



บริษัท สุราษฎร์ปูน จำกัด (มหาชน)  
Golden Lime Public Company Limited

# ANNUAL REPORT 2016



รายงานประจำปี 2559

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The Company has prepared the year 2016 annual report with a disclosure of the Company's policy, the operating results, regulations, and practices which the stakeholders should be aware off. Information disclosed under each section will be elaborated as per the guidelines of the annual report (form 56-2).

Shareholders, investors, stakeholders, and interested persons can learn more from the company's annual registration statements (form 56-1), as listed in [www.sec.or.th](http://www.sec.or.th) or [www.set.or.th](http://www.set.or.th) by searching the symbol " SUTHA" or the Company's website at [www.goldenlime.co.th](http://www.goldenlime.co.th)

If you have any feedback about this report, please contact the Company's secretary by email: [glmis@goldenlime.co.th](mailto:glmis@goldenlime.co.th) or phone number: 0 2961 8652-6.

## Message from the Chairman

Dear shareholders, customers, partners, and employees,

Following several years of steady growth, Golden Lime closed a challenging 2-year period during which our company experienced a multitude of adverse market conditions and operational challenges which not only negatively impacted our revenues but also our overall profitability and shareholders' return.

Faced with these challenges, we embarked in 2016 on a journey aimed at turning around our business and restoring our Company's profitability. In late September, we diversified and reinforced our shareholder structure when Carmeuse, a worldwide leading producer of high calcium and dolomitic lime, and GP Group, one of Thailand's most diverse industrial groups, jointly acquired a important stake in our Company. Immediately thereafter, we rejuvenated and strengthened our Company's leadership team and launched an improvement program focused on 3 strategic priorities:



1. **Restore top line growth.** Despite an uncertain business environment, it is key to return to top line growth driven by a passionate focus on our customers and the sustainable development of carefully selected growth initiatives.
2. **Reinforce operational excellence and competitiveness.** The introduction of the Carmeuse Operating System in Golden Lime seeks to maximize productivity, eliminate waste and ensure consistent quality. We will benefit from the deep and unique know-how of the global Carmeuse organization in the fields of lime technology, process optimization and applications to reinforce our competitiveness. It will make us stronger and position us better for future growth.
3. **Strengthen the organization and develop our people.** To ensure the best chance of success over the coming years, we will further strengthen our management foundation and invest in the development of our employees. Our ambition is to create a sustainable organization with a talented and motivated workforce that will shape the future of our Company.

2017 presents itself as a transition year. It is essential that we focus our energy on rigorously executing our strategy and demonstrating to you, our valued stakeholders, the impact of our actions. All this needs to happen while we maintain our commitment to zero injuries and the safety of our employees and visitors at our production facilities. Nothing we do is worth getting injured. Safety is a continuing journey that starts with good housekeeping and requires a systematic approach and discipline across all levels of the organization.

I would like to extend my thanks and appreciation to all our stakeholders for their contributions and their continued support to our company. We have a clearly defined path ahead of us and are committed to making the most of the various opportunities together with our customers, employees, shareholders, suppliers, local communities and other business partners.

Tim Van den Bossche  
Chairman of the Board of Directors

### **Business operation under rapid change**

Economy, society, and environment are dynamic and changing rapidly as a result of technological development and limitless network. Those who are able to develop fast will gain better efficiency and productivity. Those with perseverance and expertise will be able to survive in the world of modern business where everything is dynamic and changing very quickly. If a business doesn't continually improve itself, that business will surely lose and the players will have to walk out off the field.



*Mr. Kiatikul Monsereenusorn  
The Chairman of Executive Committee  
and Managing Director*



SUTHA started from experiences in calcium carbonate (Calcite) grinding powder and limestone manufacturing since my father's generation. Today, we process limestone at high temperatures to produce lime or calcium oxide and calcium hydroxide, alkaline chemical which is considered as a chemical needed in many industries for each country. From being a lime manufacturer, building lime kilns, and wanting to solve international problems in order to control lime production to meet quality standards, we continue to develop ourselves by producing lime kilns to use in lime manufacturing. We produce the kilns from the experience we have gained throughout our long existence in the business.

SUTHA will never stop. Therefore, as the creator, I would like our business to have a limitless network. SUTHA must continue and I need strong partners who are ready to dedicate themselves to sustainable development. Therefore SUTHA has to continually adjust and develop ourselves to accommodate the changes that will occur over the upcoming centuries.



Tim Van den Bossche  
Chairman of the Board of Directors



Mr. Kiatikul Monsereenusorn  
The Chairman of Executive Committee  
and Managing Director

## The Board of Directors and Audit Committees



Mr. Timothe Arthur Maria Van den Bossche  
Chairman of the Board of Directors  
The Executive Director



Mr. Kiatikul Monserenusorn  
Chairman of Executive Committee  
Managing Director



Mr. Sripop Sarasas  
Independent Director  
Chairman of the Audit Committees



Mr. Alexandre Antoine J. Boonen  
Director



Miss. Nishita Shah  
Director  
Executive Director



Mr. Suvit Mapaisansin  
Independent Director  
Audit Committee



Miss Kristel Verleyen  
Director



Mr. Krishnan Subramanian Aylur  
Director  
Executive Director



Mr. Bowon Vongsinudom  
Independent Director  
Audit Committee

## Executive Committee and Executives



	List Name of Directors	Position
1	Mr. Kiatikul Monsereenusorn	Chairman of Executive Committee
2	Mr. Timothe Arthur Maria Van den Bossche	Executive Director
3	Miss Nishita Shah	Executive Director
4	Mr. Krishnan Subramanian Aylur	Executive Director



Mr. Kiatikul Monsereenusorn  
Managing Director



Mr. Geza Emil Perlaki  
Deputy Managing Director



Mr. Pucharit Monsereenusorn  
Marketing Manager



Ms. Thidarat Sihawanlop  
Office Manager



Mr. Paitoon Singkaimook  
General Manager



Mr. Watcharin Pongkua  
Plant Manager



Ms. Amornpan Suwanrat  
Accountant and Budget Manager



Ms. Pornsuree Mayungpong  
Human of Resource and  
Social Responsibility



Mr. Panya Srisapa  
Kiln Manager

## Vision



Lime and other value-added products and minerals to enhance quality with fair pricing for various industries, to expand business opportunity abroad and domestic market in order to keep sustainable growth and predictable returns to the shareholder; and to continuously research and develop new products, making every day better.

## Mission

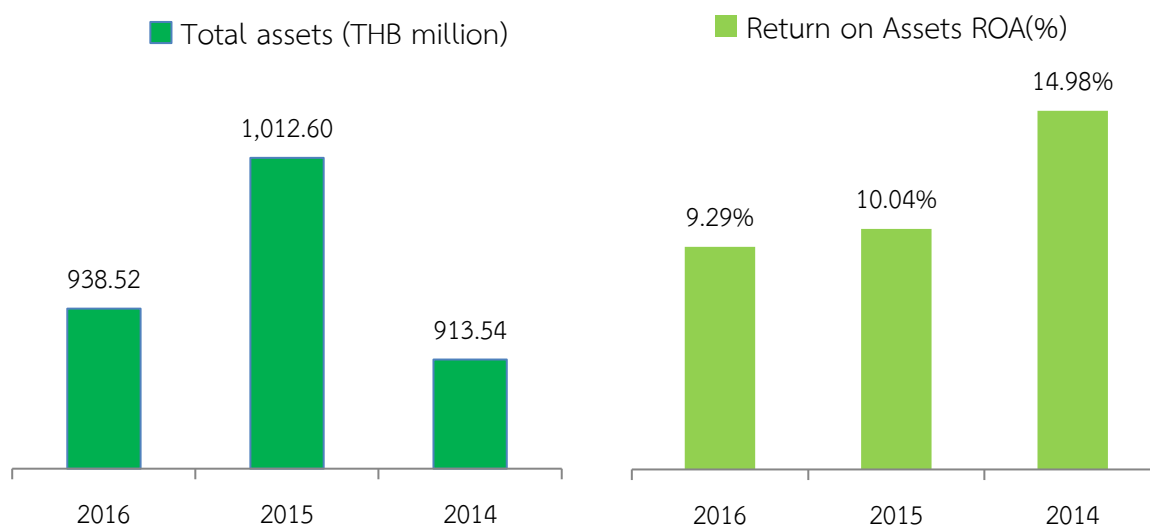
*Golden Lime (“Sutha”) is committed to the following standards*

- *Producer of quality products with efficient cost and effective management. Good and sound marketing and technical knowledge to satisfy customer’s application requirement.*
- *Transparent management for good investment returns for shareholders.*
- *Promotion of internal organizational loyalty and happiness at working atmosphere.*
- *Promotion of self-learning through continuous knowledge programs to company personnel with a “Doing Better” philosophy.*
- *Promotion of responsibility to the environment and surrounding ecosystem.*
- *Organization with stable and consistent growth.*



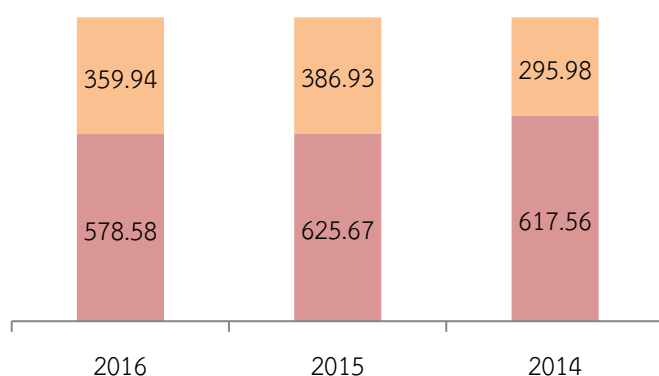
## Financial Data

Financial Highligh	Year		
	2016	2015	2014
Total assets (THB million)	938.52	1,012.60	913.54
Total liabilities (THB million)	359.94	386.93	295.98
Total shareholders' equity (THB million)	578.58	625.67	617.56
Weighted average number of ordinary shares (shares)	300.00	300.00	300.00
Total Revenues (THB million)	804.55	941.91	1,082.14
Net Profit (THB Million)	68.00	96.73	127.80
Earning per share (Baht / Share)	0.23	0.32	0.45
Return on Assets ROA(%)	9.29%	10.04%	14.98%
Return on Equity ROE(%)	15.06%	15.56%	28.25%
Net Profit Margin (%)	8.45%	10.27%	11.81%
Number of Share (Million share)	300	300	300
Par value (Baht/share)	1	1	1
Dividend per share (Baht/share) <sup>/1</sup>	0.17	0.45	0.3

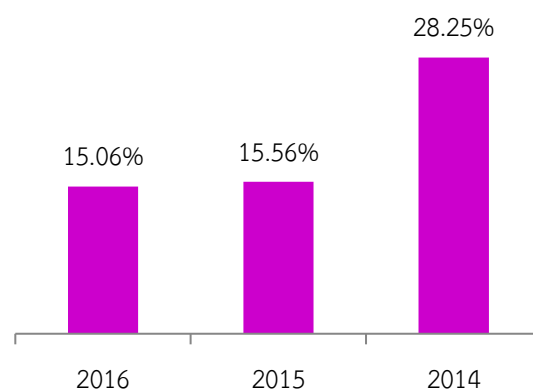


## Financial Data

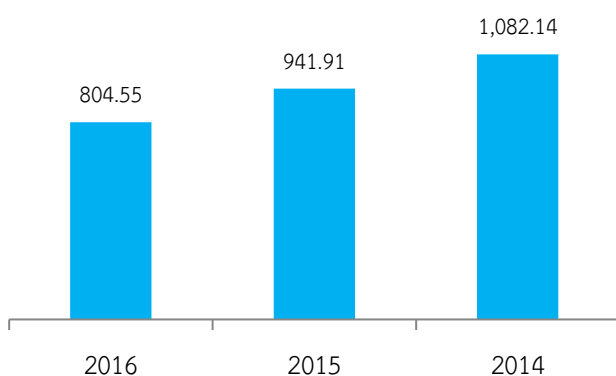
■ Total liabilities (THB million)  
■ Total shareholders' equity (THB million)



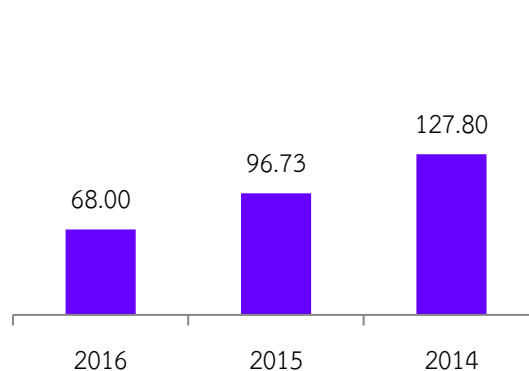
■ Return on Equity ROE(%)



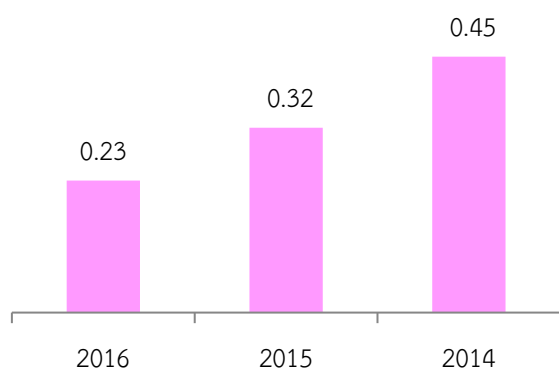
■ Total Revenues (THB million)



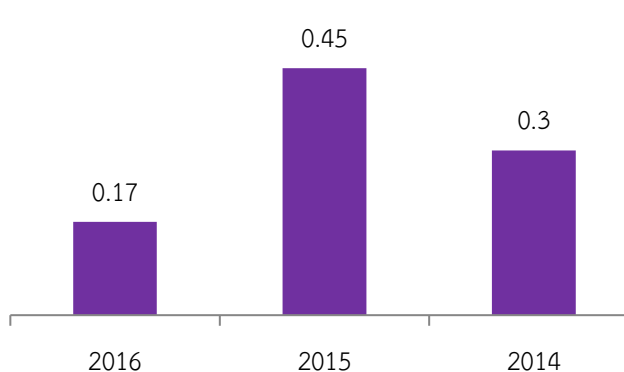
■ Net Profit (THB Million)



■ Earning per share (Baht / Share)



■ Dividend per share (Baht/share)/1



## Financial Data

Ratio	Audited		
	Yearly Report End December 31		
	2016	2015	2014
<b>1. Liquidity ratio</b>			
Current Ratio (Times)	1.47	1.53	2.00
Quick Ratio (Times)	0.85	0.84	1.23
Cash Flow Liquidity Ratio (Times)	0.94	0.70	0.48
Accounts Receivable Turnover Ratio (Times)	7.64	6.37	7.70
Average Collection Period (Days) <sup>3/</sup>	48	57	47
Inventory Turnover (Times)	40.40	58.88	101.14
Sales Turnover Ratio (Days) <sup>1/3/</sup>	9	6	4
Account Payable Turnover (Times)	7.63	6.20	10.09
Average Payment Period (Days) <sup>3/</sup>	48	59	36
Cash Cycle (Days) <sup>3/</sup>	105	122	87
<b>2. Profitability ratio</b>			
Gross Profit Margin (%)	30.16%	31.84%	33.92%
Operating Profit Margin (%)	8.59%	10.43%	11.94%
Operating Cash Flow to Operating Profit(%)	386.97%	195.86%	116.89%
Net Profit Margin (%)	8.45%	10.27%	11.81%
Return on Equity (%) - ROE	15.06%	15.56%	28.25%
<b>3. Efficiency ratio</b>			
Return on Assets (%) - ROA	9.29%	10.04%	14.98%
Return on Fixed Assets (%) - ROFA	41.91%	39.60%	49.96%
Asset Turnover (Times)	0.79	1.03	1.37
<b>4. Financial policy ratio</b>			
Debt to Equity Ratio (Times)	0.62	0.62	0.48
Net interest bearing debt to Equity Ratio (Times)	0.35	0.37	0.30
Interest Coverage Ratio (Times)	60.07	24.06	9.01
Operating Cash Flow to Total Cash Outflow Ratio (Times)	9.13	2.50	2.34
Dividend Payout Ratio (%) <sup>2/</sup>	167.64%	93.05%	52.82%

Note : 1/ Calculate based on finish goods only

2/ Dividend Payout ratio of the year is calculated from the amount of dividend paid in the account period compare by the net profit same the account period

3/ In 2015 the Company change the formula for calculate of ratio had unit days by used day per years from 360 day per year to 365 days per year.



### Corporate Information

Company Name : Golden Lime Public Company Limited

Business : Manufacturer and distributor of

- 1) Lime (Calcium Oxide and Calcium Hydroxide)
- 2) Calcium Carbonate
- 3) Trading Products and services and
- 4) Sales of equipment and machines.

Registration Number : 0107556000248

Location of Head Office: 8/222 Moo 3, Srisamarn Soi 2 Road , Banmai , Pakkred , Nonthaburi 11120

Telephone : +66(0) 2961 8652-6

Fax : +66(0) 2961 8650-1

Website : <http://www.goldenlime.co.th>

### Factory Location

Branch 1 : 61 Moo 1 , Phaholyothin Road, Nha-Pralarn , Chalerm-Prakiat , Saraburi 18240

Branch 2 : 7 Soi 11 Sai 3 Moo 12 , Saraburi lomsak-saimai , Pattananikom , Lopburi 15220

Branch 3 : 11 Moo 11 , Huai Pa Wai, Prabuddhabaht , Saraburi 18120  
(In process to building Factory)







## General Information

Listing Date	:	As at 3 <sup>rd</sup> April 2014 Symbol “SUTHA”
Listing Securities	:	300,000,000 Common shares with a par value of THB 1 per share totaling THB 300,000,000
Capital	:	As at 31 <sup>st</sup> December 2015
Registered Capital	:	Common Shares THB 300 Million (300 million shares)
Paid-up Capital	:	Common Shares THB 300 Million (300 million shares)

### Reference Parties

#### Securities Registrar

Company Name	:	Thailand Securities Depository Co., Ltd.
Company Address	:	The Stock Exchange of Thailand Building 93 Rajadapisek Road, Dindaeng, Bangkok 10400 Telephone 0-2009 9385 Fax 0-2009 9476


#### Auditor

Company Name	:	EY OFFICE LIMITED
Auditor	:	Mrs Gingkarn Atsawarangsalit, Certified Public Accountant No. 4496 or Ms.Pimjai Manitkajohnkit, Certified Public Accountant No. 4521 or Mr.Chayapol Suppasedtanon, Certified Public Accountant No. 3972 or Ms.Sumana Punpongsanon, Certified Public Accountant No.5872
Company Address	:	33 <sup>rd</sup> Floor Lake Rajada Office Complex 193/136-137 Rajadapisek Road Klong Toey , Bangkok 10110 Telephone 0 2264 9090 Fax 02 264 0789

## Overview of the company's operations

Golden Lime Public Company Limited was established on 2 October 2003 with a registered capital of THB 1.00 million. In 2005, the Company increased its registered capital to THB 90.00 million and on 2 April 2014, the Company has listed in the Stock Exchange of Thailand (SET) with current registered and paid-up capital of THB 300.00 million.

The followings are important change and development since 3 years of the Company's:

Important Change and Development	2016
<ul style="list-style-type: none"> <li>➤ There are some changes to major shareholder structures and executive structure from Mr. Kiatikul Monsereenusorn family, the founder of the company. The new major shareholders are a Carmeuse affiliated corporation which is the world's leading lime supplier and GP Group affiliated corporation.</li> <li>➤ The company received the investment promotion of Calcium Hydroxide products; promotion certificate no. 59-0430-100-1-0; production capacity at 116,800 tons.</li> <li>➤ The company received Thai Industrial Standard symbol for industrial lime; license no. 1240-7/319 issued on July 4, 2016 under the trademark of RHINOCEROS BRAND and MOUNTAIN BRAND.</li> <li>➤ The company Registered the trademark  no. 161104081 on September 13, 2016</li> <li>➤ On September 29, 2016, company's shareholder structure changed when CE Lime (Thailand) Co., Ltd purchased 45 percent of the Company shares. The purchase has affected company's board of director and executive structure.</li> <li>➤ On October 10 – November 15, 2016, CE Lime (Thailand) Co., Ltd submitted tender offer. According to tender offer report on November 16, 2016, the number of shares has 7.13 percentage of total issued and paid-up shares at the time during the tender offer was made. As a result, CE Lime (Thailand) Co., Ltd owns 52.13 percent of company share after the tender offer was made.</li> <li>➤ The company received Halal certificate for Lime and Calcium Carbonate product sold under the trademark of RHINOCEROS certificate no. HL 70/2559 registration date: October 31, 2016.</li> <li>➤ The company launched the first machines and equipment sale project in Indonesia. The first project has started on production mode on November 2016.</li> </ul>	
Important Change and Development	2015
<ul style="list-style-type: none"> <li>➤ The company delivered machines and equipment as part of manufacturing machines and equipment sale project. After the delivery, customers will start an installation. Commissioning test will start as soon as the installation has completed. The company will assist the customers throughout commissioning testing process.</li> <li>➤ The company developed new products from Barite, a mineral containing barium sulfate (<math>\text{BaSO}_4</math>). The new products have undergone experiment and production testing before selling them on the market. The products were sold to oil industry first.</li> <li>➤ For the first time, The company's annual general meeting 2015 was evaluated as a part of Annual General Meeting 2015 evaluation project initiated by Securities and Exchange Commission Thailand</li> </ul>	

(SET), Thai Investors Association, and Thai Listed Companies Association. The company received “Excellent” result from Annual General Meeting 2015 evaluation.

- The company received Assessment of Sustainability Development Level of Listed Company result which is a part of Sustainability Development project for listed company. The assessment was carried out by Thaipat Institute sponsored by Securities and Exchange Commission Thailand (SET). This was the second time since the company has joined the Stock Exchange of Thailand. The company received level 3 “Established” on Anti-corruption progress indicator.
- The company received Corporate Governance Report of Thai Listed Company. This was the first year the Company was surveyed after joining the Stock Exchange of Thailand in 2014. The Company has received overall good result. The survey was carried out by Thai Institute of Directors.
- The company was invited to participate and promoted campaigns for worker skill development for business demand 2015 project in Suphanburi, Ang Thong, Saraburi, Lopburi, Phra Nakhon and Si Ayutthaya area. The campaigns were organized by Srinakharinwirot University and Department of Skill Development.
- The company was awarded with a dedicated security establishment award from Her Royal Highness Princess Maha Chakri Sirindhorn.
- The company was given an award from worker skill development for business demand 2015 project from Department of Skill Development, Department of Employment.

#### Important Change and Development

2014

- On March 26 – 28, 2014, the company offered 75 million common shares at 3.7 baht each to the public. The total price of all these shares was 277.5 million baht.
- On March 31, 2014, the company received paid-in capital and registered paid-in capital change with Ministry of Commerce. The company received paid-in capital of 300 million baht
- On April 2 2014, the Stock Exchange of Thailand received shares from the Company as listed security in the Stock Exchange of Thailand with “SUTHA” as the stock symbol. The first day trade was on April 3, 2014.
- On August 19, 2014, the company applied for investment promotion from the Board of Investment Thailand (BOI). The investment was to increasing Calcium Oxide production capacity to 120,000 tons with 250 million baht investment. The project location was at Branch no. 3 Huai Pa Wai, Phra Phutthabat District, Saraburi. The company planned to build 2 lime kilns with product capacity of 150 tons per day. They planned to build one kiln at a time. The project was expected to complete in 2017.

The company produces and sells lime, Calcium Carbonate, and other products/services as well as sales and installation of machine and equipment for lime production. Major business of the company includes production and sell of chemical products including

1) Lime (i.e., Calcium Oxide (CaO) and Calcium Hydroxide) and

2) Calcium Carbonate. Lime is widely used in production process of various industries, for example, steel, pulp and paper, mining, sugar, construction, and chemical industries. Calcium Carbonate can be used as filler and/or extender in plastic, PVC, rubber, and insulator industries. The company supplies lime and Calcium Carbonate for both domestic and overseas customers.

The company has 2 factories located in Chongsarika Sub-district, Lopburi and Napralan Sub-district, Saraburi. SUTHA has 6 kilns for burnt lime operating 24 hours a day, with a production capacity of 900 tons/day (328,500 tons/annum quicklime capacity). Kilns are automatically controlled by modern computerized system and closely monitored by experienced and skilled staffs. The company's products and services can be divided into 3 categories as follows:

### 1) Lime Product

#### 1.1) Calcium Oxide (CaO) or Quicklime

Quicklime is derived from burning limestone, containing mostly Calcium Carbonate (CaCO<sub>3</sub>), at approximately 900 degree Celsius. Limestone turns into Calcium Oxide (white-burnt limestone sized 1.5-4"). A lump of quicklime can be ground into smaller size as pebble or powder. The company supplies quicklime in the form of lump, pebble and powder depending on customers' specific needs.

#### 1.2) Calcium Hydroxide (Ca(OH)<sub>2</sub>) or Hydrated Lime

Hydrated Lime is a continual production process from quicklime production. Burnt lime (Quicklime) is ground and treated with water (H<sub>2</sub>O). After a chemical reaction (Quicklime and water), Calcium Hydroxide is derived, in a powder form.

### 2) Calcium Carbonate (CaCO<sub>3</sub>)

Calcium Carbonate is the product resulting from grinding calcite (with high degree of whiteness) into very small particles. The Company supplies as Uncoated Calcium Carbonate or Coated Calcium Carbonate (Calcium Carbonate coated with stearic acid).

### 3) Trading products and other products and services

Trading products for domestic and overseas customers comprise of lime and Calcium Carbonate products, burnt dolomite and chemicals used in industries, and petcoke (the type that SUTHA uses as fuel currently). In addition, the company provides grinding services to customers.



#### 4) Sales and installation of machinery and equipment

The company sells, assembles and installs machineries and equipment relating to production of lime, including lime kilns, Calcium Oxide conveyance systems, fuel burning parts, etc. as well as providing advisory services to clients on procurement, installation, production and maintenance of equipment and machineries.

#### Revenue Structure:

Revenue of the company for period end of December 2016 has detail follow below:

Unit: THB mn	For the year end as of 31 December		
	2016	2015	2014
Revenue Structure			
LIME (Calcium Oxide and Calcium Hydroxide)	685.74	756.31	849.71
Domestic	571.50	664.99	773.38
Export	114.24	91.33	76.33
Calcium Carbonate	50.60	52.98	50.78
Domestic	50.18	51.01	47.25
Export	0.42	1.97	3.53
Trading Products	43.94	101.08	112.61
Domestic	32.72	26.54	100.42
Export	11.22	74.54	12.19
Machine and Equipment sales and installation	10.92	16.8	57.66
Foreign exchange gain (loss)	0.57	4.74	1.51
Other revenue 1/	12.78	9.99	9.87
Total	804.55	941.907	1,082.14

Remark: <sup>1/</sup>Other revenue include rental fees, interest, and gain from sales of properties, engineering consultation including scab in production process, etc.

#### Appearances of products and services

The company supplies lime and Calcium Carbonate for both domestic and overseas customers. Categories as follows:

- 1) Lime

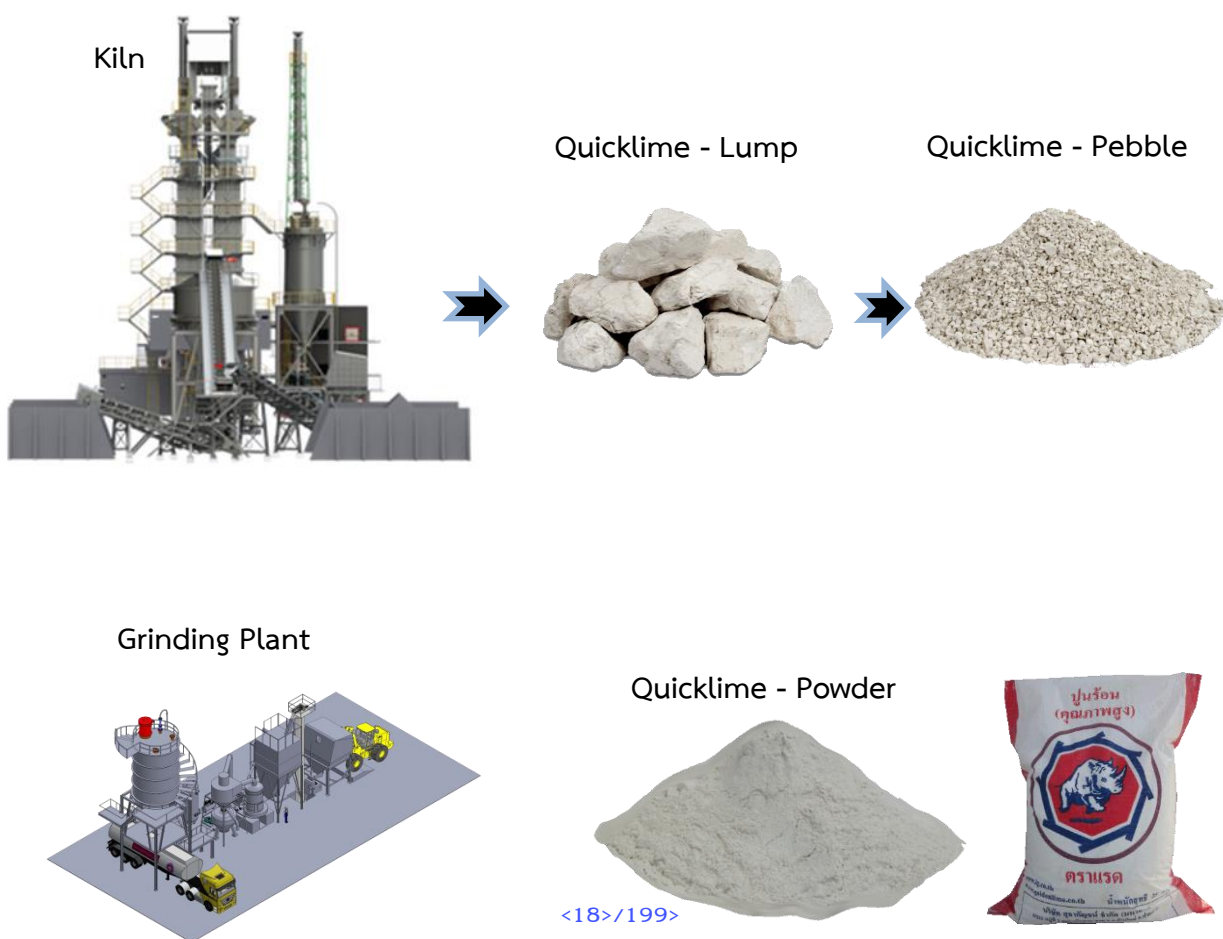
### 1.1) Calcium Oxide (CaO) or Hot Lime

Calcium Oxide is obtained by burning limestone, a sedimentary rock that consists mostly of calcium carbonate ( $\text{CaCO}_3$ ), to a temperature when the carbon dioxide ( $\text{CO}_2$ ) gas is released. This burning process is called calcination. Our lime production burns limestone at 900° Celsius for 18 hours in a closed system, obtaining 1.5 to 4 inch white lumps consisting of 85% or more CaO and some magnesium oxide ( $\text{MgO}$ ) and ferric oxide ( $\text{Fe}_2\text{O}_3$ ). Being alkaline (pH 12.2), they react violently with water releasing a large amount of heat. At the end of the reaction, only a few small cores are left.

The composition of calcined limestone—such as available CaO,  $\text{MgO}$ ,  $\text{Fe}_2\text{O}_3$ ,  $\text{SiO}_2$ , and moisture content—as well as its properties—such as the amount of small cores remained after reaction with water, reactivity, and particle size—vary depending on raw material, burning fuel, and burning procedure and technique.

We deliver lime of the following sizes: medium-sized (1.5-4 inches), small-sized (0.1-10.1 millimeters), and finely-ground (100-200 mesh). The small-sized and finely-ground lime products are obtained from grinding medium-sized lime particles in a grinder to the desired size. All products are either put into packages or transferred directly to transport vehicles that deliver them to customers, branded as ‘Rhinceros’ or ‘Mountain’.

Chemical reaction:  $\text{CaCO}_3 + \text{heat} \rightarrow \text{CaO} + \text{CO}_2$ .





## 1.2) Calcium Hydroxide ( $\text{Ca}(\text{OH})_2$ ) or Hydrated Lime

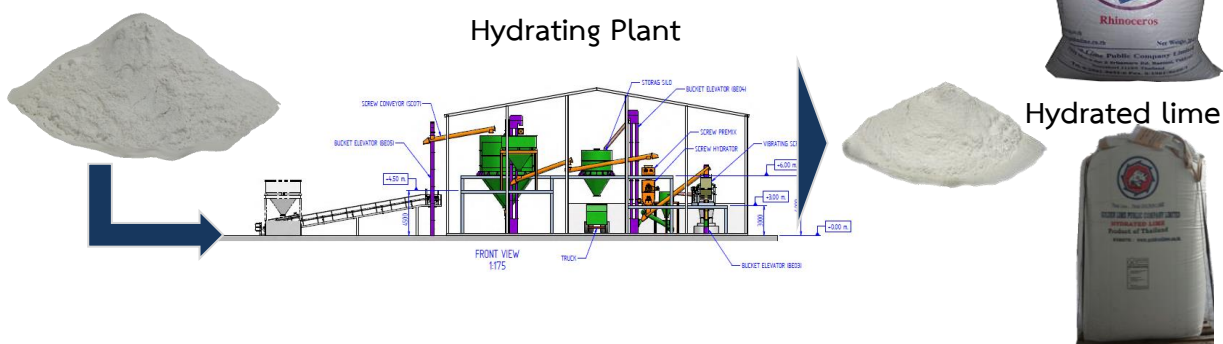
Calcium hydroxide or hydrated lime are products of a chemical reaction between ground  $\text{CaO}$  and water. They are produced in a mixture tank, ground into powder (170-230 mesh), then put into packages or transferred to bulk trucks, and delivered to customers branded as 'Rhinceros' or 'Mountain'.

The composition and properties of the product, such as available  $\text{Ca}(\text{OH})_2$ ,  $\text{MgO}$ ,  $\text{Fe}_2\text{O}_3$ ,  $\text{SiO}_2$ , moisture content, and particle size, vary depending on hot lime raw material, reaction with water, and production process.

Chemical reaction:  $\text{CaO} + \text{H}_2\text{O (water)} \rightarrow \text{Ca}(\text{OH})_2 + \text{heat}$ .

Packing: Bag and truck bulk

Quicklime – Powder  
From Grinding Plant



The product line provides various types of quality lime to meet the wide rang and ever growing needs of our customers that Golden Lime Public Company Limited is currently serving.

Industry	Usage
Steel	- Fluxing agent for steel purification
Chemicals	- pH regulator - Filtering aid - Waste water treatment
Sugar	- Filtering aid - Refining agent
Pulp & Paper	- Caustic zinc agent - Waste water treatment
Mining	- Caustic zine agent

Industry	Usage
	<ul style="list-style-type: none"> <li>- Filtering aid</li> <li>- Depressant in ore floatation</li> <li>- pH regulator</li> <li>- Waste water treatment</li> <li>- Cyanidation of ores</li> </ul>
Agriculture	<ul style="list-style-type: none"> <li>- Adjusting pH in soli/water</li> <li>- Waste water treatment</li> </ul>
Construction	<ul style="list-style-type: none"> <li>- Asphalt paving ant-stripping agent and additive</li> <li>- Autoclaved Aerated concrete (AAC)</li> <li>- Mixture in soil stabilization</li> <li>- Cement/Brick</li> <li>- Glass manufacturing</li> </ul>
Water Supply	<ul style="list-style-type: none"> <li>- Water softening</li> <li>- pH regulator</li> <li>- Purification</li> <li>- Sludge conditioning</li> <li>- Waste water treatment</li> </ul>
Waste Water Treatment	<ul style="list-style-type: none"> <li>- Waste water treatment</li> <li>- Filtering aid</li> <li>- pH regulator</li> </ul>

## 2) Calcium Carbonate (CaCO<sub>3</sub>)

Calcium Carbonate produced by grinding Calcite (sand size) into powder. Calcite is also the most stable among the rock forming minerals with CaCO<sub>3</sub> structure. It is glassy luster, transparent to translucent, white or colorless.

The company produced two types of calcium carbonate production, which are coated and uncoated form, approximately 1.5 to 4.0 microns. The uncoated calcium carbonate has been processed by grinding calcite (sand size) and screening the specific size, then packing for sale. For the coated calcium carbonate, it has been processed by grinding calcite (sand size) and coating with the stearic acid, then packing for sale. Calcium carbonate can be used in the various industries such as a filler and extender in paint, rubber, plastic, PVC, paper industries, or used as an ingredient in toothpaste, detergents, drugs, unshielded telephone cable, insulated wire, pen, eraser, gloves, glasses, etc., distributed domestically and internationally under the registered rhinoceros trademark.

### Calcium Carbonate (COATED)

### Calcium Carbonate (UN COATED)





Industry	Usage
Pipe and PVC	Uses as a filler to improve the following plastic properties: <ul style="list-style-type: none"> <li>- Sheen and shine</li> <li>- Electrical resistance</li> <li>- Compression force resistance</li> <li>- Shrinkage</li> <li>- Temperature and humidity resistance</li> </ul>
Pulp & Paper	<ul style="list-style-type: none"> <li>- Increases pulp opacity</li> <li>- Enhances pulp consistency and homogeneity</li> <li>- Improves printing and ink-absorbing properties of paper</li> <li>- Enhances pulp and paper structure by filling in the spaces inside it</li> <li>- Improves water-draining property, essential during production process</li> <li>- Reduces needed energy to dry paper because it holds less water since calcium carbonate takes up space inside it</li> </ul>
Rubber	<ul style="list-style-type: none"> <li>- Improves rubber electrical resistance</li> <li>- Enhances compression force resistance</li> </ul>
Ink and Paint	<ul style="list-style-type: none"> <li>- Improves ink and paint consistency and homogeneity</li> </ul>
Animal Feed	<ul style="list-style-type: none"> <li>- Raw material for animal food supplement pellets</li> </ul>

### 3) Trading products and other products and services

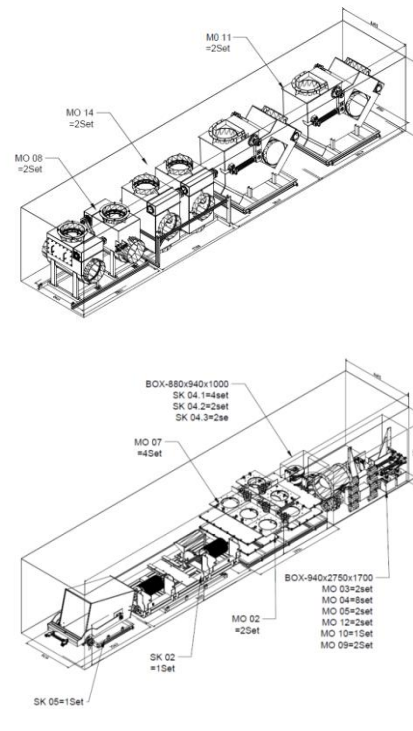
Trading products for domestic and oversea customers comprise of trading of lime and Calcium Carbonate products, burnt dolomite and chemicals used in industries , and coal (the type that SUTHA uses as fuel currently). In addition, the company provides grinding services to customers.

