

Land and Houses Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 31 March 2024

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, Q. House Lumpini Building, 37th Floor, South Satorn Road, Tungmahamek, Satorn, Bangkok.

1.2 Basis for the 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.

1.3 Basis of consolidation

This interim financial information include the financial statements of Land and Houses Public Company Limited ("the Company") and its subsidiary companies ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2023, with no changes in shareholding structure of subsidiaries during the current period.

1.4 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 2023.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024, do not have any significant impact on the Group's financial statements.

2. Related party transactions

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. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows:

(Unit: Million Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Interest income	-	-	178	140
Management fee income	-	-	6	8
Sales of land	-	-	413	-
Compensation for using of land	-	-	93	-
Interest expenses	-	-	2	2
<u>Transactions with associates</u>				
Interest income	7	2	2	-
Dividend income	205	108	131	108
Purchases of goods	23	24	21	21
Property rental expenses	636	40	-	-
<u>Transactions with related companies</u>				
Property management fee income	67	65	-	-
Human-resources management income	10	9	-	-
IT management fee income	1	1	-	-
Interest income	3	3	-	-
Dividend income	20	56	11	16
Rental and services expenses	18	21	15	15
Property rental expenses	-	291	-	-

The balances of the accounts between the Group and those related companies are as follows:

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	31 March 2024	31 December 2023 (Audited)	31 March 2024	31 December 2023 (Audited)
Deposits at financial institution				
(shown under cash and cash equivalents)				
<u>Associate</u>				
Land and Houses Bank Plc.	1,700.2	2,356.5	398.8	1,047.4
Amounts due from and accounts receivables - related parties (Note 3)				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	8.2	19.7
L H Asset Co., Ltd.	-	-	5.5	5.9
Siam Tanee Property Co., Ltd.	-	-	0.6	1.5
	-	-	14.3	27.1
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	0.8	0.7	-	-
Land and Houses Freehold and Leasehold Property Fund	3.2	3.0	-	-
Siam Retail Development Co., Ltd.	19.2	25.7	-	-
LH Shopping Centers Leasehold Real Estate Investment Trust	10.7	18.0	-	-
	33.9	47.4	-	-
Total	33.9	47.4	14.3	27.1
Accrued interest receivables - related parties (Note 3)				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	3.7	-
Land and Houses Northeast Co., Ltd.	-	-	11.4	-
L H Asset Co., Ltd.	-	-	11.1	-
Siam Tanee Property Co., Ltd.	-	-	1.4	-
Land and Houses U.S.A., Inc.	-	-	209.1	119.2
	-	-	236.7	119.2
<u>Associate</u>				
Land and Houses Bank Plc.	2.0	2.2	-	-
	2.0	2.2	-	-
<u>Related company</u>				
Reco Resorts Pte Ltd.	1.0	9.6	-	-
	1.0	9.6	-	-
Total	3.0	11.8	236.7	119.2

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2024	31 December 2023 (Audited)	31 March 2024	31 December 2023 (Audited)
Dividend receivables (Note 3)				
<u>Associates</u>				
Quality Construction Products Plc.	84.6	-	84.6	-
Total	84.6	-	84.6	-
Current portion of long-term loans to related parties				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses U.S.A., Inc.	-	-	-	1,294.2
Total	-	-	-	1,294.2
<u>Related company</u>				
Reco Resorts Pte Ltd.	537.2	-	-	-
	537.2	-	-	-
Total	537.2	-	-	1,294.2
Long-term loans to related parties				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Atlantic Real Estate Co., Ltd.	-	-	602.2	322.4
LH Mall & Hotel Co., Ltd.	-	-	4,120.0	4,520.0
L H Asset Co., Ltd.	-	-	2,015.0	1,410.0
Land and Houses Northeast Co., Ltd.	-	-	1,850.0	1,615.0
Siam Tanee Property Co., Ltd.	-	-	215.0	200.0
Land and Houses U.S.A., Inc.	-	-	15,564.7	10,994.2
	-	-	24,366.9	19,061.6
<u>Related company</u>				
Reco Resorts Pte Ltd.	-	504.0	-	-
	-	504.0	-	-
Total	-	504.0	24,366.9	19,061.6
Deposits to related company				
(shown under other non-current assets)				
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	16.5	16.4	13.0	12.9
LH Shopping Centers Leasehold Real Estate Investment Trust	0.1	-	-	-
Total	16.6	16.4	13.0	12.9
Trade accounts payable - related parties				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	-	0.6
	-	-	-	0.6
<u>Associates</u>				
Quality Construction Products Plc.	11.7	4.8	11.7	4.8
Home Product Center Plc.	0.3	0.3	-	-
	12.0	5.1	11.7	4.8

