unrelated parties</u>				
Not yet due	34,172	64,835	-	-
Past due				
Less than 3 months	16,578	29,016	-	-
3 - 6 months	7,483	7,280	-	-
6 - 9 months	6,231	3,108	-	-
9 - 12 months	3,397	3,452	-	-
Over 12 months	3,995	12	-	-
Total trade receivables - unrelated parties	71,856	107,703	-	-
<u>Other receivables</u>				
Amounts due from and accounts receivable - related parties	10,270	21,948	-	9,421
Accrued interest receivables - related parties	11,381	16,168	179,264	32,121
Others	31,202	41,191	20,929	33,987
Total other receivables	52,853	79,307	200,193	75,529
Total trade and other receivables	124,709	187,010	200,193	75,529

**5. Real estate development costs (inventories)**

As at 30 September 2021 and 31 December 2020, real estate development costs (inventories) of the Group are shown below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Land	30,828,854	30,107,248	25,950,105	25,463,909
Land improvements	2,450,710	2,264,408	1,977,662	1,849,985
Construction in progress	12,973,742	14,581,166	11,510,376	13,124,192
Interest cost	2,118,072	2,260,455	1,898,798	2,067,893
Public utilities	3,466,749	3,685,998	2,688,325	2,882,936
Houses held for sales	288,352	286,242	91,354	91,354
Total	52,126,479	53,185,517	44,116,620	45,480,269
Less: Allowance for loss on diminution in project value	(258,927)	(292,415)	(164,017)	(197,505)
Inventories - net	51,867,552	52,893,102	43,952,603	45,282,764

(Unaudited but reviewed)

During the year 2021, the Group transferred-in land held for development with net book value of Baht 548 million (the Company only: Baht 255 million) to inventories (2020: Nil).

Movement in the allowance for loss on diminution in value of projects during the nine-month period ended 30 September 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	292,415	197,505
Less: Reversal due to sales	(33,488)	(33,488)
Balance as at 30 September 2021	258,927	164,017

The Group has mortgaged land and structures thereon to secure the loans from financial institutions and bank overdraft facilities of the Group, of with net book values as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Net book value of land and structures thereon mortgaged as collateral	13,912	17,438	12,258	15,916

## 6. Other current financial assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Financial assets measured at amortised cost</u>				
Fixed deposits over three months but not over one year	30,000	30,000	-	-
<u>Financial assets at FVTPL</u>				
Investments in LH Money Market Fund	300,190	1,000,460	300,190	1,000,460
<u>Derivative assets</u>				
Cross currency and interest rate swap agreements	-	428,846	-	428,846
Total	330,190	1,459,306	300,190	1,429,306

**7. Restricted bank deposit**

The balance as at 30 September 2021 and 31 December 2020 represent saving account which a subsidiary pledged with SCB Asset Management Company Limited, trustee of LH Hotel Leasehold Real Estate Investment Trust (“LHHOTEL”), to secure land and building rental guarantees of Grande Centre Point Hotel Ratchadamri Project. The subsidiary sold this project to LHHOTEL in June 2017.

**8. Other non-current financial assets**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
<u>Equity instruments designated at FVOCI</u>				
Listed equity instruments				
Land and Houses Freehold and Leasehold Property Fund	493,719	475,927	493,719	475,927
Quality Houses Leasehold Property Fund	286,640	285,178	286,640	285,178
LH Shopping Centers Leasehold Real Estate Investment Trust	452,438	496,364	-	-
LH Hotel Leasehold Real Estate Investment Trust	717,015	788,321	-	-
Vistamalls Inc.	1,915,982	2,085,753	1,915,982	2,085,753
Non-listed equity instruments	133,458	100,459	-	-
Total equity instruments designated at FVOCI	3,999,252	4,232,002	2,696,341	2,846,858
<u>Financial assets at FVTPL</u>				
Derivative assets - Cross currency and interest rate swap agreements	-	186,782	-	173,582
Total financial assets at FVTPL	-	186,782	-	173,582
Total other non-current financial assets	3,999,252	4,418,784	2,696,341	3,020,440

As at 30 September 2021, a subsidiary has pledged unit trust of REITs, approximately Baht 1,097 million (31 December 2020: Baht 1,206 million) as collateral to secure short-term loan from a financial institution.