In 2015, the amount of raw material supply that we used and the amount of burned dolomite product that we sold to foreign steel-industry customers are increasing steadily

### 4) Sales and installation of machinery and equipment

The company sells, assembles and installs machineries and equipment relating

to production of lime, including lime kilns, Calcium Oxide conveyance systems, fuel burning parts, etc. as well as providing advisory services to clients on procurement, installation, production and maintenance of equipment and machineries. The work begun in year 2013 and the first project was commissioned and made fully operational in year 2016. The second project is scheduled to be delivered in year 2017.



## Objectives of Business Operation

**Golden Lime Public Company Limited** aims to produce best quality lime, calcium carbonate, products from processed lime, limestone, calcite, and barite, and other chemical product to meet customer demands from different industry at fair price. The company also aims to provide service and advice on suitable product use for production process. To preserve competitive potential in industrial sector and remain the number one manufacturers and sellers of lime and other chemical products in order to boost industrial and agriculture development in both domestic and international level, the company is developing products, engineering, and manufacturing technology. This allows the company to expand its business to the producer and seller of chemical manufacturing machines and equipment.

At present, the company has analyzed various risk factors that may affect the company's business operations. While the identified risk factors have not yet had material impact on the current business operation of the company, they are presented for shareholders in order to exercise prudence in such matters. In addition, the information is presented as a Forward Looking Statement and uses language such as "believe", "expect", "plan to", "intend to", and "approximate". The presented business, industry, performance and other operational forecasts are expectations of events that may happen in the future, and therefore may vary materially from our forecast and speculation.

## 1 Business Risks

### 1.1 Risk Relating to raw materials

The main raw material in lime production is limestone. At present, the company procures limestone from suppliers holding concessions to operate limestone quarries in nearby areas e.g. Saraburi and Lopburi, which can provide the required quality limestone. The company purchased limestone from around 6-10 suppliers, with continuous procurement with some supplier for more than 3 years despite lack of any contractual obligations.

However, the company can neither guarantee nor forecast whether it can continue to buy limestone in the quantity and quality that will ensure sufficient production, which may affect the

company's cost. On the other hand, the company has never encountered a situation where it is lacking in limestone supply, Furthermore, the company has an inventory and budgeting controlling system that keeps a minimum stock of limestone for use enough around 1-3 months.

The company sends out a geologist team along with the quality assurance team to survey and collect limestone samples for quality testing both from present and potential supply sources. With the company's 10-year experience in limestone calcinations, it can utilize limestone from different sources to deliver lime quality which meets its customers' needs.

In practice, the company has sent explorers and geologists to search for sources of raw materials, including minerals and limestone in neighboring countries such as Laos, Myanmar, Vietnam, Indonesia, etc. This helps the company prepare itself and find opportunities or possibilities of doing business as well as find partners in each country for the future. In addition, there are also opportunities and channels to expand their production to neighboring countries, which will be an alternative limestone sources for the company as well.



## 1.2 Risk relating to fuel price and supply

At present, the company procures petcoke for use in its production from two overseas suppliers. The company has made long-term purchase contracts with a certain supplier, in order to fully cover annual requirement of fuel, at an agreed price in order to limit the risk of fuel shortage and price volatility. Additionally, to prevent risk of delay of fuel shipment from overseas, the company has prepared fuel reserves with inventory management which will meet the company's fuel requirement of minimum 3 months.

## 1.3 Risk relating to environment and personnel safety

Due to the nature of the company's operation, there may be adverse effects to the surrounding environment or to the safety of its personnel. The company is under the supervision of the Department of Industrial Works, Ministry of Industry, meaning that it must follow environmental laws and regulations, including the disposal of waste or unused materials, the regulation of factory exhaust air, submitting reports on the types and volumes of pollutants that are emitted from the factory, etc. The aforementioned regulations may be subject to changes or additions in the future.

In any case, the company places great importance on managing its environmental impact in order to adhere to the laws and controls its production process according to the safety standard and environmental standard as specified in OHSAS18000 standards for Health and Safety practice and ISO14001 for environmental management practice



## 2. Financial Risks

### 2.1 Risk relating to exchange rates

At present, the company has imported fuel from overseas and also exported goods, using the USD as the primary currency. By buying fuels from abroad, the company is exposed to a 30-day exchange rate fluctuation risk, which is the amount of time from when the debt is incurred to the company's account in foreign currency to when financial institutions settle with the company's supplier on behalf of the company (via trust receipts) and the debt is converted into THB. In any case, the company maintains its assessment on foreign currency risk, closely monitors the movement of the USD against the THB and continuously studies ways in which such risks could be mitigated. This is done via consultations

with partner banks. Up until now, the company has never been materially affected by exchange rate volatility.

## 2.2 Risks relating to interest rates

The company has interest-bearing debt-to-equity ratios of 0.35, 0.37 and 0.30 at the end of 2016, 2015 and 2014 respectively. Furthermore, interest rates of the company's short- and long-term institutional borrowings are floating, and hence if institutions decide to adjust their interest rates upwards, the company's interest burden will also increase respectively, which would adversely affect the company's profits and returns to shareholders. However, the Company manages the interest rate risk by appropriately allocating fixed-rate and floating-rate debts and constantly monitoring interest rates.

## 3 Management Risks

### 3.1 Risk from having major shareholders influencing the Company's policies

On September 29, 2016, the company's shareholder structure changed when Mr. Kiatikul Monsereenusorn and Mr. Kitimethee Monsereenusorn, two major shareholders, sold 135 million company shares or 45 percent of all voting shares to CE Lime (Thailand) Co., Ltd. As a result, CE Lime (Thailand) Co., Ltd has become a new major shareholder. Therefore CE Lime (Thailand) Co., Ltd. has to make mandatory tender offer from every shareholder. After submitting mandatory tender offer on November 16, 2016, CE Lime (Thailand) Co., Ltd. owns 52.13 percent of all company shares. The change in company's shareholder structure has an impact on the Board of Directors. Three directors have been promoted by the new major shareholder and another two directors were nominated and promoted in General Meeting no. 1/2016 on November 11, 2016. Hence there are five out of nine directors who have been nominated by CE Lime (Thailand) Co., Ltd. Three out of five directors are authorized signatories.

Because CE Lime (Thailand) Co., Ltd. owns 52.13 percent of authorized and paid-in capital, CE Lime (Thailand) Co., Ltd. has the power to promote directors. Directors from CE Lime (Thailand) Co., Ltd. are able to control, specify managing policy and promote executives. CE Lime (Thailand) Co., Ltd. holds more than half of company stock. Therefore it can control the resolution of the meeting and define company management procedure. Other shareholders will not have enough votes to examine and balance out the vote from directors or executives of the major shareholder.

However the boards of directors recognized the importance of transparent operation and management by establishing good business procedure policies. The board has promoted independent audit committee to balance out on decision and consideration before presenting them in general meeting in order to prevent the conflict. The independent audit committee has also promoted an independent internal auditor and a financial auditor to examine internal administration systems, conduct risk assessment, and check whether financial accounts are correct and meet the required standards. To ensure transparency in company administration and operation to every shareholder, the audit revises and examines to meet with reliable criteria, procedure and standards.

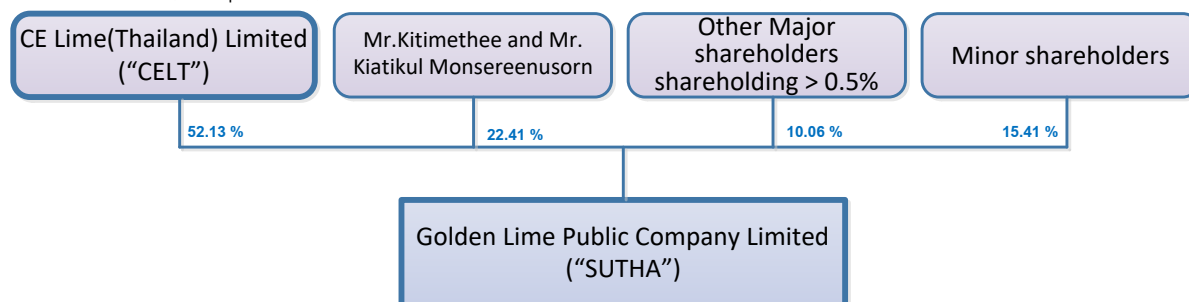
#### 4. ASEAN Economic Community - AEC Impact of Business Risks

The company has analyzed the impact of trade liberalization policies of the AEC, which may affect the business result, therefore, the possible business impact or risk factor, or the possibility of future direct or indirect business impact, should be export because of the opportunities of foreign investment, the relevant production relocation including lime, calcium carbonate production relocated to the CLMV countries. The CLMV consists of four countries, namely Cambodia, Laos, Myanmar, Vietnam, the ASEAN member countries, that have abundant raw materials and minerals, as well as low wage labor. This risk may result in intense competition for export markets which are currently doing business with the company, or competition in distribution to the company's trading partners, such as Indonesia, Laos, and Philippines, as well as other neighboring countries. However, the company has provided the guideline to prevent such risks; for example, continuous improvement in product development in order to increase product diversity and demand in major industries. This is another way to reduce risk of export dependence. In contrast, there is also the positive impact of AEC, that is from the increasing migration of foreign labor from ASEAN to support the growth of primary industries, resulting in raising demand of domestic products. Such impact can create growth opportunities for domestic businesses and industries as well.



## Shareholders and Management Structure

**Shareholders Structure:** the company had to close the book for the share registration as on 30 November 2016, the number of shareholders of total 1,708 persons, the shareholders who have shareholdings more than 0.5% of total 13 persons and other shareholders have shareholdings less than 0.5% of total 1,695 persons, the shareholder structure as shown below;



List name of the Major Shareholders below:

	Name	Number of share	% Shares
1	CE Lime (Thailand) Limited	156,380,460.00	52.13
2	Mr.Kitimethee Monsereenusorn	49,000,000.00	16.33
3	Mr.Kiatikul Monsereenusorn	18,223,650.00	6.07
4	Mr. Sompoch Pluemponprom	6,873,300.00	2.29
5	Miss Tongrak Kijwatanachai	4,250,000.00	1.42
6	Thai NVDR Co., Ltd.	3,627,800.00	1.21
7	Sarinee Nerngchamnon	3,334,000.00	1.11
8	Mr.KunPhet Sarasas	2,600,000.00	0.87
9	Mr.Pun Sarasas	2,520,000.00	0.84
10	Mr.Natthaphan Thanangtanurak	2,000,000.00	0.67
11	Mr.Kitisak Piyaphatthana	1,860,000.00	0.62
12	Mr.Monthon Phasomdi	1,561,300.00	0.52
13	Miss Kanlaya Khunnananthakun	1,544,000.00	0.51
14	Other Shareholders (Shareholdering < 0.5%)	46,225,490.00	15.41
Grand Total		300,000,000.00	100.00

**Foreign Shareholders** As of 30 November 2016 , the Company have 2 the foreign shareholders.

Note: The Company's Article of Association, chapter 3 section 11, impose restrictions on foreign shareholding as follows: "The Company's shares can be liberally transferred, except in the case of any share transfer that causes the foreign shareholding to exceed forty-nine percent (49%) of total paid-up share capital of the Company".

During the year 2016, the shareholder structure of Golden Lime had changed held on September 29, 2016 was as a result of selling 135,000,000 ordinary shares (one hundred and thirty five million shares) or representing 45% of the company's voting shares by Mr. Kiatikul Monsereenusorn and



## Shareholders and Management Structure

Mr. Kitimethee Monsereenusorn at the price of 6.50 Baht per share (Six Baht and Fifty Satang) (the “Share Purchase”) under terms and conditions of Share Purchase Agreement executed on 16 August 2016 between Mr. Kiatikul Monsereenusorn and Mr. Kitimethee Monsereenusorn, the major shareholders of the company as the sellers (the “Sellers”), and CE Lime (Thailand) Limited (the “Buyer”), having Mr. Ishaan Shah and Mr. Timothe Arthur Maria Van den Bossche as its authorized directors (the “SPA”). The SPA is a conditional sale and purchase agreement, provided that, the shares sale will be occurred only if the conditions set out in the SPA have been fulfilled. Detail of the transaction had changed below;

SUTHA Securities Shareholders	Before the Transfer		After the Transfer	
	Number of Shares	Percent of the voting shares	Number of Shares	Percent of the voting shares
1. Mr. Kiatikul Monsereenusorn	130,493,400	43.50	18,223,650	6.07
2. Mr. Kitimethee Monsereenusorn	71,730,250	23.91	49,000,000	16.33
<b>Sellers' shares</b>	<b>202,223,650</b>	<b>67.41</b>	<b>67,223,650</b>	<b>22.41</b>
3. CE Lime (Thailand) Company Limited	-	-	135,000,000	45.00
<b>Buyer's shares</b>	<b>-</b>	<b>-</b>	<b>135,000,000</b>	<b>45.00</b>

As the amount of shares sale abovementioned represents 45% of the total shares issued by the company that eligible to vote, the Buyer therefore is obligated to conduct the mandatory tender offer to all other shares issued by the company from all shareholders. The Buyer shall submit the 247-3 form declaring its intention of the takeover the business to the Securities and Exchange Commission (the “SEC”) within the next business day after the purchase date under the SPA. The Buyer is also obligated to submit the tender offer form (247-4) to the SEC within 7 business days after the date of submission of the 247-3 form. This is according to the Capital Market Supervisory Board's announcement Tor.Chor. 12/2554 regarding Rules, Conditions and Procedure of Business Takeover, dated 13 May 2011 (including amendments thereof).

CE Lime (Thailand) Limited had submitted of the Announcement of the Intention of Make the Tender Offer (Form 247-3) held on September 30, 2016, to purchased all the Securities of the company and submitted the Tender Offer for Secutities (Form 247-4) held on October 10, 2016 to the Securities and Exchange Commission (the “SEC”), the Stock Exchange of Thailand (the “SET”) and send the copy to Shareholders of the company. (The list names of shareholders of the Company as per the register of shareholders on the last book closing on October 4, 2016). The Tender Offer period defined a last total of 25 business days from 11 October 2016 to 15 November 2016 inclusive (the “Offer Period”), during the office hours of the Tender Offer Agent from 9:00 a.m. to 4:00 p.m., the final offer which will not be changed.

The company has consequently prepared an Opinion of the Company on the Tender Offer (Form 250-2) and appointed Avantgarde Capital Company Limited to act as the Independent Financial Advisor (“IFA”) of the Shareholders of the company to be responsible for giving advice and opinion regarding the said Tender Offer (“Report on Opinion of Independent Financial Advisor on the Tender Offer”), By submitted the copy of the Opinion of the Company on the Tender Offer (Form 250-2) and copy of the Independent Financial Advisor on the Tender Offer held on 1 November 2016 submission to the Securities and Exchange Commission (the “SEC”), the Stock Exchange of Thailand (the “SET”) and send the copy to

## Shareholders and Management Structure

Shareholders of the Company. (The list names of shareholders of the Company as per the register of shareholders on the last book closing on October 18, 2016).

When the Tender Offer Period was already completed during period of 25 business days from 11 October 2016 to 15 November 2016, on 16 November 2016, the Company received the copy of Report on Result of the Tender Offer to Purchase Securities of the Company (Form) 256-6 from the Tender Offerors detail as following below;

	Type of Shares	No. of Shares	As Percentage of Total issued and Paid-up Shares <sup>1</sup>	As Percentage of Total Volting Rights
Shares held prior to the making of Tender Offer	Ordinary	135,000,000	45.00	45.00
Shares offered to be purchased	Ordinary	165,000,000	55.00	55.00
Shares tendered	Ordinary	21,380,460	7.13	7.13
Shares purchased from those tendered	Ordinary	21,380,460	7.13	7.13

Remark : <sup>1</sup>. The total number of outstanding shares = ordinary shares + preferred shares - shares repurchased by the business and are outstanding at the end of the month prior to the month of the Tender Offer

Number of Securites held by each Offeror after the Tender Offer: The Securites held by parties in the same group with the Oferor and parties under Section 258 of the Offeror and of the parties in the same group as the Offeror shall be included;

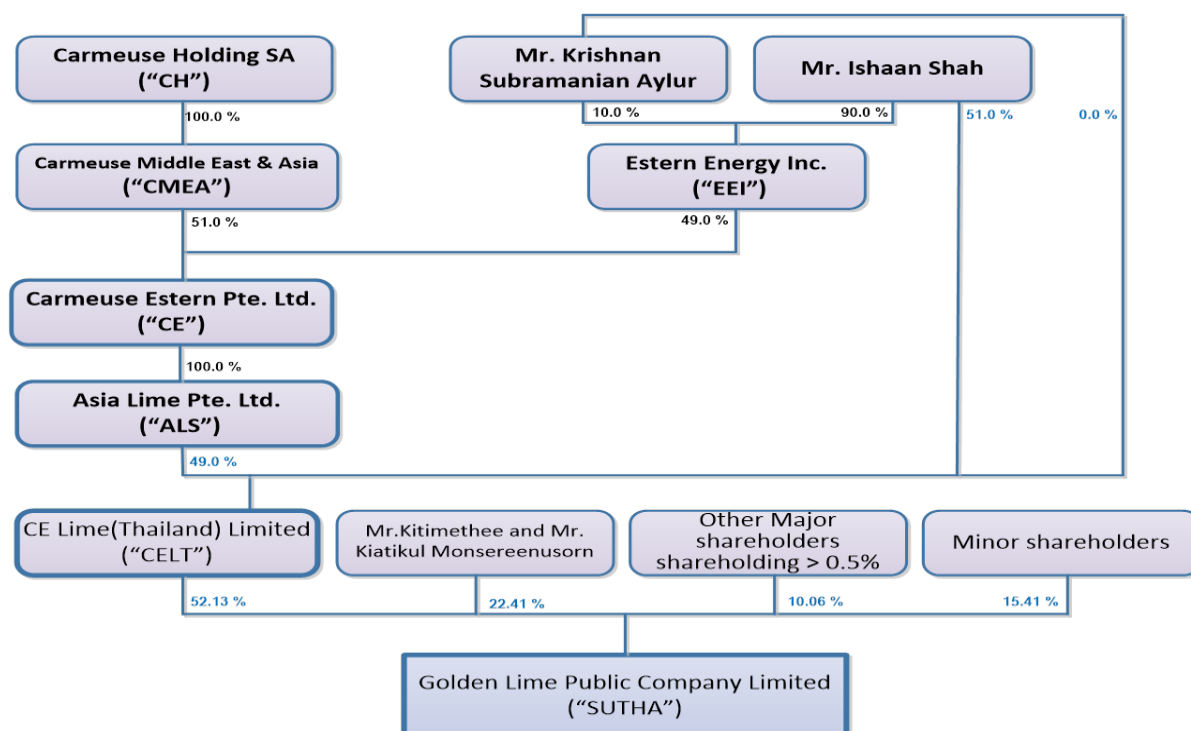
	No. of Shares	As Percentage of Total issued and Paid-up Shares <sup>2</sup>	As Percentage of Total Volting Rights
The Offeror	156,380,460	52.13	52.13
Parties in the Same Grop as the Offeror	-	-	-
Parties under Section 258 of the Persons in I-II	-	-	-
Total	156,380,460	52.13	52.13

Remark : <sup>2</sup>. The total number of outstanding shares = ordinary shares + preferred shares - shares repurchased by the business and are outstanding at the end of the month prior to the month of the Tender Offer

Detail of the Offeror who was the making of Tender Offer or the New Majority Shareholders

CE Lime (Thailand) Limited is a company incorporated in Thailand established on 21 September 2016, for the core business of investing and holding shares of other companies. The shareholding structure of the Offeror is set out below:

## Shareholders and Management Structure



The new majority shareholders of the company and its group of shareholder detail as the information from the Tender Offer (Form 247-4) are the following:

### (1) CE Lime (Thailand) Limited ("CELT")

**Address:** 8/25 Cathay House 6th Floor, North Sathorn Road  
Silom Sub-District, Bangrak District, Bangkok 10500  
**Telephone:** 02-696-8720 **Facsimile:** 02-696-8753  
**Company Registration Number:** 0105559150061

### Business Operation

CE Lime (Thailand) Limited (the "Offeror" or "CELT") is established by Mr. Ishaan Shah and Asia Lime Pte. Ltd. as a holding company primarily for the purpose of investing in lime and lime related businesses.

### Registered and paid-up capital

CELT has total registered and paid-up capital of THB 175,000,000, comprising an aggregate number of 1,750,000 shares, 857,500 of which are ordinary shares and the rest are preferred shares, with par value of THB 100.

### Shareholders of the Company

List of shareholders of CELT as at 26 September 2016

No	Name	No. of shares	% comparing to the total paid-up shares	% comparing to the total voting rights
1	Mr. Ishaan Shah	892,499	51.00	34.23
2	Asia Lime Pte. Ltd.	857,500	49.00	65.77
3	Mr. Krishnan Subramanian Aylur	1	0.00	0.00
Total		1,750,000	100.00	100.00



## Shareholders and Management Structure

- Note: 1) 892,499 shares of Mr. Ishaan Shah and one share of Mr. Krishnan Subramanian Aylur are in form of preferred shares. Two preferred shares are entitled to one voting right.
- 2) 857,500 shares of Asia Lime Pte. Ltd. are in form of ordinary shares. Each ordinary share is entitled to one voting right.

### The Board of Directors of the Company

Members of the Board of Directors of CELT as at 26 September 2016.

No	Name	Position
1	Mr. Ishaan Shah	Director
2	Mr. Krishnan Subramanian Aylur	Director
3	Mr. Shiraz Erach Poonevala	Director
4	Mr. Timoth� Arthur Maria Van Den Bossche	Director

### (2) Asia Lime Pte. Ltd. ("ALS")

**Address:** 24, Raffles Place, # 18-00 Clifford Centre, Singapore, 048621

Telephone: +65 6533 2323 Facsimile: +65 6533 7029

Company Registration Number: 201220131K

#### Business Operation

ALS is a wholly owned Singapore-registered subsidiary of Carmeuse Eastern Pte. Ltd. and was set up as a regional headquarter for Southeast Asia to look at suitable investment opportunities, including lime and lime related businesses in the region with a view to expanding its geographical reach and grow both organically and through strategic acquisitions. At present, Asia Lime Pte. Ltd. has an investment in Thailand through an 80.00% owned subsidiary of Carmeuse Siam Company Limited.

Carmeuse Siam Company Limited, a Board of Investment (BOI) promoted company, is currently involved in the commissioning of a dolomite kiln plant in the South of Thailand to produce dolomitic lime ( $\text{CaOMgO}$ ) by calcining dolomite ( $\text{CaMg}(\text{CO}_3)_2$ ). The dolomitic lime has many applications, including (i) as a soil and water conditioner; (ii) source of Calcium and Magnesium as nutrition for plants and shrimp farms; and (iii) a part of production for steel and glass manufacturers. At present, the commercial production is expected to start in 2018. The business of Carmeuse Siam Company Limited is not related to the Company since lime and dolomitic lime use different raw materials and; lime and dolomitic lime are used for different applications.

#### Registered and paid-up capital

ALS has total registered and paid-up capital of USD 1,150,000, comprising an aggregate number of 1,150,000 ordinary shares, with par value of USD 1.

### Shareholders of the Company

ALS is a wholly owned subsidiary of Carmeuse Eastern Pte. Ltd. as at 31 December 2015

### The Board of Directors of the Company

## Shareholders and Management Structure

Members of the Board of Directors of ALS as at 31 December 2015

No	Name	Position
1	Mr. Ajaib Hari Dass	Director

### (3) Carmeuse Eastern Pte. Ltd. ("CE")

**Address:** 24, Raffles Place, #18-00, Clifford Centre, Singapore-048621

Telephone: +65 6533 2323 Facsimile: +65 6533 7029

Company Registration Number: 201220139W

#### Business Operation

CE is a holding company and was set up in Singapore by Carmeuse Middle East & Asia S.A. and Eastern Energy Inc. to explore business opportunities in Asia and the Middle-East. The primary purpose of this company is to hold shares in ALS which is the investment vehicle for the Group in the region.

#### Registered and paid-up capital

CE has total registered capital and paid-up capital of USD 1,225,000, comprising an aggregate number of 1,225,000 ordinary shares, with par value of USD 1.

#### Shareholders of the Company

List of shareholders of CE as at 31 December 2015

No	Name	No. of shares	% comparing to the total paid-up shares	% comparing to the total voting rights
1	Carmeuse Middle East & Asia S.A.	624,750	51.00	51.00
2	Eastern Energy Inc.	600,250	49.00	49.00
Total		1,225,000	100.00	100.00

#### The Board of Directors of the Company

Members of the Board of Directors of CE as at 31 December 2015

No	Name	Position
1	Mr. Ajaib Hari Dass	Director
2	Mr. Krishnan Subramanian Aylur	Director
3	Mr. Ishaan K Shah	Director
4	Mr. Rainer Parvis Regenberg	Director
5	Ms. Nathalie Schubert	Director

### (4) Eastern Energy Inc. ("EEI")

**Address:** ADR Building, 13th floor Samuel Lewis Avenue & 58th Street, Panama,



## Shareholders and Management Structure

Republic of Panama

Telephone: +507 269 2255 / 264 8911

Facsimile: +507 246 7033 / 269 1552

Company Registration Number: 394388/194339

### Business Operation

EEI is a Panama-registered international energy and minerals commodity trader, an owner of the largest limestone quarry in Oman, and a producer of lime with experience in extraction and processing of limestone into lime for industrial and commercial customers. EEI and its subsidiaries have invested in various joint ventures and equity investments in several countries including Singapore and Oman. In Singapore, the company has two businesses; one focused on chartering of ships for freight and the other in coal trading business. In Oman, EEI has a stake in Majan Mining Co., Ltd, the owner and operator of a limestone quarry in Salalah, and through its wholly owned subsidiary, Oman Lime Pte. Ltd., EEI also holds a minority stake in Carmeuse Majan SFZ, a producer of lime for domestic and export markets.

### Registered and paid-up capital

EEI has total registered and paid-up capital of USD 100,000, comprising an aggregate number of 1,000 ordinary shares, with par value of USD 100.

### Shareholders of the Company

List of shareholders of EEI , as at 31 December 2015

No	Name	No. of shares	% comparing to the total paid-up shares	% comparing to the total voting rights
1	Mr. Ishaan Shah	90	90.00	90.00
2	Mr. Krishnan Subramanian Aylur	10	10.00	10.00
Total		100	100.00	100.00

### The Board of Directors of the Company

Members of the Board of Directors of EEI as at 31 December 2015

No	Name	Position
1	Mr. Ishaan Shah	Director
2	Mr. Niran Sindhupakorn	Director / Secretary
3	Mr. Krishnan Subramanian Aylur	Director / President
4	Mr. Shirish Sharma	Director / Treasurer

#### (5) Carmeuse Middle East & Asia S.A. (“CMEA”)

Address: 9, avenue Guillaume, L-1651 Luxembourg





## Shareholders and Management Structure

Telephone: + 352 264 585 23 Facsimile: + 352 264 417 99

Company Registration Number: B165367

### Business Operation

CMEA is a Luxembourg-registered wholly owned subsidiary of Carmeuse Holding S.A. CMEA serves as a holding company to pursue investment opportunities in the lime and limestone business in the Middle-East and South East Asia. CMEA created a branch in Dubai to commercialize lime products into the Middle-East and India. The company owns 10.00% minority interest of Majan Mining LLC, a company operating a limestone quarry in Salalah, Sultanate of Oman. The company also owns 51.00% of Carmeuse Majan LLC, a company operating a state of the art lime production plant in Sultanate of Oman. In 2015, the company also invested in 51.00% of Carmeuse Eastern Pte. Ltd., a private limited company incorporated and domiciled in the Republic of Singapore, aiming at supporting the development of Carmeuse Holding S.A. in Southeast Asia Region.

### Registered and paid-up capital

CMEA has total registered and paid-up capital of EUR 23,000,000, comprising an aggregate number of 230,000 ordinary shares, with par value of EUR 100.

### Shareholders of the Company

CMEA is a wholly owned subsidiary of Carmeuse Holding S.A. as at 31 December 2015

### The Board of Directors of the Company

Members of the Board of Directors of CMEA as at 31 December 2016

No	Name	Position
1	Mr. Rodolphe Collinet	Chairman of Board of Directors / CEO
2	Ms. Nathalie Schubert	Director
3	Mr. Yves Schoonejans	Director
4	Mr. Rainer Regenberg	Director
5	Mr. Yves Willems	Director

### (6) Carmeuse Holding S.A. ("CH")

Address: 9 Avenue Guillaume, L-1651 Luxembourg

Telephone: + 352 264 585 23 Facsimile: + 352 264 417 99

Company Registration Number: B114218

### Business Operation

CH is a Luxembourg-registered parent company of the Carmeuse Group, an international producer of lime and lime-related products with more than 150 years of experience in the extraction and processing of limestone and dolomitic stone into lime and lime-related products for industrial

## Shareholders and Management Structure

and commercial customers. As the world's second largest producer of lime and limestone products, CH and its subsidiaries, associated and related companies operate through wholly owned subsidiaries, joint ventures and equity investments and have facilities in several countries including the Netherlands, Belgium, Luxembourg, Italy, Switzerland, Turkey, Ghana, USA, Canada, Romania, Hungary, Bosnia, Serbia, Czech Republic, Slovakia, and Oman. What contributes to CH as a leader in its industry is the combination of cutting-edge technologies, a commitment to quality, coupled with a dedication to environmental care and resource management that is the standard in its field.

The Carmeuse Group, with a long and robust history beginning in 1860 in the middle of the industrial revolution, was founded by Mr. Léon Collinet as the Belgian-based, family-owned quarrying operation. CH has grown into a global presence in the limestone and lime products industry. CH succeeded in bringing together several independent quarries to become one of the major Belgian players and in getting through the wars and crises of the 20th century. At the beginning of the eighties, CH expanded outside its borders, first in the neighboring countries like France and the Netherlands but also in Italy and then rapidly in the United States and Canada. During the nineties, CH continued to grow in Turkey and West Africa. At the turn of the century, CH took on a new dimension in Central Europe. CH is now one of the major producers of lime and limestone related products. Its products are used in numerous and unsuspected applications providing for daily and essential needs.

The principal products of CH include high-calcium quicklime and hydrated lime, dolime and dolomitic hydrated lime which are used in a variety of industrial and commercial sectors, including the iron and steel, building and construction, waste and water treatment, chemical, paper, oil and gas, and glass industries. CH also sells crushed and pulverized limestone and dolomitic stone, as well as aggregates, which are used mainly in road construction and cement and concrete manufacturing. CH is also developing products for the sale of precipitated calcium carbonate, flue gas desulphurization, water treatment, and other applications.

### Registered and paid-up capital

CH has total registered and paid-up capital of EUR 157,089,100, comprising an aggregate number of 448,826 ordinary shares, with par value of EUR 350.

### Shareholders of the Company

The majority of the outstanding ordinary shares of Carmeuse Holding S.A. are in bearer form. Luxembourg law obliges companies with bearer shares to designate a depository that holds bearer shares for the account of the bearer shares' owners. However, the depository has a duty of confidentiality and cannot reveal the names of these owners unless to certain designated Luxembourg governmental authorities and in particular instances as defined in the law. The Offeror received a confirmation from CH that, as part of the banks' know-your-customer (KYC) requirements with regards to CH and its associated companies/subsidiaries, the banks have indeed in the past confirmed with the depository that it has been appointed as depository and the number of bearer shares deposited with it. The names of the owners were however not revealed for the aforementioned reasons. The banks accepted the information in such form as evidence to fulfill their KYC requirements concerning CH's shareholding structure.

To the best of CH's knowledge, the descendants of the extended families of Mr. Léon Collinet, the founder of Carmeuse Group, collectively and indirectly own, on a fully diluted basis,

## Shareholders and Management Structure

more than 60.00% of the outstanding ordinary shares of CH, which are also in bearer form. Cobepa S.A., a Brussels-based privately-held investment company with a diversified investment portfolio valued at EUR 1,800 million, indirectly owns 20.00% of the outstanding ordinary shares of CH. Limelux S.A., an investment vehicle, is a Luxembourg registered company which owns 4.00% of the outstanding shares of CH. The vast majority of the remainder of CH's outstanding ordinary shares is held by other individual or institutional shareholders. Other than as described above, the Offeror is not aware of any single shareholder who directly or indirectly owns more than 3.00% of CH's outstanding ordinary shares on a fully diluted basis. To the best of the Offeror knowledge there are agreements in place between the descendants of the extended families of Mr. Léon Collinet, the founder of Carmeuse Group, Cobepa and Limelux aimed at protecting some minority shareholders rights; none of Carmeuse Group entities are a party to such agreements. The Offeror is not aware of any cross-shareholding amongst the descendants of the extended families of Mr. Léon Collinet, Cobepa, and Limelux.

### The Board of Directors of the Company

Members of the Board of Directors of CH as at 31 May 2016

No	Name	Position
1	Mr. Axel Miller	Chairman of Board of Directors
2	Mr. Baron Rodolphe Collinet	Director / CEO
3	Mr. Philippe Collinet	Director / Audit Committee
4	Mr. Vicomte Philippe De Spoelbergh	Director
5	Newanda SCS, Represented By Mr. Daniel Gauthier	Director
6	Mr. Jean-Marie Laurent Josi	Director / Audit Committee
7	Mr. Philippe Tomson	Director
8	Mr. Bernard Woronoff	Director / President Audit Committee
9	Ms. Barabara t'Kint de Roodenbeke	Director
10	Mr. Vincent Reuter	Director
11	Monticello Sprl, Represented By Mr. Baron Cornelis	Director
12	Mr. Baron Dominique Moorkens	Director

#### (7) Mr. Ishaan Shah

Name: Mr. Ishaan Shah

Age: 28 years



## Shareholders and Management Structure

**Address:** 25/1 Soi Sukhumvit 13, Khlong Toey Nua  
Wattana, Bangkok 10110, Thailand

**National Identification:** 1100400449801

**Telephone:** 02-696-8834

**Education:** Bachelor of Science in Business Administration, concentrations in Finance and Law, University of Southern California, Los Angeles, CA, United States

**Training:** Director Certificate Program (DCP) by Institute of Directors (IOD)  
Seatrade Academy, University of Cambridge,  
The United Kingdom

### Work Experience:

2016 – Present: Director, CE Lime (Thailand) Limited

2013 – Present: Director, Mega Lifesciences Public Company Limited

2012 – Present: Director, Christiani & Nielsen (Thai) Public Company Limited

2011 – Present: Director, Precious Shipping Public Company Limited.

2008 – Present: Director, Globex Corporation Limited

2008 – Present: Director, Graintrade Limited

### (8) Mr. Krishnan Subramanian Aylur

**Name:** Mr. Krishnan Subramanian Aylur

**Age:** 48 years

**Address:** 168/66 Soi Sukhumvit 23 Bangkok 10110 Thailand

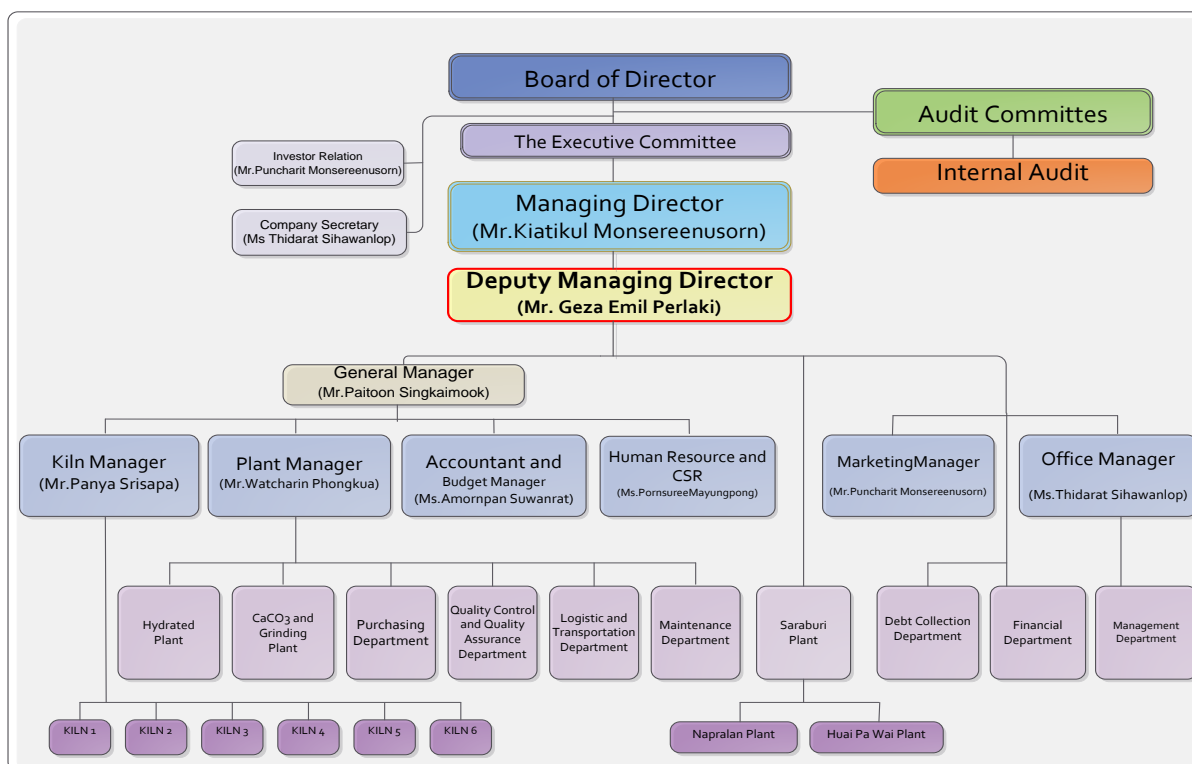


## Shareholders and Management Structure

Passport no:	Z2667778
Telephone:	081-814-6820
Education:	Master of Business Administration, International Trade, Indian Institute of Foreign Trade, India Bachelor of Technology (Mining Engineering), Indian Institute of Technology (Indian School of Mines), India
Work Experience:	
2016 – Present:	Director, Golden Lime Public Company Limited
2016 – Present:	Director, CE Lime (Thailand) Limited
2015 – Present:	Director, Carneuse Eastern Pte. Ltd.
2015 – Present:	Director, Carneuse Siam Ltd.
2015 – Present:	Director, Associated Industries Ltd.
2013 – Present:	Director, Eastern Energy Chartering Pte. Ltd.
2006 – Present:	Director, Majan Mining Co LLC
2004 – Present:	Vice President, Premthai International Ltd.
2002 – Present:	Director, Eastern Energy Pte. Ltd.
2001 – Present:	Director, Eastern Energy Inc.

**Management Structure**, as on 11 November 2016, the Company has management structure as details follow;

## Shareholders and Management Structure



### The Management in Organization

The followings are the structure of the board of directors and the sub-committees in 2016 including the Board of Directors and 2 Sub Committees follows namely the Audit Committees and the Executives Committee.