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2024	31 December 2023 (Audited)	31 March 2024	31 December 2023 (Audited)
<u>Related companies</u>				
LH Shopping Centers Leasehold Real Estate Investment Trust	-	0.5	-	-
	-	0.5	-	-
Total	12.0	5.6	11.7	5.4
Amounts due to related parties				
<u>Subsidiaries</u>				
(Eliminated from the consolidated financial statements)				
Land and Houses Northeast Co., Ltd.	-	-	0.6	0.7
L H Asset Co., Ltd.	-	-	0.1	1.2
	-	-	0.7	1.9
<u>Associates</u>				
Home Product Center Plc.	5.3	5.3	3.9	4.3
Land and Houses Property and Loan Fund-II	32.0	33.5	-	-
LH Hotel Leasehold Real Estate Investment Trust	285.4	100.1	-	-
	322.7	138.9	3.9	4.3
<u>Related companies</u>				
Quality Houses Leasehold Property Fund	0.4	0.4	0.3	0.4
LH Shopping Centers Leasehold Real Estate Investment Trust	0.5	0.4	-	-
	0.9	0.8	0.3	0.4
Total	323.6	139.7	4.9	6.6
Accrued interest payables - related party				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	0.8	7.4
Current portion of long-term loan from related party				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	720.0	-
Long-term loan from related party				
<u>Subsidiary</u>				
(Eliminated from the consolidated financial statements)				
L&H Property Co., Ltd.	-	-	-	720.0
Lease liabilities				
<u>Associates</u>				
Land and Houses Property and Loan Fund-II	76.2	95.1	-	-
LH Hotel Leasehold Real Estate Investment Trust	5,864.7	6,139.8	-	-
	5,940.9	6,234.9	-	-
<u>Related company</u>				
Quality Houses Leasehold Property Fund	359.0	370.0	131.6	143.4
	359.0	370.0	131.6	143.4
Total	6,299.9	6,604.9	131.6	143.4

In March 2024, the Company entered into an addendum to the loan agreement with Land and Houses U.S.A., Inc. amounting to USD 38 million. The Company extended the payment term from 27 March 2024 to 27 March 2027 and changed interest rate from 5.90% p.a. to 5.22% p.a.

Long-term loan from related party is unsecured loan from L&H Property Co., Ltd. without collateral. Interest charged at the rate 1.22% per annum. The loan is repayable by February 2025. As at 31 March 2024, the Company present the loan as current portion of long-term loans from related parties in the statement of financial position.

During the three-month period ended 31 March 2024, movements of loans to/loans from between the Group and those related companies were as follows:

(Unit: Million Baht)

Consolidated financial statements			
	1 January 2024	Increase	Decrease
			31 March 2024
Current portion of long-term loan from related party			
<u>Related company</u>			
Reco Resorts Pte Ltd.	-	537.2	-
Long-term loan to related party			
<u>Related company</u>			
Reco Resorts Pte Ltd.	504.0	-	(504.0)

(Unit: Million Baht)

Separate financial statements			
	1 January 2024	Increase	Decrease
			31 March 2024
Current portion of long-term loan to related party			
<u>Subsidiary</u>			
Land and Houses U.S.A., Inc.	1,294.2	-	(1,294.2)
Long-term loans to related parties			
<u>Subsidiaries</u>			
Atlantic Real Estate Co., Ltd.	322.4	279.8	-
LH Mall & Hotel Co., Ltd.	4,520.0	-	(400.0)
L H Asset Co., Ltd.	1,410.0	605.0	-
Land and Houses Northeast Co., Ltd.	1,615.0	235.0	-
Siam Tanee Property Co., Ltd.	200.0	15.0	-
Land and Houses U.S.A., Inc.	10,994.2	4,570.5	-
Total	19,061.6	5,705.3	(400.0)