## 9. Investments in subsidiaries

### 9.1 Details of investments in subsidiaries as presented in the separate financial statements

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on equity method	
	30	31	30	31	30	31	30	31
	September	December	September	December	September	December	September	December
	2021	2020	2021	2020	2021	2020	2021	2020
			(Percent)	(Percent)				
Atlantic Real Estate Co., Ltd.	15,000	15,000	99.99	99.99	14,998	14,998	(37,807)	(34,153)
LH Mall & Hotel Co., Ltd.								
and its subsidiaries	2,000,000	2,000,000	99.99	99.99	2,000,000	2,000,000	2,693,569	3,182,937
Land and Houses North Co., Ltd.	13,500	13,500	99.99	99.99	13,500	13,500	15,923	15,893
Land and Houses Northeast Co., Ltd.	150,000	150,000	99.99	99.99	149,999	149,999	438,601	384,350
Siam Tanee Property Co., Ltd.								
and its subsidiary	100,000	100,000	99.99	99.99	64,859	64,859	232,037	173,998
L H Real Estate Co., Ltd.	58,000	58,000	99.99	99.99	25,000	25,000	17,608	17,791
L H Asset Co., Ltd.	100,000	100,000	99.99	99.99	52,734	52,734	1,358,945	1,132,521
L.H. Muang Mai Co., Ltd.	900,000	900,000	55.00	55.00	495,000	495,000	643,783	648,398
L&H Property Co., Ltd.	130,000	130,000	60.00	60.00	174,000	174,000	207,863	204,836
Land and Houses U.S.A., Inc.	(a)	(a)	100.00	100.00	1,343,127	1,343,127	988,620	1,075,604
Asia Asset Advisory Co., Ltd.	100	100	99.94	99.94	100	100	705	770
					<u>4,333,317</u>	<u>4,333,317</u>	<u>6,559,847</u>	<u>6,802,945</u>

(a) As at 30 September 2021 and 31 December 2020, Land and Houses U.S.A., Inc. had paid-up capital amounted to USD 40 million.

### 9.2 Share of comprehensive income

During the periods, the Company has recognised its share of comprehensive income from investments in subsidiaries in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	For the three-month period ended 30 September			
	Share of profit or loss		Share of other comprehensive income	
	2021	2020	2021	2020
Atlantic Real Estate Co., Ltd.	(1,506)	(739)	-	-
LH Mall & Hotel Co., Ltd. and its subsidiaries	(153,493)	(148,436)	(96,734)	(165,765)
Land and Houses North Co., Ltd.	10	5	-	-
Land and Houses Northeast Co., Ltd.	18,591	3,675	-	-
Siam Tanee Property Co., Ltd. and its subsidiary	15,462	449	15,823	-
L H Real Estate Co., Ltd.	5	(37)	-	-
L H Asset Co., Ltd.	86,047	133,938	-	-
L.H. Muang Mai Co., Ltd.	(5,353)	(7,465)	-	-
L&H Property Co., Ltd.	15,861	(1,407)	-	-
Land and Houses U.S.A., Inc.	(60,581)	(72,627)	55,047	20,404
Asia Asset Advisory Co., Ltd.	(22)	(25)	-	-
Total	<u>(84,979)</u>	<u>(92,669)</u>	<u>(25,864)</u>	<u>(145,361)</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	For the nine-month period ended 30 September			
	Share of profit or loss		Share of other comprehensive income	
	2021	2020	2021	2020
Atlantic Real Estate Co., Ltd.	(3,654)	(1,706)	-	-
LH Mall & Hotel Co., Ltd. and its subsidiaries	(397,183)	(189,081)	(92,185)	(806,829)
Land and Houses North Co., Ltd.	30	85	-	-
Land and Houses Northeast Co., Ltd.	54,251	27,875	-	-
Siam Tanee Property Co., Ltd. and its subsidiary	31,640	(3,696)	26,399	-
L H Real Estate Co., Ltd.	(183)	(208)	-	-
L H Asset Co., Ltd.	226,424	380,743	-	-
L.H. Muang Mai Co., Ltd.	(4,615)	(19,235)	-	-
L&H Property Co., Ltd.	3,027	(7,444)	-	-
Land and Houses U.S.A., Inc.	(199,241)	(219,218)	112,257	50,337
Asia Asset Advisory Co., Ltd.	(65)	(81)	-	-
Total	(289,569)	(31,966)	46,471	(756,492)

During the three-month and nine-month periods ended 30 September 2021 and 2020, the Company did not receive dividend income from subsidiaries.

## 10. Investments in associates

### 10.1 Details of associates

(Unit: Thousand Baht)								
Company's name	Nature of business	Country of incorporation	Consolidated and separate financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 September 2021	31 December 2020	30 September 2021	31 December 2020	30 September 2021	31 December 2020
			(Percent)	(Percent)				
LH Financial Group Plc.	Holding company	Thailand	21.88	22.16	4,538,712	4,538,712	8,410,334	8,568,288
Quality Construction Products Plc.	Manufacture of construction materials	Thailand	21.16	21.16	179,178	179,178	417,068	431,558
Home Product Center Plc.	Trading of construction materials	Thailand	30.23	30.23	1,489,020	1,489,020	6,982,406	7,138,357
Land and Houses Property and Loan Fund-II	Real estate business	Thailand	49.99	49.99	743,925	743,925	302,055	325,392
Quality Houses Plc.	Real estate business	Thailand	24.98	24.98	3,282,682	3,282,682	7,471,472	7,500,014
					10,233,517	10,233,517	23,583,335	23,963,609

As at 30 September 2021, the Company pledged a portion of shares of Home Product Center Public Company Limited with net book value of Baht 1,545 million (31 December 2020: Baht 1,580 million) as collateral to secure the short-term loan from a financial institution.