#### The Board of Directors

As of 31 August 2016, there are seven directors in the board of directors of the company:

	Name-Surname	Position
1	Mr. Cherdkiat Monsereenusorn	Chairman of the Board of Director
2	Mr. Kiatikul Monsereenusorn	Director Chairman of the Executive Committee and Managing Director
3	Mr.Puncharit Monsereenusorn	Director and Assistant Managing Director, Member of the Executive Board, Acting Head of Sales and Marketing
4	Mr.Kitimethee Monsereenusorn	Director and Member of the Executive Board
5	Mr.Sripop Sarasas	Chairman of Audit Committee/Independent Director
6	Mr.Suvit Mapaisansin	Audit Committee/Independent Director
7	Mr. Bowon Vongsinudom	Audit Committee/Independent Director

On 11 November 2016, after the change of the company's major shareholder structure and the general meeting no 1/2559 on 11 November 2016 when the meeting agreed to promote two additional directors, the board of directors shall consist of nine directors as per the following;



## Shareholders and Management Structure

	List Name of Directors	Position
1	Mr. Timothe Arthur Maria Van den Bossche <sup>/1/4</sup>	Chairman of the Board of Director, Executive Director
2	Mr. Kiatikul Monsereenusorn <sup>/1/3</sup>	Director and Chairman of Executive Committee and Managing director
3	Miss Nishita Shah <sup>/1/3</sup>	Director and Executive Director
4	Mr. Krishnan Subramanian Aylur <sup>/1/3</sup>	Director and Executive Director
5	Mr. Alexandre Antoine J. Boonen <sup>/2/4</sup>	Director
6	Miss Kristel Verleyen <sup>/2/4</sup>	Director
7	Mr. Sripop Sarasas <sup>/3</sup>	Independent Director and Chairman of Audit Committee
8	Mr. Suvit Mapaisansin <sup>/3/5</sup>	Independent Director and Audit Committee
9	Mr. Bowon Vongsinudom <sup>/3</sup>	Independent Director and Audit Committee

Ms. Thidarat Sihawanlop is the secretary of the Board of Director and Company Secretary appointed by the Board of Directors Meeting No.1/2013 held on 28 January 2013.

### Note:

- The company had changed in directors of the Company as of 29 September 2016 from under SPA dated 16 August 2016 between CE Lime (Thailand) Limited, the Offeror and Mr. Kiatikul Monsereenusorn and Mr. Kitimethee Monsereenusorn ( " the Sellers " ), the Company must have consent from Board of Directors Meeting to appointed 3 directors designated by the Offeror and change of authorized signatory as following;

(1) Appointed Mr. Timothé Arthur Maria Van Den Bossche as Chairman of the Board of Directors to replace Mr. Cherdkiat Monsereenusorn

(2) Appointed Miss Nishita Shah as Director to replace Mr. Pucharit Monsereenusorn

(3) Appointed Mr. Krishnan Subramanian Aylur to replace Mr. Kitimethee Monsereenusorn

This will be effective from 29 September 2016 from 7 p.m. onwards

In addition, after the completion of the Tender Offer but prior to 1 January 2017, the Offeror as major shareholder of the Company, shall propose the appointment of additional 2 directors from 7 directors to 9 directors and the Board of Directors Meeting approved the resolution to Amendment of Authority of the Authorized Directors of the Company as detail below;

From	"Any two of Mr. Kiatikul Monsereenusorn, Mr. Cherdkiat Monsereenusorn, Mr. Pucharit Monsereenusorn and Mr. Kitimethee Monsereenusorn jointly sign with company seal affixed"
To	"Any two of Mr. Timothe Arthur Maria Van den Bossche, Miss Nishita Shah, Mr. Krishnan Subramanian Aylur and Mr. Kiatikul Monsereenusorn jointly sign with company seal affixed"

Therefor as of 29 September 2016, the authorized director of the Company consists of 4 directors as including follow;

	List Name of Directors	Position
1	Mr. Timothe Arthur Maria Van den Bossche	Chairman of the Board of Director, Executive Director

## Shareholders and Management Structure

	List Name of Directors	Position
2	Mr.Kiatikul Monsereenusorn	Director and Chairman of Executive Committee and Managing director
3	Miss Nishita Shah	Director and Executive Director
4	Mr. Krishnan Subramanian Aylur	Director and Executive Director

2. The Extraordinary General Meeting of Shareholders No.1/2016 which held on 11 November 2016 has the resolution approve increasing the Board of Directors of the company from 7 persons to 9 persons and appointed 2 new Directors as name follow;

- (1) Mr. Alexandre Antoine J. Boonen
- (2) Miss Kristel Verleyen

3. Regarding the Company's articles of association in Article 15 defined about the Board of Directors of the Company shall consist of no less than five members. Not less than one-half (1/2) of the directors shall have residence within the Kingdom of Thailand.

The Board of Directors of the Company at present consists of 9 persons, the Directors who have residence in the the Kingdom contains;

- (1) Mr. Kiatikul Monsereenusorn
- (2) Miss Nishita Shah
- (3) Mr. Krishnan Subramanian Aylur
- (4) Mr.Sripop Sarasas
- (5) Mr.Suvit Mapaisansin
- (6) Mr.Bowon Vongsinudom

4. The Directors of the Company who have residence in aboard which have local resident in Belgium and will travel come to do their duties; to attend the Meeting or the relevant duties in position of the Directors of the Company, contains;

- (1) Mr. Timothe Arthur Maria Van den Bossche
- (2) Mr. Alexandre Antoine J. Boonen
- (3) Miss Kristel Verleyen

The 3 directors above have nationality of Belgium and have local residence in Belgium.

5. Mr. Suvit Mapaisansin, an independent directors and member of the audit committee, has resigned due his health condition. The effective date starts from February 1, 2017. After Mr. Suvit Mapaisansin has resigned, the board of directors has been searching for a person to take up the position of an independent and audit director. In the board of directors meeting no.1/2017 on February 22, 2016, the board agreed to promote Mr. Prapat Vanapitaksa as a new independent and audit director. The effective date starts from February 22, 2017.

## The Board of Directors

## Shareholders and Management Structure

Age: 45 years

Expertise

Business Administration

**Mr. Timoth   Arthur Maria Van den Bossche**

Nationality: Belgium Residence: Belgium

Education:

- Master of Business Administration (MBA), International MBA 2000-2001, Rotterdam School of Management (RSM), Erasmus University, Rotterdam, The Netherlands
- Master in Corporate Finance, 1992-1994, Vlekho, Brussels, Belgium
- Master in Applied Economics and Financial Science, 1988-1992, Vlekho, Brussels, Belgium

**Chairman of the Board of Director  
Executive Director and  
Authorized Director**

Shareholding (%):

Beginning of year : -None-  
End of year : -None-  
Changed during year : -None-

Personnel Relationship with the Management:

-None-

Illegal Record:

-None-

Position date in position to Director :

29 September 2016

Term of Directorship: - Year

Present position in other:

- 1) Listed Companies in the Stock Exchange of Thailand : - None -
- 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ) :  
1 Company at Carmeuse Middle East & Asia
- 3) Other Organization that may have conflict of interest with the Company : -None-

Work experience in previous 5 years :



29 Sep 2016 To Current	Chairman of the Board and Executive Director	Golden Lime Public Company Limited
2015-Current	CEO	Carmeuse Middle East & Asia
2014-2015	President Europe	Advanced Vision Technology
2012-2014	Vice President Global Marketing & Strategy	Agfa Graphics
2011-2014	President Asia-Pacific	Agfa Graphics

**The Board of Directors**



## Shareholders and Management Structure

Age: 62 years

## Expertise

Lime and Calcium Carbonate

Industry/Mineral and Chemical

Nationality: Thailand Residence: Thailand

## Education:

- Master Degree: MBA Marketing, Chaminade University of Honolulu, US
- Bachelor of Science, Chaminade University of Honolulu, USA

## Training:

- Director Accreditation Program (DAP)  
Year 2012 (B.E. 2555)

## Shareholding (%):

Beginning of year: 130,493,400 Shares (43.50%)

End of year : 18,223,650 Shares (6.07%)

Changed : - 112,269,750 Shares (37.42%)

## Personnel Relationship with the Management:

- Uncle of Mr.Puncharit Monsereenusorn

Illegal Record: -None-

## Position date in position to Director :

2 May 2011

## Term of Directorship: 4 Years

(After registration in public Company in the Year 2013)

## Present position in other:

## 1) Listed Companies in the Stock Exchange of Thailand:

-None-

## 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ): 1 Company at

Chairman of Oleofine Organics (Thailand) Co., Ltd.

## 3) Other Organization that may have conflict of interest with the Company : 1 Company at

Chairman of Oleofine Organics (Thailand) Co., Ltd

## Work experience in previous 5 years :

April 2011-Current	Director and Managing Director	Golden Lime Public Company Limited
December 2011-Current	Chairman of the Executive Committee	Golden Lime Public Company Limited
1996-2013	Director and Managing Director	Oleofine Organics (Thailand) Co., Ltd.
2014-Current	Chairman	Oleofine Organics (Thailand) Co., Ltd.

Mr.Kiatikul Monsereenusorn

Director,  
Chairman of the Executive  
Committee  
Managing Director and  
Authorized Director



The Board of Directors

## Shareholders and Management Structure

Age: 36 years

### Expertise

Business Administration

**Nationality:** Thailand **Residence:** Thailand

### Education:

Bachelor of Science in Business Administration; concentration in Finance and Business Law,

Boston University, School of Management.

### Training:

- 2007 Graduate member of Thai Institute of Directors (IOD) - Completed "Director Certification Program" (DCP) Class 83/2007.
- 2006 Completed "Director Accreditation Program" (DAP), Class 57/2006 of Thai Institute of Directors (IOD).
- 2004 . Completed "Anatomy of Shipping" course, Seatrade Academy/Cambridge Academy of Transport.

### Shareholding (%):

Beginning of year: -None-

End of year : -None-

Changed : -None-

### Personnel Relationship with the Management:

-None-

### Illegal Record: -None-

### Position date in position to Director :

29 September 2016

### Term of Directorship: - Year

### Present position in other:

- 1) Listed Companies in the Stock Exchange of Thailand: 1 Companies at (\*\*)
- 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ): 6 Companies at (\*)
- 3) Other Organization that may have conflict of interest with the Company : -None-

### Work experience in previous 5 years :

29 Sep 2016 To Current	Director and Executive Director	Golden Lime Public Company Limited
2011-Current	Director	Precious Shipping PCL (**)
	Director	Globex Corporation Limited. (*)
	Director	Graintrade Limited. (*)
	Director	Unistretch Limited. (*)
	Director	Ambika Tour Agency Limited. (*)
	Director	Maestro Controls Limited. (*)
	Director	Maxwin Builders Ltd. (*)

Miss Nishita Shah

Director

Executive Director and  
Authorized Director



The Board of Directors

## Shareholders and Management Structure

Age: 48 years

### Expertise

Business Administration

Nationality: India Residence: Thailand

### Education:

- Master of Business Administration – International Trade, Indian Institute of Foreign Trade, India
- Bachelor of Technology (Mining Engineering), Indian Institute of Technology (Indian School of Mines), India

### Shareholding (%):

Beginning of year: -None-

End of year : -None-

Changed : -None-

### Personnel Relationship with the Management:

-None-

### Illegal Record:

-None-

### Position date in position to Director :

29 September 2016

### Term of Directorship: - Year

### Present position in other:

- 1) Listed Companies in the Stock Exchange of Thailand: -None-
- 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ):  
9 Companies at (\*)
- 3) Other Organization that may have conflict of interest with the Company : -None-

### Work experience in previous 5 years :

Mr. Krishnan Subramanian

Aylur

Director

Executive Director and

Authorized Director



29 Sep 2016 To Current	Director and Executive Director	Golden Lime Public Company Limited
2016-Current	Director	CE Lime (Thailand) Limited (*)
2015-Current	Director	Associated Industries Limited (*)
2015-Current	Director	Carmeuse Siam Limited (*)
2015-Current	Director	Carmeuse Eastern Pte Ltd. (*)
2013-Current	Director	Eastern Energy Chartering Pte Ltd. (*)
2006-Current	Director	Majan Mining Co LLC (*)
2004-Current	Vice President	Premthai International Limited (*)
2002-Current	Director	Eastern Energy Pte Ltd. (*)
2001-Current	Director	Eastern Energy Inc. (*)



## Shareholders and Management Structure

### The Board of Directors

Age: 44 years

Mr. Alexandre Antoine J. Boonen

Director

#### Expertise

Extended industrial background (engineering degree, past experiences in Oil industry and in Utilities sector) 7 years at Accenture as Business Consultant Deep expertise in Project Management  
Other Director positions in Middle East and Asia

**Nationality:** Belgium **Residence:** Belgium

#### Education:

- Master Mechanical Engineering, University of Louvain (UCL), Belgium (1995)
- Master in Intercultural Management, ICHEC, Belgium (1997)

#### Training:

- Petroleum Engineering
- Project Management
- Finance
- Negotiation skills
- ...

#### Shareholding (%):

Beginning of year: -None-

End of year : -None-

Changed : -None-

#### Personnel Relationship with the management:

-None-

#### Illegal Record: -None-

#### Position date in position to Director :

29 September 2016

#### Term of Directorship: - Years

#### Present position in other:

#### 1) Listed Companies in the Stock Exchange of

Thailand: -None-

#### 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ):

3 Companies at

- Chairman of the Board at Associated Industries Ltd (Oman)
- Board Member at Carneuse Majan LLC (Oman)
- Board Member at Majan Mining (Oman)

#### 3) Other Organization that may have conflict of interest with the Company : -None-

#### Work experience in previous 5 years :

2016-Current	Chief Finance & Administration Officer	Carneuse Middle East & Asia
2014-2016	Middle East Area Manager	Carneuse Middle East & Asia
2012-2014	Business Development Manager	Carneuse Middle East and Asia



## Shareholders and Management Structure

### The Board of Directors

Age: 45 years

Miss Kristel Verleyen

Director

#### Expertise

- Legal counsel Carmeuse Group (October 2001 – current)
- Lawyer at the law firm Clifford Chance in Brussels (May 1999 - September 2001)
- Lawyer at the law firm Stibbe in Brussels (July 1996 – May 1999)

**Nationality:** Belgium **Residence:** Belgium

#### Education:

- Master in law 1994 – University of Ghent, Belgium
- Special degree in Economics and Finance law (1996)- Université Libre de Bruxelles, Belgium

#### Shareholding (%):

Beginning of year: -None-  
End of year : -None-  
Changed : -None-

#### Personnel Relationship with the management:

-None-

**Illegal Record:** -None-

#### Position date in position to Director :

29 September 2016

**Term of Directorship:** - Years

#### Present position in other:

- 1) Listed Companies in the Stock Exchange of Thailand: -None-
- 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ):
  - 3 Companies at
    - Director at Carmeuse Invest SPRL (Belgium)
    - Director at Carmeuse America Holding SPRL (Belgium)
    - Director at Carmeuse America SPRL (Belgium)
- 3) Other Organization that may have conflict of interest with the Company : -None-



#### Work experience in previous 5 years :

June 2013 - current	Director	Carmeuse Invest SPRL (Belgium)
December 2014 - current	Director	Carmeuse America Holding SPRL (Belgium)
December 2014 - current	Director	Carmeuse America SPRL (Belgium)
October 2001-current	Legal counsel	Carmeuse Group
May 1999-September 2001	Lawyer	The law firm Clifford Chance in Brussels
July 1996 – May 1999	Lawyer	The law firm Stibbe in Brussels

## Shareholders and Management Structure

### The Board of Directors

**Age:** 59 years

**Expertise**

Business Administration

Finance and Banking and Audit

**Nationality:** Thailand **Residence:** Thailand

**Education:**

- Bachelor of science Program in Medical Technology , Chulalongkorn University
- Master of Business Administration, University of Southern California , USA

**Training Course:**

- Director Certification Program (DCP) Y. 2002
- Director Examination 2002 (Diploma)
- Audit Committee Program (ACP) 2004

**Shareholding (%):** -None-

**Personnel Relationship with the Management:** -None-

**Illegal Record:** -None-

**Position date in position to Director :**

2 May 2011

**Term of Directorship:** 4 Years

(After registration in public Company in the Year 2013)

**Present position in other:**

- 1) Listed Companies in the Stock Exchange of Thailand: -4 Company at (\*\*)
- 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ):  
2 Companies at (\*)
- 3) Other Organization that may have conflict of interest with the Company : -None-

**Work experience in previous 5 years :**

2011- Current	Independent Director and Chairman of the Audit Committee	Golden Lime Public Company Limited
2011- Current	Independent Director and Chairman of the Audit Committee	Bangkok Airways Public Company Limited (**)
2008- Current	Independent Director / Member of the Audit Committee /Member of the Nomination and Remuneration Committee	Bangkok Dusit Medical Services Public Company Limited (**)
2008- Current	Director and member of the Audit Committee	Kiattana Transport Public Company Limited (**)
2007- Current	Director	Khan Company Limited (*)
2007- Current	Director	Parute (2008) Co., Ltd. (*)
2003- Current	Director , member of the Nomination and Remuneration Committee and member of the Audit Committee	Advance Information Technology PCL. (**)
2003-1 Feb 2016	Idependent Director	The Royal Ceramic Industry Public Company Limited
2003-Mar 2014	Member of the Audit Committee	The Royal Ceramic Industry Public Company Limited

**Mr.Sripop Sarasas**  
Independent Director and  
Chairman of the Audit  
Committee



## Shareholders and Management Structure

2008-2012	Director and member of the Audit Committee	Living Land Capital Public Company Limited
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### The Board of Directors

Age: 57 years

#### Expertise

Business Administration/Money Market and Capital Market/Audit

Nationality: Thailand Residence: Thailand

#### Education:

- Master of Business Administration, Sasin Graduate Institute Business , Chulalongkorn University
- Bachelor of Faculty of Economics , Chulalongkorn University

#### Training Course:

- Directors Certification Program (DCP) Y.2001
- Audit Committee Program (ACP) 2011

Shareholding (%): -None-

Personnel Relationship with the Management: -None-

Illegal Record: -None-

#### Position date in position to Director :

2 May 2011 and stay in this position until February 1, 2017 because of the resignation.

Term of Directorship: 4 Years

(After registration in public Company in the Year 2013)

#### Present position in other:

- 1) Listed Companies in the Stock Exchange of Thailand: -4 Company at (\*\*)
- 2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ):  
1 Companies at (\*)
- 3) Other Organization that may have conflict of interest with the Company : -None-

#### Work experience in previous 5 years :

2015 – Current	Director and Shareholder	Takecare International Co.,Ltd. (*)
2015 – Current	Independent Director and Member of the Audit Committee	GMM Grammy Public Company Limited (**)
2012 – Current	Director	Kiatnakin Bank Public Company (**)
2011 – Current	Independent Director and Member of the Audit Committee	Golden Lime Public Company Limited
2010 – Current	Director	Phatra Capital Public Company Limited (**)
2009 – Current	Director	Phatra Securities Public Company Limited (**)
2012 – 2014	Chairman of the Board of Directors	KK Trade Securities Company Limited
2012 – 2014	Chairman of the Board of Directors	Phatra Asset Management Company Limited
2011-2012	Chairman of the Audit Committee and Audit Committee	Krunghai Card PCL (KTC)
2009-2012	Director Independent Director	Phatra Securities Public Company Limited Krunghai Card PCL (KTC)

**Mr.Suvit Mapaisansin**  
Independent Director and  
Audit Committee





## Shareholders and Management Structure

2003-2009	Chief Executive Office	Phatra Securities Public Company Limited
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## The Board of Directors

**Mr. Bowon Vongsinudom**  
Independent Director and  
Audit Committee

Age: 62 years

**Expertise**

Chemical Engineering / Business Administration

Nationality: Thailand Residence: Thailand

**Education:**

- Master of Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Master of Chemical Engineering - Chulalongkorn University
- Bachelor of Chemical Engineering - Chulalongkorn University
- National Defence Course, Class 17, National Defence College

**Training Course:**

- Director Accreditation Program (DAP) Y.2008
- Director Certificate Program (DCP) Y. 2015

Shareholding (%): -None-

Personnel Relationship with the Management: -None-

Illegal Record: -None-

Position date in position to Director :

26 February 2016

Term of Directorship: 1 Years

**Present position in other:**

1) Listed Companies in the Stock Exchange of Thailand: -2 Company at

- Chairman of the Board of Thai British Security Printing Public Co., Ltd.
- Independence director of WP Energy Public Co.,Ltd.

2) Other Organization / Companies (Non Listed in the Stock Exchange of Thailand ):

- Chairman, PTT Phenol Company Limited
- Director, Metropolitan Waterworks Authority
- Director, ASEAN Potash Chaiyaphum PCL.

3) Other Organization that may have conflict of interest with the Company : -None-

**Work experience in previous 5 years :**

26 Feb 2016-Current	Independent Directors/Audit Committee	Golden Lime Public Company Limited
2015-Current	Director	ASEAN Potash Chaiyaphum Public Company Limited (**)
2013-2014	President & Chief Executive Officer,	PTT Global Chemical Public Company Limited
2012-2014	Director	PTT Chemical International Private Limited
2012-2014	Director	PTT Chemical International (Asia Pacific ROH) Limited
2012-2014	Director	Global Power Synergy Public Company Limited.
2012-2014	Vice Chairman	Vinythai Public Company Limited
2012-2014	Chairman	NPC Safety and Environment Service Company Limited
2012-2014	Chairman	PTT Maintenance and Engineering Company Limited.
2011-2014	Director/Risk Management Committee	PTT Global Chemical Public Company Limited





## Shareholders and Management Structure

2006-2014	Senior executive Vice President, Downstream Petroleum Business Group	PTT Public Company Limited
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Changing in Directors' and the Executive Managements' Shareholding of Golden Lime Public Company Limited Report as at December 31, 2016

No.	Name	Position	Common Shares (Shares)		
			Own	Spouse or Underage Child	Increase (-Decrease) during Jan-Dec 2016
1	Mr.Cherdkiat Monsereenusorn	Chairman of the Board of Director Resigned the position on 29 September 2016	4,000,000	-None-	-4,000,000
	Mr. Timothe Arthur Maria Van den Bossche	Appointed to replace position Chairman of the Board of Director and appointed in position the Executive Director on 29 September 2016	-None-	-None-	-None-
2	Mr.Kiatikul Monsereenusorn	Director, Chairman of the Executive Committee and Managing Director	18,223,650	-None-	-112,269,750
3	Mr.Puncharit Monsereenusorn	Director and Assistant Managing Director, Member of the Executive Board, Acting Head of Sales and Marketing Resigned the position on 29 September 2016 And appoint to the position in Marketing Manager	10	-None-	-1,250,000
	Miss Nishita Shah	Appointed to replace position Director and Executive Director on 29 September 2016	-None-	-None-	-None-
4	Mr.Kitimethee Monsereenusorn	Director and Executive Director Resigned the position on 29 September 2016	49,000,000	-None-	-22,730,250
	Mr. Krishnan Subramanian Aylur	Appointed to replace position Director and Executive Director on 29 September 2016	-None-	-None-	-None-
5	Mr. Alexandre Antoine J. Boonen	Appointed to position Director on 11 November 2016	-None-	-None-	-None-
6	Miss Kristel Verleyen	Appointed to position Director on 11 November 2016	-None-	-None-	-None-
7	Mr.Sripop Sarasas	Chairman of Audit Committee/Independent Director	-Non-	-None-	-None-
8	Mr.Suvit Mapaisansin	Audit ommittee/ Independent Director	-Non-	-None-	-None-
9	Mr. Bowon Vongsinudom	Audit Committee/Independent Director	-Non-	-None-	-None-
10	Mr. Geza Emil Perlaki	Deputy Managing Director	-Non-	-None-	-None-
11	Mr.Paitoon Singkaimook	General Manager	-Non-	-None-	-None-
12	Mr.Watcharin Pongkua	Plant Manager	-Non-	-None-	-None-
13	Ms.Pornsuree Mayungpong	Human of Resource and Social Responsibility	-Non-	-None-	-None-
14	Ms. Amornpan Suwanrat	Accountant and Budget Manager	-Non-	-None-	-None-
15	Mr. Panya Srisapa	Kiln Manager	-Non-	-None-	-None-
12	Ms. Thidarat Sihawanlop	Office Manager	5	-None-	-None-

Remark : 1. Sutha has registered capital of 300,000,000 Baht, paid-up capital 300,000,000 Baht (as at Demcember 31,2016) and total common share of 300,000,000 shares





## Shareholders and Management Structure

2. The information of shareholding may change, if any director, spouse or underage child buys stock after the date as said.

The current board of directors consists of nine directors who have taken up the positions as stated in a resolution of the board meeting no. 4/2016 held on September 29, 2016. There are three directors who have taken up the position from previous directors. A new director's term limit is equal to the period of term from the term of the director who resigned. The other two directors were appointed from the Extraordinary General Meeting resolution no. 1/2016 held on November 11, 2016. The board of directors consists of nine members including three independent directors according to The Security and Exchange Commission who specifies that more than a third of the board members of a registered company must be independent directors. An independent director can stay in the position up to 9 years from the day he was first promoted.

### Term of Directorship

Every year in the Annual General Meeting of Shareholders, a third of the board of directors will be retired their terms to leave the position. If the board of directors cannot be divided into third part, the number of the directors to leave the position has to be as close to one-third as possible. The director who has been in the position for the longest period of time has to leave the position. However, those whose term limit has ended could get promoted to the position again. In 2016, Mr. Bawon Vongsinudom has been appointed as a director after Mr. Suvait Theeravachirakul has resigned. The promotion was done according to a resolution of the board meeting no. 1/2016 held on February 26, 2016. The term limit is equal to the period of term left from the resigned director. This year, three directors who have been in the position for longest period of time and have to leave the position are Mr. Pancharit Monsareenusorn, Mr. Kitimatee Monsareenusorn, and Mr. Bawon Wongsinudom. In Annual General Meeting 2016 on April 3, 2016, the board has agreed to let the three directors remain the position for one more term. This year, three members including Mr. Chadkert Monserinusorn, Mr. Pancharit Monsareenusorn, and Mr. Kitimatee Monsareenusorn left the position by resigned as agreed on Share Purchase Agreement. The resignation was in effect on September 29, 2016 at 7.00 pm.

The Audit Committee is responsible to the Board of Directors and the Board of Directors is still responsible for the company's operation to other persons.

In case have change of duty and scope of work of the Audit Committee, the Company shall submit the resolution to change the duty and scope of work of the Audit Committee report to the Stock Exchange of Thailand (SET) by SET requirement within 3 days from the date of such change.

1. Performance of Audit Committee, if found or suspect in some particulars or any action may be affect significantly to the financial status and operation results of the company, then the audit committee shall report to Board of Directors of the company in order to improve, to revise within the time determined by the Audit Committee. In past of year do not have transaction below:

- 1) Transaction that involve conflict of interest
- 2) Fraud or irregularity or material defect in the internal control system
- 3) Infringement the Securities and Exchange Act, requirements of the Stock Exchange of Thailand.





## Shareholders and Management Structure

If the Board of Directors or management can not to improve , to revise within the time determined , the member of the Audit Committee may reporting the transaction or activities above to the Security Exchange Commission and the Stock Exchange of Thailand.

### Scope of Duties and Responsibilities

The Board of Director are authorized to operate the Company's business in line with the law including the company's goals, regulation and the meeting resolution of the shareholders on basis of honesty and maintain the company's benefits, On the conclusion, the Board of Director are required to comply with the following tasks;

1. Hold an Annual General Meeting (AGM) for the shareholders within four months after the end of the period of the Company's yearly accounts.
2. Provide a meeting for the Board of Director every three months.
3. Provide a financial statement and a statement of comprehensive income at the end of the period of the company's audited accounts and present them for deliberation and approval at the Shareholders' Meeting.
4. A single director or numerous directors can be authorized to perform needed tasks under the Board of Directors in the appropriate period. The Board of Directors can revoke, change or correct the authorized director or subcommittee at any particular tim.

The Board of Directors thereby may authorize the Management Committee to perform the Company's tasks. However, the authorization must not allow the Management Committee to be able to give any consideration or approval to any transaction with which the Management Committee has a conflict of interest or any other conflict, except with prior approval of the Board of Directors under the Company's policies and regulations.

The Board of Directors inaugurated two subcommittees consisting of the Audit Committee and the Executive Committee and defined the scope of power and the responsibilities of each subcommittee.

5. Formulate the Company's goals as well as its vision, mission, policies, plans and budgets and supervise the administration and management of the Executive Board in line with these priorities. However, the following topics, including the increase of stock capital, the reduction of capital debenture, the auction or purchasing of business assets, business transfer or revision of the Company's memorandum of association, must be approved at a Shareholders' Meeting. The Company's vision and mission should be reviewed and approved at least every five years.

Moreover the Board of Directors is also required to supervise and direct the Company to conduct its business procedures in accordance to the rules and regulations of the Securities and Exchange Commission (SEC) as well as those of the Stock Exchange of Thailand (SET). In the past, the Company has strictly carried out its operations in accordance with these parameters. Information regarding connected transactions that may have conflicts of interest as well as the acquisition of certain assets requiring public disclosure based on the regulations and procedures set by the SEC and SET or other laws relating to the Company's business have been reported as required. In the interest of keeping shareholders informed, such disclosures and other information are regularly provided on websites maintained by both the SET and the Company.

6. Devise the administration structure and nomination of the Executive Board or other appropriate subcommittees.

## Shareholders and Management Structure

7. Follow the overall operation and manage the budget continually.
8. The Board of Directors must not operate a business in competition with the Company's business, or be a partner in an ordinary or unlimited partnership or be directors of a private company or any other companies with the same business operation as the Company regardless of individual or other benefits. Nevertheless, prospective board members may be involved in all of the above in the case that such associations are reported at the Shareholders' Meeting prior to the appointment.
9. The Board of Directors must immediately inform the Company if involved directly or indirectly as parties of interest in the Company's contract or hold shares in the Company or affiliated companies.
10. In order to assure that the Board of Directors devote themselves to performing their duties completely, it is required that individual directors should not take positions in more than five listed companies. However, in case of an excess number of companies in which the Board of Directors takes positions, they are required to publicize such circumstance.

### The approval authority of board of directors

The board of directors meeting no. 2/2013, held on 5<sup>th</sup> March 2013, has passed a resolution approving transactions to the Executive board, Managing director, and assistant to managing director, by the limits specified in the table of approval authority at the meeting. Transactions are as follows:

1. Negotiation as well as entering into contracts or agreements, producing letters or documents, and procurement related to the Company's business operation such as capital expenditure, and purchase of machinery, equipment, raw materials, fuels, trading, etc.
2. The procurement for the general management including selling expenses, marketing expenses, office supplies, travelling, training, donation, etc.
3. Financial transactions including the loan approval, credit contract, mortgage or pawn contract, applying from guarantee from a bank or financial institution, letter of credit (L/C) application for the payment for goods or raw material.
4. Approval of the credit loan for customers

### Calling board of directors' meeting

Based on the articles of association of the Company, as follows:

#### Quorum for Board of Directors Meeting

In the Board of Director's Meeting, there shall be not less than one half (1/2) of the total number of directors attending the meeting in order to constitute a quorum. The Chairman of the Board shall act as a Chairman of the meeting. If at any time Chairman is absent or is unable to perform the duty and there is a Vice Chairman is unable to perform the duty, the meeting shall elect one of the Directors to act as a chairman of the meeting.

Decisions of the meeting shall be made by a majority vote. Each Director shall have one (1) vote, but the Directors who have interests in any matters shall have no right to vote on such matter. In case of a tie vote, the Chairman of the meeting.

The Chairman or other person assigned shall be the person to call a meeting of the Board of Directors and shall send notices calling a meeting to Directors not less than seven (7) days prior to the date

## Shareholders and Management Structure

of the meeting. However, In case of necessity and urgency for the purpose of maintaining the rights or interests of the Company, a meeting may be called by other means and the date of the meeting may be fixed sooner.

### Chairman of the Board

#### The Articles of Association regarding Chairman of the Board.

- The Board of Directors shall elect one of the Directors to be the Chairman of the Board.

In case the Board of Directors deems it appropriate, the Board may elect one or several directors as Vice Chairman who shall have the duties according to the Articles of Association in the business assigned by the Chairman of the Board.

The Chairman will take a position of Chairman of the Board as from the resolution of the Board of Director meeting to perform according to the Articles of Association as follow;

- The Chairman of the Board shall act as a Chairman of the meeting

If at any time Chairman is absent or is unable to perform the duty and there is a Vice Chairman is unable to perform the duty, the meeting shall elect one of the Directors to act as a chairman of the meeting.

Decisions of the meeting shall be made by a majority vote. Each Director shall have one (1) vote, but the Directors who have interests in any matters shall have no right to vote on such matter. In case of a tie vote, the Chairman of the meeting.

- The Chairman or other person assigned shall be the person to call a meeting of the Board of Directors and shall send notices calling a meeting to Directors not less than seven (7) days prior to the date of the meeting. However, In case of necessity and urgency for the purpose of maintaining the rights or interests of the company, a meeting may be called by other means and the date of the meeting may be fixed sooner.

- The Board of Directors shall hold a meeting at least once in three (3) months at the province of the Company's head office location, nearby provinces, or at any other place as the Chairman of the Board deems appropriate.

- The Chairman of the Board shall as a Chairman of the Shareholders' Meeting. If at any time Chairman is absent or is unable to perform the duty and there is a Vice Chairman, Vice Chairman shall act as a Chairman of the meeting. If there is no Vice Chairman or Vice chairman is absent or is unable to perform the duty, the meeting shall elect one of the shareholders presented in that meeting to act as a Chairman of the meeting.

- To vote for a resolution in the Shareholders' Meeting, one share shall equal one vote. If there is any shareholder having interests in any matters, that shareholders has no right to vote in such matter except the case of voting for Director. The resolution of the Shareholders' Meeting shall be supported by the following votes.

In an ordinary event, the majority vote of the shareholders present at the meeting and casting their votes shall be required. In case of a vote, the chairman of the meeting shall have a casting vote.

### Formalities when a director resigns

#### The Company's articles of association regarding director resignation



## Shareholders and Management Structure

- Any Directors wishing to resign from his office shall submit his resignation letter to the Company, and the resignation shall be effective on the dates the resignation letter reaches the company.

The Director whose resignation follows the first paragraph may inform his resignation to Registrar for acknowledgement.

- In case any vacancy occurs in the Board of Directors due to reasons other than retirement from rotation, the Board of Directors shall elect a person who has the qualifications and who does not have any prohibited characteristic under the Public Limited Companies Act and the Securities and Exchange Act as a replacement of the Director at the following meeting of the Board of Directors, unless the remaining duration of the directors term of office is less than two months. The elected person shall hold office only for the remaining terms of office of the director whom he has replaced.

The Board of Directors' resolution under the first paragraph shall be supported by a vote of not less than three-fourths (3/4) of the number of remaining directors.

### Procedure for resignation of director

The company will follow the guidelines of the listed companies when a director resigns.

The director shall carried out any of the following actions, if

- The board of directors elect any person having qualifications and not prohibited prescribed under the Public Companies Limited Act and the Securities and Exchange Commission as director to fill the vacancy in the next meeting, unless the remaining duration of the director's term of office is less than two (2) months. Any person so appointed shall retain his office during such time only the remaining term of the vacating director. The resolution of the board of directors shall be supported by a vote of not less than three-fourths (3/4) of the number of remaining directors.

- The company shall disclose its information to the Stock Exchange within 3 days after the date of submitting or the required date of resignation, or notify the change of director through the Stock Exchange of Thailand's information dissemination system (F24-1 form (for audit committee appointment), F24-2 form) within three business days after the date of change of director, or to an authorized person of the listed companies.

- The company shall notify the change in the list of the Company's directors within 7 days according to the operation of the Securities and Exchange Commission.

- The company shall register a new director or the change of director with the commercial registrar within 14 days after the date of the Board meeting date to approve the appointment of director, or the date of director's resignation.

### The implementation of the new director

- Submit the 59-1 form to the Securities and Exchange Commission (SEC) (for first submitting, within 30 days after the closing date of the securities offering or the date of the appointment).

However, the case of a change in shareholding, director shall always submit the 59-2 form to the Securities and Exchange Commission (SEC) when purchasing, selling, transferring to/from the securities within three days after the date of purchasing, selling, transferring to/from the securities.



## Shareholders and Management Structure

- Submit the conflict of interest statement to the Company Secretary by the Company's schedule.
- Submit the director's biography in accordance with the requirements of the Stock Exchange of Thailand (Certificate and biography of the director / audit committee (F24-2)) within 3 business days after the date of appointment of the new director.

If the new appointed director is an audit committee, the Company shall submit the F24-1 form (Names of members and scope of work of the audit committee) and the director shall submit the F24-2 form (Certificate and biography of the director / audit committee) to SET. You must submit a F24-1 form through the Stock Exchange of Thailand's information dissemination system and submit a F24-2 form as a document, not required to submit electronically.

### **Board orientation**

The guideline practice of orientation the new directors will hold an orientation session for new directors in accordance with Board Orientation Guideline set forth by the Stock Exchange. The required documents for the orientation session are as follows:

1. The latest edition of the good corporate governance and business ethics of the Company document, which contain the corporate governance policy and other policies defined by the board of directors such as anti-corruption policy, internal control, audit, and risk management, corporate social responsibilities, human resource management, etc.
2. The Company's latest annual report, which contains the material information of the Company, including financial information for last three years for a new director, introduction of ownership structure, management structures in different areas, the company's history, nature of business, details of remuneration for director, scope of responsibilities of the board of directors, sub-committees and operations of the Company and the Board of Directors last year.
3. Memorandum and articles of association of the Company.
4. Minutes of Board of Directors meetings for the past year and the annual schedule
5. Related party and connected transactions
6. Provide a meeting with the Chairman/Managing Director before the first meeting, in order to inform the new director about the important policies and give advice and describe his/her responsibilities.

### **The Nomination of Directors**

With reference to the Company's Articles of Association, the selection for the Company's Directors are indicated that:

1. The Board of Directors of the Company shall consist of no less than five members. Not less than one-half (1/2) of the directors shall have residence within the Kingdom of Thailand.  
Directors may or may not be the shareholders.
2. Directors of the Company shall be elected by the Shareholder's Meeting in accordance with the following rules and procedures:
  - (1) Each shareholder shall have one vote on each share.
  - (2) Each shareholder shall exercise all votes he has according to (1) to elect a nominated person or nominated persons to be the Director(s). In case he elects nominated persons to be the Directors, he cannot divide his vote to any person to any or in the basis extent.

## Shareholders and Management Structure

(3) The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order in the amount required or ought to be in that election. Provided the event that persons receiving votes in descending order are tied in and exceeds the number of positions required or ought to be in that election, the Chairman shall have a casting vote.

3. At every annual Ordinary Shareholder's Meeting, one-thirds (1/3) of the total number of Directors shall retire. If the number of Directors is not a multiple of three, the closest number of one-thirds (1/3) of the total number of Directors shall retire.

The Directors retiring from rotation may be re-elected.

The Directors retiring after the first and second year, the Directors who have held office the longest shall retire.

4. Apart from retirement by rotation, the Director shall vacate his office upon:

- (1) Death
- (2) Resignation
- (3) Lack of qualification, or having prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act
- (4) Removal by a resolution of Shareholders' Meeting
- (5) Removal by a court order

5. Any Directors wishing to resign from his office shall submit his resignation letter to the Company, and the resignation shall be effective on the dates the resignation letter reaches the Company.

The Director whose resignation follows the first paragraph may inform his resignation to Registrar for acknowledgement.

6. The shareholder's meeting may resolve to remove any director from office before the expiration of his term of office with the vote of no less than three-fourths (3/4) of the number of shareholders who attend the meeting and are eligible for the voting and their shares, in total, are no less than a half of the shares held by the shareholders who attend the meeting and are eligible for the voting.

7. In case any vacancy occurs in the Board of Directors due to reasons other than retirement from rotation, the Board of Directors shall elect a person who has the qualifications and who does not have any prohibited characteristic under the Public Limited Companies Act and the Securities and Exchange Act as a replacement of the Director at the following meeting of the Board of Directors, unless the remaining duration of the directors term of office is less than two months. The elected person shall hold office only for the remaining terms of office of the director whom he has replaced.

The Board of Directors' resolution under the first paragraph shall be supported by a vote of not less than three-fourths (3/4) of the number of remaining directors.

8. The Company shall be legally bound by the signatures of two (2) authorized Directors with the Company's seal affixed.

The Board of Directors has an authorization to stipulate and change the number and the names of the authorized Directors.