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
	1 January			31 March
	2024	Increase	Decrease	2024
Current portion of long-term loan from related party				
<u>Subsidiary</u>				
L&H Property Co., Ltd.	-	720.0	-	720.0
Long-term loan from related party				
<u>Subsidiary</u>				
L&H Property Co., Ltd.	720.0	-	(720.0)	-

Directors and management's benefits

(Unit: Million Baht)

	For the three-month period ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Short-term employee benefits	35	41	26	28
Post-employment benefits	3	1	2	-
Total	38	42	28	28

Commitments and contingent liabilities of related parties

The Company had outstanding guarantee obligations with its related parties, as described in Note 21.3

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
<u>Trade receivables - unrelated parties</u>				
Not yet due	271,296	277,318	-	-
Past due				
Less than 3 months	91,978	105,468	-	-
3 - 6 months	12,101	9,829	-	-
6 - 9 months	4,534	3,488	-	-
9 - 12 months	2,014	2,756	-	-
Over 12 months	3,535	2,616	-	-
Total trade receivables - unrelated parties	385,458	401,475	-	-

(Unaudited but reviewed)

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
<u>Other receivables</u>				
Amounts due from and accounts receivable - related parties	33,901	47,409	14,288	27,053
Accrued interest receivables - related parties	2,973	11,759	236,735	119,231
Dividend receivables	84,628	-	84,628	-
Others	24,156	16,236	9,221	10,818
Total other receivables	145,658	75,404	344,872	157,102
Total trade and other receivables	531,116	476,879	344,872	157,102

4. Inventories

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
		(Audited)		(Audited)
Inventories	59,979,831	56,461,014	48,752,692	46,524,909
Less: Allowance for loss on diminution in project value	(264,623)	(267,468)	(183,848)	(186,693)
Inventories - net	59,715,208	56,193,546	48,568,844	46,338,216

Movements in the allowance for loss on diminution in value of projects during the three-month period ended 31 March 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial	financial
	statements	statements
Balance as at 1 January 2024	267,468	186,693
Less: Reversal due to sales	(2,845)	(2,845)
Balance as at 31 March 2024	264,623	183,848

(Unaudited but reviewed)

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

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
	(Audited)		(Audited)	
Net book value of land and structures				
thereon mortgaged as collateral	13,199	10,633	10,147	8,634

5. Other current financial assets

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
	(Audited)		(Audited)	
<u>Financial assets measured at amortised cost</u>				
Fixed deposits over three months but				
not over one year	65,346	-	-	-
Total	65,346	-	-	-

6. Other non-current financial assets

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
	(Audited)		(Audited)	
<u>Equity instruments designated at FVOCI</u>				
Listed equity instruments				
Land and Houses Freehold and Leasehold				
Property Fund	515,958	538,197	515,958	538,197
Quality Houses Leasehold Property Fund	132,205	165,257	132,205	165,257
LH Shopping Centers Leasehold Real				
Estate Investment Trust	430,475	439,260	-	-
Vistamalls Inc.	1,147,973	1,156,057	1,147,973	1,156,057
Non-listed equity instruments	233,689	228,899	-	-
Total equity instruments designated at FVOCI	2,460,300	2,527,670	1,796,136	1,859,511

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2024	31 December 2023 (Audited)	31 March 2024	31 December 2023 (Audited)
<u>Financial assets at FVTPL</u>				
Derivative assets - Cross currency and interest rate swap agreements	-	168,681	-	168,681
Total financial assets at FVTPL	-	168,681	-	168,681
Total other non-current financial assets	2,460,300	2,696,351	1,796,136	2,028,192

Listed equity instruments were measured at fair value with hierarchy level 1. Non-listed equity instruments were measured at fair value with hierarchy level 3. Derivative assets were measured at fair value with hierarchy level 2. There were no transfers within the fair value hierarchy during the current period.

As at 31 March 2024, a subsidiary has pledged unit trust of REITs, approximately Baht 430 million (31 December 2023: Baht 439 million) as collateral to secure short-term loan from a financial institution.