## 10.2 Share of comprehensive income and dividend received

During the periods, the Company has recognised its share of comprehensive income from investments in associate companies in the consolidated financial statements and separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	For the three-month period ended 30 September					
	Share of profit or loss		Share of other comprehensive income		Dividend received	
	2021	2020	2021	2020	2021	2020
LH Financial Group Plc.	139,895	128,032	(93,138)	(154,037)	139,043	-
Quality Construction Products Plc.	5,128	(2,232)	-	-	-	-
Home Product Center Plc.	263,144	423,411	953	44	477,105	397,588
Land and Houses Property and Loan Fund-II	(7,853)	(7,881)	-	-	-	-
Quality Houses Plc.	65,671	143,623	(14,351)	(22,239)	80,278	107,039
Total	465,985	684,953	(106,536)	(176,232)	696,426	504,627

(Unit: Thousand Baht)

Company's name	For the nine-month period ended 30 September					
	Share of profit or loss		Share of other comprehensive income		Dividend received	
	2021	2020	2021	2020	2021	2020
LH Financial Group Plc.	353,810	450,753	(187,331)	(725,477)	324,433	208,564
Quality Construction Products Plc.	24,439	18,367	-	-	38,929	15,233
Home Product Center Plc.	1,108,254	1,091,585	8,076	511	1,272,281	1,232,522
Land and Houses Property and Loan Fund-II	(23,337)	(13,574)	-	-	-	37,140
Quality Houses Plc.	293,657	385,545	(27,845)	(113,552)	294,354	454,912
Total	1,756,823	1,932,676	(207,100)	(838,518)	1,929,997	1,948,371

## 10.3 Significant change in investments in associates

### LH Financial Group Public Company Limited

During the current period, LH Financial Group Public Company Limited sold its treasury shares, this result in change of shareholding of the Company from 22.16% to 21.88%. The Company recognised loss from such transaction of Baht 106.5 million as share of profit from investments in associates in the income statement.

**10.4 Fair values of investments in listed associates**

In respect of investments in associated companies that are listed companies on the Stock Exchange of Thailand, their fair values are as follows:

(Unit: Million Baht)

Company's name	Fair values as at	
	30 September 2021	31 December 2020
LH Financial Group Plc.	7,045	4,867
Quality Construction Products Plc.	457	386
Home Product Center Plc.	54,072	54,072
Quality Houses Plc.	5,834	6,208
Total	67,408	65,533

**11. Land held for development**

During the year 2021, the Group transferred-out land held for development with net value of Baht 548 million (the Company only: Baht 255 million) to inventories (2020: Nil).

As at 30 September 2021 and 31 December 2020, the Company has mortgaged some of land held for development to secure long-term loans with net book value as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	30 September 2021	31 December 2020
Net book value of mortgaged land held for development to secure loans	1,690	2,053

**12. Investment properties**

Movement of the investment properties account during the nine-month period ended 30 September 2021 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	10,960,671	212,074
Acquisitions - at cost	23,873	-
Depreciation charged	(246,443)	-
Translation adjustment	1,391,334	-
Net book value as at 30 September 2021	12,129,435	212,074

In September 2021, a subsidiary entered into a loan agreement with a lessee which is an unrelated party for a credit facility of Baht 120 million to be used for the construction and decoration of such lessee's establishment. The loan drawdown shall be in accordance with the conditions specified in the agreement. The loan carries an interest rate of MLR - 1.50% per annum. The principal is repayable in 55 monthly instalments with the first instalment in January 2023. The lessee has mortgaged a plot of land with an appraisal value of Baht 110 million as collateral to secure the loan from the subsidiary. As at 30 September 2021, lessee has not drawn down this loan.

As at 30 September 2021, a subsidiary has pledged its apartments with a total net book value of Baht 8,040 million (31 December 2020: Baht 3,389 million) as collateral for long-term loans from overseas financial institutions.