### **Components and appointment of Independent Director**

The Company's Board of Directors will preliminarily consider together regarding the qualifications of the persons who will take the office as an Independent Director, taking into account the qualifications and prohibitions of the director in accordance with the Limited Public Company Act, laws on securities and

## Shareholders and Management Structure

securities exchange, and Announcement of the Capital Market Supervisory Board as well as related announcement, regulations and/or rules. In addition, the Company's Board of Directors shall consider and select the Independent Director from the experts, taking to consideration the working experiences and other suitability, and then it will propose to the Shareholder's meeting for consideration and appointment to be the Company's director. The Company has the policies of appointing Independent Director at least one-third of all directors and the number of independent Director shall not be less than 3 persons, the qualifications of whom shall conform to the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares, dated 15 December B.E. 2551 (including its amendment) as follows:

1. Holding shares not exceeding one percent of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director.

2. Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the Office of Securities Exchange Commission. Such prohibitions shall not include the case where the independent director used to be a government officer or an advisor of government sector which is the major shareholder or the controlling person of the Company.

3. Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary company.

4. Neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office of Securities Exchange Commission.

The term 'business relationship' as mentioned above shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or the counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the applicant or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences.

5. Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the applicant, its





## Shareholders and Management Structure

parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office of Securities Exchange Commission.

6. neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million Baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or

partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office of Securities Exchange Commission.

7. Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder.

8. Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company.

9. Not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.

10. Not being a director appointed by the board of directors to decide upon the business operation of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person.

### Components and appointment of Audit Committee

The Audit Committee is composed of at least 3 Independent Director, each of whom takes office for 3 years. The Company has the policies of selecting Audit Committee/Independent Director that is in accordance with the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares dated 15 December B.E. 2551 (including its amendment) as follows:

1. Being appointed by the board of directors or the shareholders' meeting (as the case may be).

2. Being an independent director pursuant to the foregoing and

(1) Not being a director appointed by the board of directors to decide upon the business operation of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person and

(2) Not being a director of the subsidiary company or same-level subsidiary company which is a listed company

3. Having sufficient knowledge and experience to perform duties as audit committee member, provided that at least one member of the audit committee shall have sufficient knowledge and experience to review the reliability of financial statements.

## Shareholders and Management Structure

### Audit Committee

As of 26 February 2016, the Audit Committee consists of 3 directors as follow:

Name-Surname	Position
1. Mr.Sripop Sarasas	Chairman of Audit Committee
2. Mr.Suvit Mapaisansin <sup>/1/2</sup>	Audit Committee
3. Mr.Bowon Vonsinudom	Audit Committee

- Note : 1. Mr. Suvit Mapaisansin, an independent directors and member of the audit committee, has resigned due his health condition. The effective date starts from February 1, 2017.
2. After Mr. Suvit Mapaisansin has resigned, the board of directors has been searching for a person to take up the position of an independent and audit director. In the board of directors meeting no.1/2017 on February 22, 2016, the board agreed to promote Mr. Prapat Vanapitaksa as a new independent and audit director. The effective date starts from February 22, 2017.

Ms. Thidarat Sihawanlop is the secretary of the Audit Committee, appointed by the Audit Committee at the meeting no. 2/2013 held on 5<sup>th</sup> March 2013.

### Term of Directorship

The Audit Committee member has 3-year term of service. The Audit Committee member being due to retiring by rotation is eligible for re-election. In case that any vacancy in the membership of the Audit Committee occurs due to other reasons than by retirement of the member by rotation, the Audit Committee with appoint a qualified person to be an Audit Committee member corresponding with what is defined by the Board of Directors. The new member of the Audit Committee who replaces the vacant seat will serve out the remaining term of the replaced member.

During the year 2016, the Board's Meeting No. 1/2016 , passed the resolutions on 26th February 2016; appointment of a new Independent Director and Audit Committee member in replacement of a vacancy position. The appointment shall be effective on February 26, 2016 , director name listed below;

Mr. Bowon Vongsinudom with term equal to the remaining term of the resigned director. The Board of director has approved to propose the appointment of a new director to the AGM to approve for another term.

### Scope of Duties and Responsibilities

- Review the financial report to oversee that the reports are sufficient and correct.
- Review the internal control system to oversee that they are adequate, appropriate and efficient. In addition, to observe the independence of the internal audit unit , as well as to approve the appointment , transfer and dismissal of the head of the internal audit unit or any other units responsible for the internal audit.

## Shareholders and Management Structure

3. Review the business operating procedure to oversee that they are in compliance with rules and regulation of the Security Exchange Commission and those of the Stock Exchange of Thailand as well as other laws relative to the company business.

4. Recommend to the Board the independent persons to respond the company's auditors and deliberate his or her compensation including attending a meeting with the auditor without the presence of the management at least once a year.

5. Review of related transactions or any transaction that may have a conflict of interest to oversee that they are accurate, complete and in compliance with rules and regulations of the Stock Exchange of Thailand as well as disclose complete information of the transactions to ensure that they are appropriate and most beneficial to the Company.

6. Issue an Audit Committee Report to be included in the company's annual report and the report must be signed by the Audit Committee Chairperson and must at least contain the following information:

- Opinions concerning with the correctness, completeness and trustworthiness of the financial reports of the Company.
- Opinions concerning with the adequacy of the Company's internal control system.
- Opinions concerning with the Company's compliance with the laws and regulations of the Securities and Exchange and regulations of the Stock Exchange of Thailand, or any law governing the Company's business.
- Rules and regulations of the Securities and Exchange and regulations of the Stock Exchange of Thailand, or any law governing the Company's business.
- Opinions concerning with the appropriateness of the auditor.
- Opinions concerning with the transactions that may involve conflict of interest.
- The number of the Audit Committee's Meetings and attendance record for each of the Audit Committee Members.
- Opinions or overall observation that the Audit Committee has found during performing its duty according to the Charter of the Audit Committee.
- Other reports which should be acknowledged by the shareholders and general investors under the duties and responsibilities assigned from the Board of Directors of the Company.

7. Perform other activities as delegated by the Company's Board of Directors with consent from the Audit Committee.

The Audit Committee is responsible to the Board of Directors and the Board of Directors is still responsible for the Company's operation to other persons.

In case have change of duty and scope of work of the Audit Committee, the Company shall submit the resolution to change the duty and scope of work of the Audit Committee report to the Stock Exchange of Thailand (SET) by SET requirement within 3 days from the date of such change.

8. Performance of Audit Committee, if found or suspect in some particulars or any action may be affect significantly to the financial status and operation results of the company, then the audit committee shall report to Board of Directors of the company in order to improve, to revise within the time determined by the Audit Committee. In past of year do not have transaction below:

## Shareholders and Management Structure

- 4) Transaction that involve conflict of interest
- 5) Fraud or irregularity or material defect in the internal control system
- 6) Infringement the Securities and Exchange Act, requirements of the Stock Exchange of Thailand.

If the Board of Directors or management can not to improve , to revise within the time determined , the member of the Audit Committee may reporting the transaction or activities above to the Security Exchange Commission and the Stock Exchange of Thailand.

### Components and appointment of the Executive Committee

The Executive Committee member shall be the member of the Board of Directors of the Company and/or the executive of the Company who is appointed by the Board of Directors with the number deemed as appropriate by the Board of Directors. The Board of Directors of the Company shall elect one Executive Committee member to be the chief executive officer.

### Executive Committee

At on 31 August 2016 before the changed of the Majorities of shareholders of the Company, the Executive Committee consists of 3 directors as follow:

	Name-Surname	Position
1	Mr. Kiatikul Monsereenusorn	Chairman of Executive Committee
2	Mr.Puncharit Monsereenusorn	Executive Director
3	Mr.Kitimethee Monsereenusorn	Executive Director

In 2016, two Executive directors, Mr. Puncharit Monsereenusorn and Mr. Kitimethee Monsereenusorn, have resigned and the resignation was in effect on September 29, 2016 at 7.00 pm. Therefore the Board meeting no. 4/2016 on September 29, 2016 has agreed to appointed directors to replace two directors who resigned and approved the appointed new additional director. Hence, the Executive Committees consists of 4 executive directors including;

	List Name of Directors	Position
1	Mr. Kiatikul Monsereenusorn	Chairman of Executive Committee
2	Mr. Timothe Arthur Maria Van den Bossche	Executive Director
3	Miss Nishita Shah	Executive Director
4	Mr. Krishnan Subramanian Aylur	Executive Director

### Scope of Duties and Responsibilities

The Executive Committee has the authority and responsibility to manage the work relating to the ordinary course of business and management of the company, to specify the business plan, budget, management structure and management power of the company, as well as the criteria for business operation that are in accordance with the economic situation, to propose the same to the meeting of the Board of Directors of the Company for consideration and/or approval, and to monitor and follow up the overall operation of the Company in accordance with the specified policies. The main authority and responsibility can be summarized as follows.



## Shareholders and Management Structure

1. To specify the policy, direction, strategy and main management structure of the Company's business operation in order to propose the same to the Board of Directors for approval.
2. To specify the business plan, budget, and management power of the Company in order to propose the same to the Board of Directors for approval.
3. To consider the investment projects of the Company in order to propose the same to the Board of Directors for approval.
4. To approve major expenditure for investment that is specified in the annual expenditure budget as it will be appointed from time to time by the Board of Directors of the Company or in accordance with principles thereof that has been approved by the Board of Directors of the Company.
5. To approve procurements in management with a financial limit of not more than 20 million Baht per transaction.
6. To negotiate and enter into contract, agreement, instrument and other documents, including those relating to procurements that are relevant to the business operation of the Company with a financial limit of not more than 50 million baht per transaction.
7. To approve the borrowing, conclusion of loan contracts, conclusion of mortgage contracts and/or pledge contracts with the bank and/or financial institution with a financial limit of not more than 50 million baht per transaction.
8. To allocate premiums, rewards, and bonuses approved by the Board of Directors of the Company to employees or staff of the Company.
9. To be the board of consultants to manage the policies relating to finance, marketing, operation, and other management.
10. To have the power to approve the opening or closing of deposit accounts, to define the name of the person authorized to withdraw money from the deposit accounts of the Company, and to perform other actions relating to such deposit accounts.
11. To approve amendments of location of the head office and branch offices of the Company provided that the amendment of the location of the head office is within Nonthaburi Province only.
12. To engage in necessary actions to promote and protect the interests of the Company.
13. To approve amendments to the conditions of credit limit usage and/or methods of withdrawal from the credit limit that the Company has with the bank and/or financial institution.

The power of the Executive Committee shall not include the approval of any transaction wherein the Executive Committee or other person may have a conflict of interest or stand to benefit in any other nature with the Company or the subsidiary company (if any) in accordance with the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand. Approval of a transaction of such nature is required to be proposed at a meeting of the Board of Directors and/or a Shareholders' Meeting for consideration and approval in accordance with the Articles of Association of the Company or as specified by related laws, unless it is the approval of a transaction that is in the ordinary course of business that the Board of Directors has clearly specified within the established consideration framework.

## Shareholders and Management Structure

Once the Executive Committee has taken any action, it shall report to a meeting of the Board of Directors.

### Executives

The Company consists of 9 executives as follow:

	Name-Surname	Position
1	Mr. Kiatikul Monsereenusorn	Managing Director
2	Mr. Geza Emil Perlaki	Deputy Managing Director
3	Mr.Puncharit Monsereenusorn	Marketing Manager
4	Mr.Paitoon Singkaimook	General Manager
5	Mr.Watcharin Pongkua	Plant Manager
6	Ms. Pornsuree Mayungpong	Human of Resource and Social Responsibility
7	Ms. Amornpan Suwanrat	Accountant and Budget Manager
8	Mr. Panya Srisapa	Kiln Manager
9	Ms. Thidarat Sihawanlop	Office Manager

During the year 2016 had been changed of the Executives as detail follows;

1. To appointed Mr.Paitoon Singkaimook to poission General Manager held to start in duties on 1 July 2016.

2. To appointed Mr.Puncharit Monsereenusorn to position Maketing Manager replace to the previous position of the assiantant to Managing Director effective date on 29 September 2016.

3. Mr. Geza Emil Perlaki to poission Duputy Managing Director held to start in duties on 1 October 2016.

### Extent and Duty of Managing Director

The Managing Director, has the following main responsibilities:

1. Supervise the Company's daily operations and management.
2. Carry out operations in line with the policies, plans and the budget approved by the Board of Directors or the Executive Committee.
3. Administrate the Company's business in line with the objectives, regulations, policy rules, requirements, orders and resolutions of the General Meeting of Shareholders, or the Board of Directors and the Executive Committee.

However, the authority of the Managing Director does not cover the approval of any transactions likely to cause conflicts or any transactions with which the Managing Director or his related parties may have conflicts of interests with the Company or its subsidiaries according to regulations of the Stock Exchange of Thailand (SET). Approval for such actions must be presented to a meeting of the Board of Directors and/or the General Meeting of Shareholders as required by the Company's regulations or related laws, unless the approval is for regular business operation which has been deliberated and approved by the Board of Directors.

## Shareholders and Management Structure

### Company Secretary

The Board of Director has appointed a Company Secretary in accordance with Article 89/15 of the Securities Exchange and the Stock Exchange Act of B.E. 2535 (Revision of statutes also referred). By this, the secretary is obliged to perform the following tasks:

1. Providing and storing the documents as follow:
  - (A) The Committee Registration
  - (B) The meeting arrangements, the minutes and the annual report
  - (C) The meeting arrangement and the minutes of the Shareholders' Meeting
2. Storing (Keeping) the connected transaction reports by the Board of Directors and its subcommittees
3. Performing any others tasks as required by the capital market committee.

Besides the duties and responsibilities described above, the Company Secretary is to provide legal suggestions concerning various regulations and seek coordination to have the Board of Directors and its subcommittees' resolutions abided by. In order to achieve such goals, the Company Secretary should be continuously trained and developed particularly on the law as well as accounts and the Secretary's duties.

### Personnel

Number of the Executive and employee at on 31 December 2016 the Company had total of personnel 219 person (with the Executive) including total of monthly staff 162 persons and total of daily staff 57 persons consists of the section detail below:

Section	Monthly Staff (Persons)	Daily Staff (Persons)	Total Staff (Persons)
The Executive	9	-	9
Kiln	29	26	55
Factory	97	31	118
Accounting and Budgeting	10	-	10
Marketing	5	-	5
Head Office	12	-	12
<b>Total</b>	<b>162</b>	<b>57</b>	<b>219</b>

### ● Dispute of Labour

- Non -



## Report on Corporate Governance

Golden Lime recognizes that a solid foundation in good guidance is a driving force behind sustainable Company development. A policy of good corporate governance comprises principles of utmost importance which must be followed and put into practice by the entire Company, according to policy established by the Board of Directors toward that aim. Having established a good corporate governance policy, which has been developed in recognition of the current situation, it is published here in order that every stakeholder may, in cooperation, operate the business within the Company's principles of corporate governance.

Our core values, which consist of "Be Proud, Know Your Duty, Take Responsibility, and Never Neglect", allow our directors, executives and employees to take pride in themselves and their work, to understand and appreciate their duties, and to take on and not neglect requisite or anticipated responsibilities. These values also enable them to cooperate with every stakeholder as well as those involved in any aspect of the business, including the economic, social, and environmental aspects, in order to develop the Company and enjoy the benefits of good guidance and corporate governance.

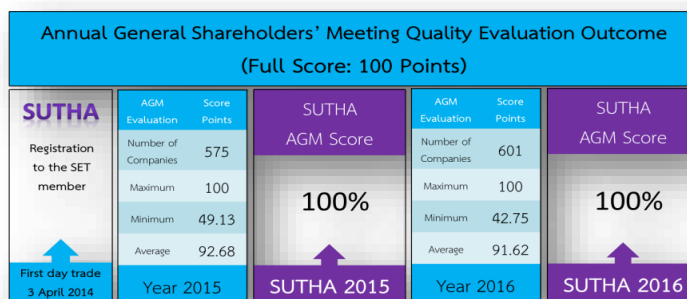
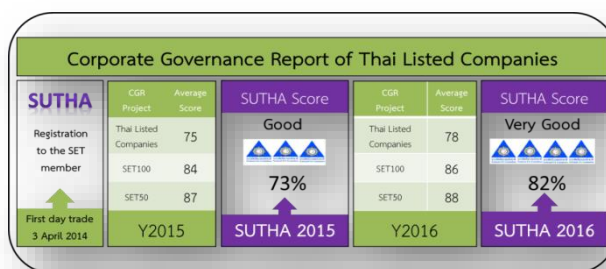


### Rights of Shareholders

Principles (in accordance with the Principles of Good Corporate Governance for Listed Companies):

“ Shareholders own the Company, controlling it by appointing the Board of Directors to act as their representatives. Shareholders are eligible to make decisions on any significant corporate changes. Therefore, the Company should encourage shareholders to exercise their rights.”

The Company recognizes the rights of shareholders, such as by stock purchase or sale, to receive sufficient and correct information and news, attend the Shareholders' Meeting and use their voting rights with respect to major changes that may affect the Company, such as voting in a Shareholders' Meeting to elect or remove members of the Board, appoint an external auditor, and make decisions on transactions that affect the Company, such as payment of dividend, amendments to the Company's article of association or bylaws, capital increases or decreases, or the approval of extraordinary transactions. To facilitate the shareholders in using their rights to make informed decisions, the Board has the duty and responsibility to implement practices which adhere to the Articles of Association and to encourage all shareholders and institutional shareholders to attend the Shareholder Meetings. Therefore, the Board acts in accordance with the following guidelines:



## Report on Corporate Governance

### 1. Disclosures and the Regulation of Information Provided to Support the Rights of Shareholders

Article of Association related to shareholders

#### Articles of Association Chapter. The Share and Shareholder

■ All shares of the Company are ordinary shares of equal par value and are issued in the form of named certificates.

All shares of the Company must be paid for in full by cash or any other assets. The subscribers or purchasers of shares shall not set off their debts with the Company.

The shares of the Company shall be indivisible. If two or more persons jointly subscribe for or hold a share or shares, one of them shall be appointed as the person with the right and capacity as share subscriber or shareholder, as the case may be.

The Company may issue and sell ordinary stocks, preferred stocks, debentures, warrants, and any other securities that the Securities and Exchange Act and the Securities Exchange Commission permit.

■ Any shares shall bear the names of the shareholders and shall be signed or printed with the fingerprints of at least 1 (one) director with the Company Seal thereon. The directors may assign the Share Registrar to sign or print their signature on their behalf according to the Securities and Exchange Act.

■ The signing by the director or the Share Registrar on share certificates or any other securities shall be done by either signing it themselves or affixing their signature by other means, such as machine or computer, with any other seals, being in accordance with the Securities and Exchange Act.

The Company shall keep the shareholder record and any evidence related to the shareholder record at the headquarters of the Company. However, the Company may designate Thailand Securities Depository Co., Ltd. as the Securities Registrar. Should the Company designate Thailand Securities Depository Co., Ltd. as the Securities Registrar, the procedures of registration shall be as stipulated by the Share Registrar.

■ The Company shall issue share certificates to shareholders within two (2) months from the date on which the registrar accepts the registration of the Company or from the date on which the Company has received share payment in full in case where the Company sells the remaining shares or newly-issued shares after the registration of the Company.

■ In case any share certificate(s) becomes damaged in material respects or rendered blurred or illegible, the shareholder may request from the Company a new share certificate(s) in substitution thereof.

In case any shares certificate(s) is lost or destroyed, the shareholder shall submit to the Company evidence of lodging a complaint with the police or other evidence which the Company deems appropriate.

In either case, the Company shall issue new share certificates within the time prescribed by law and the Company may charge a fee for the issuance of a new share certificate in substitution for the original share certificate(s), of which the rate shall not be higher than what is prescribed by law.

Share certificate(s) that have been lost, blurred, or damaged, and are substituted by the issuance of a new share certificate are deemed to be cancelled.

■ The Company is not allowed to have ownership in or to pledge its own shares except in the following circumstances:

(1) The Company may repurchase shares from shareholders who voted against the resolution of the Shareholders' Meeting to amend the Articles of Association of the Company in relation to the right to vote and the right to receive a dividend, where the shareholders consider that they are not fairly treated.

## Report on Corporate Governance

(2) The Company may repurchase shares for the purpose of financial management when the Company has retained earnings of excess liquidity, and such shares repurchased do not cause the Company to encounter financial problems.

The shares which are held by the Company shall neither be counted as a quorum in the shareholder's meeting nor shall they have the right to vote or receive the dividend.

The Company shall dispose of the shares repurchased, as prescribed in the previous paragraph, within the period of time as stipulated in the Ministry Regulations. If any or all of the shares are not disposed of or are unable to be disposed of within the time as stipulated, the Company shall reduce its paid-up capital by deleting the registered shares of which the Company is unable to dispose.

The repurchase, disposal, and deletion of which the Company is unable to dispose shall comply with the rules and procedures as prescribed in the Ministry Regulations and related laws.

- The share repurchase shall be approved by the Shareholders' Meeting, except where the Company is registered with the Securities Exchange of Thailand and the aforementioned shares to be repurchased do not exceed ten (10) percent of the total paid-up capital, in which case, the share repurchase may be approved by the Board of Directors.

### Articles of Association regarding The Transfer of Shares

- The Company's shares can be freely transferred, without any restrictions, although the aggregate position of all shareholding foreign persons at any time shall not be more than forty-nine (49) percent of the total issued shares of the Company. Should any transfer of shares that would result in the aggregate position of all shareholding foreign persons to equal more than forty-nine (49) percent occur, the Company has right to deny the aforesaid transfer.

- The transfer of shares shall be valid upon the transferor's endorsement of the share certificate by stating the name of the transferee, bearing the signatures of both the transferor and the transferee, and delivering the share certificate to the transferee.

The aforesaid transfer of shares shall be valid against the Company upon the Company having received an application for registration of the transfer of shares but shall be valid against third parties upon the entry of such transfer by the Company in the Share Registrar record.

After deeming that the transfer of shares complies with the law, the Company shall register the transfer of shares within 14 days from the date the Company receives the application. In case such transfer of share is deemed incorrect or invalid, the Company shall inform the applicant within seven (7) days from the date the Company receives the application.

If the shares of the Company have been registered in the Securities Exchange of Thailand, the transfer of shares shall comply with the Securities and Exchange Act.

- In case the transferee wishes to acquire a new share certificate, he shall send a request to the Company in writing bearing signatures of the share transferee and certified by at least one (1) witness and return the old share certificate to the Company. If the Company deems that the aforementioned transfer is in accordance with the law, the Company shall register the transfer within seven (7) days from the date the Company receives the request, and issue a new share certificate within one (1) month from the date the Company receives that request.

**In the case of changes in the securities holding of individuals, the Company shall refer to the following guidelines:**

## Report on Corporate Governance

A director, executive, or auditor of the Company has the duty to disclose reports on each their own securities holdings and the holdings of securities by his/her spouse and minor children, as follows:

1. First, a report using **Form 59-1** must be filed with the SEC within 30 days from the closing date of the offering of such securities or the date of appointment, and
2. Whenever there is a change in the securities holdings of such persons, it must be reported using **Form 59-2** to the SEC within three days from the date of purchase, sale, transfer or acceptance of transfer, except for the following cases (in which **Form 59-2** is not required):

- 2.1 Acquisition of securities from a rights offering
- 2.2 Acquisition of securities from exercise of convertibles
- 2.3 Acquisition of securities by inheritance
- 2.4 Acquisition of securities from an ESOP/EJIP scheme\*
- 2.5 Transfer or acceptance of transfer of securities placed as collateral in derivatives trading

Remark: Securities mean shares or convertibles (convertible debentures, share warrants or transferable subscription rights).

\* ESOP is a type of employee benefit plan which is intended to encourage employees to acquire stocks or ownership in the Company.

\* EJIP is a employee joint investment program.

3. Commencement/termination of duty

Form 59-1: Use commences upon the IPO launch and terminates when the Company no longer requires this duty under Section 56.

Form 59-2: Use commences upon the securities' registration with the Stock Exchange of Thailand and terminates when there is no security registered with SET.

### Note:

#### Guidelines for Filing (sending) of Report

1. The executive/ auditor must file a report with the SEC before 9:00 a.m. on the following business day (prior facsimile transmission is not required).
2. Facsimile transmission can be done through fax no. (66) 0 2695 9660, within 24 hours previous to the due date, and the original must be filed with the SEC within three business days from the due date (either by hand or mail is acceptable). In a case where the SEC does not receive the report filed through facsimile transmission by the said period, the person whose duty it is to file the report will be deemed to have delayed such filing regardless of whether the original will be filed within three business days.

In case such a person's shareholding changes by acquisition or disposition of securities in an amount that reaches or exceeds 5%, 10%, 15%, 20% and up to 100% of the total voting rights in the Company, the individuals initiating the acquisition or disposition of securities accounting for this change have the obligation to file a report under Section 246, as described below:

#### Reporting obligations under Section 246

- (1) Holding of shares in the amount that reaches or exceeds 5%, 10%, 15%, 20% and up to 100% of total voting rights in the Company.
- (2) Holding of convertible securities whose amount of the total underlying shares reserved for conversion reaches or exceeds 5%, 10%, 15%, 20% and up to 100% of total voting rights in the Company. In

## Report on Corporate Governance

2016, the transaction of the Company securities passed 45 percent. Hence, a tender offer was made on 29 September 2016. Details are disclosed in the change of shareholder structure section.

In order to comply with the regulations and provide shareholders their rights with respect to shares and shareholders, the Company has designated Thailand Securities Depository (Thailand) Co., Ltd. as the securities registrar of the Company. Therefore, the procedures relating to registration of the Company will be carried out by the securities registrar.

The current contact information of Thailand Securities Depository (Thailand) Co., Ltd. (TSD), effective on 4 January 2016, is as follows:

### Contact address

Thailand Securities Depository Co., Ltd.(TSD)

Mail Room Floor 1 (Tower C)

The Stock Exchange of Thailand Building

93 Rajadapisek Road,

Dindaeng, Bangkok 10400

Tel: 02 009 9385

Fax: 02 009 9476

Email: srg\_tsd@set.or.th

### Articles of Association Chapter, Dividend and Reserves

■ No dividend shall be paid other than out of profit. In the case where the Company has accumulated losses, no dividend shall be paid.

A dividend shall be paid according to the number of shares, each share being equally paid except in the case where the Company has issued preferred stock requiring a dividend payment different from ordinary stock and the payment of the dividend requires the approval of the shareholder's meeting.

The Board of Directors may pay the shareholders such interim dividends as may be justified by the profits of the Company. When these dividends are paid, such dividend payment shall be announced in the next meeting of shareholders.

A dividend must be paid within one month after the resolution of the meeting of shareholders or of the Board of Directors is passed, as the case may be. Notice of distribution of dividend in writing must be sent to the shareholders and publication of the notice of the payment of dividend shall also be made in a local newspaper not less than three consecutive days.

■ The Company shall retain the proportion of the net profit as a reserve is not less than five percent of the annual net profit deducted with the accumulated loss carried forward (if any) until such a reserve reaches not less than ten percent of the total capital. In 2016 the Company allocated a legal reserve of THB 30 million, which is not less than ten percent of the total capital.

### Articles of Association Chapter, Shareholder's Meetings

■ The Board of Directors shall arrange an annual general Shareholders' Meeting within four months from the last day of the accounting period of the Company.

Any other Shareholder's Meeting apart from the meeting mentioned in the first paragraph shall be called an Extraordinary General Meeting. The Board of Directors may call an Extraordinary General Meeting whenever it is deemed appropriate to do so.

## Report on Corporate Governance

The shareholders holding an aggregate number of shares of not less than one-fifth of the total number of shares of the Company, or shareholders in a number of no less than 25 holding an aggregate number of shares of no less than one-tenth of the total number of shares of the Company may make a request in writing to the Board of Directors to summon a Shareholders' Meeting as an extraordinary meeting by stating the reason for calling the meeting. In such a case, the Board of Directors must convene a Shareholders' Meeting within one month from the date of receiving the request from the shareholders.

- In calling a general Shareholders' Meeting, the Board of Directors shall send notice of the meeting specifying the place, date, time, agenda of the meeting, as well as the subject matters to be submitted to the meeting together with other relevant details, by stating clearly that the agenda is submitted for the purpose of information, for approval, or for consideration, as the case may be, including the opinions of the Board of Directors on such matters. Notice shall be sent to the shareholders and the Registrar for their information no less than seven days before the date of the meeting. Furthermore, publication of notices calling a meeting shall also be made in a newspaper for a period of three consecutive days and not less than three days before the date of meeting.

The Shareholders' Meeting shall be held in the province where the Company headquarters is located or a nearby province or in any location which is stipulated by the Board of Directors.

- At a general Shareholder's Meeting, there should be no less than 25 of the shareholders and proxies (if any) or no less than one-half of the total shareholders shall be present holding aggregate shares of no less than one-third of the total number of the Company's issued shares to constitute the quorum.

If no quorum, as described in the first paragraph, is formed after one hour has lapsed in any Shareholders' Meeting, if it is an extraordinary meeting called upon the request of shareholders, the meeting shall be dissolved. But if it is a meeting which was not called upon the request of shareholders, another meeting shall be called. Notice of such a new meeting shall be sent to the shareholders, and another meeting shall be called. Notices of such a new meeting shall be sent to the shareholders at least seven days in advance and the quorum for the next meeting is not required.

- The Chairman of the Board shall act as the Chairman of the Shareholders' Meeting. If at any time the Chairman is absent or is unable to perform this duty and there is a Vice Chairman, the Vice Chairman shall act as the Chairman of the meeting. If there is no Vice Chairman or the Vice chairman is absent or is unable to perform this duty, the meeting participants shall elect one of the shareholders present in that meeting to act as a Chairman of the meeting.

- To vote for a resolution in the Shareholders' Meeting, one share shall equal one vote. If any shareholder bears an interest in any matter, that shareholder has no right to vote in such a matter except in the case of voting for a Director. The resolutions of the Shareholders' Meeting shall be supported by the following votes:

- (1) In an ordinary event, the majority vote of the shareholders present at the meeting and casting their votes shall be required. In case of a vote, the chairman of the meeting shall have the casting vote.

- (2) In the following cases, a majority vote of no less than three-fourths of the vote of the total shareholders present at the meeting with the right to vote shall be required:

- a. An acquisition or disposition of the total or partial essential assets to other persons.
- b. An acquisition or disposition of business of other private companies or public companies which becomes the Company's business.

## Report on Corporate Governance

- c. The performance, amendment, or cancelation of contracts concerning the Company's all or partial leasing of businesses, assignation of other persons to operate the Company's business, or entering a joint-venture with other persons with the objective of profit and loss sharing.
- d. The amendment of the Memorandum of Association or Articles of Association.
- e. The increase or reduction of the capital of the Company.
- f. The liquidation of the Company.
- g. The debenture issuance of the Company.
- h. A merger of the Company with another company.
- An agenda of an annual general meeting shall include the following items:
  - (1) Consideration of the report by the Board of Directors proposed to the meeting indicating the Company's business operations in the past year.
  - (2) Consider and approve the balance sheet and profit and loss statements.
  - (3) Consider and approve the profit allocation and dividend payments.
  - (4) Consider and approve any new Directors to replace Directors whose terms have been completed.
  - (5) Consider and specify the Director remuneration.
  - (6) Consider and approve an auditor and specify his remuneration.
  - (7) Other transactions.

Directors, executives, and employees have the duty and a responsibility to inform other members of the company regarding the fundamental rules of the company and to encourage the importance of learning and understanding the fundamental rules. Every stakeholder has to be informed and learn the company rules as this will enable them to operate according to the rules and under their own supervision.

### 2. The Implementation and practices according to the Articles of Association of providing rights for the shareholders; promoting and facilitating shareholders to attend the Shareholder Meeting; Disclosure of the Shareholders' Meeting resolutions, including results of the vote are as follows:

In 2016, the company held two shareholder meetings. The first meeting was the 2016 annual general meeting on 8 April 2016. The second meeting was 2016 extraordinary general meeting no. 1/2016 on 11 November 2016. The following are a summary of the practices adhered to in these meetings:

1. The Company delivers notice to convene a Shareholders' Meeting together with sufficient supporting information prior to the date of the Shareholders' Meeting in compliance with applicable laws and regulations, specifying date, time, venue of the meeting along with the opinions of the Directors with respect to each meeting agenda so as to provide every shareholder the opportunity to assess such information in advance;
2. In the event that any shareholder could not attend the meeting, the Company provides the opportunity to such shareholders to appoint an independent director(s) or any third party as his/her proxy to attend the meeting on his/her behalf by using the proxy form enclosed with the notice to the meeting.
3. Prior to the commencement of the Shareholders' Meeting, the Company announces the voting procedures for each item on the agenda and appoints independent agencies to count the votes, in both an



## Report on Corporate Governance

ordinary and extraordinary session, for the shareholders and announces results in the meeting and takes the minutes.

4. During the meeting, each shareholder is provided equal opportunity to comment or raise questions in the meeting. The Chairman of the Board allocates time appropriately to each shareholder. The directors and relevant executives attend the Shareholders' Meeting in order to answer the questions raised therein; and in case of an absence from the meeting, the shareholders authorize an independent director or any particular person to attend the meeting as a proxy. The Company has mandated that the meeting is recorded in the minutes so that absentees could also be informed of the meeting contents.

5. Director remunerations including the annual director fee, attendance fee, and bonuses (the amounts of the bonus a director will receive depend on the result of the evaluation of the annual business outcome) were presented in the meetings for the participants' approval. The company has not planned to consider any other director benefits.

6. The Company ensures that minutes of the Shareholders' Meeting are completely and correctly recorded and includes questions and major comments therein.

7. The Company consistently discloses its information on the Company website, the SET's website, as well as the SEC's website.

8. The Company aims to facilitate and encourage all shareholders and institution shareholders to attend the shareholder meeting. By this, it acts in accordance with the guidelines as follows:

(1) The resolution of the Board of Director Committee as well as the meeting schedule, the agenda and the contents must be publicized through disclosure with the Stock Exchange of Thailand (SET). The disclosure must be made within the following day after the Board of Directors Committee has approved the resolution.

(2) The Shareholders' Meeting must be transparently and efficiently organized under the Company's rules and regulations.

(3) The shareholders are authorized to propose the meeting agenda including the list of the persons to be elected as the Company's Committee and the questions in advance. The meeting schedule is to be announced through the Stock Exchange of Thailand (SET) and the Company website for at least three months ahead of the meeting date. In 2016 the Company announced the schedule published on 14 October 2016 and provided the schedule during 16 October 2016 – 30 December 2016.

(4) The Company must provide accurate and sufficient information in a timely manner for the shareholders.

(5) The Company must send an invitation letter to the shareholders inviting them to attend a meeting. The invitation letter must mention the exact meeting time and date as well as the place, the agenda and other complete and relevant information. It should also include a proxy form and its suggestions or procedures. The Company is to send the invitation letter not less than 30 days in advance. The shareholders should be informed of the policy of disclosure through the Stock Exchange of Thailand (SET). The Invitation letter sent by registered mail must be sent to the shareholders not less than 14 – 21 days before the meeting date.

(6) The Company must post a notice of the shareholder meeting in daily newspapers consecutively for not less than 3 days before the meeting days.



## Report on Corporate Governance

(7) The Company must allow the shareholders to register for the meeting ahead of schedule, and meeting registration should be timely scheduled.

(8) The Company must facilitate the shareholders to easily attend the meeting with the required number of receptionists and registrars on duty and efficient information technology for registration and vote counting.

(9) The Company must offer an opportunity for all shareholders to exercise their equal rights, particularly in expressing ideas and questions at the appropriate time. Their questions and suggestions will be completely recorded in the minutes.

(10) The Company must publicize the meeting resolution and results of the votes in disclosure through the Stock Exchange of Thailand (SET) within the following day after the Shareholders' Meeting.



(11) The Company must take the minutes of the Shareholders' Meeting, which includes an explanation of the voting procedures, results of the votes, questions and answers as well as a list of the Committee members who attended the meeting and those Committee members who were absent from the meeting, executives, and those who attended the meeting and were mentioned in the meeting minutes in the section concerning the voting inspector in Shareholders' Meetings, as well as shareholder representatives as witnesses in the process of the vote counting.

(12) The Company must take the minutes of the Shareholders' Annual General Meeting (AGM) and distribute it to related agencies. The minutes of the AGM will also be publicized on the Company website within 14 days after the meeting date.

(13) The Company must make a report on video, record the vote casting and publicize it on the Company website so that it will be more convenient for the shareholders and those interested in the topics and results of the meeting.

(14) The Company must assign the Company secretary and investor relations (IR) to contact, coordinate and provide facilitation to the Company's shareholders and investors.



### Equitable Treatment of shareholders

Principles (in accordance with the Principles of Good Corporate Governance For Listed Companies):

**“ All shareholders, including those with management positions, non-executive shareholders and foreign shareholders should be treated fairly and equally. Minority shareholders whose rights have been violated should be redressed.”**

To ensure that the Company treats each and every shareholder equally and fairly, the Board has established the following policies:

1. The Company shall facilitate procedures for minority shareholders to propose additional agenda items prior to a Shareholders' Meeting or to nominate candidates for the position of Director in compliance with applicable rules and regulations;

2. In a Shareholders' Meeting, matters will be considered and voted on based on the agenda that was previously determined without changing any important details and information or adding unannounced items during the meeting without any pressing necessity;

## Report on Corporate Governance

3. In order to assist shareholders who are unable to attend the meeting in person, such shareholders may appoint any person or an independent director as his/her proxy to attend the meeting and vote on his/her behalf. The names of the independent director(s) who can be authorized as proxies shall be listed in the notice of the Shareholders' Meeting;

4. The Company promotes the use of ballot cards for each important meeting agenda item, such as related parties and transactions and transaction related to acquisition or disposal of the Company assets, in order to ensure transparency and accountability. During the election of Directors, the shareholders may vote to elect each Director individually; and

5. To provide written guidelines in regard to keeping and protecting the use of insider information and to disseminate such guidelines to everyone in the Company for compliance, as well as requiring each director and executive, who has a duty to report his/her securities holdings according to law, to submit such reports to the Board.

As the Company gives priority to every shareholder sharing equal rights and urges the shareholders and institutional investors to attend the shareholder meeting, it therefore establishes the following policies:

### 1. Information Provided Ahead of the Shareholders' Meeting

1.1 Send the meeting schedule with its agenda and the committee's comments to the Stock Exchange of Thailand (SET) and have it publicized on the Company website for at least 30 days before the meeting day and send a meeting appointment letter to every shareholder by registered post 14 – 21 days before a Shareholders' Meeting.

1.2 Inform the shareholders about different regulations used in the meeting including procedures on voting, resolution and the right to vote for each type of share.

1.3 Make English and Thai meeting invitation letters to invite the shareholders to attend the meeting.

### 2. The Protection of the Rights of Minority Shareholders

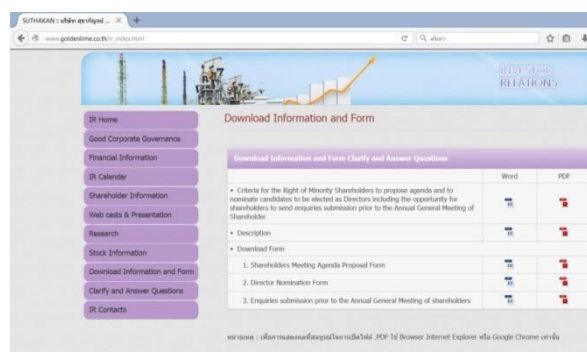
2.1 Allow minority shareholders to propose additional agenda items in advance including a list of the persons to act as committee members and questions to be raised. The regulations should be announced on the websites of the Company and Stock Exchange of Thailand (SET).