7. Investments in subsidiaries

7.1 Details of investments in subsidiaries as presented in the separate financial statements

(Unit: Thousand Baht)

Company's name	Cost		Carrying amounts based on equity method	
	31 March 2024	31 December 2023 (Audited)	31 March 2024	31 December 2023 (Audited)
Atlantic Real Estate Co., Ltd.	14,998	14,998	-	-
LH Mall & Hotel Co., Ltd. and its subsidiaries	2,000,000	2,000,000	3,022,987	2,839,636
Land and Houses North Co., Ltd.	13,500	13,500	16,059	16,034
Land and Houses Northeast Co., Ltd.	149,999	149,999	1,438,811	1,402,709
Siam Tanee Property Co., Ltd. and its subsidiary	64,859	64,859	393,132	388,312
L H Mall Co., Ltd.	25,000	25,000	51,762	17,894
L H Asset Co., Ltd.	52,734	52,734	2,864,094	2,752,361
L.H. Muang Mai Co., Ltd.	495,000	495,000	640,689	642,641
L&H Property Co., Ltd.	174,000	174,000	255,091	247,057
Land and Houses U.S.A., Inc.	1,343,127	1,343,127	421,338	490,829
	<u>4,333,217</u>	<u>4,333,217</u>	<u>9,103,963</u>	<u>8,797,473</u>

7.2 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 31 March			
	Share of profit or loss		Share of other comprehensive income	
	2024	2023	2024	2023
Atlantic Real Estate Co., Ltd. ⁽¹⁾	(45,127)	(2,077)	-	-
LH Mall & Hotel Co., Ltd. and its subsidiaries	190,379	131,042	(7,028)	47,882
Land and Houses North Co., Ltd.	25	16	-	-
Land and Houses Northeast Co., Ltd.	36,102	187,309	-	-
Siam Tanee Property Co., Ltd. and its subsidiary	987	18,268	3,833	12,221
L H Mall Co., Ltd.	33,868	(166)	-	-
LH Asset Co., Ltd.	111,733	130,298	-	-
L.H. Muang Mai Co., Ltd.	(1,952)	(1,896)	-	-
L&H Property Co., Ltd.	8,034	4,997	-	-
Land and Houses U.S.A., Inc.	(108,775)	(70,736)	39,284	(9,241)
Total	225,274	397,055	36,089	50,862

⁽¹⁾ The Company recognised share loss from investment in Atlantic Real Estate Co., Ltd. in excess of the common stock of such subsidiary by applying to long-term loans to Atlantic Real Estate Co., Ltd.

8. Investments in associates

8.1 Details of associates

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Cost		Carrying amounts based on equity method	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
				(Audited)
LH Financial Group Plc.	4,538,712	4,538,712	8,014,070	7,877,333
Quality Construction Products Plc.	179,178	179,178	517,414	559,852
Home Product Center Plc.	1,489,020	1,489,020	8,864,076	8,345,689
Land and Houses Property and Loan Fund-II	743,925	743,925	279,040	310,921
Quality Houses Plc.	3,282,682	3,282,682	8,080,831	7,950,590
LH Hotel Leasehold Real Estate Investment Trust	2,871,995	2,881,972	2,007,074	2,038,281
	13,105,512	13,115,489	27,762,505	27,082,666

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	Cost		Carrying amounts based on equity method	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
				(Audited)
LH Financial Group Plc.	4,538,712	4,538,712	8,014,070	7,877,333
Quality Construction Products Plc.	179,178	179,178	517,414	559,852
Home Product Center Plc.	1,489,020	1,489,020	8,864,076	8,345,689
Land and Houses Property and Loan Fund-II	743,925	743,925	279,040	310,921
Quality Houses Plc.	3,282,682	3,282,682	8,080,831	7,950,590
	<u>10,233,517</u>	<u>10,233,517</u>	<u>25,755,431</u>	<u>25,044,385</u>

As at 31 March 2024, a subsidiary has pledged unit trust of REITs, approximately Baht 524 million as collateral to secure short-term loan from a financial institution. (31 December 2023: Baht 529 million).