**13. Property, plant and equipment**

Movement of the property, plant and equipment account during the nine-month period ended 30 September 2021 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	601,479	323,048
Acquisitions - at cost	47,462	33,576
Disposals and write-off - net book value	(48)	(5)
Depreciation charged	(117,405)	(57,145)
Translation adjustment	3,003	-
Net book value as at 30 September 2021	534,491	299,474

**14. Right-of-use assets**

Movement of right-of-use assets account during the nine-month period ended 30 September 2021 are presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2021	14,910,540	279,604
Addition during the period	2,005,863	-
Decrease from lease modification	(65,662)	-
Amortisation for the period	(777,814)	(34,951)
Net book value as at 30 September 2021	16,072,927	244,653

As at 30 September 2021, a subsidiary has pledged its right-of-use assets with a total net book value of Baht 10,658 million (31 December 2020: Baht 7,590 million) as collateral for bank overdrafts and long-term loans from financial institution.

**15. Other intangible assets**

Movement of other intangible assets account (computer software) during the nine-month period ended 30 September 2021 are presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2021	33,250	12,463
Acquisition of computer software	2,536	1,741
Disposals - net book value	(4)	-
Amortisation for the period	(7,034)	(2,968)
Translation adjustment	947	-
Net book value as at 30 September 2021	29,695	11,236

**16. Short-term loans from financial institutions**

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	30	31	30	31	30	31
	September	December	September	December	September	December
	2021	2020	2021	2020	2021	2020
Promissory notes	1.85	1.50 - 1.90	970,000	6,845,000	-	5,875,000
Total short-term loans from financial institutions			970,000	6,845,000	-	5,875,000

The Company's short-term loan from financial institution is secured by the pledge of a portion of shares of Home Product Center Public Company Limited. The drawdown period ended in September 2021. Currently, the Company is in process of redeeming such shares pledged with financial institution.

The subsidiary's short-term loans are secured by the pledge of unit trusts of LH Shopping Centers Leasehold Real Estate Investment Trust and LH Hotel Leasehold Real Estate Investment Trust and guaranteed by the Company.

**17. Trade and other payables**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Trade payables - unrelated parties	1,761,706	2,106,080	987,473	1,414,578
Trade payables - related parties	3,578	6,283	1,594	4,724
Other payables - related parties	9,299	6,462	11,202	5,999
Accrued interest payable - related party	-	-	10,490	15,098
Accrued expenses	933,906	980,000	767,679	818,594
Others	38,555	41,457	29,999	35,305
Total trade and other payables	2,747,044	3,140,282	1,808,437	2,294,298

**18. Long-term loans**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Long-term loans	18,653,340	15,010,388	9,897,400	8,520,000
Less: Current portion	(2,541,071)	(226,268)	(2,465,000)	-
Long-term loans, net of current portion	<u>16,112,269</u>	<u>14,784,120</u>	<u>7,432,400</u>	<u>8,520,000</u>

Movement of the long-term loans during the nine-month period ended 30 September 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	15,010,388	8,520,000
Add: Additional borrowing	5,558,655	3,572,400
Add: Translation adjustment	340,667	-
Less: Repayment	<u>(2,256,370)</u>	<u>(2,195,000)</u>
Balance as at 30 September 2021	<u>18,653,340</u>	<u>9,897,400</u>

As at 30 September 2021 and 31 December 2020, the Group has pledged part of land and structures thereon of projects, investment properties, land held for development and right-of-use assets as collateral for long-term loans.

In March 2020, a subsidiary entered into an amendment of loan agreement with a bank to extend the principal repayment period and request the grace period from March 2020 to February 2021. After the grace period ends, the principal will be paid from March 2021 onwards.

In March 2021 and September 2021, the subsidiary entered into an amendment of loan agreements with a bank to extend the principal repayment period and request the grace period from March 2021 to February 2023. After the grace period ends, the principal will be paid from March 2023 onwards.

Most loan agreements contain certain covenants and restrictions imposed by the lenders regarding, the proportion of shareholding of the major shareholders, changes in management, guarantees to loans or aval to promissory notes of any other persons or other companies, dividend payments, merger or consolidation with any other companies, the maintenance of certain financial ratios and formal reporting when the Company has a legal case which may affect its ability to repay loan.

As at 30 September 2021 and 31 December 2020, there were available long-term loan facilities from financial institutions as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Undrawn down loan facilities	6,698	9,925	-	4,125

## 19. Debentures

Details of approval to issue the debenture of the Company are as follows:

Approved by	The Annual General Meeting of the Company's shareholders held on 27 April 2017
Amount	Revolving amount of Baht 60,000 million or the equivalent in any other currencies
Term	Maximum terms of 10 years
Type	Any types of debentures such as unsubordinated and/or subordinated, unsecured and/or secured, with and/or without debenture holder representation
Method of issuance	To be issued in Thailand and/or offshore

As at 30 September 2021, the Company has unissued debentures under the above mentioned approval totaling Baht 24,400 million (31 December 2020: Baht 26,400 million).