Criteria for the Right of Minority Shareholders are disclosed on the Company website at [www.goldenlime.co.th](http://www.goldenlime.co.th) on the page Investor Relations with a menu to download information and forms. The announcement published together with detailed guidelines and forms through the website of the SET on 14 October 2016 remained published and publically accessible from 16 October to 30 December before the Annual General Meeting of shareholders.

2.2 Authorize the shareholders to appoint individual committee members

### 3. Prevention of Internal Information Usage

The committee specifies the written guidelines to save and prevent internal information usage in the policy which covers the management of internal information. Everyone in the organization is required to follow these guidelines which will also be announced in the annual report below.



## Report on Corporate Governance

The Company is committed to the following policies and methods to manage executives and employees in any usage of insider information of the Company for their own interests.

1. The directors, executives, employees, and staff of the Company are prohibited to disclose and/or seek to benefit themselves or others with usage of insider information of the Company, either directly or indirectly, whether they receive any benefit in return or not.

2. The directors, executives, and persons who take executive-level positions in the financial or accounting areas and are section managers or the equivalent shall be educated in the duties of preparing and submitting the report of security holdings of themselves, their spouses, and their minor children to the Securities and Exchange Commission in accordance with Section 59 and the penalty provisions in accordance with Section 275 of Securities and Exchange Act B.E. 2535.

3. The Company prescribes that the directors, executives, and persons who take executive-level positions in the financial or accounting areas and are section managers or equivalent, as well as related operators, shall cease purchasing and/or selling securities of the Company for a period of one month prior to the Company publishing information regarding its operational results and financial status or information that is essential and affects the price of the securities, until the Company has disclosed such inside information to the public.

4. The Company prescribes that the directors, executives and persons who take executive-level positions in the financial or accounting areas and are section managers or the equivalent prepare and submit a report of their holdings of securities of the Company held by themselves, their spouses and minor children to the secretary of the Company. The preparation and submission must be made within 30 days after taking the position and the report shall be made to the Office of the Securities and Exchange Commission within 3 working days of making a purchase or sale of securities, as specified by the Securities and Exchange Act. The copy thereof must also be sent to the secretary of the Company on the same date the original is sent to the Office of the Securities and Exchange Commission.

The directors, executives, employees who violate this policy regarding the use of insider information shall receive disciplinary action and/or be punished in accordance with the law, as the case may be, taking into consideration the intent of the act and severity of such guilt.

#### **4. Having an Interest in Transactions of Directors**

4.1 Specific guidelines for the approval of related party transactions or transactions by a connected natural person or juristic person based on operational details are described in the conflict of interest policy below.

The Audit Committee has approved the policy and procedures for related party transactions so that that the transactions between a connected natural person or juristic person which may have a potential conflict are done transparently and that the interests of the interests of the Company are protected, which can be summarized as follows:

Transactions between the Company and the director, executives, or other related persons shall be approved by a Shareholder's Meeting, unless such transactions involve a trade agreement in the manner that an ordinary person shall generally make with his contractual party in the same situation with the trade negotiation power that he has from the status of director, executive, or related person, as the case may be, and is a trade agreement that is approved by the Board of Directors or conforms to the principles previously approved by the Board of Directors.

## Report on Corporate Governance

In order to approve the related party transaction between the Company and person who may have a conflict of interest and hold a stake in the Company, The Audit Committee will provide counsel regarding the necessity for the transaction and appropriateness in terms of the price of the transaction, taking into consideration various conditions to ensure that it conforms to the ordinary course of business in the industry, and the Committee will compare the price with a third party's price or the market price. If the Audit Committee does not have the expertise to consider the transaction that may occur, the Company shall provide persons who have knowledge and special expertise, such as an auditor appraiser, or law firm, which is independent from the Company and the person who may have a conflict of interest to provide consultancy on such related party transactions, which shall be used to supplement the consideration of the Audit Committee so that the Audit Committee can propose to the meeting of the Board of Directors or shareholders, as the case may be; in which case, the director who holds the interest shall not have the right to vote on the transaction. In addition, there will be a disclosure of related party transactions in the Notes to Financial Statements that are examined or audited by the Company's auditor. The Board of Directors of the Company shall take care of the matter to ensure conformity to the law on securities and securities exchanges, regulations, announcements, orders, or the requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand and shall observe the requirements regarding the disclosure of connected transactions and the acquisition or distribution of major assets of the Company, or its subsidiary company, and the accounting principles specified by the Federation of Accounting and Certified Public Accountant of Thailand.

4.2 Significantly interested committee members will be informed not to attend a meeting in which a related agenda item is to be discussed so that the committee can freely voice their opinions without their presence.



### Role of Stakeholders

Principles (in accordance with the Principles of Good Corporate Governance for Listed Companies).

“ Stakeholders of a company should be treated fairly in accordance with their legal rights. The Board of Directors should provide mechanisms to promote cooperation between the company and its stakeholders in order to create wealth, financial stability and sustainability of the firm.”



Stakeholder's of SUTHA

The Company recognizes the rights of each group of stakeholders: internal stakeholders, which include shareholders and employees, and external stakeholders, which include customers, business partners, creditors, competitors, public entities and other organizations, as well as relevant neighboring communities. The Company shall conduct its business in accordance with relevant laws and regulations to address each stakeholder's requirements and the following policy shall be deemed as a long-term value-adding goal of the Company:



## Report on Corporate Governance

<b>To Shareholders</b>	The Company shall perform its fiduciary duties and make decisions carefully for the benefits of shareholders and ensure the transparency of financial disclosures as well as provide all necessary information to the shareholders in a correct, accurate, and timely manner.
<b>To Customers</b>	The Company shall deliver products and services of a high quality and under fair conditions and also maintain customer confidentiality and shall not disclose or misuse such information.
<b>To the Directors, the Executives, and Employees</b>	The Company shall treat its personnel fairly, without discrimination. Remuneration and welfare shall be done based on good faith, appropriateness and the capability of such employees. SUTHA also promotes the safety of the workplace and a good working environment as well as support of employee training and development.
<b>Business Partners</b>	The Company respects the contractual agreement with business partners as well as complies with related laws and regulations strictly to ensure that any transaction occurring with business partners will be carried out in a manner adhering to good corporate governance.
<b>Competitors</b>	The Company competes with other companies within the framework of fair practice and healthy competition.
<b>Community, society and environment</b>	The Company supports and participates in activities, either organized by itself or in cooperation with others to help improve society and communities in areas where the Company's business operations are located. SUTHA consistently controls and assesses the environmental impact on nearby communities to comply with the laws and regulations.

The Company acts in accordance to specific policy:

1. Specific to the stakeholder
2. Specific ethics for procurement to partners mentioned
3. Specific to social responsibility
4. Specific to anti-fraud policy and in support of any activities held to urge all employees to comply with the law and related regulations.
5. Specific to human resource management policy in order to treat employees fairly and develop their knowledge, potential and performance.
6. To provide a procedure and a channel to receive and deal with the grievances of stakeholders as well as set up a complaint channel on the Company's website and get it publicized in the annual report.
7. In the publication of information including, cooperative activities, policy operation and various guidelines, on the Company's website and annual reports and also within a social responsibility report regarding the implementation of the social responsibility policy. The report should be included in the company's annual report.



## Report on Corporate Governance

The Board of Directors has provided policies for the stakeholders as follows:

### Code of Conduct for the Company's stakeholder

#### 1. Practice to Shareholders

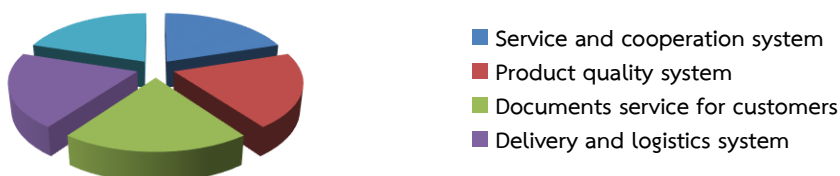
- Adhere to good business management and the equal rights of the Shareholders.
- Operate with efficient business management in order to create compensation and added value for the shareholders
- Perform duties based on honesty and transparency as well as providing protection for the shareholder's properties and without causing a conflict of interest likely to lessen the rights of minority shareholders
- Implementation of practice in accordance with the guidelines concerning shareholders' rights and provide practice with the result that shareholders receive equal rights

#### 2. Practice to Customers

- Disclose accurate and complete information on goods and services.
- Be prepared to provide information as well as requirements and conditions relating to the Company's goods and services to the customers. The information includes the written conditions as follows:
  - Cost of goods and services or any related expenses which are not mentioned in the cost conditions of goods or services.
  - Quality of goods, packaging and delivery conditions.
  - Other information relating to the mutual agreement between the Company and customer.
- Inform the customer in advance in the case of any changes of terms and conditions relating to the customer.
- Be prepared to answer the customer's questions including those pertaining to goods, services, complaints, suggestions and the follow-up of the progress of subjects raised by customers. However, this must be carried out in friendly manners and the employees must always be prepared to troubleshoot for the customers.
- Agencies relating to sales, marketing and services should be equipped with communication instruments to facilitate customers rapidly.
- Keep confidential information and trading secrets of customers confidential

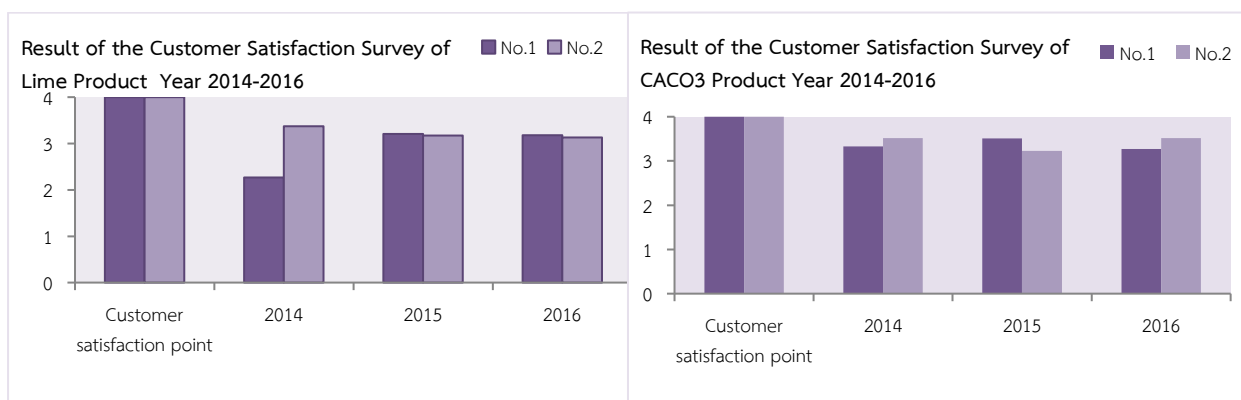


The Company has conducted a customer satisfaction survey among the customers in various fields who purchase in each major product groups. Survey results are as follows:





## Report on Corporate Governance



### 3. Practice to Trading Partners and Creditors

- Have defined regulations and practices under the Procurement Ethics and guidelines on procurement and selection of trade partners/business partners.
- Follow agreements with trading partners and creditors impartially based on fair compensation to both sides.
- Negotiate with trading partners and creditors in advance in the case that any agreements cannot be followed, in order to find solutions and prevent damage.
- Provide accurate and complete information on time.
- Neither request nor offer any dishonest interest to trading partners or creditors. Should such undesirable behavior occur, negotiate with creditors to agree on solutions fairly and rapidly.

### 4. Practice of Directors and Executives in regard to Employees

- Provide compensation appropriate to the knowledge, competence, responsibilities and performance of each employee.
- Promote, develop and enhance the knowledge and competence of employees to ensure their progress and occupational security.
- Promote participation of employees particularly in working requirements and the Company's methods of problem solving.
- Maintain the working environment in order to secure the health and safety of employees and their property (referring to the OHSAS18001 standard)
- Reward or punishment must be made on the basis of accuracy, justice and honesty.
- Follow the laws and regulations relating to all labor laws and welfare of the employee.
- Avoid any unfair and inaccurate administration and management which may impact the employees.
- Treat each employee with human dignity and respect for their individual rights and duties.

### 5. Practice to Business Competitors

- Compete within a framework of fair competition
- Do not search for a competitor's confidential information or secrets through any dishonest or illegal methods.
- Do not damage the competitor's reputation by means of defamation or releasing any untrue information or through unfair conduct.

## Report on Corporate Governance

### 6. Practice regarding Intellectual Property and Avoidance of Pirating Intellectual Property and Copyright.

- Employees are required to act in accordance with the laws, regulations and obligations pertaining to intellectual property, patent, copyright, trade secrets and other ownership information.
- Employees are required to examine any externally submitted work or rights information to make sure that it does not pirate others' intellectual property.
- Employees are required to use software that has been permitted by the copyright owners or as provided by the Company only, in order to prevent intellectual piracy.
- Employees are required to hand over any intellectual property to the Company when they terminate employment.
- Any work on intellectual property initiated by Company policy is considered the Company's work and intellectual property.

### 7. Practice to Society and the Public

- Operate the business fairly and follow a code of conduct based on good morality to assure that all stakeholders are fairly treated.
- Counter corruption, and support, supervise and encourage employees, representatives, trading partners and contract partners to be aware of corruption and anti-corruption measures by performing as a leader and setting an example by acting within an honest and moral framework towards all stakeholders
- Respect human rights, follow regulations on human rights, and urge all employees to adhere to an international standard of human rights, as well as encouraging co-investors and trading partners to do likewise.
- Treat labor fairly in accordance to labor law as well as labor welfare and ethics. Create fairness and respect for individual rights in order to assure stability and peaceful relations. Promote opportunity and career progress, as well as enhance employees' potentials and pay attention to their standard of living.
- Show responsibility to consumers by producing only high quality goods and services together with efficient management. Create trust and relationship with customers both before and after sales. Provide information technology together with accurate information so that the customers can make informed decision before buying products and service. Conduct research and development to create innovative products and services with importance given to corporate social responsibility.
- Conserve the environment as well as promote practical environment management and utilization, and implement appropriate measures against pollution for the employees and the community.
- Develop community and society. Promote and provide cooperation with both public and private sectors in a bid to jointly develop and strengthen a desirable community. By this, the community will be promoted in various fields including education, art and culture and morality as well as employment and skills in order to eliminate and prevent any threats to health, life and assets.
- Develop and publicize innovation, such as in production technology and production factors which are environmentally friendly. Do the utmost to create value and added value in order to bring about positive changes to the community, culture and environment.
- Observe anti-corruption policy and set guidelines to assess the risk of fraud, including implementation with a social responsibility policy.

## Report on Corporate Governance

### 8. Practice for the Board of Directors, Executives and Employees.

- Perform duties with responsibility and treat those concerned in line with the Company's ethical guidelines for business operations.
- Perform duties based on law, regulations and policy. Adhere to requirements to study rationalities and regulations in order to find accurate, appropriate and up-to-date direction in line with changes under the law, regulations and policy. In addition, understand and acknowledge the impact or damage caused by nonfeasance.
- Perform duties in line with individual knowledge, competence and skills for the benefit of management and administration. Adhere to requirements to enhance such knowledge, competence and skills in order to assure steady development and progress of the Company's business.
- Refrain from seeking undue benefits or misappropriating the assets of the Company or its customers. In addition, do not accept any position other organizations which would lead to a conflict of interest.
- Avoid disclosure or utilization of confidential information.
- Perform duties with honesty. Do not abuse the position or conduct any dishonest business activity with the Company, including shareholders, customers, trading partners and any stakeholders.
- Create and maintain a harmonious atmosphere. Participate in creative activities without prejudice or personal opinions which would result in social disharmony. Also avoid any activities which would affect the Company's good image.
- Do the utmost to prevent the Company's assets from damage or loss. Use these assets efficiently and do not use them for one's own personal benefit or that of others.
- Do not engage in the following conduct of seeking personal benefits:
  - Request or accept any benefits from customers as well as trading partners, contract partners, brokers and facilitators as compensation for performances.
  - Request or accept any profit from customers, trading partners or contracts or offer them special compensation in return which would be considered a violation of the Company's conditions.
  - Do not publicize internal information regarding investments, which has not been announced for publication, for personal benefit. At all times strictly follow the policy of internal information usage.
  - In regard to relations and contact with internal information on the Company's performance, do not trade in the Company's securities during lock-up periods.

### Procurement Ethics and Guidelines on Procurement and Selection of Trade Partners/Business Partners

The Company has promulgated a set of guidelines for the procurement process and employment, according to suitability and efficiency, in order to maintain a positive corporate image. The Company has defined the following procurement ethics for the Company to observe:

#### 1. Acceptance of gifts, tokens, entertainment, and preferential treatment

##### 1.1 Acceptance of gifts or tokens

The Company requires that all employees do not accept gifts or tokens that may be perceived as bribes. However, accepting gifts or tokens of low value on traditional occasions, including calendars, diaries, or stationery items normally considered nominal tokens, is not an issue.

##### 1.2 Acceptance of entertainment

## Report on Corporate Governance

Acceptance of entertainment can be considered based on suitability. Nevertheless, the Company advises that it should be avoided unless absolutely necessary. In addition, it is against the Company's ethics to ask trading partners for treatment at parties or other entertainment functions.

### 1.3 Preferential treatment

In case of a bidding being open to trading partners, the process must be carried out without any preferential or intimate treatment to any particular suppliers or vendors that could be perceived as unequal, leading to misunderstanding with other bidders who may pull out from the bidding. In addition, the image of improper behavior can harm the Company's reputation.

## 2. Procurement process

2.1 Numerous suppliers or vendors will be allowed to present their products and services so that the Company can select the best, most appropriate and beneficial suppliers or vendors (In the case of a non-specific product).

2.2 The selection of bidders should be screened for high quality trading partners who are interested in the particular bidding. Selecting a large number of bidders for the sake of filling numbers without consideration to their capability to fulfill their obligations will result in poor quality of procurement and unfairness to the Company as well as its other trading partners.

2.3 All suppliers or vendors must be provided with the same written information and conditions.

## 3. Conduct toward a Supplier or Vendor

3.1 Both the purchasers and sellers should interact with each other with honesty, fairness and etiquette.

3.2 The suppliers or vendors should be informed of the Company's procurement process as soon as they apply to be a trading partner of the Company and must be informed immediately if there is any change.

3.3 The inspection of a received product and the payment process for Suppliers or Vendors should be conducted rapidly, carefully and fairly. Any attempt to slow down the process is considered a violation of the Company's ethics.

3.4 Any attempt to help the Company's suppliers or vendors avoid tax payment is also a violation of the Company's regulations.

## 4. Gifts, feasts and favoritism

### 4.1 Present or Gift

The Company requires its agencies not to accept any present or gift likely to be a bribe except souvenirs made during traditional periods such as New Year's gifts, diaries or calendars.

### 4.2 Feasts

The Company advises avoidance of unnecessary feasts/ receptions held by its trade partners or to avoid parties at particular venues.

### 4.3 Favoritism

In the case of a bidding opportunity given to the trade partners, any action showing a fondness or favoritism with particular trade partners must be refrained as this behavior will lead to misunderstanding with other trade partners who may not then take part in the bidding. It will also damage the image of the Company as a whole.

## 5. Procurement Guidelines

## Report on Corporate Governance

5.1 In the case of non-specific products, the procurement should be handed over to numerous trade partners to offer their products and services. By this means, the Company will acquire trade partners who can offer good and proper products and services which will truly benefit the Company.

5.2 The selection of the bidders should be based on their interest and ability rather than merely to fulfill a required number which will result in a lack of quality and justice for both the Company and other trade partners.

5.3 Every trade partner will be given the same written details and conditions. Should a verbal explanation occur, it needs to be confirmed in writing.

### 6. Instructions on Trade Partners

6.1 Relations between the buyers and sellers should be based on mutual confidence. They should treat each other honestly, fairly and politely.

6.2 The trade partners must be informed of the Company's regulations and procedures as soon as they apply as the Company's trade partners and if and when any changes occur.

6.3 The inspection of a received product or service and the payment procedure must be conducted rapidly, carefully and fairly. Any attempt to slow down the process is considered a violation of the Company's ethics

6.4 Refrain from any attempt to assist trade partners who work for the Company to avoid tax payment.

### Guidelines on Selection of Trade Partners and Business Partners

#### Qualification of Trade Partners/Business Partners

1. They must be manufacturers, entrepreneurs, distributors, agents, employees or laypersons who possess references and/or a location which can be investigated.
2. They must own equipment, warehouses, financial status and demonstrate reliable business performance and service.
3. They must cooperate with the Company to complement regulations and guidelines.
4. They must be facilitators or persons who deliver goods together with the after-sales services or process any other conditions as specified by the Company.
5. They must be the trade partner/business partners who do not have business conflicts with the Company.
6. They must not be the trade partners/business partners who have a record of illegal trade due to fraud.

### Procedures on Trade Business and Transaction with the Company

1. Trade partners/business partners are required to carry out the next step as soon as they have offered a price, checked price or agreed on the trading.
2. In the case of juristic persons, they are required to present a tax payment identity card (Pho. Po 20), and if they are laypersons, they must present identity cards or tax payment identity cards in order to be registered as the Company's trader or facilitator.
3. Comply with conditions including the procurement system and the payment conditions in line with the Company's procurement system and payment system.
4. The Company's written purchase order and agreement contract are considered business obligations.

## Report on Corporate Governance

5. The trade partners/business partners are also required to put up a guarantee or earnest money in the purchase or contract procedures which will be explained in a written document. The guarantee or the earnest money will be returned to the trade partners when the business obligation has been completed.

6. The trade partners/ business partners are then required to hand over the tax invoice as well as receipt and other related documents in order to receive payment at the place and time scheduled by the Company. The payment for goods/services for the withholding tax and other obligations mentioned in the contract such as guarantee and earnest money will be carried out by means of cheque or transfer to the account of the trade partner/business partner.

7. The trade partners/ business partners are able to have information on said trade partners/ business partners corrected by contacting the procurement agencies and handing over the correction document which has been approved by the authorities of the trade partners/business partners.

### Human Resource Management Policy

All employees are considered valuable resources and play a major role in the Company's progress. The Company therefore aims to create a good working atmosphere for the employees on the basis of caring as well as understanding for their well-being and career progress.

#### Human Resource Management Policy

- Recruit knowledgeable personnel with competence, responsibility and morality.
- Create teamwork as well as unity and provide moral support for employees.
- Enhance their knowledge, competence, operational and management skills in order to assure stability and progress.
- Promote and retain capable employees so that they can continue working for the Company for a long time.
- In order to assure stability and progress for the employees, the Company will encourage them to obtain promotions and through internal recruiting to fill vacant posts.
- Develop conscience and adherence to the Company's regulations and social rules.
- Improve and provide remuneration for the employees in line with their positions, experience and qualifications as well as the Company's business performance and the economic and social environment.
- Administrators in all levels are required to create an atmosphere of understanding among subordinates especially regarding personal management procedures and including the selection of personnel and remuneration based on anti-fraud and corruption policy.

### Human Resource Management Policy

#### 1. Personnel

The Company aims to recruit a small but sufficient high-quality workforce. Meanwhile, the Company's policy is to put the right person on the right job and continuously consider transferring employees within each career path in order to enhance their competence and progress.

#### 2. Recruitment

The Company aims to firstly recruit insiders. However, outsiders can also be recruited in case the number of required insiders is not enough. This must be conducted by a sufficient and fair recruitment and selection system so that the Company will recruit both knowledgeable and good employees. The Company has specified initial qualifications as follows:

1. Good thinking : Think first about the common interest and organization

## Report on Corporate Governance

2. Good speech : Speak positively for the common interest and harmony of the organization
3. Good deeds : Perform duties for the common interest and organization
4. Good attitude : Be conscientious and friendly, and do not seek to exploit others, exhibit jealousy or engage in prejudice
5. Honesty : Be honest and sincere, not seeking to take advantage of others, defraud or them, but look to your behavior first.
6. Responsibility : Be self-disciplined, responsible and achieve the target
7. Good Communications: Be able to comment as well as suggest and exchange ideas regarding duties and job assignments in order to achieve the ultimate goal of the organization.

### 3. Payment and Compensation of Management

The Company aims to manage payment and compensation based on fairness in line with the duties, responsibility and competence of each individual, as well as on being competitive at the leadership level compared to other companies within the same industry. Employees should be continually and fairly evaluated and provided with feedback in order to develop and improve themselves. The Company also realizes that payment and compensation are major factors in motivating the employees and retain them in the Company.

In addition to internal factors for fairness of payment and compensation, external factors such as comparison with other leading businesses in the same industry, the general economic condition of the country, and average wages in the job market are considered. The Company also subsidizes employees' provident funds so that they can accumulate funds toward their retirement.

In order to comply with the anti-fraud policy regulated by the Board, administrators and any employees who act against corruption must be provided with protection measures. By this means, they will be exempted from punishment or position downgrade.

### 4. Welfare Management and the Consideration of Employee Benefits

The company considers providing benefits to employees by evaluating their performance and the overall business outcome. The Company also considers employees' abilities and performance on a departmental and individual level and provides welfare for the employees based on both their benefits and necessities and the Company's capacity. Meanwhile it is recognized as always of value to improve welfare in line with economic changes and business necessities. The welfare provided will cover the interests and necessities of most employees including a social security fund, workmen's compensation fund, provident fund and annual check-up, in which they will be provided with a lung X-ray. This also includes insurance and accident insurance, work uniforms, transportation, office car or personal car for those whose operation involves travelling by car, dormitory, funeral costs, benefits in case of death, incentive pay, hospital visit gifts, hospital costs, and annual bonuses, the details of which are found in the employee handbook.

### 5. Training and Development

The Company's employees are considered valuable resources and therefore investing in their development is expected to create competitive advantages for the Company in the long run. All employees will be adequately and continually developed, including in their jobs, duties, business knowledge, as well as their management skills suitable for their duties. Their sense of responsibility and quality assurance will also



## Report on Corporate Governance

be developed. The development will be overseen by experienced internal experts, as well as prominent external institutions. The curricular will be continually reviewed and improved to be modern and suitable. The responsibility for training and development of staff will be jointly taken by the employees' supervisors and the Human Resource Department.

The Company has set a primary goal for the training development of its employees which includes an orientation for newly recruited employees so that they will be clearly informed of the Company's background as well as its policy, business ethics, code of conduct, anti-fraud, preventive risks from anti-corruption policy, quality policy, social responsibility policy including environment management, safety measures, and occupational health. An employee handbook will be made and provided for them. The Company will also hold training on the skills of Taking Initiative in accordance to the guidelines below:

Taking Initiative is mainly based on the self-discipline in learning to appreciate thinking. In order to become one who loves thinking, trainees must try to think immediately or as a first reaction, which is at the heart of self-training, and then adhere to the following procedures:

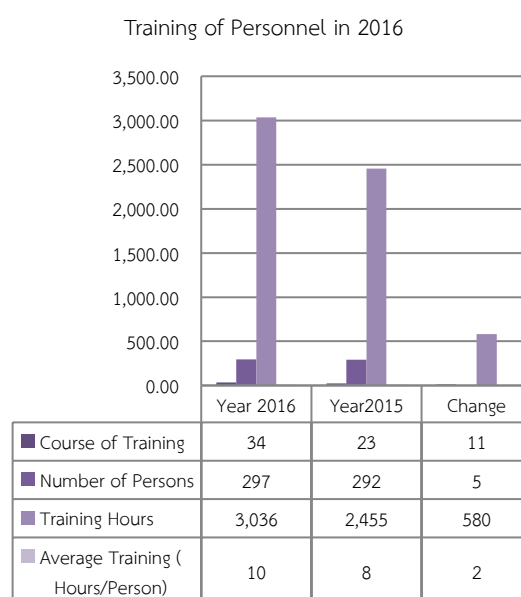
1. Think at first sight
2. Analyze after thinking
3. Plan what to do
4. Systematize the work
5. Follow up
6. Evaluate
7. Find out the necessary prevention method or improve it

The Company firmly believes that the organization will flourish, stabilize and become stronger as employees continue practicing the self-training of Taking Initiative as part of the important support leading to business growth and stability.

### 6. Occupational Progress

The Company will thoroughly and fairly oversee the career progress of each employee, taking into consideration the level of knowledge, skills and the potential of each employee.

Course Type of Training (Hours)	Training Courses	
	2016	2015
Language and Communication	570	-
Productivities	498	1,164
Rules , Regulation and Law	51	12
Safety & Environment	637	807
Personnel Management	339	30
Preventive Maintenance	90	-
ISO Standard Training 9001,14000.OHSAS18001	468	366
Specific skill job skill	324	-
Accounting and Financial	30	-
Couse of Training for CG, Such as Anti-Corruption, Disclosure , IR , etc.	29	46
Others	-	30
<b>Total Training Hours</b>	<b>3,036</b>	<b>2,455</b>



## Report on Corporate Governance

### 7. Labor, Environment and Working Conditions

The Company is obligated to create a good understanding between the Company and the employees by establishing a welfare committee, wherein representatives of all employee segments jointly manage welfare, as well as in resolving any conflicts that may arise. Moreover, they will cater to the welfare and working environment of the employees without waiting for complaints from the employees. The committee will treat the employees fairly and as family. Supervisors must strive to set good examples to all employees.

#### Anti-Corruption, Whistle-blowing or Complaint-making Policy and Complaint Channel

The Board of Directors' policy aims to comply with the laws and set guidelines to ensure compliance with anti-corruption policies continuously. The Company is committed to support and supervise its executive, employees, agents, partners, and contractors to be aware of potential corruption and anti-corruption policies by showing its leadership in being anti-corruption. As the Company is a member of Partnership against Corruption for Thailand (PACT Network), it thus acts within the scope of definitions given by the Company as follows:

Fraud and corruption include any act for unlawful advantage and any practice or omission of duty and/or abuse of power, violations of law, ethics, regulations or policy of the Company in order to secure any form of unlawful advantage such as soliciting, receiving, offering, or giving cash or any property including cash, goods or other favors, as well as any other benefits, to government officials or individuals who engaged in doing business with the Company for the benefit of the Company, and include:

Political contributions refer to financial aid or otherwise in order to support political activities such as money lending, personnel support, providing goods or services, advertising to promote or support the political parties, buying tickets for raising funds or donating money to an organization with close ties to political parties, and so on. The anti-corruption model with these guidelines is stated below:

1. Golden Lime Public Company Limited encourages employees in all levels to realize and be conscious of the anti-fraud and corruption campaign. It also provides an internal control in a bid to prevent corruption and bribery extant in every country in which the Company makes an investment.
2. The Company shall create conscience, instill morality and stimulate a positive attitude among the employees requiring them to honestly adhere to the law and regulations.
3. The Company shall create an efficient and effective internal control system with audits and appropriate use of power to prevent employees from any involvement in corruption.

Golden Lime Public Company Limited		
The sustainability assessment of Thai listed companies based on the sustainable development plan for listed companies of Thaipat Institute		
The company has a development relating to anti-corruption		
Year	Level	Meaning
Year 2014	-	Non-Policy
Year 2015	3	Established
There're five level of the development of anti-corruption campaign and they are shown in the form of "Progress Indicator" as follows		
Level 3	<b>Established</b> : indicate that a company has established some level of anti-corruption policy (e.g. support anti-bribery, doesn't relate to government bribery, and go against bribery.) A company assess the risk to establish business operation approach for a company or subsidiary which prone to the corruption. A company have good communication, organize anti-corruption policy and practice trainings for its employees and supervise the policy implementation. The board of directors also review the policy at least once a year.	

## Report on Corporate Governance

4. The Company's directors, executives and employees shall refrain from any behavior relating to the demand or acceptance of assets or any other benefit or from condoning corruption for themselves or families, friends and acquaintance or others which may influence toward misconduct, cause dereliction of duties or cause harm to the Company.

5. The Company's directors, executives and employees shall refrain from offering assets or any other benefits to external parties with the intent to influence such parties to engage in misconduct or abandon their duties or to pay a bribe for the benefit of the business.

6. The Company shall report its financial statements accurately and transparently.

7. The Company shall provide communication channels for employees and related parties for whistle-blowing, on the condition that whistle-blowers will be given complete protection. The Company shall also appoint officers to investigate such claims.

8. In order to clarify how the operation is of high corruption risk; the Company stipulates the administrators and all staff members to strictly adhere to the guidelines as follow

8.1 Political contributions refer to financial aid or otherwise in order to support political activities such as money lending, personnel support, providing goods or services, advertising to promote or support the political parties, buying tickets for raising funds or donating money to an organization with close ties to political parties. However, it does not include the employees who join the activities on their own right; nevertheless, they cannot present themselves as Company representatives or use any Company assets, devices or instruments for political purposes.

The Company insists on political neutrality. The Company will never provide a political party, politicians or a party's candidates with financial assistance for the benefits of the Company.

8.2 Charitable contributions, donations and aid grants may result in risk to the Company as such an activity is concerned with payment without obvious profit, used as an excuse to prevent a charitable contribution with concealed purposes. The Company stipulates policy and regulation as follows:

The Company is determined to provide donations for foundations, including associations, public charity, nursing homes, schools, Red Cross society and temples all of which are registered with the government Revenue Department, and these donations can be used as a tax deduction. It also scrutinize provided donations for annual activities organized by either the Company or the temples under the allocated amount in the budget. In the case of an emergency caused by a public hazard or natural disaster, a donation can be made after obtaining approval from the administrators. However, in order to closely monitor and scrutinize the donation, extensive details and photographs must be attached together with the donation proposal.

8.3 Sponsorships are a way to publicize the Company's business reputation and can be initiated according to the policy and regulations as follows:

8.3.1 The sponsorships must be examined or proved that activities are truly carried out for social benefit or as an act of corporate social responsibility. In this case, various necessary documents including receipts, project details and logo photo must also be attached.

8.3.2 The sponsorships can be calculated, such as a contribution of accommodations and food, which is not related to the benefits for individuals or any agencies except as a decoration of honor traditionally practiced.

8.3.3 The sponsorships can be made only if the payee is specifically identified together with the request document so as to obtain approval from the Company's administration.

## Report on Corporate Governance

8.4 Funding expenses provided to welcome customers and other hospitality expenses.

The Company realizes how good relations with its business allies can lead to continual achievement. It therefore allows staff members to either give or receive gifts, hospitality or other benefits within conditions specified by the Company as follows:

8.4.1 The activities are carried out in line with the sales promotion policy, the trade conditions or the counselling service. It also includes the expenses of travelling, accommodations, food or gifts provided by customers or any expenses provided to welcome the customers, the investors or the shareholders who visit and observe the Company's business management. This includes the gifts occasionally provided on annual festivals.

8.4.2 The expense funding are in accordance with related law.

8.4.3 The expense funding are for the benefit of the Company and for not the personal benefit of the employees.

8.4.4 The expense funding is not a kind of cash gift or equivalent to cash such as gifts or present readily exchangeable for cash.

8.4.5 Gifts or hospitality are offered in line with appropriate tradition or festivals.

8.4.6 Gifts or hospitality must not be offered especially during a bidding or procurement.

8.4.7 They are openly offered and not contrary to procurement ethics.

9. Anti-corruption policy covers the personnel management process including personnel selection, the promotion, the training, the working evaluation and bonus. For this reason, the superiors in all levels are required to create a right understanding among the employees and urge them to strictly adhere to this policy. They also have to closely monitor implementation of the policy to ensure operations are carried out efficiently.

10. The Company will provide justice and protection for any employee, or others, who provide notification regarding the whereabouts of or evidence related to corruption in the Company and its group company, including any employees who object to said corruption. They will be given protection under the protection measures as regulated in the whistleblower policy.

11. Those who are involved in fraud and corruption which are considered as offenses within the regulations of personnel management are to face disciplinary punishment or legal punishment if the acts prove to be legal offenses.

12. The Company will regularly examine the guidelines and operational measures in order to comply with any legal changes and the business conditions.

13. In order to closely monitor the operations in line with the anti-corruption policy, the Company administration are required to afford an annual self-assessment.

14. The Company requires all staff members, including the Board of Directors, the executives and employees to strictly adhere to anti-fraud and corruption measures and also urges its business partners to jointly carry out these measures. The co-company or sub-company, if likely to be set up in the future, is also to adhere to this policy.

### Responsibilities and Monitor Control

- The board of Directors is required to comply with anti-corruption policies, and put these policies into practice.

## Report on Corporate Governance

- The Board of Directors has authorized the Managing Director to set up sub-committees. At present, the Managing Director has established sub-committees including a Safety and Health management committee, Energy preservation management committee, Quality management committee, and Management Committee. These committee members are authorized to jointly deliberate different fields of work and assign administrators in each agency to monitor and supervise operations in order to ensure good corporate governance policy.

- The Audit Committee consists of independent directors who are responsible for reviewing internal control system and giving their opinion about internal control system, as well as ensuring that the Company complies with related laws.

- The Audit Committee is in charge of assigning an internal auditor to review the internal control system. If the internal auditor is an external agent, the Audit Committee shall appoint a person who can coordinate with the internal auditor or assign the Committee's secretary to act as the coordinator.

The Internal Auditor and/or the Coordinator

- The Audit Committee is in charge of assigning an internal auditor to review the internal control system. If the internal auditor is an external agent, the Audit Committee shall appoint a person who can coordinate with the internal auditor or assign the Committee's secretary to act as the coordinator.

- The Internal Audit Coordinator shall be responsible for receiving any complaints or any claims and coordinate with the internal auditor to review and report to the supervisor or Manager or Audit committee about complains.

### Whistle-blowing or Complaint-making

Establishment of measures for whistle-blowing or complain-making against unlawful or unethical actions or behaviors that may be regarded as malfeasance or fraud by any person in the organization, whether employees or stakeholders including inaccurate financial statement reporting or a faulty internal control system. Establishment of a protection mechanism for whistle-blowing so that stakeholder may contribute to more efficient stewardship for the Company's benefit.

### Matters for Whistle-blowing or Complaint-making

1. Unlawful actions, corruption, fraud, or violation of ethics by directors, executives and employees.
2. Inaccurate financial statement reporting, faulty internal control system and other risks.
3. Matters relating to the interests or reputation of the Company.
4. Potential damages to the financial status or assets of the Company
5. Suspicion/ fault of the employees' duty performance or any non-transparent activities of the shareholders.

### Contact details for Stakeholder / Receipt of Complaint:

#### Internal Auditor / Internal Audit Coordinator

Golden Lime Public Company Limited

7 Soi 11 Sai 3, Moo 12, Saraburi-lomsaksaimai Road,

Chongsarika, Pattananikom, Lopburi 15220 Thailand

Telephone Number: 66 (0) 36 436 178

Email Address: ac.internal@goldenlime.co.th or

## Report on Corporate Governance

### Audit Committee Secretary

Golden Lime Public Company Limited  
8/222 Moo 3, Srisamarn Rd., Soi 2 Banmai,  
Pakkred, Nonthaburi 11120 Thailand  
Telephone Number: 66 (0) 2961 8652 - 6  
Email Address: [glmis@goldenlime.co.th](mailto:glmis@goldenlime.co.th)

Reports can also be made by means of the whistle-blowing channel on the Company's website, by making an inquiry regarding Company information, at [www.goldenlime.co.th](http://www.goldenlime.co.th)

### Whistle-blowing Protection Mechanisms

- Set up a database for the confidential information of whistle-blowers and establish punitive measures against the officers in charge of keeping such a database if the confidential information is leaked.

- This database must be made accessible to executives at the level of senior executive management only.

- The Committee is determined to provide protection for the administrators or employees who report corruption or who adhere to anti-fraud and anti-corruption policy, which may otherwise result in the loss of business opportunity. It also seeks prevention for the employees from any penalty or position downgrade as a result of strictly adhering to the guidelines.

- It falls under the authority of the superiors or supervisors of all those accused to give proper directives to protect whistle-blowers, witnesses, and those who provide evidence to the investigation to keep them out of danger, difficulties, or unfairness due to their making complaints, serving as witnesses, or giving information.