8.2 Share of comprehensive income and dividend received

During the periods, the Group 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	Consolidated financial statements					
	For the three-month periods ended 31 March					
	Share of profit or loss		Share of other comprehensive income		Dividend received	
	2024	2023	2024	2023	2024	2023
LH Financial Group Plc.	87,341	146,560	49,396	(178,881)	-	-
Quality Construction Products Plc.	42,190	33,177	-	-	84,628	63,471
Home Product Center Plc.	517,826	487,074	561	(355)	-	-
Land and Houses Property and Loan Fund-II	14,914	34,405	-	-	46,795	44,567
Quality Houses Plc.	122,403	146,658	7,838	(28,111)	-	-
LH Hotel Leasehold Real Estate Investment Trust	52,515	-	-	-	73,745	-
Total	<u>837,189</u>	<u>847,874</u>	<u>57,795</u>	<u>(207,347)</u>	<u>205,168</u>	<u>108,038</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Separate financial statements					
	For the three-month periods ended 31 March					
	Share of profit or loss		Share of other comprehensive income		Dividend received	
	2024	2023	2024	2023	2024	2023
LH Financial Group Plc.	87,341	146,560	49,396	(178,881)	-	-
Quality Construction Products Plc.	42,190	33,177	-	-	84,628	63,471
Home Product Center Plc.	517,826	487,074	561	(355)	-	-
Land and Houses Property and Loan Fund-II	14,914	34,405	-	-	46,795	44,567
Quality Houses Plc.	122,403	146,658	7,838	(28,111)	-	-
Total	784,674	847,874	57,795	(207,347)	131,423	108,038

8.3 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	Consolidated financial statements		Separate financial statements	
	Fair values as at		Fair values as at	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
LH Financial Group Plc.	4,589	4,588	4,589	4,588
Quality Construction Products Plc.	1,278	1,269	1,278	1,269
Home Product Center Plc.	42,144	46,120	42,144	46,120
Quality Houses Plc.	5,887	5,941	5,887	5,941
LH Hotel Leasehold Real Estate Investment Trust	3,223	3,239	-	-
Total	57,121	61,157	53,898	57,918

8.4 Significant changes in investments in associate

LH Hotel Leasehold Real Estate Investment Trust

During the current period, LH Mall & Hotel Co., Ltd., the Company's 99.99% owned subsidiary, sold 1.34 million trust units of LH Hotel Leasehold Real Estate Investment Trust ("LHHOTEL") at a price of Baht 12.50 per unit, totaling Baht 16.8 million. This resulted in a decrease in shareholding percentage in LHHOTEL from 26.17% to 26.04%. and the subsidiary recognised gain on sale of investment in associate amounting to Baht 6.8 million in the income statement for the current period.

9. Land held for development

As at 31 March 2024 and 31 December 2023, the Company has mortgaged some of the land held for development to secure long-term loans with net book value as follows:

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	31 March 2024	31 December 2023
		(Audited)
Net book value of land held for development mortgaged as collateral	1,633	1,633

10. Investment properties

Movement of the investment properties account during the three-month period ended 31 March 2024 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	11,565,128	212,074
Acquisitions - at cost	9,875	-
Depreciation charged	(81,637)	-
Translation adjustment	742,642	-
Net book value as at 31 March 2024	12,236,008	212,074

11. Property, plant and equipment

Movement of the property, plant and equipment account during the three-month period ended 31 March 2024 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	1,879,054	377,816
Acquisitions - at cost	2,520,543	22,869
Disposals - net book value	(6,347)	(2,611)
Depreciation charged	(48,972)	(17,510)
Translation adjustment	110,792	-
Net book value as at 31 March 2024	4,455,070	380,564

In March 2024, Land and Houses U.S.A., Inc., the Company's 100% owned subsidiary, acquired land and hotel building in the United States of America at price of USD 68 million or approximately Baht 2,438 million.

12. Right-of-use assets

Movement of right-of-use assets account during the three-month period ended 31 March 2024 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	18,792,998	161,435
Addition during the period	559,358	3,970
Increase due to lease modification	29,797	-
Decrease due to lease termination - net book value at lease termination date	(148)	(148)
Depreciation for the period	(364,491)	(13,420)
Net book value as at 31 March 2024	19,017,514	151,837

As at 31 March 2024, a subsidiary has pledged its right-of-use assets with a total net book value of Baht 11,650 million (31 December 2023: Baht 11,296 million) as collateral for bank overdrafts and long-term loans from financial institution.