(Unaudited but reviewed)

The outstanding balance of debentures as at 30 September 2021 and 31 December 2020 are detailed below.

					Consolidated and separate financial statements			
					Number of debenture (Shares)		Amount (Thousand Baht)	
					30 September	31 December	30 September	31 December
					2021	2020	2021	2020
No.	Interest rate per annum	Age	Repayment	Maturity				
Unsubordinated and unsecured debentures								
No. 1/2018	Fixed rate 2.96%	7 years	At maturity	7 March 2025	1,200,000	1,200,000	1,200,000	1,200,000
No. 2/2018	Fixed rate 1.98%	3 years	At maturity	7 May 2021	-	6,000,000	-	6,000,000
No. 3/2018	Fixed rate 3.02%	3 years	At maturity	5 October 2021	5,000,000	5,000,000	5,000,000	5,000,000
No. 1/2019	Fixed rate 2.62%	3 years	At maturity	26 April 2022	6,000,000	6,000,000	6,000,000	6,000,000
No. 2/2019	Fixed rate 2.12%	3 years	At maturity	15 October 2022	7,000,000	7,000,000	7,000,000	7,000,000
No. 1/2020 (1)	Fixed rate 2.30%	2 years	At maturity	12 May 2022	3,000,000	3,000,000	3,000,000	3,000,000
No. 1/2020 (2)	Fixed rate 2.60%	3 years	At maturity	12 May 2023	2,400,000	2,400,000	2,400,000	2,400,000
No. 2/2020	Fixed rate 2.03%	3 years	At maturity	20 October 2023	3,000,000	3,000,000	3,000,000	3,000,000
No. 1/2021 (1)	Fixed rate 1.09%	2 years 16 days	At maturity	12 May 2023	3,000,000	-	3,000,000	-
No. 1/2021 (2)	Fixed rate 1.50%	3 years	At maturity	26 April 2024	5,000,000	-	5,000,000	-
Total					35,600,000	33,600,000	35,600,000	33,600,000
Less: Current portion of debentures							(14,000,000)	(11,000,000)
Debentures - net of current portion							21,600,000	22,600,000

Movement of the debentures for the nine-month period ended 30 September 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Balance as at 1 January 2021	33,600,000
Add: Issue of new debentures	8,000,000
Less: Redemption	(6,000,000)
Balance as at 30 September 2021	<u>35,600,000</u>

Prospectus contains certain covenants and restrictions regarding the maintenance of certain financial ratios, dividend payments and formal reporting when the significant events occurred such as a legal case.



**20. Lease liabilities**

The Group has entered into the lease agreements for rental of land and structures, hotel buildings, office building space and motor vehicles for use in its operations, as at 30 September 2021 and 31 December 2020 lease liabilities of the Group were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Lease payments	9,831,680	10,685,329	265,039	302,902
Less: Deferred interest expenses	(2,858,129)	(3,061,921)	(15,078)	(19,624)
Total	6,973,551	7,623,408	249,961	283,278
Less: Current portion	(808,346)	(764,937)	(45,323)	(44,551)
Lease liabilities - net of current portion	6,165,205	6,858,471	204,638	238,727

Movement of lease liabilities during the nine-month period ended 30 September 2021 are presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2021	7,623,408	283,278
Decrease from lease modification	(65,662)	-
Payment during the period	(197,416)	(37,862)
Reduction of lease payments	(590,570)	-
Recognised to interest expenses during the period	203,791	4,545
Balance as at 30 September 2021	6,973,551	249,961

During the current period, the subsidiaries have been granted a reduction of hotel building lease payments for a period from January 2021 to September 2021 by the lessor totaling Baht 591 million in accordance with the conditions as stipulated in the lease agreements of hotel building. The subsidiaries recognised reduction of lease payments in the income statement for the current period.

In May 2021, LH Mall & Hotel Company Limited, the Company's subsidiary, entered into an amendment to land lease agreement to extend the construction period for one year. As a result, the end of the lease term is changed from July 2053 to July 2054. The subsidiary recorded the adjustment of right-of-use assets and lease liabilities decreasing from lease modification of Bath 67 million in the statement of financial position.