### Questions or Recommendations

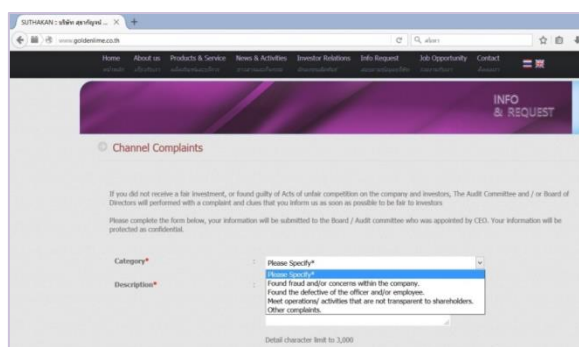
Any question or recommendation on corporate governance and anti-corruption policies should be addressed to the Secretary to the Audit Committee and Secretary to the Board of Director, Telephone Number 0 296 186 52-6 or Email: [glmis@goldenlime.co.th](mailto:glmis@goldenlime.co.th)

### Punitive Measures

- Those found guilty of serious misconduct will be dismissed from the Company and face legal punishment if they are found to be guilty of legal misconduct. Those found guilty of minor offences will face score reduction or a suspension from duties without any wages. They will also face a score reduction for job evaluation as well as the restriction from promotion and the restructure of income rate.

- The superiors are to reprimand those found in violation of the Company's ethics including by score reduction for job evaluation, restriction from promotion or the restructure of income rate.

- Those found in violation of the Company's regulation will receive a written reprimand from the Human Resources Department including score reduction for job evaluation, restriction from promotion or the restructure of income rate.



## Report on Corporate Governance

4. In case the offenders are the high-ranking administrators or on a Company committee, findings of the investigation must be forwarded to the Board of Directors in order to determine the penalty. The penalty will be based on legal considerations and good corporate governance.

The Company specifies the guidelines to prevent corruptions as follows:

- 1) Procedure of the assessment of corruption risk
- 2) Guidelines to monitor, supervise, and prevent any involvement in the corruption risk
- 3) Guidelines to follow up and evaluate operations to prevent any involvement in corruption as approved by the Audit Committee and the Board of Director on 13 November 2015 which is part of the handbook of the Company's good corporate governance and ethics.

### **Procedure of the Assessment of Corruption Risk**

The Company has regulated the risk management system based on business operation in a bid to prevent and suppress corruption or any activities of high risk from corruption likely to occur as a result of the Company's business operation. It also evaluates the risk level including its chances and effects as well as regulates the anti-corruption measures based on evaluated risk including the achievement evaluation and resources to be used to lessen the risk and follow up on the performance appraisal.

### **Guidelines to Monitor Supervise and Prevent Any Involvement in Corruption Risk**

The Company has regulated guidelines to monitor, supervise and monitor the risk on fraud and corruption as follows:

1. Procedures, including an internal control system and risk management, which cover important work systems such as the sales and marketing system, procurement, control, budget management, account record and payment. This aims to prevent as well as monitor the risk on fraud and corruption and provide appropriate suggestions for solutions.
2. Provide a channel of information including evidence or complaint of a legal offense or a violation of the Company's business ethics, as well as guidelines to prevent any involvement in corruption, suspicions on the financial report or the internal control system. The Company is to provide protection for those who submit information or evidence. The information is to be treated as confidential. The Company must exercise disciplinary or legal punishment. Protection will be granted to those who submit evidence or complaint by means of written statement.

Heads of each department are in charge of monitoring the operations and informing the persons in authority.



### **Disclosure and Transparency**

**Principles** (in accordance with the Principles of Good Corporate Governance for Listed Companies). **"The Board of Directors should ensure that all important information relevant to the company, both financial and non-financial, is disclosed correctly, accurately, on a timely basis and transparently through easy-to-access channels that are fair and trustworthy."**

The Company has an obligation and policy to disclose certain information to the SEC, SET, shareholders and relevant parties in a correct, complete and transparent manner as follows:

1. Disclose financial information and other information in relation to the business and operating results of the Company in a correct, complete, adequate and timely manner. Financial statements shall be



## Report on Corporate Governance

audited by listed auditors, commented and approved, as required, by the Audit Committee and the Board of Directors before submitted to the SET, SEC, shareholders and other relevant organizations.

2. Disclose information through various channels such as the Company's website, or disclosure via the SET and SEC in order to provide the stakeholders with up-to-date information.

3. Disclose information with regard to the Board of Directors and their respective roles and duties, the various committees and information such as the number of meetings held, the attendance records of each director in the past year and the remuneration of directors and key executives in the Company's annual registration statement (Form 56-1) and annual report.

4. Provide the Management Discussion and Analysis (MD&A) as part of explanation on the financial budget in every quarter so that the investors can have access to information and understand any changes over the Company's financial status and operations in each quarter.

5. Disclose the account audit fee and other service charges in the annual report and the meeting invitation letter.

6. Disclosure of the shareholding changes of directors and executive of the Company at the beginning of the year and share trading during the year provided under shareholding structure and management section in annual report.

7. Disclosure of the audit fee and other charges provided in the annual report and notice of meeting.

8. Disclose the remuneration for the Committee and high-ranking administrators including the form and type of remuneration of each committee

9. Disclose the Company's information on its website as follows:

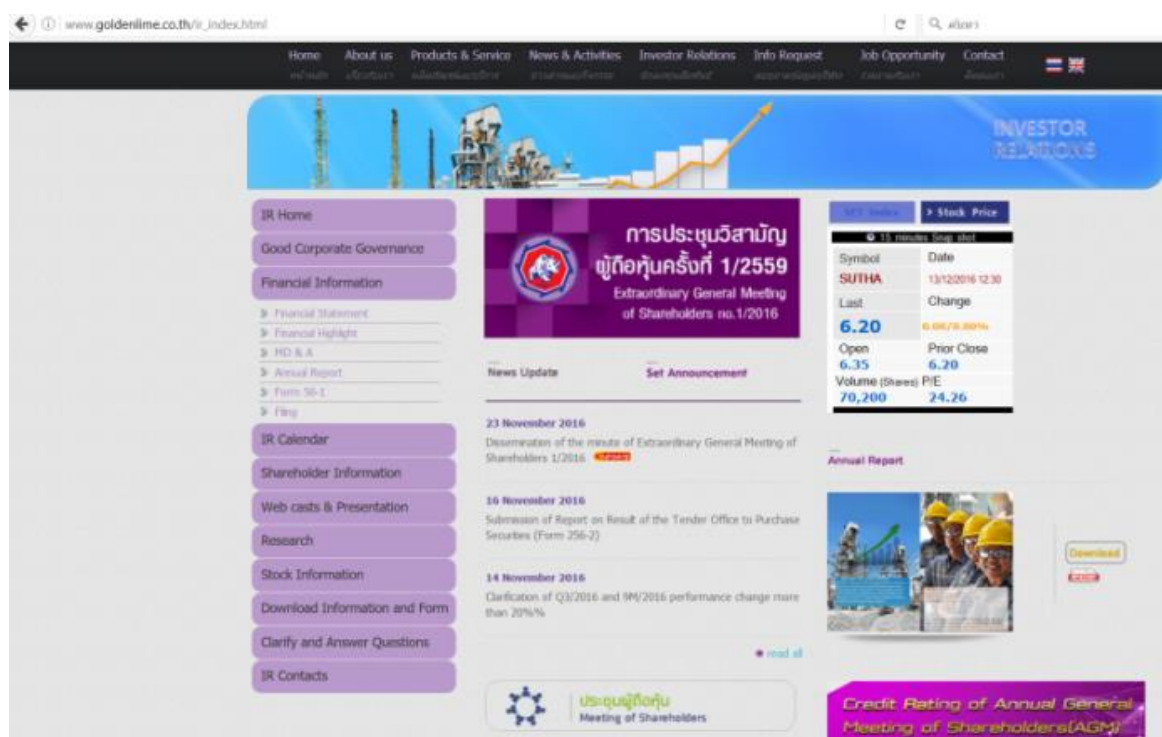
- Annual information from (Form 56-1) and the annual report which can be downloaded.
- The Company's vision and mission
- List of the Committee and the administrators
- Financial statement and report on financial status and overall performance
- Shareholder structure
- Invitation letter of the Annual General Meeting and Extra General Meeting for shareholders
- Regulations as well as memorandum and different risk factors
- Charter, duty and responsibility of the Committee and sub committee
- The Good Corporate Governance and Code of Conduct Guideline and Policy
- Information used to contact the Company and Investor Relations

Currently, regarding Investor Relations, the Company has assigned Mr. Pucharit Monsereenusorn, Marketing Manager, to act as its Investor Relations representative and to contact and provide the Company's information to shareholders, institutional investors, research analysts and other relevant organizations.

The Company arranges meetings for investors or analysts who are interested or need more information about the Company. The Managing Director and Investor Relations are responsible for answering queries and providing public information under the rules of disclosure. The Company also regularly provides answers and specific information for investors or interested persons via the Company's website, email or by

## Report on Corporate Governance

phone, as well as gives information and talk to clarify and update on the most interesting topics for investors. The company has provided appointments for a meeting with business analysts and investors who are interested and also provided appointments and information to analysts and investors who occasionally request to participate in the meeting.



### ❖ Responsibilities of the Board of Directors (The Board).

Principles (in accordance with the Principles of Good Corporate Governance for Listed Companies)

“The Board of Directors plays an important role in corporate governance for the best interests of the company; The Board is accountable to shareholders and independent of management.”

### Structure of the Board

The followings are the structure of the board of directors and the sub-committees in 2016  
As of 31 August 2016, there are seven directors in the board of directors of the company

## Report on Corporate Governance



Structure of the Board  On 31 August 2016	The Board of Directors				The Audit Committee		The Executive Board		Others Information					
	Position				Position		Position							
Name of Directors	Chairman of the Board	Directors	Independent Directors	Authorized Directors	Chairman of Audit Committee	Audit Committee	Chairman of the Executive Committee	the Executive Director	Shareholding in the Company	Managing Director	Non-Executive Management	Residents'	Nationality	Expertise
1. Mr. Cherdkiat Monseereenusorn	✓			✓					✓		✓	Thai and	Thai	Business Administration / Chemical and Industrial Engineering
2. Mr. Kiatikul Monseereenusorn		✓		✓			✓		✓	✓		Thai and	Thai	Lime and Calcium Carbonate Industry/ Mineral and Chemical
3. Mr.Puncharit Monseereenusorn		✓		✓				✓	✓			Thai and	Thai	Market Management / Business Administration of Lime Industry
4. Mr.Kitimethee Monseereenusorn		✓		✓				✓	✓		✓	Thai and	Thai	Risk Management / Business Admiration
5. Mr.Sripop Sarasas			✓		✓						✓	Thai and	Thai	Business Administration Finance and Banking and Audit
6. Mr.Suvit Mapaisansin			✓			✓					✓	Thai and	Thai	Business Administration/Money Market and Capital Market/Audit
7. Mr.Bowon Vongsinudom			✓			✓					✓	Thai and	Thai	Chemical Engineering/ Business Administration

## Report on Corporate Governance

On 11 November 2016, after the change of the company's major shareholder structure and the general meeting no 1/2559 on 11 November 2016 when the meeting agreed to promote two additional directors, the board of directors shall consist of nine directors as per the following:



Structure of the Board	The Board of Directors				The Audit Committee		The Executive Board		Others			Others Information		
On 11 November 2016	Position				Position		Position		Position					
Name of Directors	Chairman of the Board.	Directors	Independent Directors	Authorized Directors	Chairman of Audit Committee	Audit Committee	Chairman of the Executive Committee	the Executive Director	Non-Executive Management	Shareholding in the Company	Director of the Company whom the major of shareholder of the Company	Residents'	Nationality	Expertise
1.Mr. Timothe Arthur Maria Van den Bossche	✓			✓				✓	✓		✓	Belgium	Belgium	Business Administration
2.Mr. Kiatikul Monsereenusorn			✓	✓			✓			✓		Thailand	Thai	Lime and Calcium Carbonate Industry/Mineral and Chemical
3.Miss Nishita Shah			✓	✓				✓	✓			Thailand	Thai	Business Administration
4.Mr. Krishnan Subramanian Aylur			✓	✓				✓	✓		✓	Thailand	India	Business Administration
5.Mr. Alexandre Antoine J. Boonen			✓						✓			Belgium	Belgium	Business Management in Industrial/Business Consultant Deep expertise in Project Management
6.Miss Kristel Verleyen			✓						✓			Belgium	Belgium	Lawyer and Legal counsel
7.Mr.Sripop Sarasas				✓	✓				✓			Thailand	Thai	Business Administration Finance and Banking and Audit
8.Mr.Suvit Mapaisansin				✓		✓			✓			Thailand	Thai	Business Administration/Money Market and Capital Market/Audit
9.Mr.Bowon Vongsinudom				✓		✓			✓			Thailand	Thai	Chemical Engineering / Business Administration

Note: Mr. Suvit Mapaisansin has resigned as a director of the Company effective on the 1<sup>st</sup> of February 2017.

## Report on Corporate Governance

The Board of Directors and its subcommittees operate within the framework and according to the responsibilities specified in the structure of shareholders and management section. The details are as follows:

### ★ The Responsibilities of the Board of Directors Report

1. Hold an Annual General Meeting (AGM) for the shareholders within four months after the end of the period of the Company's yearly accounts. In 2016, the company arranged an Annual General Meeting (AGM) on 8 April 2016 and an Extraordinary General Meeting (EGM) on 11 November 2016.

2. Provide a meeting for the Board of Director every three months. In 2016 the Board of Directors arranged six meetings.

3. Provide a financial statement and a statement of comprehensive income at the end of the period of the company's audited accounts and present them for deliberation and approval at the Shareholders' Meeting. In each accounting period, the Board of Directors has approved a budget for financial audit. The auditor received the approval for financial audit within the accounting period. The accounts which were audited were three quarterly budgets and one annual budget.

4. A single director or numerous directors can be authorized to perform needed tasks under the Board of Directors in the appropriate period. The Board of Directors can revoke, change or correct the authorized director or subcommittee at any particular time.

The Board of Directors thereby may authorize the Management Committee to perform the Company's tasks. However, the authorization must not allow the Management Committee to be able to give any consideration or approval to any transaction with which the Management Committee has a conflict of interest or any other conflict, except with prior approval of the Board of Directors under the Company's policies and regulations.

The Board of Directors inaugurated two subcommittees consisting of the Audit Committee and the Executive Committee and defined the scope of power and the responsibilities of each subcommittee.

In 2016, the Board of Directors searched for and promoted one independent director and three new directors. The names of two additional directors were presented at an AGM. Due to a change in the structure of the Board of Directors, the Board of Directors created a new list of directors who may act as authorized signatories. Details concerning the structure of the Board of Directors are described elsewhere.

5. Formulate the Company's goals as well as its vision, mission, policies, plans and budgets and supervise the administration and management of the Executive Board in line with these priorities. However, the following topics, including the increase of stock capital, the reduction of capital debenture, the auction or purchasing of business assets, business transfer or revision of the Company's memorandum of association, must be approved at a Shareholders' Meeting. The Company's vision and mission should be reviewed and approved at least every five years.

Agenda : การประชุม		
BOD 2016.06.11.11.2016		
No.	Agenda Subject	P.
Agenda 5	To consider, acknowledge and review the Company's budget for the financial year 2017. (P.78-88) พิจารณาและทบทวนแผนงบประมาณและประมาณการงบการเงินสำหรับปี 2560	77
Agenda 6	To consider, acknowledge and review the strategic stone supply to meet Company's quality limestone demand. (P.90-96) พิจารณาและทบทวนแผนกลยุทธ์การจัดการและพัฒนาแหล่งหินปูนเพื่อคุณภาพ	89
Agenda 7	To consider, acknowledging and review the Operating and Maintenances of Kiln during Year 2017-2018. (P. 98 - 103) พิจารณาและทบทวนแผนการผลิตและการบำรุงรักษาเตาเผาสำหรับปี 2560-2561	97
Agenda 8	Other Matters (if any) with the permission of the Chairman. พิจารณาเรื่องอื่น ๆ (ถ้ามี) ตามที่ประธานจะเห็นสมควร	104
Enclosure Document	Enclosure Documents (P. 109 - 237) เอกสารแนบท้าย	108



## Report on Corporate Governance

Moreover the Board of Directors is also required to supervise and direct the Company to conduct its business procedures in accordance to the rules and regulations of the Securities and Exchange Commission (SEC) as well as those of the Stock Exchange of Thailand (SET). In the past, the Company has strictly carried out its operations in accordance with these parameters. Information regarding connected transactions that may have conflicts of interest as well as the acquisition of certain assets requiring public disclosure based on the regulations and procedures set by the SEC and SET or other laws relating to the Company's business have been reported as required. In the interest of keeping shareholders informed, such disclosures and other information are regularly provided on websites maintained by both the SET and the Company.

6. Devise the administration structure and nomination of the Executive Board or other appropriate subcommittees. Due to the change of the Company Board of Directors structure on 29 September, 2016, the Board of Directors has promoted new directors to take up the position of the previous directors who have resigned as well as promoted new directors according to the requirements of the new structure. The new Board of Directors consists of four directors who are authorized signatories. Half of the board members have to co-sign and stamp the company seal.

7. Follow the overall operation and manage the budget continually.

8. The Board of Directors must not operate a business in competition with the Company's business, or be a partner in an ordinary or unlimited partnership or be directors of a private company or any other companies with the same business operation as the Company regardless of individual or other benefits. Nevertheless, prospective board members may be involved in all of the above in the case that such associations are reported at the Shareholders' Meeting prior to the appointment.

9. The Board of Directors must immediately inform the Company if involved directly or indirectly as parties of interest in the Company's contract or hold shares in the Company or affiliated companies.

10. In order to assure that the Board of Directors devote themselves to performing their duties completely, it is required that individual directors should not take positions in more than five listed companies. However, in case of an excess number of companies in which the Board of Directors takes positions, they are required to publicize such circumstance. None of the current directors have taken the position of directors in more than five other listed companies.

**The Board of Directors has established a good corporate governance policy including a business code of conduct and recorded it in writing.** The Company has established a good corporate governance policy according to the corporate governance rules of listed companies. In addition, the Company has established its practices in compliance with the laws, rules, regulations and guidance required by the Stock Exchange of Thailand and the Securities and Exchange Commission. The good corporate governance policy and the business code of conduct have been approved by the Board of Directors. The edited version was approved on 13 November, 2015.

The Board of Directors are to follow up on the operation of its policies through reports given by the directors at meetings of the Board of Directors. The Board of Directors are also to give advice if the operation does not go as planned and budgeted.

**The Board has established guidelines to consider conflicts of interest.**

The Board has set guidelines for future related transactions as follows:

The Company may relate party transactions in the future as it deems appropriate. The transactions shall be in the nature of ordinary trade business operation and the Company shall clearly specify the policy thereof. The transactions shall involve the same price and trade conditions as in the normal course of

## Report on Corporate Governance

business that is specified for unrelated persons and/or companies. If any related party transaction is entered into, The Company shall have the Audit Committee comment on the appropriateness of such a transaction. If the Audit Committee does not have the expertise to consider the related party transaction under consideration, the Company shall provide persons who have knowledge and special expertise such as an auditor or appraiser for related party transactions which shall be used to supplement the consideration of the Audit Committee so that the Audit Committee can propose to a meeting of the Board of Directors or shareholders, as the case may be, to ensure that entrance into the transaction will not remove or transfer the interests from the Company or the shareholders of the Company but rather be a transaction that the Company has undertaken in consideration of the maximum benefits for all shareholders.

The Board of Directors of the Company shall enter only into transactions that may occur in future in compliance with the laws, regulations, announcements, orders and requirements concerning securities and securities exchange of the Capital Market Supervisory Board and the Stock Exchange of Thailand and shall observe the requirements regarding the disclosure of connected transactions and the acquisition or distribution of major assets of the Company or its subsidiary companies, as well as the accounting principles specified by the Federation of Accounting and Certified Public Accountant of Thailand.

**The Board of Directors is responsible for the financial statements of the Company as well as financial information presented in the annual reports as follows.**

The Company's Board of Directors is responsible for the financial statements of the Company as well as financial information presented in the annual reports. The financial statements for the year ending on 31 December, 2016, have been prepared in accordance with Thailand's Generally Accepted Accounting Principles (GAAP). In preparing the financial statements, appropriate accounting policies have been adopted and regularly adhered to, using careful discretion and reasonable estimates. Also, key information has been adequately disclosed in the notes to the financial statements. The purpose is to ensure that the disclosed information rightly reflect the Company's financial status, performance and cash flows in a transparent manner to the benefit of the investing public. Importantly, a certified auditor from EY Office Limited has audited the financial statements and issued a satisfactory opinion of them. To enable the auditor to conduct the audit and provide an opinion in line with the audit standards, the Company provides the auditor with its support in terms of information and documents.

The Board of Directors has established and provided appropriate and efficient risk management policies, internal control systems, internal audit systems and corporate governance in order to ensure the accuracy, completion and adequacy of the accounting information. This will ensure that the Company's assets are maintained properly and fraud and other significant irregular actions are prevented.

With this aim, the Board of Directors has appointed an Audit Committee consisting entirely of independent directors. The Audit Committee is responsible for reviewing accounting policies and ensuring the quality of financial reports. It is also responsible for reviewing internal control, internal audits and risk assessments. In addition, it is responsible for ensuring that the disclosure of information about related party transactions is complete, adequate and appropriate. The opinion of the Audit Committee is given in its report which is already included in this Annual Report.

The Board of Directors has concluded that the overall internal control systems are adequate and appropriate and encourage reasonable confidence that the financial statements of the Company for the year



## Report on Corporate Governance

ending on 31 December 2016, are reliable and in compliance with the Generally Accepted Accounting Principles (GAAP) as well as any related laws and regulations.

### ★ The Responsibilities of Subcommittee Report

#### The Responsibilities of the Audit Committee's Report

The Board of Directors has appointed an Audit Committee which consists of three Independent Directors, namely:

1. Mr. Sripop Sarasas
2. Mr. Suvit Mapaisansin
3. Mr. Bowon Vongsinudom

It has been concluded that all three of these persons possess the knowledge and experience to serve on the Audit Committee, and Mr. Sripop Sarasas, Chairman of the Audit Committee, possesses sufficient knowledge and experience to review the credibility of financial statements according to the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee has performed all duties assigned to it by the Board of Directors as indicated in the Audit Committee Charter, which completely aligns with the requirements of the SEC and the SET. These include the review of financial reports, internal control and internal audit and risk assessments, the review of connected party transactions and the review of compliance with Securities and Exchange Laws, the regulations of the SET and other relevant regulations or laws, including the appointment of an external auditor for 2016.

The Audit Committee held a total of four meetings throughout 2016, attended by the auditors and relevant parties, to discuss and provide opinions on key issues, such as the preparation and disclosure of financial information, acknowledging the results from reviewing and auditing accounting items and from the management report from the external auditor, including issues and obstacles encountered during the auditing process. The list name of the Audit Committees to attendance of the meeting list below:

The Audit Committees Names		Date of the AGM approval the re-appointment of Directors	The Audit Committees Meeting in Year 2016					
			The Meeting No.				Total	Average
			1	2	3	4		
Number of the Audit Committees			3	3	3	3		
The minimum quorum			2/3	2/3	2/3	2/3		
1	Mr.Sripop Sarasas	3 April 2015	1	1	1	1	4/4	100
2	Mr.Suvit Mapaisansin	3 April 2015	1	1	1	-	3/4	75
3	Mr.Bowon Vongsinudom	8 April 2016	-	1	1	1	3/4	75
Total Audit Committees attended the Meeting			2	3	3	2		
Quorum of the Meeting			2/3	3/3	3/3	2/3		
% of the proportion of the attendance			67%	100%	100%	67%		83%

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The main responsibilities of the Audit Committees are as follows:

- Review of Financial Statement:** The Audit Committee reviewed quarterly and annual financial statements in 2016 jointly with senior management, the manager of the Accounting and Budget Department and the chief of the Finance Department. It acknowledged reports and remarks from the external auditor to ensure that the Company reports accurate and complete financial statements that are credible, compliant with generally accepted accounting principles, and contain adequate and timely disclosure of information for the benefit of investors and other users of the statement. The external auditor agreed with the Audit Committee that the financial statements are credible and compliant to generally accepted accounting principles.
- Review of Internal Control, Internal Audit and Risk Assessment:** the Audit Committee reviewed the internal control system, the internal audit system and risk assessment system to ensure that they are adequate and appropriate. The Audit Committee approved the hiring of Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. (Consulting Firm) to conduct an inspection of the internal control and risk assessment systems. The Audit Committee acknowledged the results and agreed that the internal control and risk assessment systems of the Company are adequate and appropriate.
- Compliance with Securities and Exchange Laws, SET Requirements, and Relevant Laws:** the Audit Committee reviewed and supervised strict compliance with Securities and Exchange laws, Securities and Exchange Commission regulations, SET requirements, and relevant laws, as well as provided advice in respect to the Principles of Good Corporate Governance in order to ensure adequate and appropriate operation.
- Considering the Appointments of Auditors in 2016:** the Audit Committee considered the selection of appropriate auditors from EY Office Limited. Certified Public Accountants were appointed as Auditors in 2016. The selected auditors do not have relationships or personal interests with the Company, its executives or its major shareholders, or other relevant individuals. A list of the name of the Auditors follows:

Name of Auditors		Auditing years for the Company during the past 5 years	
■ Mrs. Gingkarn Atsawarangsalit	Certified Public Accountant No. 4496	2 Years : (Start in 2014)	and/or
■ Ms. Pimjai Manitkalohnkit	Certified Public Accountant No. 4521	-	and/or
■ Mr. Chayapol Supposedtanon	Certified Public Accountant No. 3972	-	and/or
■ Ms. Sumana Punpongsanon	Certified Public Accountant No. 5872	-	

The Audit remuneration for 2016 compare with the 2015 Audit fees, as below:

Types of Remuneration	Year 2016	Year 2015
<b>1. Audit Fee</b>		
- Annual Audit Fee	825,000.-	790,000.-
- Quarterly review fee	255,000.-	240,000.-
- Fee for reviewing the compliance with condition of the BOI promotion certificate (2 Certificates)	100,000.-	100,000.-
<b>Total of Audit Fee as proposal</b>	<b>1,180,000.-</b>	<b>1,130,000.-</b>

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Types of Remuneration	Year 2016	Year 2015
1. Other expenses which cover miscellaneous expenses during work such as traveling, documentation and facsimile expenses, etc.	Per actual work In 2016 Amount (THB) 153,148	Per actual work In 2015 Amount (THB) 155,874

5. **Review of related transactions or any transaction that may have a conflict of interest:** The Audit Committee reviewed the disclosure of related transactions of the Company that may have a conflict of interest according to the announcements of the SEC and the SET. The results showed that the Company has conducted its business in accordance to normal business operation conditions with fairness, reasonability, with benefit to the Company, as well as in absence of any cause for conflict of interest. Also, the Company has provided adequate disclosure of information by adhering to the Principles of Good Corporate Governance in compliance with the announcements of the SET.

### Responsibilities of the Executives Committee Report

On 31 August 2016, before the change of the majorities of shareholders of the Company, the Executive Committee consisted of three directors as follows:

- |   |                               |                                 |
|---|-------------------------------|---------------------------------|
| 1 | Mr. Kiatikul Monsereenusorn   | Chairman of Executive Committee |
| 2 | Mr. Pucharit Monsereenusorn   | Executive Director              |
| 3 | Mr. Kitimethee Monsereenusorn | Executive Director              |

In 2016, two Executive directors, Mr. Pucharit Monsereenusorn and Mr. Kitimethee Monsereenusorn, resigned effectively on 29 September 2016 at 19:00 hrs. Therefore the Board meeting no. 4/2016 on 29 September 2016 agreed to appoint directors to replace the two directors who had resigned and approved the appointment of a new additional director. Hence, the Executive Committee consists of 4 executive directors including;

- |   |  |                                 |
|---|--|---------------------------------|
| 1 | Mr. Kiatikul Monsereenusorn              | Chairman of Executive Committee |
| 2 | Mr. Timothe Arthur Maria Van den Bossche | Executive Director              |
| 3 | Miss Nishita Shah                        | Executive Director              |
| 4 | Mr. Krishnan Subramanian Aylur           | Executive Director              |

#### The main responsibilities of the Executives Committees are as follows:

- To specify the policy, direction, strategy and main management structure of the Company's business operation in order to propose the same to the Board of Directors for approval.
- To specify the business plan, budget, and management power of the Company in order to propose the same to the Board of Directors for approval.
- To consider the investment projects of the Company in order to propose the same to the Board of Directors for approval.
- To approve major expenditure for investment that is specified in the annual expenditure budget as it will be appointed from time to time by the Board of Directors of the Company or in accordance with principles thereof that has been approved by the Board of Directors of the Company.
- To approve procurements in management with a financial limit of not more than 20 million Baht per transaction.

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6. To negotiate and enter into contract, agreement, instrument and other documents, including those relating to procurements that are relevant to the business operation of the Company with a financial limit of not more than 50 million baht per transaction.

7. To approve the borrowing, conclusion of loan contracts, conclusion of mortgage contracts and/or pledge contracts with the bank and/or financial institution with a financial limit of not more than 50 million baht per transaction.

8. To allocate premiums, rewards, and bonuses approved by the Board of Directors of the Company to employees or staff of the Company.

9. To be the board of consultants to manage the policies relating to finance, marketing, operation, and other management.

10. To have the power to approve the opening or closing of deposit accounts, to define the name of the person authorized to withdraw money from the deposit accounts of the Company, and to perform other actions relating to such deposit accounts.

11. To approve amendments of location of the head office and branch offices of the Company provided that the amendment of the location of the head office is within Nonthaburi Province only.

12. To engage in necessary actions to promote and protect the interests of the Company.

13. To approve amendments to the conditions of credit limit usage and/or methods of withdrawal from the credit limit that the Company has with the bank and/or financial institution.

The power of the Executive Committee shall not include the approval of any transaction wherein the Executive Committee or other person may have a conflict of interest or stand to benefit in any other nature with the Company or the subsidiary company (if any) in accordance with the rules of the Securities and Exchange Commission and the Stock Exchange of Thailand. Approval of a transaction of such nature is required to be proposed at a meeting of the Board of Directors and/or a Shareholders' Meeting for consideration and approval in accordance with the Articles of Association of the Company or as specified by related laws, unless it is the approval of a transaction that is in the ordinary course of business that the Board of Directors has clearly specified within the established consideration framework.

Once the Executive Committee has taken any action, it shall report to a meeting of the Board of Directors.

Mr. Kiatikul Monsereenusorn, as the Chairman of the Executives Committee and as the Managing Director, has the following main responsibilities:

1. Supervise the Company's daily operations and management.
2. Carry out operations in line with the policies, plans and the budget approved by the Board of Directors or the Executive Committee.
3. Administrate the Company's business in line with the objectives, regulations, policy rules, requirements, orders and resolutions of the General Meeting of Shareholders, or the Board of Directors and the Executive Committee.

However, the authority of the Managing Director does not cover the approval of any transactions likely to cause conflicts or any transactions with which the Managing Director or his related parties may have conflicts of interests with the Company or its subsidiaries according to regulations of the Stock Exchange of Thailand (SET). Approval for such actions must be presented to a meeting of the Board of Directors and/or the General Meeting of Shareholders as required by the Company's regulations or related laws, unless the

## Report on Corporate Governance

approval is for regular business operation which has been deliberated and approved by the Board of Directors.

### Company Secretary

The Board of Director has appointed a Company Secretary in accordance with Article 89/15 of the Securities Exchange and the Stock Exchange Act of B.E. 2535 (Revision of statutes also referred). By this, the secretary is obliged to perform the following tasks:

1. Providing and storing the documents as follow:

(A) The Committee Registration

(B) The meeting arrangements, the minutes and the annual report

(C) The meeting arrangement and the minutes of the Shareholders' Meeting

2. Storing ( Keeping) the connected transaction reports by the Board of Directors and its subcommittees

3. Performing any others tasks as required by the capital market committee.

Besides the duties and responsibilities described above, the Company Secretary is to provide legal suggestions concerning various regulations and seek coordination to have the Board of Directors and its subcommittees' resolutions abided by. In order to achieve such goals, the Company Secretary should be continuously trained and developed particularly on the law as well as accounts and the Secretary's duties.

At the Board of Directors Meeting No. 1/ 2013 held on 28 January 2013, the Board of Directors appointed Ms.Thidarat Sihawanlop to the office of Company Secretary with duties complying with Section 89/15 of the Securities Exchange Act of 2535 (1992), (including amendments). These included qualifications to perform the duties listed below:

1. To be competent and have a good understanding of the Company's business and other related work:

2. To have good knowledge about the relevant rules, regulations and laws

3. To work carefully with high responsibility and honesty

4. To have good communication with other people needed for dealing with many sections

5. Knowledge in Accounting and Finance

Experience, education and training of the Company Secretary

Name-Surname	Age (Year s)	Education / Course Training for Responsibilities and Skills for Company secretary	Sharehold ing (%)	Personnel Relationship with the Management
Miss Thidarat Sihawanlop Company Secretary	45	<ul style="list-style-type: none"> <li>- Bachelor of Computer Information Management St. John University</li> <li>- Primary Diploma of Accounting</li> <li>- High Level Diploma of Computer Business of Technology Phanakhon Colleague (Rajamangala University)</li> <li>- Company Secretary Program (CSP) 47/2012, (IOD)</li> <li>- EMT 24/2012 Effective Minutes Taking (IOD)</li> <li>- BRP 8/2012 Board Reporting Program (IOD)</li> <li>- DAP SEC/2013 Director Accreditation Program (IOD)</li> </ul>	0.000002%	-

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Name-Surname	Age (Years)	Education / Course Training for Responsibilities and Skills for Company secretary	Shareholding (%)	Personnel Relationship with the Management
5 years previous working experience 2006-Current		2013-Current Company Secretary Secretary of the Board of Directors Secretary of the Audit Committees Golden Lime Public Company Limited 2006-Current Office Manager , Golden Lime Public Company Limited		
Training Courses in past Year		<ul style="list-style-type: none"> <li>- Method to use system of SCP Straight Through</li> <li>- The Road towards Corporate Sustainability</li> <li>- Evaluation of the performance of the Board of Director</li> <li>- The Annual disclosure form</li> <li>- Tip of the Disclosure</li> <li>- Calcium Carbonate and Polymer Training (In-house Training)</li> <li>- Vision and Mission Work Shop (In-house Workshop)</li> <li>- Honesty and Care to protect directors (สุจริต รับผิดชอบต่อผู้เกี่ยวข้อง)</li> <li>- How to Write an Effective MD&amp;A</li> </ul>		

### ★ The Board of Directors meetings

In 2016, the Board of Directors held 6 meetings and the Audit Committee also has held 4 meetings. Directors have attended meetings constituting a quorum required by the Articles of Association. At any meeting of the Board, a quorum shall consist of not less than one half of all the members. Any directors who cannot attend a meeting must give notice of their absence in advance. The average percentage for attendance for meetings held in 2016 is 92-98 percent. All directors, both present and taking leave by giving prior notice, will acknowledge and receive adequate, complete and timely information. The Secretary of the Company shall be responsible for ensuring that all directors receive an agenda and related information not less than five days before a meeting in order to consider and provide their own comments on the subjects discussed and any votes required. In addition, minutes shall be officially recorded and an approved copy kept, which can be reviewed by the Board or related party if required.

The Company directors who attended the Board of Directors' meetings in 2016 are as follows:

The company directors who attended the Board of Directors Meetings in 2016 are as follows.

Directors Name		The Board of Directors Meeting in Year 2016							
		Meeting No.						Total	Average
		1	2	3	4	5	6		
		7	7	7	7	7	9		
Number of directors who attended the Meeting (Persons)									
1	Mr. Cherdkiat Monsereenusorn	1	1	1	1	-	-	4	
	Mr. Timothe Arthur Maria Van den Bossche	-	-	-	-	1	1	2	
2	Mr. Kiatikul Monsereenusorn	1	1	1	1	1	1	6	
3	Mr.Puncharit Monsereenusorn	1	1	1	1	-	-	4	
	Miss Nishita Shah	-	-	-	-	1	1	2	
4	Mr.Kitimethee Monsereenusorn	1	1	1	1	-	-	4	
	Mr. Krishnan Subramanian Aylur	-	-	-	-	1	1	2	

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5	Mr. Alexandre Antoine J. Boonen	-	-	-	-	-	1	1	
6	Miss Kristel Verleyen	-	-	-	-	-	1	1	
7	Mr.Sripop Sarasas	1	1	1	1	1	1	6	
8	Mr.Suvit Mapaisansin	1	1	1	1	1	-	5	
9	Mr.Bowon Vongsinudom	1	1	1	1	1	1	6	
Total Directors attended the Meeting (Persons)		7	7	7	7	7	8		
The quorum of the Board of Directors		7/7	7/7	7/7	7/7	7/7	8/9		
% of the proportion of the attendance		100%	100%	100%	100%	100%	89%		98%

### ★ Self-Assessment of directors

The Board has performed a self-assessment on an annual basis in order to assess their performance year to year with the goal of finding ways to further develop and improve their performance, to assess the implementation of anti-corruption guidelines and to assess the implementation of the corporate governance survey of Thai listed companies, etc. The Board of Directors shall perform an annual self-assessment both as a group and as individuals at least one time per year in order to review the Board's performance, analyze the issues and difficulties arising during last year and to increase the effectiveness of the Board's performance. The Company Secretary shall submit an annual performance assessment form to all directors, for both the group and the individuals involved in order to evaluate their performance. After completing the assessment, the directors shall return the evaluation forms to the secretary.

Criteria for the Self Assessment of the Board of Directors:

“Self Assessment for the Board of Directors as a whole” uses an evaluation guide to mark the assessment in order to evaluate the overall performance of the board of directors.

The topics for the assessment of the Board of Directors are as below:

1. Board structure and qualifications
2. Roles, duties and responsibilities of the Board
3. Meetings of the Board
4. Duties of directors
5. Relationship with management
6. Directors' self improvement and management training

"Self-Assessment of the Board of Directors and of committee members on an individual basis" uses an evaluation guide to mark the assessment in order to evaluate the performance of an individual director.

The topics for the assessment for an individual director are as follows:

1. Board structure and qualifications
2. Meetings of the Board
3. Roles, duties and responsibilities of the Board

The scores are evaluated as follows:

0 = Strongly disagree or never conducted



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- 1 = Disagree or seldom conducted  
 2 = Fair or moderately conducted  
 3 = Agree or well conducted  
 4 = Strongly agree or excellently conducted

In each main topic, details are disclosed in each sub-topic which the Board of Directors use as guidelines and criteria for any assessment related to each issue.

### ★ Remuneration of Directors and Executives

#### Remuneration of Directors

The Company provides fair and appropriate remuneration to each director of the Company based on market conditions, business competition, nature of business, operating results, the Company's financial standing as well as responsibilities, duties, and the performance of each director and executive.

Remuneration of directors is subject to the approval of the shareholders, while remuneration of executives shall be based on principles and policies set by the Board.

#### Value Amount of the Director remuneration approved by AGM in 2016

- 1) Yearly remuneration THB 30,000 per person
- 2) Board of Directors Meeting Allowance
  - Chairman of the Board THB 15,000 per meeting
  - Director THB 10,000 per meeting
- 3) Audit Committee Meeting Allowance
  - Chairman of the Audit Committee THB 12,000 per meeting
  - Audit Committee THB 10,000 per meeting
- 4) Bonus considered from yearly performance.

