

LH BANK Foreign Exchange Disclosure

The purpose of this disclosure is to clarify standard practices of Land and Houses Bank Public Company Limited (“LH Bank”, we or us) when we execute foreign exchange transactions (“FX Transactions”) with our clients.

LH Bank is committed to conducting our business with integrity, transparency, and fairness. This disclosure is not intended to override or conflict with all applicable laws and regulations as well as requirements and principles in any jurisdictions that LH Bank conducts our business. Where there is any inconsistency between this disclosure and agreements related to FX Transactions placed between LH Bank and clients (“Transaction Terms”), the Transaction Terms shall prevail.

LH Bank’s Role and Principal Trading

LH Bank acts in the capacity as principal and enters into FX Transactions for our own account as a dealer or market maker. When entering into FX Transactions with clients, LH Bank does so on an arm’s length basis and does not act as an agent, a fiduciary or financial advisor or in any similar role to our clients. Before entering into a FX Transaction, clients are expected to assess and evaluate the transaction based on all available facts, circumstances and their risk tolerant capacity.

As a dealer or market maker, LH Bank may maintain positions as principal in various currencies and other instruments regardless of trades with or orders received from the counterparties. Client’s FX Transactions or orders are handled by LH Bank’s Sales Desk and are executed through the Trading Desk. We believe that this enables us to obtain the best possible result for our clients especially for currencies that are traded in a fast moving market or where liquidity is shallow. Our ability to hold prices firm for sufficient time is crucial to improve the likelihood of execution. That said, those activities may conflict with the interests of our clients.

Quotes and Indicative Prices

Any price quotes that LH Bank provides are “all-in” price. We take into account the risk taken, costs incurred such as capital, credit, funding and operational costs, service rendered, the volume of business and our relationship with client. The relative contribution of each of these factors may vary from transaction to transaction. The all-in price includes our sales margin which may or may not be specifically disclosed. LH Bank has internal guideline and control to ensure that the sales margin of any client transaction is reasonable.

All prices quoted by LH Bank are considered indicative unless the client has been explicitly informed the price is firm.

Different price quotations may be displayed across various trading platforms and LH Bank reserves the right to change the price quotes at any time without advance notice.

Order Handling

FX Transaction orders are instructions placed by a client to buy or sell foreign exchange with specific details on contract size, price, level or direction as well as any known timing constraints, for example order is good for the day or good till cancel, such that no further action is required to establish the client's obligation to execute the trade with LH Bank. Client may place an order to us verbally via our recorded phone or in writing via email or other approved communication channel. LH Bank will advise client whether a fixed sales margin is added to or subtracted from the price when the order is executed. LH Bank has sole discretion to accept or reject the order. Once we have accepted the order, client may only then cancel or modify it with our agreement.

Upon acceptance of the FX Transaction order, LH Bank will register the order in the order book with the time of acceptance. When two or more orders with the same direction and at the same level are received, these orders will be processed on a first-come-first-served basis. LH Bank will act in good faith and make reasonable effort to execute the order in accordance with client's specific instructions. Where a fixed sales margin is not agreed between LH Bank and the client, the market will need to trade at a price which is equal to the client order plus / minus any sales margin before execution can be effected. This can result in client order not being executed although the market price reached the order level or beyond.

LH Bank may accept the following types of orders from clients:

A. Market Orders

A market order means an order to transact immediately. LH Bank will use our professional judgment and expertise and take into consideration various factors such as prevailing liquidity and other market conditions to execute at the best available price.

B. Limit Orders

A limit order means setting a target price that will ordinarily be at a more favorable price than the current market price. The limit order may not be executed promptly. By leaving a limit order, the clients should be aware that it is forgoing the certainty of immediate execution in exchange for the possibility of getting a better price in the future. If the target price is reached, the limit order will be filled at the agreed execution price.

C. Stop-loss Orders

A stop-loss order means setting a target price at which the order becomes live at a less favorable price than the current market price. It may not be executed promptly. Once the trigger price has been reached, LH Bank will attempt to enter into FX Transaction with interbank counterparties at, or as close as practically possible to, the target price. LH Bank will neither guarantee nor ensure the order is executed at the target price.

D. Fixing Orders

When the client places an order for execution at a specific time and date ("fix"), if the order is accepted LH Bank will execute the FX Transaction at the published "fix rate" after applying a bid/offer spread around that price.

Reference Prices

Reference prices are used to determine the reference trigger level for specific orders or other trade events. Main sources of reference rates include publicly available FX fixing sources, LH Bank's counter rates, central bank rates or wholesale interbank quotes sourced from Reuters, Bloomberg, etc.

Pre-Hedging

Normally LH Bank does not pre-hedge client's orders as we consider the market liquidity is sufficient for us to hedge the orders with interbank counterparties at the time the client's order level is triggered. However, if we consider pre-hedge may benefit the client and improve the likelihood of execution due to the exceptionally large deal size or the relative illiquid market for the specific currency, we will inform and agree with the client any pre-hedging arrangement when the order details is communicated.

Conflict of Interest

LH Bank complies with high professional standards and ethical values, while taking all reasonable steps to avoid conflict of interest in order to promote the fair treatment of clients.

LH Bank shall follow our conflict of interest guidelines and principles when LH Bank enters into the FX Transactions with clients.

In managing any actual or potential conflict of interest, LH Bank in sole discretion, may decline to enter into the FX Transaction.

Information Handling

LH Bank has policies and controls that are designed to protect the clients' confidential information, as well as ensuring that it is not used or disclosed the information improperly.

However, clients should understand that LH Bank may share such information to execute the FX Transactions and, as part of our obligations as a regulated entity, may disclose client information as required by relevant regulators and/or under applicable laws and regulations.

LH Bank may use, anonymized and/or aggregated information of executed transactions, along with other relevant information, internally and to third parties, in forming LH Bank's view of the market. In doing so, information will be disseminated appropriately without compromising client confidentiality.

Should you have any queries relating to this communication, please do not hesitate to contact your LH Bank's sales representative. Please note that this communication may be updated from time to time, subjected to the change of regulatory, industry and other market developments.