## 21. Other current financial liabilities / Other non-current financial liability

As at 30 September 2021 and 31 December 2020, the Group has other current financial liabilities as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Derivative liabilities				
Cross currency and interest rate swap agreements	436,859	-	382,895	-
Total other current financial liabilities	<u>436,859</u>	<u>-</u>	<u>382,895</u>	<u>-</u>
Derivatives liability				
Cross currency and interest rate swap agreement	72,767	-	72,767	-
Total other non-current financial liability	<u>72,767</u>	<u>-</u>	<u>72,767</u>	<u>-</u>

## 22. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2021 and 2020 are made up as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Interim corporate income tax charge	300,249	414,240	237,794	320,784
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(71,359)	97,536	(3,908)	46,333
<b>Income tax expenses reported in the statements of income</b>	<u>228,890</u>	<u>511,776</u>	<u>233,886</u>	<u>367,117</u>

(Unit: Thousand Baht)

	For the nine-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Interim corporate income tax charge	1,043,109	918,242	881,711	703,619
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(203,629)	(54,375)	(10,711)	28,836
<b>Income tax expenses reported in the statements of income</b>	<u>839,480</u>	<u>863,867</u>	<u>871,000</u>	<u>732,455</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the three-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax from loss on the change in value of financial assets measured at FVOCI	<u>(37,875)</u>	<u>(42,251)</u>	<u>(17,647)</u>	<u>(810)</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax from loss on the change in value of financial assets measured at FVOCI	(46,550)	(423,189)	(30,103)	(221,482)

## 23. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

	Consolidated and separate financial statements					
	For the three-month period ended 30 September					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	1,307,612	2,049,090	11,949,713	11,949,713	0.11	0.17

	Consolidated and separate financial statements					
	For the nine-month period ended 30 September					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2021	2020	2021	2020	2021	2020
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	4,921,546	4,788,006	11,949,713	11,949,713	0.41	0.40

## 24. Dividend

Dividends	Approved by	Approved dividend	Interim dividend	Additional dividend paid	Total additional dividend	Portion belonging to shareholders not entitled to dividend	Net dividend paid
		per share (Baht)	per share (Baht)	per share (Baht)	paid (Million Baht)	dividend (Million Baht)	paid (Million Baht)
Interim dividend for 2019	Board of Directors' Meeting on 23 April 2020	0.70	(0.30)	0.40	4,780	-	4,780
Interim dividend for the operations as from 1 January 2020 to 30 June 2020	Board of Directors' Meeting on 13 August 2020	0.20	-	0.20	2,390	-	2,390
							<u>7,170</u>
Final dividend for 2020	Annual General Meeting of the shareholders on 27 April 2021	0.50	(0.20)	0.30	3,585	-	3,585
Interim dividend for the operations as from 1 January 2021 to 30 June 2021 and retained earnings	Board of Directors' Meeting on 10 August 2021	0.25	-	0.25	2,987	-	2,987
							<u>6,572</u>

## 25. Segment information

For management purposes, the Group is organised into business units based on its products and services. During the period, the Group has no change on operating segment information.

Revenue and profit information regarding the Group's operating segments for the three-month and nine-month periods ended 30 September 2021 and 2020 are as follows:

(Unit: Million Baht)

	For the three-month period ended 30 September 2021					Consolidated financial statements
	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	
Revenue from external customers	6,520	353	-	6,873	-	6,873
Inter-segment revenue	-	12	-	12	(12)	-
Interest income	105	9	-	114	(102)	12
Infrastructure service income	94	-	-	94	-	94
Project management income	-	35	-	35	-	35
Finance cost	(185)	(195)	-	(380)	95	(285)
Depreciation and amortisation	(33)	(360)	-	(393)	-	(393)
Share of profit (loss) from investments in associates	71	(8)	403	466	-	466
<b>Segment profit (loss)</b>	<b>1,315</b>	<b>(262)</b>	<b>403</b>	<b>1,456</b>	<b>23</b>	<b>1,479</b>
<b>Unallocated revenue and expenses:</b>						
Other income						46
Gain on exchange						491
Loss on derivatives						(473)
Income tax expenses						(229)
<b>Profit for the period</b>						<u><u>1,314</u></u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 30 September 2020

	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	7,617	488	-	8,105	-	8,105
Inter-segment revenue	16	17	-	33	(33)	-
Interest income	119	10	-	129	(121)	8
Infrastructure service income	90	-	-	90	-	90
Project management income	-	56	-	56	-	56
Finance cost	(172)	(165)	-	(337)	121	(216)
Depreciation and amortisation	(32)	(194)	-	(226)	-	(226)
Reversal of provision for legal case	294	-	-	294	-	294
Share of profit (loss) from investments in associates	141	(7)	551	685	-	685
<b>Segment profit (loss)</b>	<b>1,919</b>	<b>(186)</b>	<b>551</b>	<b>2,284</b>	<b>157</b>	<b>2,441</b>
<b>Unallocated revenue and expenses:</b>						
Other income						99
Gain on exchange						275
Loss on derivatives						(261)
Income tax expenses						(512)
<b>Profit for the period</b>						<b>2,042</b>

(Unit: Million Baht)