During 2016-2014 the Company paid remuneration to directors as below:

Director Remuneration	Year 2016	Year 2015	Year 2014
The Board of Director remuneration			
Remuneration – Meeting Allowance	460,000	260,000	375,000
Yearly Remuneration	213,617	210,000	210,000
Bonus	-	750,000	1,000,000
<b>Total</b>	<b>673,617</b>	<b>1,220,000</b>	<b>1,585,000</b>
The Audit Committee Remuneration			
Remuneration – Meeting Allowance	108,000	108,000	128,000
<b>Total</b>	<b>108,000</b>	<b>108,000</b>	<b>128,000</b>
<b>Grand Total</b>	<b>781,617</b>	<b>1,328,000</b>	<b>1,713,000</b>

During Year 2016-2014 the Company has paid directors' remuneration in each person follow;

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	Name of directors	Position	✓ The Execut ives	Remuneration of Directors (Baht) not included with remuneration of the Executives		
				Year2016	Year2015	Year2014
1	Mr. Cherdkiat Monsereenusorn*	Chairman of the		82,356	210,000	265,000
	Mr. Timothe Arthur Maria Van den Bossche	Board		37,644	-	-
2	Mr. Kiatikul Monsereenusorn	Director	✓	90,000	175,000	220,000
3	Mr.Puncharit Monsereenusorn*	Director	✓	62,356	175,000	220,000
	Miss Nishita Shah	Director		27,644	-	-
4	Mr.Kitimethee Monsereenusorn*	Director		62,356	165,000	220,000
	Mr. Krishnan Subramanian Aylur	Director		27,644	-	-
5	Mr. Alexandre Antoine J. Boonen	Director		14,110	-	-
6	Miss Kristel Verleyen	Director		14,110	-	-
7	Mr.Sripop Sarasas	Independent director/ Chairman of the Audit Committee		138,000	223,000	268,000
8	Mr.Suvit Mapaisansin	Independent director/ Audit Committee		110,000	185,000	260,000
9	Mr.Bowon Vongsinudom	Independent director/ Audit Committee		115,397	-	-

Note : \* End of Position effective on 29 September 2016 at 19:00 hrs.

For 2016, the directors' annual remuneration is calculated for the length of time that each director remains in position according to the accounting period. The remuneration does not include annual bonuses. The directors' annual remuneration will be presented in a general meeting and will be considered according to the business outcome.

### The Executives remuneration

The Company has set the remuneration for the Managing Director and senior executives. The Managing director and senior executives shall receive appropriate remuneration, in consideration of their duties and responsibilities, knowledge and experience, as well as the executive's performance in conjunction with the company's overall operational performance, according to the remuneration policy. Moreover, the assessment of economic prospects and the Company's plans are also used for determining remuneration for the executives.

During 2016-2014, the Company has paid the remuneration to executives as follows:

The Executives remuneration	Year 2016	Year 2015	Year 2014
Number of the Executives (Person)	9	7	7
Salary/remuneration	12,488,651	8,766,972	7,926,972
Bonus	-	-	915,873
Provident Fund	107,040	98,544	98,544
Grand Total	12,595,691	8,865,516	8,941,389

The Company has considered other benefits, other than the above remuneration for executives, in part of social security funds, life and accident insurance, medical care, as well as other benefits needed for working such as house rental allowance, company car, gasoline and maintenance allowance, telephone allowance, and internet communication services. Should further benefits be required for work, the Company will

## Report on Corporate Governance

consider each case individually according to the executive's duties and terms and conditions of employment agreement, as necessary and appropriate.

### ★ Development Scheme for Directors and Executives

The Board of Directors adheres to a policy to promote and facilitate the training and development of directors, members of the Audit Committee and executives in relation to good corporate governance and improvement of business operations. Currently, each of the Company's directors is certified with directorship training by the Thai Institute of Directors Association ("IOD").

In order to provide accommodation for each committee member which will enable them to access complete information and take it into consideration, the Committee set up a data storage system for each committee member so that it will be easier for searching information. The Company's secretary is authorized to collect and store necessary information including that concerning various fields of knowledge publicized by The Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET) and Institute of Directors and documents obtained from the training. This information is collected and stored by means of E-book. It will also include the information on the Company's business operations as well as law, rules and regulations. The Committee can access the information through the internet or download the information which has been allowed publication.

In regard to executive development, the Board has assigned the Managing Director and Human Resources Department to be responsible for providing training plans for directors and executives in the future. , The company has set guidelines for an orientation of new assigned directors, as follows.

#### Board Orientation

The guideline practice of orientation the new directors will hold an orientation session for new directors in accordance with Board Orientation Guideline set forth by the Stock Exchange. The required documents for the orientation session are as follows:

1. The latest edition of the good corporate governance and business ethics of the Company document, which contain the corporate governance policy and other policies defined by the board of directors such as anti-corruption policy, internal control, audit, and risk management, corporate social responsibilities, human resource management, etc.
2. The Company's latest annual report, which contains the material information of the Company, including financial information for last three years for a new director, introduction of ownership structure, management structures in different areas, the company's history, nature of business, details of remuneration for director, scope of responsibilities of the board of directors, sub-committees and operations of the Company and the Board of Directors last year.
3. Memorandum and articles of association of the Company.
4. Minutes of Board of Directors meetings for the past year and the annual schedule
5. Related party and connected transactions
6. Provide a meeting with the Chairman/Managing Director before the first meeting, in order to inform the new director about the important policies and give advice and describe his/her responsibilities.

## Dividend Policy

### Articles of Association in chapter Dividend and Reserve

■ No dividend shall be paid other than out of profit. In the case where a Company has accumulated losses, no dividend shall be paid.

A dividend shall be paid according to the number of shares, each share being equally paid except the case where the Company has issued preferred stocks and required the different dividend payment from ordinary stocks, and the payment of dividend shall require the approval of the Shareholder's Meeting.

The Board of Directors may pay the shareholders such interim dividends as may be justified by the profits of the Company. When these dividends are paid, such dividend payment shall be notified in the next meeting of shareholders.

Dividend must be paid within one (1) month after the resolution of the meeting of shareholders or of the Board of Directors is passed, as the case may be. Notice of distribution of dividend in writing must be sent to the shareholders and publication of the notice of the payment of dividend shall also be made in a newspaper not less than three (3) consecutive days.

■ The Company shall retain the proportion of net profit as a reserve not less than five (5) percent of the annual net profit deducted with the accumulated loss carried forward (if any) until such reserve reaches not less than ten (10) percent of the total capital.

The Company has a policy to pay dividend to its shareholders at not less than 40% of net profit after corporate income tax, legal reserve and other reserves (if any). However, such dividend payment may be subjected to changes, based on operating performance, financial position, economic condition, future investment and business expansion plan, and other rationales and factors as deemed appropriate by the Board of Directors and/or the shareholders of the Company.

For Year 2016 the Board of Director had passed the Resolution of Interim Dividend Payment detail below:

Securities	Date of Approved	XD Date Warning	RD Date	Closing the registration book date	The interim dividend payment date	(Baht per share)	Total of Dividend payment
SUTHA	11/08/2016	26/8/2016	30/08/2016	31/08/2016	09/09/2016	0.08	24 THB million
Payment From : Net profit of the performance period 1st Jan 2016 – 30 <sup>th</sup> June 2016							

Dividend Policy

In recent years, the company has a history of paying dividends.

Description	Yearly	2015	2014
Total comprehensive income for the year		96.727	127.796
Other comprehensive income for the year		1.150	
Statutory reserve		4.554	6.390
Net Profit after deduct Income tax expense and Statutory reserve		93.323	121.406
Number of Share to payment interim dividend	(Million Shares)	300	300
Number of Share to payment yearly dividend	(Million Shares)	300	300
Total of Dividend per share	(THB per share)	0.45	0.30
Interim Dividend	(THB per share)	0.15	0.15
Yearly Dividend	(THB per share)	0.30	0.15
Total of Dividend Amount	(THB million)	135.00	90.00
Dividend Payment Ratio <sup>(1)</sup>	%	144.66%	74.13%

## Corporate Social Responsibility Report (CSR Activities report)

Golden Lime Public Company Limited (“The Company”) is committed to conducting its business based on CSR practices by providing guidelines for all relevant stakeholder groups, including internal stakeholders such as shareholders, managing directors, employees, and external stakeholders such as customers, partners, providers, society, community and environment, government agencies and nation to ensure all stakeholders are entitled to fair treatment and have equal rights. Therefore, the mentioned guidelines for stakeholders established by the Board of Directors and described in the corporate governance section in order to adhere to the corporate social responsibility, are as follows:



### 1. Running the business with fairness

The Company runs the business and treats other corporations with fairness and ethics, and maintains good relationship with other related government agencies and corporations, including the personnel thereof, such as shareholders, partners, contractors, customers, and competitors, and promotes every related corporation to behave towards other corporations with fairness as well.

The Board of Director had passed the resolution to be guideline of the good corporate governance and Code of Conduct for the stakeholder of the Company had the way to operate under the good corporate governance principles by mean of to make the manual for the relevant and defined Code of business conduct detail below:

The Company is strongly determined to follow those mentioned 7 Morales and strictly administrate under the transparency and the business ethics as follow;

### Code of Business Conduct

1. **Fairness:** The Company ensures that all parties including its shareholders, customers, vendors, creditors, employees and social agencies concerned are fairly treated.

## Corporate Social Responsibility Report (CSR Activities report)

2. **The Company engages in business based on the required laws and principles.** Moreover, it is determined to inherit the nation's good traditions and oppose to corruption or any immoral conducts.
3. **Transparency Management:** The Company's management has been set under a clear-cut written policy. The bookkeeping, the financial report and information are properly handled to comply with laws and regulations and meet international standard. Accurate, Clear and timely information is to ensure criteria and terms for information disclosure.
4. **Responsibility for society environment and good morality.** The Company operates its business on the basis of responsibility for society and environment. It also intends to give a hand to those who are socially disadvantaged.
5. **Deliberation:** The Company's management is based on responsibility and deliberation in order to avoid any impact and risks.

The Company has adopted Code of Conduct to encourage all parties to adhere to the common practices. All parties shall pursue good corporate governance and basic guidelines for the Company's stakeholders which information disclosed in the corporate governance report.

### 2. Anti-Corruption

The Company has joined the Partnership Against Corruption of Thailand Network (PACT Network) which is the network of The United Nations convention against Corruption (UNCAC) and updated the content of anti-corruption policy, in order to provide a comprehensive fraud risk assessment, guidelines, including whistleblowing policy. Providing whistle blowing channel via the Company's website. This is to ensure compliance with the set policy. Moreover, the Company has provided training courses and selected person to attend an anti-corruption training courses for the policy establishment and advice on internal training courses. Besides, the Company has assigned the human resources department to be responsible for providing an orientation for new employees in order to inform the Company's practices under anti-corruption policy, as well as publish for the stakeholders as detail disclosure in the corporate governance report.



### 3. Respect for human rights



## Corporate Social Responsibility Report (CSR Activities report)

The Company will promote the monitoring of observance of human rights requirements within the Company and motivate the observance of human rights principles which are the international standard, covering the corporations in joint venture and partners. In addition, the Company will promote the knowledge in and create awareness of human rights for personnel in the Company so that they adhere to and observe the human right principles.

The Company has established a policy to respect for human rights. It contains the prohibition of violation and discrimination on the basis of gender, race or physical disabilities, as well as people with person with immunodeficiency diseases and people living HIV/AIDS, and ways to treat them appropriately. In addition, the Company has provided training courses to help all employees understand encourage a positive attitude and promote equality at work. As a result, the Company was certified to the ASO-Thailand under the TB-HIV/AIDS Prevention and Management in Workplace Program organized by Department of Labor Protection and Welfare, Ministry of Labor, along with Department of Disease Control, Ministry of Public Health

Employees will be encouraged to raise awareness and commitment to follow the principles of human rights that promoted and organized by various activities in order to help increase opportunities or support less fortunate persons with opportunities or rights that they should deserve as equal as everyone else in society. These activities include giving opportunities for persons with disabilities to work for the Company where has been certified by Governor of Lopburi that the Company has implemented the business in accordance with the Persons with Disabilities Empowerment Act, B.E. 2550. on an annual basis. In addition, the governor of Lopburi, public and private agencies have encouraged activities for talented persons with disabilities. Besides, there are many other activities such as CSR activities for children with disabilities and elders, etc.

The Company supports people with disabilities in employment, hires them as permanent employees with equal treatment and benefits. However, with regard to safety at work and quality of service, we have arranged suitable jobs matched with the ability of disabled people. We are expecting that this will help enhance the quality of life and respecting human dignity of everyone in society.



The Company has achieved a certificate of an industrial establishment operating under the employment of persons with disabilities in the Empowerment of Persons with Disabilities Act B.E. 2550. The Company has joined in activities promoting the quality of life of disabled people, organized by the Department for Empowerment of Persons with Disabilities.

- Encourage youth activities to give them opportunities to show their talents and abilities such as Children's day activities. By doing this, children can recognize the importance of their values through activities they participate.

## Corporate Social Responsibility Report (CSR Activities report)



- Encourage activities for blind children to make them feel loved from the community which will help them recognize their value and do not feel different living with other people in the society.

Project: Give love for children with disabilities

Objectives:

1. To make children with disabilities feel loved and live happily in the society
2. To encourage the employee to help people in need

Details: The employees donate necessary equipment for children with disabilities, treat them to lunch and help feeding those who cannot feed themselves while other disabled children play instruments and sing creating fun and comfortable atmosphere.



- Encourage activities for elders at retirement houses which are funded by Department of Social Development and Welfare, Ministry of Social Development and Human Security together with private sectors.

The Company has organized activities for elders whose relatives do not have time to take care and also elders who do not have any relatives. This year, the Company has organized the following activities for elders:

## Corporate Social Responsibility Report (CSR Activities report)

**Project:** Give Love for Elders

### Objectives:

1. To make elders at retirement home, Lopburi province, feel happy.
2. To make them smile by treating them to lunch and participating the activities with them.
3. Donate necessary things for the retirement home.
4. Encourage the employees to do charitable work for the society.

**Details :** The employees who represent the Company donate necessary things including refrigerator, adult diapers, cleaning liquid, and rice for the retirement home. Then the employees participate a singing and dancing contest which was organized by the Company. They also treat them to lunch and have conversation with them to let them know that they are not abandoned.



## 4. Labor Practices

The Company believes that everyone has a value and potential and realizes that all achievements have been obtained by the abilities and collaboration of all employees. Therefore, the Company



considered that well-being and health of employees is the highest priority. Furthermore, the Company also promotes employee learning and personal development, create positive work environment for all employees and encourages knowledge sharing with positive attitude, friendly, supporting each other. This will increase happiness and satisfaction, which make employees more productive at work.

The company has established an employment policy based on ethical principles and labor practices to both Thai and foreigner workers fairly. Do not take advantage of a hired worker, provide welfare facilities as required by law, as well as provide a safe and hygienic working environment. In addition, annual training plan and other activities are also provided to create harmony and good relationships between employees and the Company.



## Corporate Social Responsibility Report (CSR Activities report)

### Human resources development

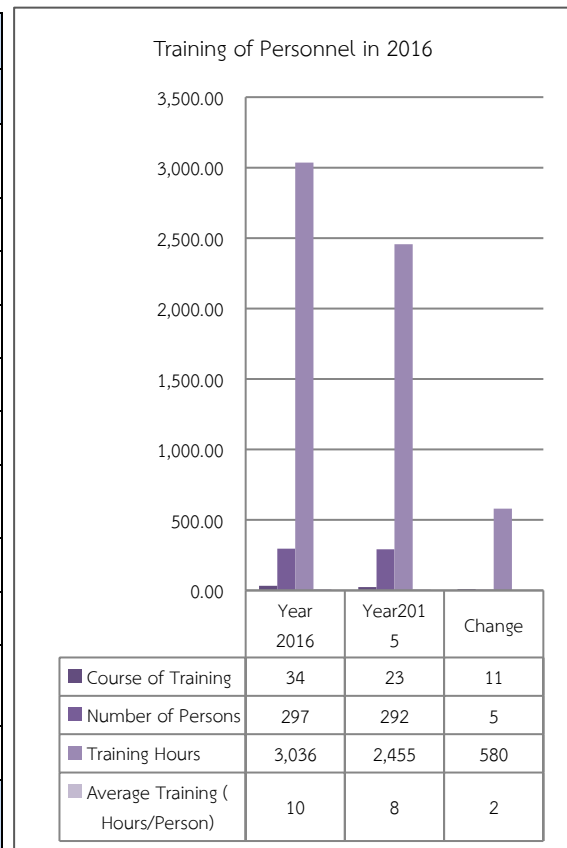
The Golden Lime Public Company Limited aims to develop human resources capable of contributing ideas, knowledge and capacity, as well as good relationships. The Company recognizes that a potential employee is a key success factor and looks for the highest productivity of employees; the human resources development policy has been established

1. Promote and provide training courses, seminars and employee development thoroughly and continuously. This is to improve work capacity, skills and facilitate productive and effective performance.
2. Encourage and support all employees in the Company, as well as enhance personal capacity in order to develop practical skills.
3. Encourage and support all employees to dedicate themselves to serve the public interests and volunteer for social development.
4. Encourage and support all employees to arrange activities that would benefit the Company internally and externally.
5. Promote positive ethics and create a merit system in the Company in order to encourage good and talented people.

The Company has provided an annual training plan and domestic and overseas observation tours for employees as necessary and appropriate, in order to enhance their skills needed to execute job duties and increase more training courses for employee improvement.

#### Training courses

Course Type of Training (Hours)	Training Courses	
	2016	2015
Language and Communication	570	-
Productivities	498	1,164
Rules , Regulation and Law	51	12
Safety & Environment	637	807
Personnel Management	339	30
Preventive Maintenance	90	-
ISO Standard Training 9001,14000.OHSAS18001	468	366
Specific skill job skill	324	-
Accounting and Financial	30	-
Couse of Training for CG, Such as Anti-Corruption, Disclosure , IR , etc.	29	46
Others	-	30
<b>Total Training Hours</b>	<b>3,036</b>	<b>2,455</b>



## Corporate Social Responsibility Report (CSR Activities report)



### Occupational health and safety in the workplace.

All employees are considered to be the heart of each project and valuable resources. As such, the Company will do its utmost to implement effective health and safety measures.

The Golden Lime Public Company Limited shall be a leading company in milling, grinding and lime production. The Company's goal is zero accidents that will affect the employees' abilities to work, and has set out the following health and safety measures:

1. The Company requires employees in all levels to jointly operate their tasks in order to assure safety for themselves and others.
2. The Company is to support the improvement of the environment as well as encourage safe operation and usage of safety instruments. It is also to maintain health and sanitation.
3. The Company is to appoint a health, safety and environmental committee for every project.
4. All supervisors must take care and be strictly responsible for safety of all subordinates in line with safety regulations.
5. The Company is to provide support for all activities relating to safety.
6. The Company is to follow and evaluate the policy on safety and occupational health to ensure that it has efficiently been carried out.
7. The company shall adhere to the law and various regulations on safety and occupational health.
8. The Company is to publicize the policy to its employees and the general public.

### Occupational health and safety management.

Appoint an occupational health and safety committee to be responsible for monitoring and giving suggestion in order to improve safety in all operational areas, in cooperation with the related working groups, safety personnel, and all employees under the strong support from the management. This will focus on prevention and reduction of workplace accidents through the risk identification processes and require control measures, as well as promoting the concept of behavior based safety under the project "identification of unsafe conditions", which will allow all employees to help investigate the potential dangers or hazards in their own areas. Then the responsible person will arrange the risk assessment along with the preventive measures proposed to the occupational safety and health committee to be considered,

## Corporate Social Responsibility Report (CSR Activities report)

amended or approved as appropriate, and establish a safety standard operating procedure, as well as provide personal protective equipment, carry out modifications to protect workers from unsafe working conditions. The goal is to reduce work-related injuries and accidents. In case of workplace accidents, it will be investigated by the safety professional and discussed by the occupational safety and health committee, in order to resolve the issue and provide an effective measure to avoid further duplicate issue.

### Safety Mind

According to the accident statistics, the potential accidents have decreased. However, the Company has launched a campaign of safety bulletin board contest under the subject of "Safety mind built by yourself" to achieve zero accidents, improve employees' knowledge and understand operational safety, and promote safety awareness. In the part of bulletin board contest, each party will create one bulletin board raising safety awareness, which should be composed of safe operation images, safety information and knowledge, and campaign slogan. The occupational safety and health committee will give scores categorized by topic; including beauty, creativity, in formativeness, impressive slogan, and material utilization.

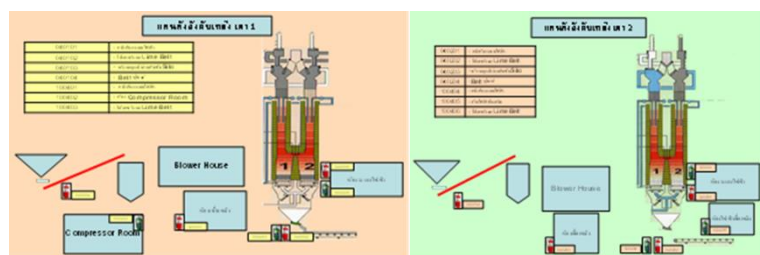


### Emergency preparedness and response

The Company recognizes the importance of preparing for emergencies and disasters mitigation plans that may arise from the operation. Therefore, there are appointed emergency preparedness and response teams for this purpose, including fire response team and chemical spill response team. Furthermore, the emergency scenarios are prepared to train internal teams together with the local government agencies and private organizations, including subdistrict administration organization, municipality, hospital, police station, etc. Such emergency preparedness and response teams will receive training and practices on annual basis, with essential emergency equipment such as fire extinguisher, firefighting tank, firefighting and rescue vehicle, etc.

The sample fire safety plan, indicating fire extinguisher locations of production department.

Install firefighting tank and fire hose reel





## Corporate Social Responsibility Report (CSR Activities report)



- During year 2016 has installation the Fire Pump which use the water re-cycle pond of the Plant



- Prepare a fire water truck 1 more cars to help villagers to nearby communities in case of emergency.



Chemical spill response training during year 2016





## Corporate Social Responsibility Report (CSR Activities report)

Fire and Emergency response training during year 2016.

- Training and practicing to use the Firefighting equipment such as fire extinguishers and fire truck.



- Fire evacuation drills training includes the removal of people to safe area practices and finding the injured people and send to the hospital.



### A drug-free workplace, white factory project.

The Company recognizes the importance of the drug problem that begin to spread increasingly among workers that effect on workers' welfare and security. Currently, the drug abuse is the nation's number one public health problem, all organizations, both public and private sectors must help promote zero-drug abuse campaign. For our Company, the operational plans and surveillance to prevent the spread of drugs in the factory is provided in training courses, containing knowledge about drugs to the working teams and peer support volunteers who help monitor employee behavior. If suspicious behavior occurred, the random urine drug test will be implemented and consultation and advice will be given to such person before drug rehabilitation and treatment program in the hospital in order to give another chance for employee to be able to return to work. The Company has joined the White Factory project, achieved certification of drug abuse prevention and solution in an establishment.

A drug-free workplace, white factory project activities during year 2016

## Corporate Social Responsibility Report (CSR Activities report)

- A police officer is a trainee of knowledge about prevention issues in drug establishments to employees of the company.



- Employees have cooperated in drug screening in the body.



- The company has passed the certification standards to prevent and resolve problems in drug establishments.

### Drug abuse prevention and solution in an establishment policy.

According to the government's policy on combating drugs and solutions for the workers in the country, it includes health and quality of life of workers and their family. This is to prevent and resolve drug problems in the workplace that impact on the economy and society in the country. Golden Lime Public Company Limited aims to carry out the drug abuse prevention and solution in an establishment project in accordance with the White Factory project, by provide the policy as follows:

1. Supervisors, at all levels, must act as good role models, give advice and suggestions to the employees with problems, give appropriate treatment and rehabilitation for employees to return into the right way and well-being.

## Corporate Social Responsibility Report (CSR Activities report)

2. All employees have roles and responsibilities to support and participate in the campaign to prevent and resolve drug abuse of the Company, observe any illegal drug use or person with suspicious behavior both inside and outside of the Company, immediately notify or report to the responsible person, administrative officer, police officer.

3. All employees must cooperate with random urine drug test. If detected, such person will be given advice and sent for further treatment.

4. The company is willing to cooperate with the government to identify the information and behavior of individuals associated with drugs.

### Annual physical checkup of employees.



### Labor Relations Management.

The company aims to build a sense of unity among employees and executives to work as a team, love and generosity like a family member, and understanding and positive thought. Particularly, there is a conflict or misunderstanding between colleagues, leaders and followers, executives and employees, this will help reduce such issues. If everyone in the company work together with good attitude and positive thought, care and helping each other, it will create happiness and pleasure at work.

Thus, the Company organizes various activities to build healthy relationships between employees at all levels, include:

### We are the same family

Family is the employees' source of happiness, as a part to boost employees' morale. If employees feel safe and secure, the employees will dedicate to produce higher quality work. The company has provided the family welfare for family, who lost a family member (employee), included in the group life insurance. In the event of an employee death, his/her family will receive compensation from the provided life insurance company. This compensation can be used to support the family, occupational investment for the family security.



## Corporate Social Responsibility Report (CSR Activities report)

The company arranges a team to visit their employee whose absence due to illness. The supervisors and their colleagues/HR team will bring some gifts for the patient at home or at the hospital to cheer up and help follow-up the treatment continuously. This will help prevent the feeling of abandonment and create a positive impression with his/her colleagues.



- The company provides financial aid cremation family members died. To aid co-organizers.

### Building healthy work relationships.

In order to successfully create the understanding, positive attitudes and behavior changes in the shared working environment, accept other people difference, develop the potential in people, open up to each other, and build good relationships with colleagues, the employees should have opportunities to participate in the joyful activities to build good relationships with each other. Therefore, the Company provides the “Building healthy work relationships” activities on annual basis, including New Year's Day, Songkran Festival, Outing, to enable employees to join and feel relaxed from their roles and duties.

### New Year's Day

**Activities in the morning:** The executives and employees jointly give food offerings to Buddhist monks.

## Corporate Social Responsibility Report (CSR Activities report)



- Activities In the Afernoon: Recreattion games playing, Eating together and jointly prepare lots for the gift exchange.



### Sports harmonious manner Brothers



### Receiving a complaint and giving an advice

The company has provided the communication channels for employees who wish to request, complain, or need an advice on any issues, including feedback box, internal investigation team or executive's email address, and letter to the managing director. All received feedback and issues shall be considered by the Company and the fact-finding and investigation commission will take action to fix such issues within the specified period according to its relative urgency and importance.

In addition, the Company has held monthly, weekly and annual meetings, which can be an alternative communication channel to give a feedback or suggestions to help create good relationships between corporate, executives and employees at all levels. There is one representative from each level of employees to join the following committee or working groups for the purpose of problem solving and prevention.

- The 5s Committee, the occupational health and safety in the workplace.
- The Welfare and Labor Relations Committee



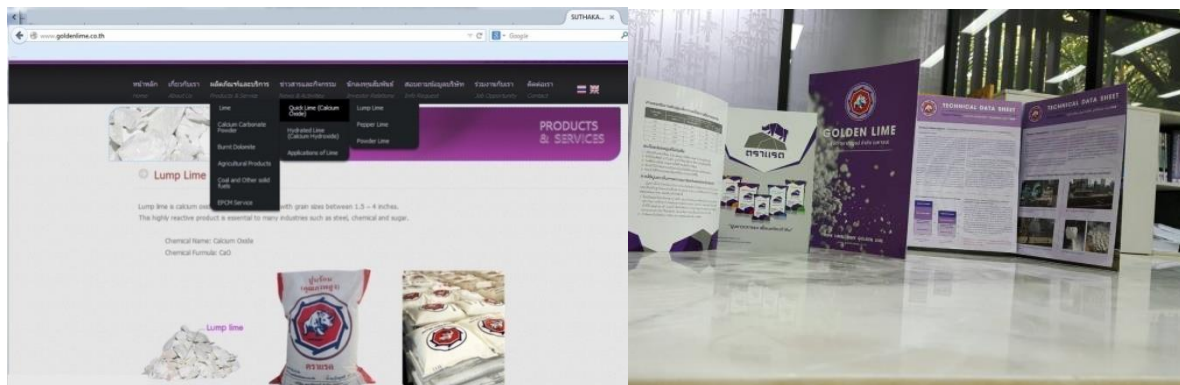
## Corporate Social Responsibility Report (CSR Activities report)

- The Quality Management Committee based on ISO 9001
- The Environmental Management and Public Relations Committee
- The Energy Efficiency and Conservation Committee

### 5. Responsibilities towards consumers

The Company will produce goods and services and manage them efficiently to build trust and relationship with the customers both before and aftersales. The Company will prepare storage system and give sufficient and true information as well as give knowledge to customers for accompanying their decision to buy the goods and services. In addition, the Company will do research and development to create innovation for goods and services with the emphasis on the processes and activities that benefit the society and environment.

The Company will provide the quality control procedures, test, and agency in order to monitor the quality of goods and services, including delivering goods and services to customers based on Quality Management System, ISO 9001: 2008 of United Registrar of Systems (URS) since 2016 - 2019 as well as providing details and information of goods and services for customers and interested persons can download it from the Company's website.



The Company has customer satisfaction assessment procedure covered in every aspect of business including product quality and services. The results of the assessment are used as a guideline for the Company development. This year, the Company has applied for standard verification and received approval from two government units which are Thai Industrial Standard for industrial lime from Ministry of Industry and Halal Standard from the Central Islamic Council of Thailand.

The standard verification the Company has received more trust and confidence from our customers. Therefore, the Company can expand its market especially customers who produce food for countries with Muslim population which have to use ingredients that received Halal standard.

## Corporate Social Responsibility Report (CSR Activities report)



In addition, the Company welcomes groups of customers who are interested in our business and production process to build the confidence in the products, exchange the production process, and customers advice to develop our products.



### 6. Environment protection

The Company will promote and support the environmental management that is concretely effective, and use the resources with value appreciation for maximum benefit. In addition, the Company will stipulate the preventive measures against pollution for employees and community.

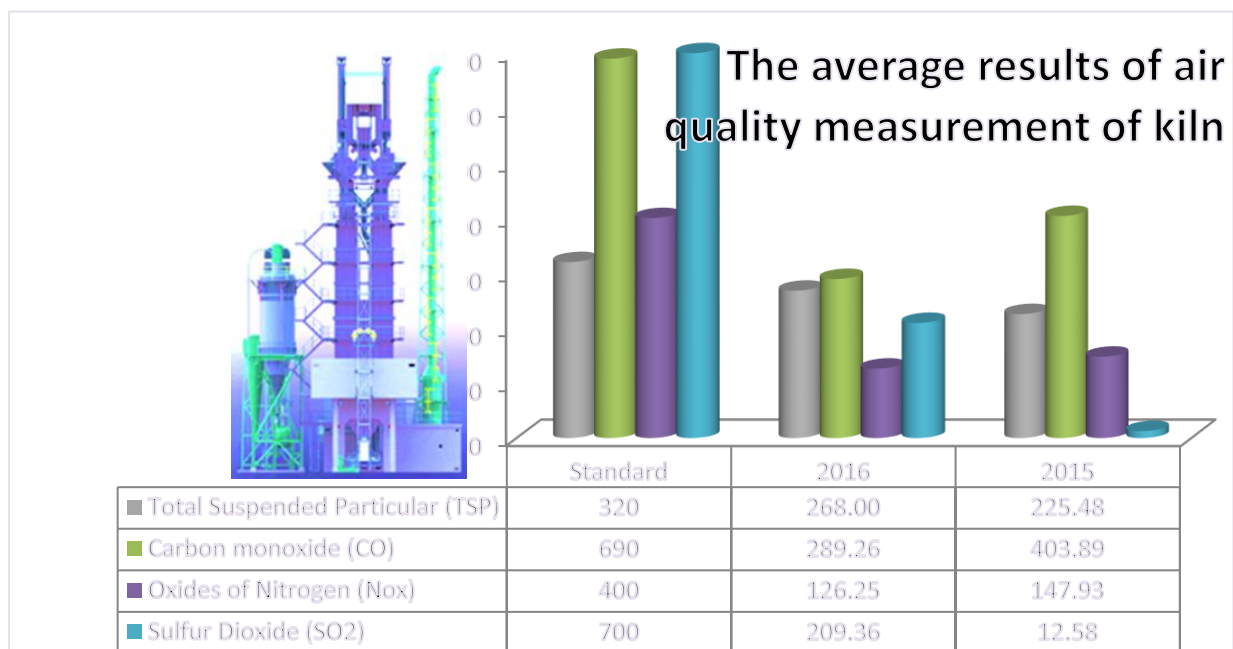


## Corporate Social Responsibility Report (CSR Activities report)

### Environment Management Policy

The Golden Lime Public Company Limited is one of the country's largest lime producing companies that aims to produce products with high quality. Meanwhile, it understands the importance of managing its impact on the environment. All kinds of activities must therefore be carried out with regard to environment management and consider any impact to the environment. In order to achieve this goal, the Company has issued the following guidelines:

1. Strictly adhere to official regulations relating to the environment and cooperate with different organizations to preserve the environment.
2. Be determined to use resources productively and efficiently to lessen the impact on the environment caused by both present and future operation by means of prevention, supervision and continual improvement.
3. Specify and review objectives and aims of the environment management activities in order to get it systematically improved and corrected.
4. Be determined to use resources productively in order to reduce the amount of usage as well as recycle and reuse.
5. Follow up, examine and evaluate the operation of environment management activities in line with the mentioned requirements.



6. Promote the use of appropriate working instruments in order to lessen the effect as well as organize activities and publicize the environment management activities.
7. Promote the continual improvement of the environment.
8. Publicize all environment management activities to the organization and the general public.

## Corporate Social Responsibility Report (CSR Activities report)

In order to conduct an environmental control and management in accordance with international standards, the Company has provided an internal environmental management in each process by cultivated the employees' awareness on the environmental impact that may happen in all processes; for example, in the production processes, there are the installation of dust and gas control systems and use of water spray for cleaning the area around the plant instead of sweeping, which may result in the spread of dust. Furthermore, the use of circulating water system in the plant with water recycling and reuse it in the process for cleaning raw materials, as well as the implementation of air quality and pollution monitoring system in accordance with legal requirements.

The Company will control the production processes to ensure minimal impact on the environment and has achieved ISO 14000 certification, including certifications in the area of environmental management as follows:

- Excellent Environmental Management Award under the project "Starred Mill & Quarry" with three consecutive years (2008-2010)
- Green Industry Certificate, Level 3 (Green System) by Ministry of Industry since 2013-2016



The company also provides measures to protect and mitigate the environmental impacts as follows:

- Install the dust, smoke and gas control systems in the production processes. The Company has installed the dust and gas control systems consisting of Cyclone and Wet Scrubber in every lime kiln which uses coal as a fuel to ensure that there is no significant pollution, which may impact on the environment. This system can remove dust and gases from the production processes that will not exceed the legal standards, as well as no effect on atmosphere.



- Create the closed system under silo, at warehouse and goods lift to control dust, which may effect on the environment.

## Corporate Social Responsibility Report (CSR Activities report)

- Plant fast-growing trees, which help dust control, avoid dust floating away from the production area. Lines of over a hundred thousand trees have been planted in order to protect the surroundings area.
- Control over pouring concrete in the area and beside the street for easy cleaning. Use water spray for cleaning instead of sweeping in order to avoid spreading dust.
- Clean machines and buildings to prevent dust buildup as well as check and maintain machines and equipment regularly.
- Solve transportation problems by using canvas to cover truck complete in order to prevent falls when transporting goods, and determine weight of load in not excess of the standard legal limit.
- Use a circulating water system in the plant. One of the Company's business operations is using water for production processes; for example, cleaning stones before burning process by using water in the tank, which installs pipe used for delivering water into the settling tanks in order to recycle and reuse it in the process. For the pond sludge, resulting from mud from the stone cleaning process mixed with cement dust from the production process, will be removed and applied to the surface of the plant area.



The water used in the plant is the recycled water; that is reused in the production process. So no wastewater is disposed of to the river. Due to the alkaline properties of lime, recycled water with lime dust inside will be also alkaline. In addition, the value of pH is higher than the determined standard (alkalinity); that will not impact on the environment because the recycled water will be used in the production process

- Install noise control system at the closed concrete wall to reduce noise impact from sound source as well as noise from the non-heavy equipment, including using control device to monitor the installed equipment in the production processes that will not exceed the noise levels of 85 decibels based on the Noise Pollution Control.
- Heat from burning process will not increase the environmental impact at all because the Company uses closed kiln and insulating bricks to prevent heat from leaking out of the kiln.
- For the production processes of lime and calcium carbonate, toxin will not be formed. It is because every step of production processes has been conducted without toxic chemical compounds.
- Destruction of waste and sewage such as dust and ash from the production process, can be carried out by selling, using as a valuable resource. The waste transportation policy has been given policy to the villagers who request a permission and resource filled only in the allowed area away from neighborhood.
- The Company has established a reforestation and increasing green areas project to encourage tree planting to increase the green areas in the Company, surrounding area, and community. This is an ongoing project conducted every year.

### Reforestation volunteer project, Golden Lime 2016



## Corporate Social Responsibility Report (CSR Activities report)



On September 29, 2016, employees and the manager have jointly planted 500 trees 14-rai area behind the plant (Moo 12, Chongsarika sub-district, Lop Buri). Moreover, the Company land for planting expansion starting from an outside area, All threes include Burma padauk, Cannonball Tree Siamese Rosewood, Indian Cork Tree , etc. which support all tree from the courtesy plants from seedling breeding center at Saraburi and Lopburi.

The Company plant trees on their lands according to the initiative of His Majesty the Queen which aims to restore forests.



In additional, the Company also cares about environment and communities. Therefore, the Company and communities organize the following activities

### Erawan Forest Animal Habitant Restoration Project

On August 9 2015, the Company, local people, private organization and government plants tree to restore forest and water sources for macaque. The project involves planting trees and creating ponds for macaque because the area around Erawan cave has encountered water shortage problem. The Company and Erawan forest ranger initiate a project for local people and the community to help protecting forest and wild animals especially macaque.



## Corporate Social Responsibility Report (CSR Activities report)



### Good Community Project

On August 11 2015, employees and local people in Moo 12 help cleaning Wat Chong Sarika, the local temple. This activity helps local people and employees to understand the importance of the temple. The temple is the heart of the community and people will benefit from Buddhist ceremonies. Therefore local people are responsible for taking care of the place and making the community feels safe and comfortable.





## Corporate Social Responsibility Report (CSR Activities report)

### Take Kids to School project

In July, there's heavy rain making it difficult for student to travel to the schools namely Wat Nong Pho School and Wat Chong Sarika Nai School. Because the access road is a dirt road potholes occur when there's heavy rain making it difficult to access. The Company decided to repair the road using small stone to fill up potholes and level the school entrance area and area around the school with potholes so the school can be easily accessible again.

Wat Nong Pho School access road before repair



While making the road improvements. The rock debris dirt circle space tape.



After the update is finished Road area.





## Corporate Social Responsibility Report (CSR Activities report)



On October 11, 2016, the Company donates drinking water for Military Circle No. 13 (MC. 13) at Lopburi Province.