13. Intangible assets

A reconciliation of the net book value of intangible assets during the three-month period ended 31 March 2024 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2024	23,221	10,622
Acquisition of computer software	771	530
Disposal - net book value	(24)	-
Amortisation in the period	(1,401)	(651)
Translation adjustment	51	-
Net book value as at 31 March 2024	22,618	10,501

14. Overdrafts and short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	31 March	31 December	31 March	31 December	31 March	31 December
	2024	2023	2024	2023	2024	2023
			(Audited)		(Audited)	
Overdrafts	-	MOR	-	47	-	-
Promissory notes	3.45	3.30 - 3.45	1,110,000	1,110,000	-	-
Bill of exchange	2.55 - 2.76	1.30 - 2.67	10,000,000	5,000,000	10,000,000	5,000,000
Less: Prepaid interest			(70,419)	(18,388)	(70,419)	(18,388)
Total			11,039,581	6,091,659	9,929,581	4,981,612

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.

15. Long-term loans

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
		(Audited)		(Audited)
Long-term loans	11,379,371	11,173,650	7,065,000	7,065,000
Less: Current portion	(364,217)	(284,253)	-	-
Long-term loans - net of current portion	11,015,154	10,889,397	7,065,000	7,065,000

Movement of the long-term loans during the three-month period ended 31 March 2024 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2024	11,173,650	7,065,000
Add: Additional borrowing	260,000	-
Less: Repayment	(54,279)	-
Balance as at 31 March 2024	11,379,371	7,065,000

As at 31 March 2024 and 31 December 2023, the Group has pledged part of land and structures thereon of projects, land held for development and right-of-use assets as collateral for long-term loans.

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

(Unaudited but reviewed)

As at 31 March 2024 and 31 December 2023, there were available long-term loan facilities from financial institutions as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
		(Audited)		(Audited)
Undrawndown loan facilities	6,881	3,413	1,271	-

16. Debentures

The outstanding balance of debentures as at 31 March 2024 and 31 December 2023 are detailed below.

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	31 March 2024	31 December 2023
		(Audited)
Debentures	43,900,000	43,900,000
Less: Discount on debentures	(173,201)	(214,500)
Debentures - net	43,726,799	43,685,500
Less: Current portion of debentures	(17,332,637)	(16,116,754)
Debentures - net of current portion	26,394,162	27,568,746

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.

As at 31 March 2024 and 31 December 2023, the Company has unissued debentures under the approval of the Annual General Meeting of the Company's shareholders totaling Baht 16,100 million.

17. Lease liabilities

Movement of lease liabilities during the three-month period ended 31 March 2024 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2024	10,005,685	169,875
Additional during the period	5,649	3,970
Repayment during the period	(400,985)	(14,563)
Accretion of interest during the period	104,847	1,120
Decrease due to lease termination	(156)	(156)
Balance as at 31 March 2024	9,715,040	160,246
Less: Current portion	(1,394,603)	(55,199)
Lease liabilities - net of current portion	8,320,437	105,047

18. Other current financial liabilities/other non-current financial liabilities

As at 31 March 2024 and 31 December 2023, the Group has other current financial liabilities and other non-current financial liabilities as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
		(Audited)		(Audited)
Derivative liabilities				
Cross currency and interest rate swap agreements	-	18,195	-	18,195
Total other current financial liabilities	-	18,195	-	18,195
Derivative liabilities				
Cross currency and interest rate swap agreement	740,725	136,386	690,852	114,570
Total other non-current financial liabilities	740,725	136,386	690,852	114,570

Derivative liabilities were measured at fair value with hierarchy level 2. There were no transfers within the fair value hierarchy during the current period.