For the nine-month period ended 30 September 2021

	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	22,125	1,095	-	23,220	-	23,220
Inter-segment revenue	-	40	-	40	(40)	-
Interest income	289	23	-	312	(280)	32
Infrastructure service income	285	-	-	285	-	285
Project management income	-	135	-	135	-	135
Finance cost	(538)	(566)	-	(1,104)	267	(837)
Depreciation and amortisation	(97)	(1,052)	-	(1,149)	-	(1,149)
Reversal of provision for legal case	104	-	-	104	-	104
Gain on sales of assets	1	2	-	3	-	3
Share of profit (loss) from investments in associates	318	(23)	1,462	1,757	-	1,757
<b>Segment profit (loss)</b>	<b>4,884</b>	<b>(748)</b>	<b>1,462</b>	<b>5,598</b>	<b>41</b>	<b>5,639</b>
<b>Unallocated revenue and expenses:</b>						
Other income						121
Gain on exchange						974
Loss on derivatives						(975)
Income tax expenses						(839)
<b>Profit for the period</b>						<b>4,920</b>

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September 2020						
	Real estate business	Rental and service business	Others	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	19,895	1,695	-	21,590	-	21,590
Inter-segment revenue	62	49	-	111	(111)	-
Interest income	380	32	-	412	(381)	31
Infrastructure service income	271	-	-	271	-	271
Project management income	-	162	-	162	-	162
Finance cost	(523)	(512)	-	(1,035)	381	(654)
Depreciation and amortisation	(92)	(652)	-	(744)	-	(744)
Reversal of provision for legal case	294	-	-	294	-	294
Share of profit (loss) from investments in associates	404	(13)	1,542	1,933	-	1,933
<b>Segment profit (loss)</b>	<b>4,327</b>	<b>(518)</b>	<b>1,542</b>	<b>5,351</b>	<b>167</b>	<b>5,518</b>
<b>Unallocated revenue and expenses:</b>						
Other income						246
Gain on exchange						491
Loss on derivatives						(624)
Income tax expenses						(864)
<b>Profit for the period</b>						<b>4,767</b>

## 26. Commitments and contingent liabilities

### 26.1 Commitments

26.1.1 As at 30 September 2021 and 31 December 2020, the Group has commitments to purchase of land and complete projects on hand as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2021	31 December 2020	30 September 2021	31 December 2020
Commitment to purchase of land	1,962	1,992	1,950	1,992
Commitments under construction contracts	4,278	4,254	1,242	1,767
Commitment in respect of the development of public utilities of projects on hand	1,156	1,498	759	1,062

26.1.2 As at 30 September 2021, the Group has servitude over land of approximately 180 rai (31 December 2020: 177 rai) of which the cost is included in the cost of projects.

26.1.3 Operating lease commitments

As at 30 September 2021 and 31 December 2020, the future lease payments under these non-cancellable lease contracts that have not yet commenced as follows.

(Unit: Million Baht)

	Consolidated financial statement	
	30 September 2021	31 December 2020
Within 1 year	-	-
Over 1 and up to 5 years	1,068	1,054
Over 5 years	1,843	1,857
Total	2,911	2,911

## 26.2 Bank guarantees

As at 30 September 2021 and 31 December 2020, there were the following outstanding bank guarantees issued by the banks in respect of certain performance bonds required in the normal course of business on behalf of the Group.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2021	2020	2021	2020
Letter of guarantees for arrangement and maintenance of public utilities	4,783	4,738	3,691	3,986
Letter of guarantees for electricity usage	42	46	19	25
Letter of guarantees for building construction	34	33	-	-
	4,859	4,817	3,710	4,011



## 26.3 Guarantees

26.3.1 As at 30 September 2021 and 31 December 2020, the Company has the following obligations in respect of guarantees.

(Unit: Million Baht)

Guarantor	Guarantee	30 September 2021	31 December 2020
Land and Houses Plc.	Customers	<u>7</u>	<u>7</u>

26.3.2 The Company has contingent liabilities to a bank in relation to the financial support in form of issuance of a letter of comfort to provide loans and guarantee facilities to the subsidiary for development of the subsidiary' project. As at 30 September 2021, the subsidiary has outstanding loans as specified in the letter of comfort amounting to Baht 5,887 million (31 December 2020: Baht 5,217 million).

In addition, the Company provided letter of comfort to the lenders of LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL"), relating to maintain the percentage of unit holding in LHHOTEL by LH Mall & Hotel Company Limited and maintain the period of the sublease of the Grande Centre Point Hotel Terminal 21 and the Grande Centre Point Hotel Ratchadamri by L&H Hotel Management Company Limited.

## 26.4 Litigations

- 1) In 2010 - 2016, a housing estate juristic person and residents filed totaling 10 lawsuits against the Company for the construction of a kindergarten in the project with an amount in dispute of Baht 493 million. Details are below:
  - a) Case 1 has the amount in dispute of Baht 338 million. The Court of First Instance ordered the Company to pay for damages of Baht 27 million plus interest at a rate of 7.5% per annum, commencing from 18 January 2008 until the full amount is paid. In September 2013, the Appeal Court altered the judgement of the Court of First Instance, whereby the Company shall pay for damages of Baht 13.8 million plus interest at a rate 7.5% per annum, commencing from 18 January 2008 until the full amount is paid. Subsequently, in August 2020, the Supreme Court altered the judgement of the Appeal Court, whereby the case was dismissed. Therefore, this case was finalised.
  - b) From October to November 2020, the Court of First Instance dismissed Case 2 and issued an order to dispose of Case 3 to Case 7 with a total amount in dispute of Baht 41 million. Therefore, these cases were finalised.

- c) From December 2020 to March 2021, the plaintiffs had withdrawn the lawsuits of Case 8 to Case 10 with a total amount in dispute of Baht 114 million. Therefore, these cases were finalised.

During the current period, the Company has reversed the provision as previously recorded liabilities for the above lawsuits totaling Baht 104 million.

In addition, in 2018, the housing estate juristic person and residents filed 2 additional lawsuits against the Company for the construction of a kindergarten in the project with an amount in dispute totaling Baht 23 million. In August 2020, the housing estate juristic person and residents had withdrawn the lawsuits. Therefore, these cases were finalised.

- 2) In March 2021, a housing estate juristic person, as the assignee of the power of attorney granted by 13 housing residents, filed a lawsuit against the Company on the grounds of compliance with Environmental Impact Assessment (EIA) in relation to impact of the housing development on access to land, demanding that the Company buy the disputed land or pay for compensation to the plaintiff totaling Baht 82 million. Moreover, the same housing estate juristic person, as the assignee of the power of attorney granted by 11 housing residents, filed a lawsuit against the Company to demand the Company to return cash paid for land with structures thereon totaling Baht 160 million. The 2 lawsuits are under in negotiation with the plaintiffs.
- 3) As at 30 September 2021, the Company has been sued for breach of agreements, claiming for a total of Baht 75 million (31 December 2020: Baht 96 million).

As at 30 September 2021, the Company has set aside a provision of Baht 19 million for liabilities arising as a result of the legal cases (31 December 2020: Baht 121 million).

## **27. Financial instruments**

### **27.1 Fair values of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

## 27.2 Fair value hierarchy

As at 30 September 2021 and 31 December 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	As at 30 September 2021			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Debt investments measured at FVTPL	-	300	-	300
Equity investments measured at FVOCI	3,866	-	133	3,999
<b>Liabilities measured at fair value</b>				
Derivatives - Cross currency and interest rate swap	-	510	-	510

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Debt investments measured at FVTPL	-	1,000	-	1,000
Equity investments measured at FVOCI	4,132	-	100	4,232
Derivatives - Cross currency and interest rate swap	-	616	-	616

(Unit: Million Baht)

	Separate financial statements			
	As at 30 September 2021			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Debt investments measured at FVTPL	-	300	-	300
Equity investments measured at FVOCI	2,696	-	-	2,696
<b>Liabilities measured at fair value</b>				
Derivatives - Cross currency and interest rate swap	-	456	-	456

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Debt investments measured at FVTPL	-	1,000	-	1,000
Equity investments measured at FVOCI	2,847	-	-	2,847
Derivatives - Cross currency and interest rate swap	-	602	-	602

During the current period, there were no change method and assumption for measurement fair value of financial instruments and no transfers within the fair value hierarchy.

### 27.3 Reconciliation of recurring fair value measurements of assets categorised within Level 3 of the fair value hierarchy

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	Non-listed equity investment	Non-listed equity investment
Balance as at 1 January 2021	100,924	-
Net gain recognised in other comprehensive income	32,369	-
Balance as at 30 September 2021	133,293	-

Key assumptions used in the valuation are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs		Sensitivity of the input to fair value
			Rates	
Investment in non-listed equity instruments	Stock valuation by dividend discounted model	Risk premium	8.6 %	2% increase (decrease) in the risk premium would result in Baht 29 million decrease (increase) in fair value

**28. Event after the reporting period**

On 7 October 2021, the Company issued unsubordinated and unsecured debenture as follows:

No.	Interest rate per annum	Age	Repayment	Maturity	Number of	Amount
					debenture (Shares)	(Thousand Baht)
2/2021	Fixed rate 1.46%	3 years 2 days	At maturity	9 October 2024	8,000,000	8,000,000

**29. Approval of interim financial information**

This interim financial information was authorised for issue by the Company's Board of Directors on 11 November 2021.