19. 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 periods ended 31 March 2024 and 2023 are made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2024	2023	2024	2023
Current income tax:				
Interim corporate income tax charge	237,539	143,133	53,236	12,054
Deferred tax:				
Relating to origination and reversal				
of temporary differences	(47,295)	4,031	3,933	22,269
Income tax expenses reported				
in the statements of income	<u>190,244</u>	<u>147,164</u>	<u>57,169</u>	<u>34,323</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2024 and 2023 are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2024	2023	2024	2023
Deferred tax from gain (loss) on the				
change in value of financial assets				
measured at FVOCI	<u>(13,474)</u>	<u>8,826</u>	<u>(12,675)</u>	<u>(6,200)</u>

20. Segment information

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

Revenue and profit information regarding the Group's operating segments for the three-month periods ended 31 March 2024 and 2023 are as follows:

(Unit: Million Baht)

	For the three-month period ended 31 March 2024					Consolidated financial statements
	Real estate business	Rental and service Business	Others	Total reportable segments	Adjustments and eliminations	
Revenue from external customers	4,432	2,156	-	6,588	-	6,588
Inter-segment revenue	413	61	-	474	(474)	-
Interest income	183	12	-	195	(180)	15
Infrastructure service income	142	-	-	142	-	142
Project management income	-	78	-	78	-	78
Finance cost	(259)	(350)	-	(609)	178	(431)
Depreciation and amortisation	(35)	(462)	-	(497)	-	(497)
Gain (loss) on sales of assets	(4)	1	-	(3)	-	(3)
Share of profit from investments in associates	165	67	605	837	-	837
Segment profit	407	103	605	1,115	168	1,283
Unallocated revenue and expenses:						
Other income						106
Gain on exchange						875
Loss on derivatives						(839)
Income tax expenses						(190)
Profit for the period						1,235

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 31 March 2023

	Real estate business	Rental and service Business	Others	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	4,832	1,797	-	6,629	-	6,629
Inter-segment revenue	-	21	-	21	(21)	-
Interest income	142	8	-	150	(142)	8
Infrastructure service income	139	-	-	139	-	139
Project management income	-	99	-	99	(21)	78
Finance cost	(154)	(273)	-	(427)	139	(288)
Depreciation and amortisation	(33)	(431)	-	(464)	-	(464)
Share of profit from investments in associates	180	34	634	848	-	848
Segment profit	807	84	634	1,525	7	1,532
Unallocated revenue and expenses:						
Other income						89
Gain on derivatives						34
Loss on exchange						(152)
Income tax expenses						(147)
Profit for the period						1,356

21. Commitments and contingent liabilities

21.1 Commitments

21.1.1 As at 31 March 2024 and 31 December 2023, the Group has commitments to purchase of land and complete projects on hand as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
	(Audited)		(Audited)	
Commitment to purchase of land	2,902	1,604	2,902	1,604
Commitment under construction contracts	8,717	8,614	5,081	4,762
Commitment in respect of the installation of public utilities of projects on hand	1,142	1,225	948	977

21.1.2 As at 31 March 2024, the Group has servitude over land of approximately 213 rai (31 December 2023: 198 rai) of which the cost is included in the cost of projects.

21.2 Bank guarantees

As at 31 March 2024 and 31 December 2023, 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	
	31 March 2024	31 December 2023 (Audited)	31 March 2024	31 December 2023 (Audited)
Letter of guarantees for arrangement and maintenance of public utilities	4,100	3,959	3,327	3,188
Letter of guarantees for electricity usage	54	56	22	24
Letter of guarantees for building construction	150	150	-	-
Letter of guarantees for rental fee	36	26	-	-
	<u>4,340</u>	<u>4,191</u>	<u>3,349</u>	<u>3,212</u>

21.3 Guarantees

21.3.1 As at 31 March 2024 and 31 December 2023, the Company has the obligations in respect of guarantees for customers amounting to Baht 7 million.

21.3.2 The Company has contingent liabilities to a bank in relation to the financial support in form of issuance of a letter of comfort to provide to the subsidiaries for loans and guarantee facilities obtained for development of the subsidiaries' projects. As at 31 March 2024, the subsidiaries have outstanding loans related to guarantee portion of the Company as specified in the letter of comfort amounting to Baht 5,085 million (31 December 2023: Baht 4,857 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.

21.4 Litigations

21.4.1 As at 31 March 2024, the Group has been sued in lawsuits related to breaches of contracts, contract terminations, refunds and damages with total claims of approximately Baht 32 million (31 December 2023: Baht 61 million). The cases are currently being heard by the Court of First Instance and the Appeal Court and have not been finalised. As at 31 March 2024, the Company has set aside a provision of Baht 2 million for liabilities arising as a result of the legal cases (31 December 2023: Baht 2 million).

21.4.2 In September 2021, a residential juristic person filed a claim against the Company on the grounds of non-standard construction and a guarantee, with a total amount in dispute of Baht 44 million. The Company and the plaintiff wished to engage in negotiation and requested the court for mediation and conciliation process before the date of the taking of evidence. Subsequently, in March 2024, the Company and the plaintiff entered into a settlement agreement before the court, thereby engaging another company to conduct an investigation and analysis of the problems, its causes, solutions, repair duration, and cost estimation for repairs (if there is damage) under the supervision of an independent consulting engineer. However, the aforementioned company is currently in the process of inspecting and assessing the damage, which has not yet been conclusively determined. Nevertheless, as of 31 March 2024, the Company has already set up a provision for repair and maintenance for the aforementioned condominium totaling Baht 9.3 million (31 December 2023: Baht 9.3 million).

21.4.3 As at 31 March 2024, the Company has become involved in 2 lawsuits as an interpleader due to legal actions taken against state authorities and state agencies in the Central Administrative Court. The plaintiffs in these lawsuits are seeking the annulment of assessment reports or Environmental Impact Assessment (EIA) reports, as well as the withdrawal of construction permits of the Company's condominium projects and demanding to protect the rights of nearby residents of the projects. The court has determined that the Company, as the owner of the projects, could be impacted by the court's judgment or orders. Consequently, the court has ordered the Company to become an interpleader in these cases. The first case has been dismissed by the Administrative Court of First Instance. Currently, the first case is undergoing proceedings within the Supreme Administrative Court, while the second case is in the process of fact-finding. The legal advisor and the management of the Company are of the belief that the Company conducted a thorough feasibility study and prepared an accurate Environmental Impact Assessment (EIA) report to assess the potential project construction impacts and establish appropriate measures to mitigate these impacts. The report and corresponding measures were reviewed and approved by relevant state agencies. In addition, construction on the projects has not yet commenced. Based on

these factors, it is anticipated the Company will not incur any losses due to these legal proceedings. As a result, no provision for contingent liabilities was recorded in the financial statements.

22. Financial instruments

22.1 Fair value 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.

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	Non-listed equity investment	Non-listed equity investment
Balance as at 1 January 2024	228,899	-
Gain recognised into other comprehensive income	4,790	-
Balance as at 31 March 2024	233,689	-

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	10.95%	2% increase (decrease) in the risk premium would result in Baht 43 million decrease (increase) in fair value

23. Events after reporting period

23.1 On 23 April 2024, the Company issued unsubordinated and unsecured debenture No. 1/2024 as follows:

- 1) Debenture Series 1 with a term of 2 years 6 days, in the amount of 3.0 million units at a par value of Baht 1,000 each, at an offer price of Baht 940.60147 per unit (or equivalent to a discount of 3.06% p.a.), totaling Baht 3,000 million. The maturity date is on 29 April 2026, and no interest payment is to be made throughout the term.

- 2) Debenture Series 2 with a term of 3 years 6 days, in the amount of 4.0 million units at a par value of Baht 1,000 each, at an offer price of Baht 1,000 per unit, totaling Baht 4,000 million. Interest payment is to be made every 6 months at 3.25% p.a., and repayment is to be made on the maturity date of 29 April 2027.

23.2 On 23 April 2024, LH Mall & Hotel Co., Ltd. ("LHMH"), a subsidiary 99.99% owned by the Company and holding the land leasehold right as well as ownership of Terminal 21 Pattaya shopping center, indicates its intention to have LH Shopping Centers Leasehold Real Estate Investment Trust ("LHSC") invest in the shopping center through a lease of the immovable assets and a purchase of the movable assets from LHMH. Currently, LHMH is considering the terms and conditions of the relevant agreements to be entered into with LHSC.

23.3 On 25 April 2024, the Annual General Meeting of the Company's shareholders passed the resolution to approve an annual dividend for the year 2023 of Baht 0.50 per share. However, since the Board of Directors had approved the interim dividend payment of Baht 0.20 per share so the remaining dividend payment of Baht 0.30 per share, or a total of Baht 3,585 million, shall be made in May 2024.

24. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 14 May 2024.