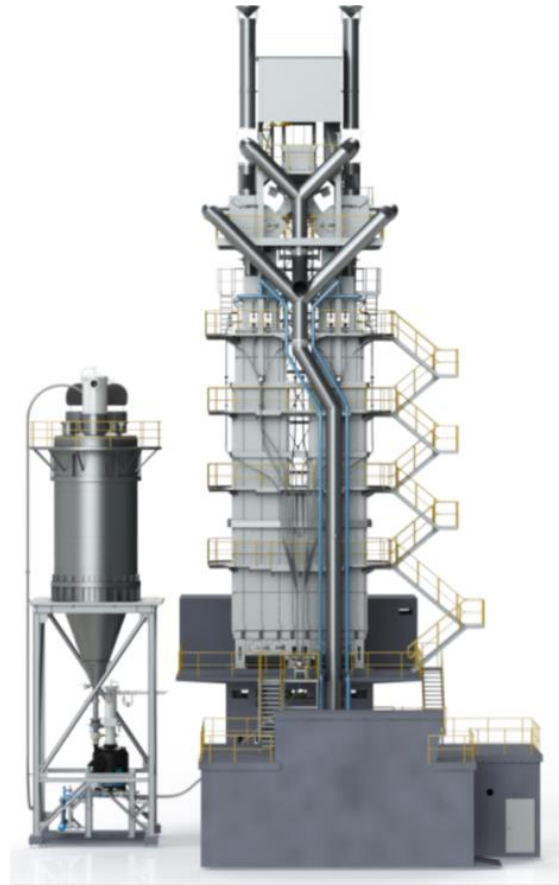
### 8. Innovation and its dissemination

The Company will operate the business to create new innovation that are of value and cause positive change so that the corporation, society, community, culture and environment change to be better. The innovation must create productivity, more value, and socioeconomic and environmental wealth.



## Corporate Social Responsibility Report (CSR Activities report)

In 2014, the Company has expanded its distribution of parts and machinery to other countries, beginning with distribution of lime kiln. Formerly, kiln parts must be imported from abroad that has the limitation on business development, including failure to improve or solve the problem in accordance with factors in the current production processes. To enhance the sustainable development in business, the Company, therefore, has developed the innovative systems of major machinery and equipment used in production in order to meet the needs of production development and expand its distribution of such parts and machinery internationally.



In 2015, the Company starts to develop machine and equipment for Limestone product and sell them customer. The machine is now able to produce good quality Limestone. The name of the manufacturing machine is EOD Lime Kiln (Easy Operating Double Shaft Kiln)





## Corporate Social Responsibility Report (CSR Activities report)

Kiln 7 at Huai Pa Wai Plant by Kiln Technology with EOD Lime Kiln



## Internal Control and Risk management

The Company has established a policy and objectives for effective operation management, along with a good corporate governance, internal control and internal audit, and risk management for risk reduction. The Board of Directors has appointed the Audit Committee in order to consider and vote to select internal auditors for audit the internal control system and risk assessment; that is Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. (Audit firm). This audit firm is responsible for performing audit of the internal control and risk assessment under the Company's policy and risk management guidelines as follows:

### Internal Audit Control and risk assessment best practices are as follows:

The board of directors has assigned the audit committee to be responsible for overseeing the internal control system, the corporate governance, as well as risk management suggestions for the executives, in order to give the adequate, appropriate and effective system. Furthermore, they should be responsible for the Company's compliance with applicable laws and regulations, avoiding conflicts of interest; carrying out the related transaction, preservation and wise use of natural resources, and providing a preventive mechanism against corruption and misconduct with check and balance mechanism. The company has hired experienced auditors from the independent external audit firm, approved by the board of directors, to be responsible for performing audit of the internal control of the company's key operational processes under the Company's best practices. In addition, the Company will receive useful feedback from the professional to improve the adequacy and effectiveness of internal control and risk management.

Each plan and process for the Internal Auditing Control and the risk evaluation have been conducted in line with guidelines of the internal control system under the International Standards of COSO (The Committee of Sponsoring Organizations of the Tread way Commission) and the risk-based approach on the basic concept that the auditing resource is limited and that the auditing should concentrate on the high-risk operation processes which consists of the guidelines as follow;

#### 1. Risk evaluation of the Company's business processes

To support the planning of the auditing processes to cover important main business operations, and prioritize the auditing processes

Important main business operations are as follows:

1. Production
2. Inventory Management and Product Costing
3. Order to Cash
4. Purchase to pay

## Internal Control and Risk management

5. Account Closing and Financial Reporting
6. Fixed Assets Management
7. Human Resource Management and Payroll

by examining internal audit system relating to both finance and operation of the account and information storage which cover the anti-fraud measures.

### 2. Guidelines for the Internal Auditing Planning

- 2.1 Interviewing executives and operations in various units of the Company
- 2.2 Examination of operational documents by the executives and operators in various units to assign the control priority as defined by the Company
- 2.3 Evaluation of risk by categories and prioritization of the risk obtained from the evaluation.
- 2.4 Discussion with each unit's executives to confirm the list of risks and evaluated scores
- 2.5 Draft of the internal audit plan from the evaluation results obtained from the discussion.
- 2.6 Presentation of the annual audit plan to confirm the sequence and time period for the operational audit process.
- 2.7 Seek approval of the audit plan from the Audit Committee and the Board of Directors and inform all executives.

### 3. Internal Audit Process

- 3.1 Study and understand the business and the scopes of the works to be audited.
- 3.2 Interview, observe and examine the operational document in order to study and understand the operational process in line with the audit scope.
- 3.3 Identify the current risk and internal control and design the Audit Program.
- 3.4 Test the internal control points by means of the test methods mentioned in the audit guidelines.
- 3.5 Summarize the audit result and the preliminary information to confirm with the executives and operators, after which the summarization will be used for making the complete audit report before forwarding to the Company's Audit Committee.

### The adequacy of internal control assessed by the Board of directors.

In the audit committee and the board of directors meeting No. 1/2016, held on February 26, 2016, the audit committee attended and assessed the internal control system through inquiries of the management and executives and consideration regarding to internal control system in the following five categories:

- 1) Control Environment,





## Internal Control and Risk management

- 2) Risk Assessment,
- 3) Control Activities,
- 4) Information & Communication,
- 5) Monitoring Activities

The audit committee has agreed with the board of directors, as below:

### **1) The adequacy and appropriateness of the Company's internal control system**

After the assessment, the audit committee has considered that the Company has an appropriate internal control system for transactions with major shareholders, directors, executives or related parties. There are internal control systems divided into five areas, which are appropriate and adequate to protect property caused by abuse or unauthorized use of the executive, including the internal control system with the independent audit and assessment. In addition, the Company also has an archival storage system so that the directors, auditors and person in authority can examine within a reasonable time.

### **2) The implementation of the internal control of the company**

The Company gives priority to the appropriate and adequate internal control system, as it will improve the operational effectiveness. The Company has prepared comprehensive operational policy, regulations, and procedures. Furthermore, the separation of powers has been also provided in accordance with check and balance.

In addition, the Company has improved the business operation in every department suggested by the internal control auditors regularly.

### **3) Observations of internal control auditors**

In 2016, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. (Audit firm), the assigned auditors, has proposed the internal control audit plan to the audit committee. The audit committee has approved and presented to the Board of directors to approve and finalize such audit plan for 2016. The objective of the audit of internal control and risk assessment is to evaluate the adequacy and effectiveness of internal control in compliance with policy, regulation and procedures, as well as risk tolerance. This is to ensure that the Company's information security, asset security and protection, system, data, and financial report have been reviewed by the reliable auditors, and considered as adequate and

## Internal Control and Risk management

appropriate. The auditors have proposed their observations of internal control and risk assessment by levels of risk. Risk criteria are shown below:

Levels of risk	Risk Criteria
High risk	For the high priority, it refers to no internal control system or the operation does not meet the objectives, which may result in financial loss, operational risk and / or damage to the corporate image. In this case, the management shall provide the action plan, in order to improve or reduce such risk or vulnerability, as well as oversee the operations to ensure compliance with the plan and complete within three months.
Medium risk	For the medium priority, the improvement of internal control effectiveness and efficiency should be given, including the operational system, the accounting reliability, compliance with laws and regulations, as well as the operational improvement. In this situation, the management should resolve this case within six months.
Low risk	For the low priority, it refers to the effective operations. However, there are few areas of improvement. This will be considered performance-based and should be completed within 12 months.

From the internal audit of internal control and risk assessment based on the audit plan approved by the audit committee, the results were no high priority and no high risk found, as well as no observation shown that the improvement action has not been carried out by the responsible department, according to the report by the independent external audit firm.

### 4) Observations of auditors regarding to the Company's internal control system.

- None -

### The audit committee's opinion in addition to the opinion of board of directors.

- None -

### Head of internal audit and head of compliance of the Company

Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. (Audit firm) is responsible for performing audit of the internal control and risk assessment in 2016, the audit and coordinating teams include:

Engagement Partner Khun Weerapong Krisadawat (CISA, CISM, GRCP)  
 Project Manager Khun Komkit Chongprakitpong  
 Quality Assurance Review Natcharnun Puengtad (Senior Consultant),  
 Project Team Member Khun Pongpasin Maharagkaga (Consultant),  
 And Internal Audit Co-coordinator of the Company Khun Kayarat Srinnil

## Related Party Transactions

The Company had related party transactions with certain individuals and corporations with whom it may have conflicts of interest. Below is a summary of the relationship status of the parties involved in such transactions for the period ended 31<sup>st</sup> December 2016, together with an indication of the transaction value for the calendar years 2015 and 2016.

### Office Rental

Individual/Corporation	Type of Transaction		
Mr.Kitimethee Monsereenusorn	<ul style="list-style-type: none"> <li>Former director of the Company, resigned on 29 September 2016.</li> <li>Family relation with other shareholder and director ( son of Mr. Kiatikul and Mrs. Maturose Monsereenusorn )</li> <li>Shareholder in the Company, with holdings totaling of 49,000,000 shares on 31 December 2016 representing 16.33% of the paid-up capital</li> </ul>		

Individual/Corporation	Transaction	Transaction Value (THB Million)		Rationale and necessity
		2016	2015	
Mr. Kitimethee Monsereenusorn	Office Rental Contract Detail in Note			<p>The property includes components that were built for the purposes to be used as corporate offices. The location provides convenient transportation due to proximity to Sri Samarn Road and the Sirat Expressway connecting central Bangkok with Saraburi and Lobburi provinces where the production facilities of the company are located. The rental fee compared with similarly located properties is very competitive and provides maximum benefit for the company.</p> <p>The Audit Committee, taking into consideration the available information about this Related Transaction, came to the conclusion that it is appropriate and beneficial for the Company. The Board of Directors approved the extension of the lease for an additional 36 months period in its meeting no.4/2016 held on 29 September 2016.</p>
<p><b>NOTE : Office Rental Contract</b></p> <p>The company as lessee entered on September 29, 2016, into a Building and Land Lease Agreement (the "Agreement"), renting the property housing the Head Offices of the Company, with Mr. Kitimethee Monsereenusorn as lessor.</p> <p>The utilizable space totals 552m2 (including 12m2 of car park)</p> <p>The initial contract period runs from 1 Oct 2016 - 31 Mar 2018 (18 months) but has been extended for a second period running from 1 Apr 2018 - 31 Mar 2021 (36 months)</p> <p>The rental fee is fixed at 82,800 Baht per month for both periods.</p> <p><b>Rental fees (Million Baht)</b></p>		0.99	0.99	

### The opinion of Audit Committee on Related Transactions

#### Office Rental

The Audit Committee has considered all available information related to the Related Transaction together with the rental rate of nearby offices and has the opinion that the transaction is appropriate and beneficial to the Company. The rental and service rates are appropriate compared with current market prices. [The Audit Committee Meeting No.1/2016 held on 26 February 2016 recommends the Board of Directors to approve the Company to enter into the renewal of the office Agreement.]

## Related Party Transactions

On September 29, 2016, the Board of Directors Meeting No. 4/2016 approved a resolution of the Company to enter into the supplemental agreement to the Building and Land Lease Agreement, of the property hosting the Head Office of the Company, with Mr. Kitimethee Monsereenusorn as Lessor, extending the initial contract period running from 1 October 2016 to 31 March 2018 (18 months) with an additional term running from 1 April 2018 to 31 March 2021 (36 months), at a fixed rental fee of 82,800 Baht per month.

### Account Payable

Individual/Corporation	Type of Transaction
Carmeuse Majan LLC(SFZ)	<ul style="list-style-type: none"> <li>Carmeuse Majan, located in Oman's Salalah Free Zone, is a joint venture operated by affiliated companies of the Carmeuse Group, the GP Group and certain other local shareholders.</li> <li>There are common indirect shareholders and common directors</li> </ul>

Individual/Corporation	Transaction	Transaction Value (THB Million)		Rationale and necessity
		2016	2015	
Carmeuse Majan LLC(SFZ)	<u>Purchase raw materials-lime</u> Detail in Note			The Company occasionally needs lime as raw material for hydration and milling processes, to produce blends for certain customers, as well as quantity supplements to its own production in the peak periods of the sugar season when demand for milled and hydrated lime is occasionally above production capacity. The lime from Carmeuse Majan LLC has quality that is higher than that was available from any domestic vendor, yet the purchase price was the same or even below of domestic lime as raw material purchases in the same period. The reuse of the plastic bags in which the lime from Carmeuse Majan is delivered offers further cost advantages.
<p><u>NOTE: Lime Purchase (Raw Material Purchase)</u></p> <p>The Board of Directors Meeting No.6/2016 held on November 11, 2016, authorized the management of the Company to enter into a raw material purchase agreement for burnt lime with Carmeuse Majan LLC (SFZ) at a price that is below of other comparable foreign vendors. The Audit Committee in its meeting No.4/2016 held on 11 November 2016 suggested that the Company should compare the price from other domestic offering at the same time as well. The comparison showed that the price offered by domestic suppliers is comparable, but for a lower quality, while the alternative foreign suppliers offer both higher price and a lower quality. Also, the transaction provided an additional layer of supply security to the customers of the Company in the sugar peak periods of December 2016 and January 2017</p> <p>Account Payable – Related Party (Million Baht)</p>		9.59	-	



## Related Party Transactions

## The opinion of Audit Committee on Related Transactions

Account Payable

In the Audit Committee Meeting No.4/2016 held on 11 November 2016, the committee has considered information concerning related transactions to the purchase of lime from other suppliers in earlier time period. The audit committee suggested that the Company should compare the price of lime from other domestic suppliers offered at the same period. The committee considered that the price of the lime from the foreign vendor was around the same as the price from other domestic suppliers offered at the same period of time but the lime from the foreign vendor had higher quality than those from domestic suppliers. This was considered beneficial to the Company.

Others Payable – Prepaid expense insurance

Individual/Corporation	Type of Transaction
Carmeuse Coordination Center	<ul style="list-style-type: none"> <li>Carmeuse Coordination Center (CCC) is a Carmeuse Group affiliate company</li> <li>There are common indirect shareholders</li> </ul>

Individual/Corporation	Transaction	Transaction Value (THB Million)		Rationale and necessity
		2016	2015	
Carmeuse Coordination Center (“CCC”)	<u>Prepaid expenses insurances</u> Detail in Note			CCC is a member of the Carmeuse Group specialized in providing strategic management and a variety of expertise and support services in various areas related to lime production and marketing. Having an experienced CCC executive in a managerial position within the Company targets to transfer CCC’s accumulated lime production and marketing expertise, as well as management systems and decision making processes into the daily management practices of the Company. It also builds a bridge between CCC and the Company to the benefit of the latter. The Audit Committee, taking into consideration the available information about this Related Transaction, came to the conclusion that it is appropriate and beneficial for the Company.
NOTE: Prepaid expenses-life insurance CCC has recharged to the Company an insurance premium advance made by CCC on behalf of the Company in connection with the performance by a CCC executive of a full time managerial position within the Company. The premium relates to health insurance coverage which is part of the executive’s remuneration package. <b>Other Payable – Related Party</b> <b>(Million Baht)</b>		0.83	-	





## Related Party Transactions

### The opinion of Audit Committee on Related Transactions

#### Others Payable– Prepaid expense insurance

Carmeuse Coordination Center recharged certain prepaid insurance expenses, in connection with the performance by a CCC executive of a managerial position within the Company. Having an experienced CCC executive in a managerial position within the Company targets to transfer CCC's accumulated lime production and marketing expertise, as well as management systems and decision making processes, into the daily management practices of the Company. It also serves as building a bridge between CCC and the Company to the benefit of the latter.

The Audit Committee Meeting No. 1/2017 held on 22 February 2017, considered the available information with regard to the Related Transactions and concluded that they had been conducted appropriately, and such conduct could be deemed the performance in accordance with the Company's Employment Contract.

The Company has provided guidelines for the Related Transactions that may occur in the future, as follows:

#### **Guidelines for related party transactions that may occur in the future**

The Company may enter into related party transactions in the future as it deems appropriate. The transaction shall be made in the course of ordinary business operations and the Company shall clearly specify the policy thereof. The transaction shall involve the same price and trade conditions as in the normal course of business that is specified for unrelated persons and/or companies. In each case the Company shall obtain the Audit Committee's comment on the appropriateness of such transaction. If the Audit Committee does not have the expertise to consider the relevant related party transaction, the Company shall call upon experts with special knowledge, such as auditors or appraisers, for such related party transaction. Such expert's opinions shall be used to supplement the views of the Audit Committee so that the Audit Committee can propose the transaction to the meeting of the Board of Directors or the shareholders, as the case may be, to ensure that such transaction will not remove or transfer the interests between the Company or its shareholders but rather be for the maximum benefit for all shareholders.

The Board of Directors of the Company shall enter into such related party transaction that may occur in the future in compliance with the laws on securities and securities exchange, regulations, announcements, orders, or the requirements of the Capital Market Supervisory Board and the Stock Exchange of Thailand and shall observe the requirements regarding the disclosure of related transactions and the acquisition or distribution of major assets of the Company or its subsidiary company, and the accounting principles specified by the Federation of Accounting and Certified Public Accountants of Thailand.

## Management Discussion and Analysis

### for period ended 31 December 2016

#### 1. Overview

This report includes review of the operating performance for the year ended 31 December 2016 compared with the same period of the previous year.

For the three-month period ended 31 December 2016, the Company had a total revenue of THB 184.87 million and a net profit of THB 3.80 million. The net profit decreased by THB 8.67 million or equivalent to 69.5% compared with the same period of the previous year.

For the year ended 31 December 2016, the Company had total revenues of THB 804.34 million and a net profit of THB 68.00 million. The net profit decreased by THB 28.73 million or equivalent to 29.7% compared with the same period of the previous year.

#### (1.1) Summary of operations and key factors resulting in significant change of performance:

Unit: Baht million	4Q/2016	4Q/2015	YoY Dif. +/-	YoY % +/-	Year 2016	Year 2015	YoY Dif. +/-	YoY % +/-
Sales and service income	181.21	233.28	(52.07)	-22.3%	791.20	927.18	(135.98)	-14.7%
Gain on foreign exchange	0.57	(0.21)	0.78	-368.6%	0.57	4.74	(4.17)	-88.0%
Other income	3.09	2.51	0.59	23.4%	12.57	9.99	2.58	25.8%
<b>Total revenues</b>	<b>184.87</b>	<b>235.58</b>	<b>(50.71)</b>	<b>-21.5%</b>	<b>804.34</b>	<b>941.91</b>	<b>(137.56)</b>	<b>-14.6%</b>
<b>Cost of sales and services</b>	<b>136.23</b>	<b>177.11</b>	<b>(40.88)</b>	<b>-23.1%</b>	<b>552.57</b>	<b>632.00</b>	<b>(79.44)</b>	<b>-12.6%</b>
<b>Gross profit</b>	<b>44.98</b>	<b>56.18</b>	<b>(11.20)</b>	<b>-19.9%</b>	<b>238.63</b>	<b>295.17</b>	<b>(56.54)</b>	<b>-19.2%</b>
<b>SG&amp;A</b>	<b>44.50</b>	<b>43.66</b>	<b>0.84</b>	<b>1.9%</b>	<b>171.58</b>	<b>191.94</b>	<b>(20.36)</b>	<b>-10.6%</b>
Selling expenses	20.43	21.61	(1.18)	-5.4%	85.51	97.96	(12.46)	-12.7%
Administrative expenses	24.07	22.06	2.01	9.1%	86.07	93.98	(7.91)	-8.4%
<b>EBITDA</b>	<b>29.55</b>	<b>37.98</b>	<b>(8.43)</b>	<b>-22.2%</b>	<b>179.14</b>	<b>207.99</b>	<b>(28.85)</b>	<b>-13.9%</b>
Finance cost	0.68	1.51	(0.83)	-55.0%	4.51	8.41	(3.90)	-46.4%
Income tax expenses	(0.33)	0.84	(1.17)	-139.1%	7.68	12.83	(5.15)	-40.1%
<b>Profit for period</b>	<b>3.80</b>	<b>12.46</b>	<b>(8.66)</b>	<b>-69.5%</b>	<b>68.00</b>	<b>96.73</b>	<b>(28.73)</b>	<b>-29.7%</b>

1/ The primary reason behind profit decrease was net sales price erosion due to highly competitive market environment resulting in lower average unit sales prices compared with same period last year.

2/ The secondary reason is increase in unit Cost of Goods Sold (COGS) attributed to lime purchased for further processing from external parties, due to calcination ( kiln ) capacity availability constraints resulting in decrease of lump lime production volume. Since lump lime is the interim product of finished goods milled lime and hydrated lime production, in case of an internal capacity shortfall, it has to be supplemented by material purchased from external sources, at costs far greater than internal production cost, leading to significant increase unit COGS which impacts the profit for period.

3/ The third reason is unexpected maintenance expenses, due to non-scheduled accidental refractory incidents, on 3 kilns out of 6 total, during Q3 and Q4, with the consequence that kilns had to stop production and undergo extensive maintenance works, lasting two to three months each,

## Management Discussion and Analysis

with not only significant production capacity, but also high maintenance cost consequences, another factor behind unit COGS increase vs same period last year. It is important to mention however, that these unforeseen maintenance activities have long lasting effect, thus in improving trend in the production capacity availability is to be expected for the years to come.

### **(1.2) Economic conditions affecting operations**

Summary of overall assessment of each market segment related to the business of the company is summarized below. This assessment is based on first 10-month period of 2016 for overall performance or relevant industrial sector's based on data as published by the Office of Industrial Economics.

**Iron and steel industry** – In 2016, production of steel long products and steel flat products, domestic sales and exports grew, imports declined.

**Chemical industry** – Overall, both exports and imports declined compared to 2015 because economies of some trading partners such as Japan, USA, and Europe are still recovering with slow growth, while the growth rate in Chinese is decelerating, coupled with a policy of using domestic products & imports restrictions

**Petroleum Industry** – Petroleum industry saw downturn due to the fluctuation of crude oil prices and a still fragile world economic outlook. Due to a slow recovery of economies which import from Thailand such as China, USA, Europe, and Japan caused reduced growth rate of the petroleum industry.

**Pulp, Paper, and Publishing industry** – Overall, Pulp, Paper, and Publishing industry expanded in 2016 compared to previous year due to the demand for packaged food, beverage, cosmetic and cement industry, another source of expansion was increased internal consumption boosted by economic stimulus measures and investment promotion.

**Cement industry** in 2016, the cement industry (strong links to construction industry), that is also related to the company's business, has expanded compared to previous year due to economic stimulus measures and investments in infrastructure projects from the Thai government.

**Food industry** (link to sugar industry), slowed due to volatility of the economic climate. Compared to previous year exports fell due to reduced orders from importing countries. A one/shot impact on the 2016 performance is the late launch (3 weeks delay) of the sugar season in 2016/2017 period, that will however prolong the season in 2017.

The summary of sales performance to each industry in which the Office of Industrial Economics presents reports: Revenue from sales to the steel segment decreased 8.3 %, the chemical segment decreased 12.4 %, the sugar industry decreased 21.6 %, paper and pulp decreased 21.6 %, construction industry decreased 25% percent The overall picture of the performance of the company are linked and aligned with the state as a whole of the relevant industrial segment. , The maintenance related shutdowns in 2016 resulted in the reduced production, that had major impact on the sales performance, These shutdowns included kiln maintenance and the refractory brick relining of three furnaces. The Company had to stop

## Management Discussion and Analysis

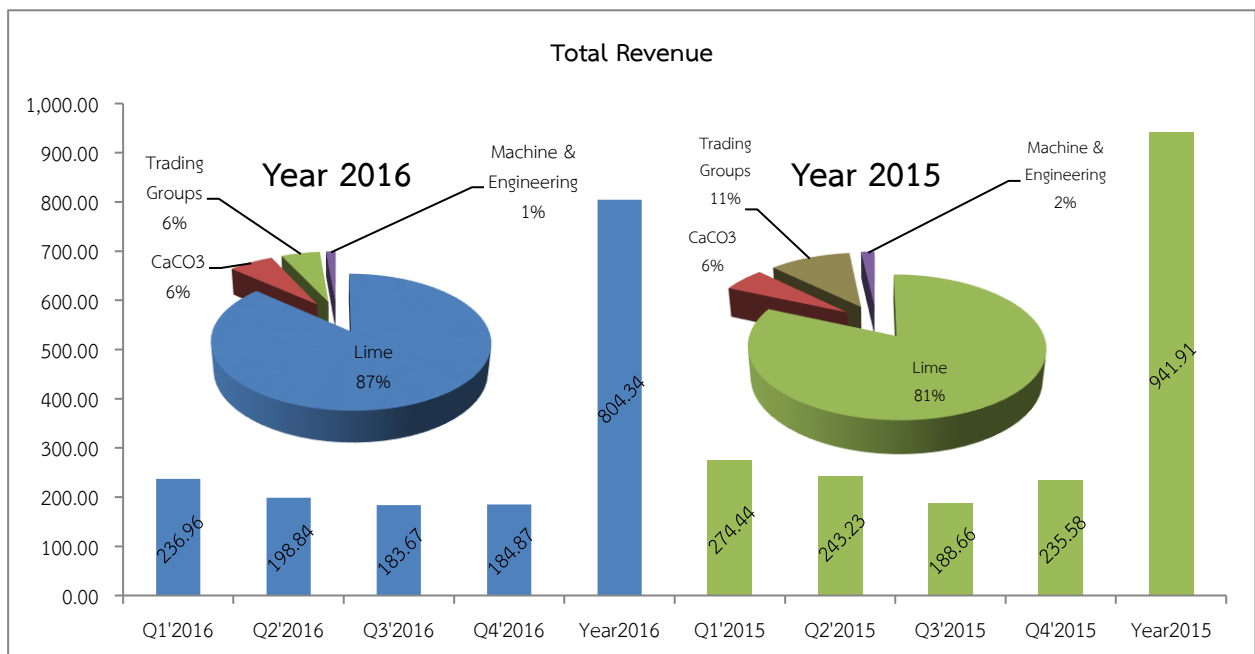
production several times in order to change refractory bricks of these three kilns resulting in the decline of the production and product deficiency.

### (1.3) The unexpected operational impacts

Due to the above mentioned impacts, the Company's revenues and overall operating results were lower than the expected results compared to the same period last year.

### (1.4) Revenue structure breakdown:

The Company's revenue structure



Unit: THB million	For the year end 31 December 2016					
	Year 2016		Year 2015		Change	
	Amount	%	Amount	%	Amount	%
Revenue from Sales of Goods and services	791.20	98.4%	927.18	98.4%	(135.98)	-14.7%
Foreign exchange gain (loss)	0.57	0.1%	4.74	0.5%	(4.17)	-88.0%
Other revenue	12.57	1.6%	9.99	1.1%	2.58	25.8%
<b>Total Revenues</b>	<b>804.34</b>	<b>100.0%</b>	<b>941.91</b>	<b>100.0%</b>	<b>(137.56)</b>	<b>-14.6%</b>

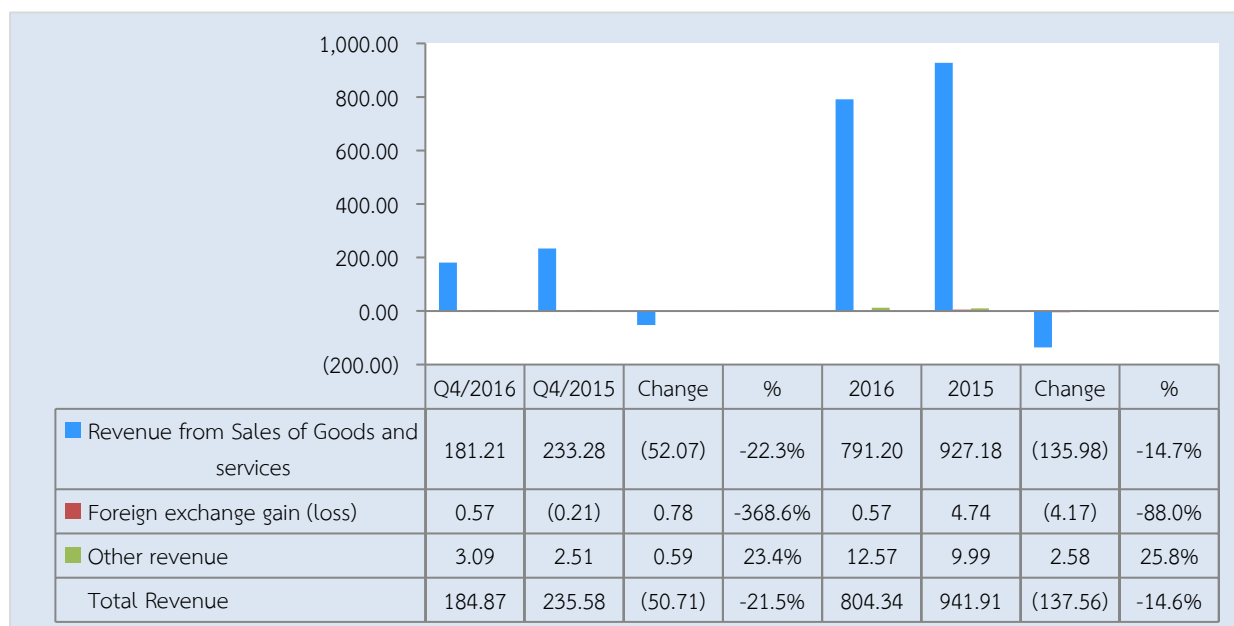
## 2. Performance analysis

### (2.1) Revenues

#### Total revenues of the Company

For the three-month period ended 31 December 2016 compared to the same period the previous year the changes are as below:

## Management Discussion and Analysis



For the three-month period and for the year ended 31 December 2016, the total sales and services revenue of the Company has decreased compared to sales results in the same period of the previous year.

The primary reason behind decrease in total sales and services revenue was net sales price erosion due to highly competitive market environment resulting in lower average unit sales prices compared with same period last year. Another reason due to the sales volume and sales revenue is decreasing sales of Lump Lime products, due to the mentioned maintenance works relating to capacity availability issues, and a late start of the 2016/2017 sugar season, that delayed 3 weeks compared to the previous 2015/2016 sugar crushing seasonal period, impacting demand from this important segment in November and December.

In key customer segments such as Steel, Sugar, chemical, pulp and paper, construction, water works and some customers in trading product groups and agriculture products have decreased their demand due to reduced output. Other factors that affect sales and services from machine and equipment (Engineering) was project delays on customer side, resulting in deliveries forecasted for Q4/2016 postponed to Q1/2017.

### (2.2) Cost of Goods Sold and Gross Profit Margin

#### (2.2.1) Cost of Goods Sold and Gross Profit Margin

##### Cost of Goods Sold

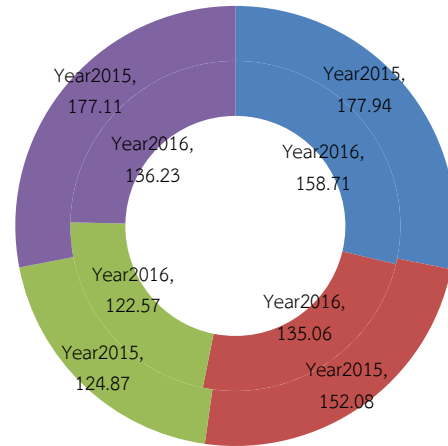
The cost of goods Sold is composed of manufacturing costs of the main products in Lime, Calcium Carbonate, Trading products, Coal (Petcoke) and the Machine & Equipment (Engineering) product from customer projects.



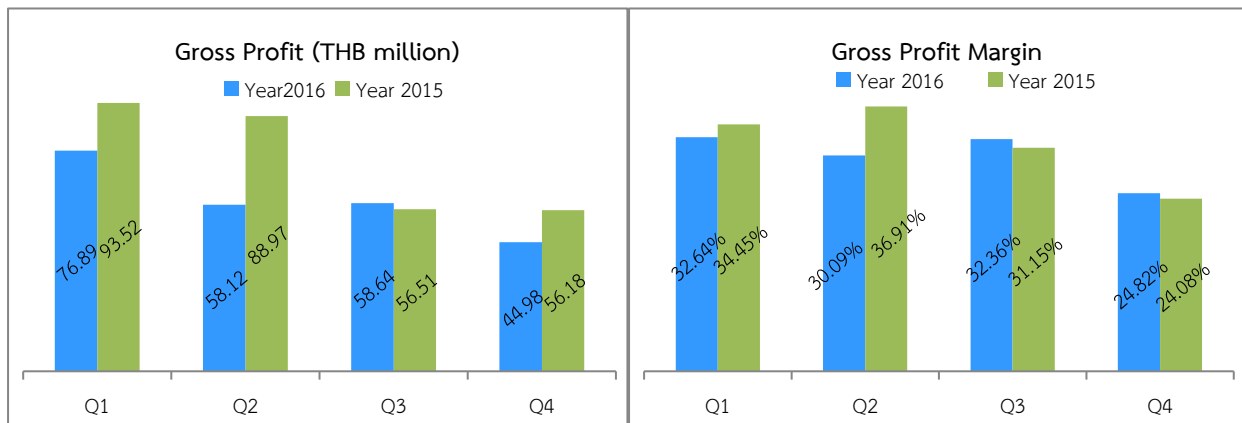
## Management Discussion and Analysis

The total amount of cost of goods sold have generally decreased , while the unit COGS have increased, mainly due to external lump lime purchases, a necessity in maintenance periods to keep up with raw material supply to milled lime and hydrated lime production, resulted in significant unit COGS increase in these processed goods.

■ Quarter 1 ■ Quarter 2 ■ Quarter 3 ■ Quarter 4



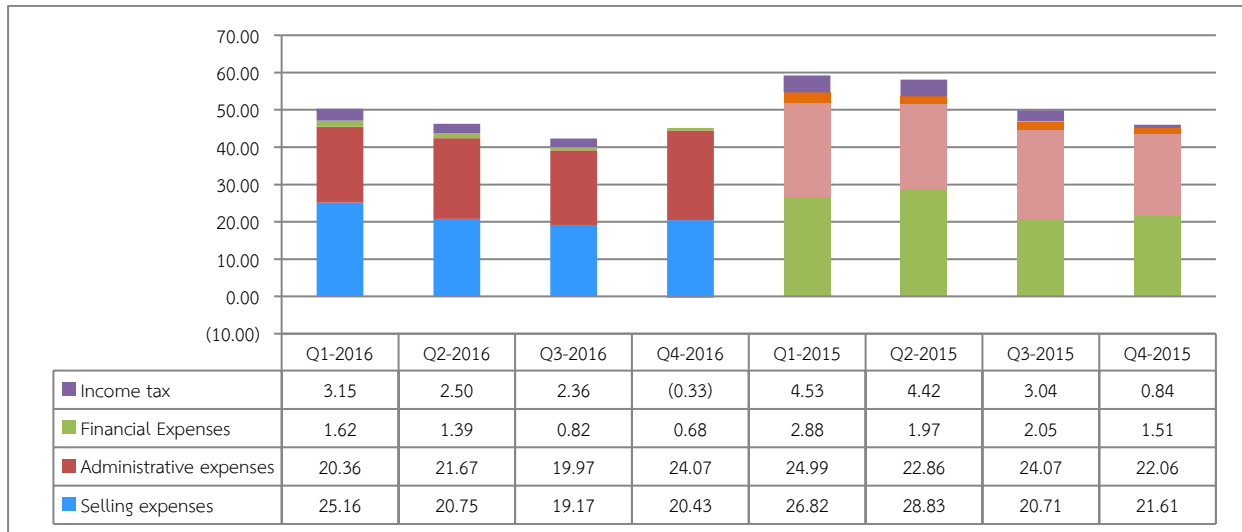
### Gross profit margin of the Company



In the financial year 2016, the Company had a gross profit of THB 238.63 million consist of quarter 1 of THB 76.89 million, quarter 2 of THB 58.12 million , quarter 3 of THB 58.64 million and quarter 4 of THB 44.98 respectively.

### (2.2.2) Selling/Administration expenses, financial expense, and income tax

## Management Discussion and Analysis



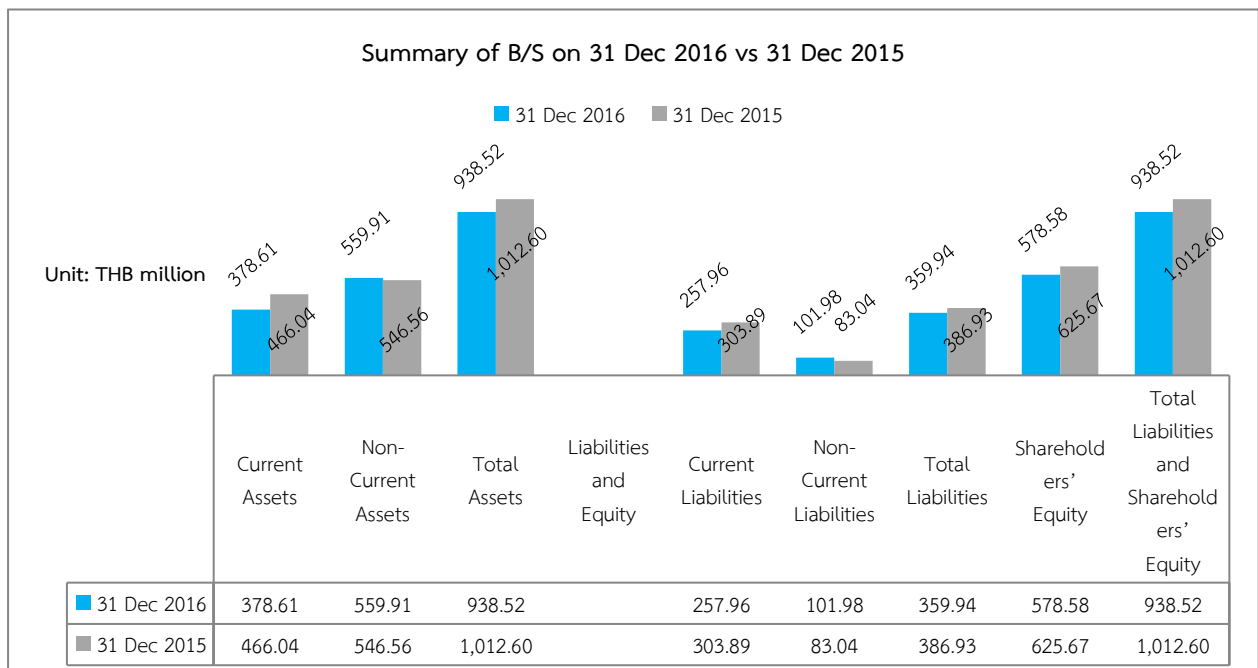
The overall selling and administration expenses ( SG&A ) of the Company have decreased when compared the same period previous year, the main expense reduction came from domestic and export sales expenses, administration expense decrease in quarter 1 to quarter 3 and in the quarter 4 increase from the financial advisory fees and remunerations. The financial expense has decreased when compared to the same period of the previous year, mainly due to lower interest and reduced principal amount. The income taxes have decreased as well due to lower net profits.

### 3. Financial Position Analysis

Financial Position Summary as of 31 December 2016 changed from 31 December 2015, is as follows:

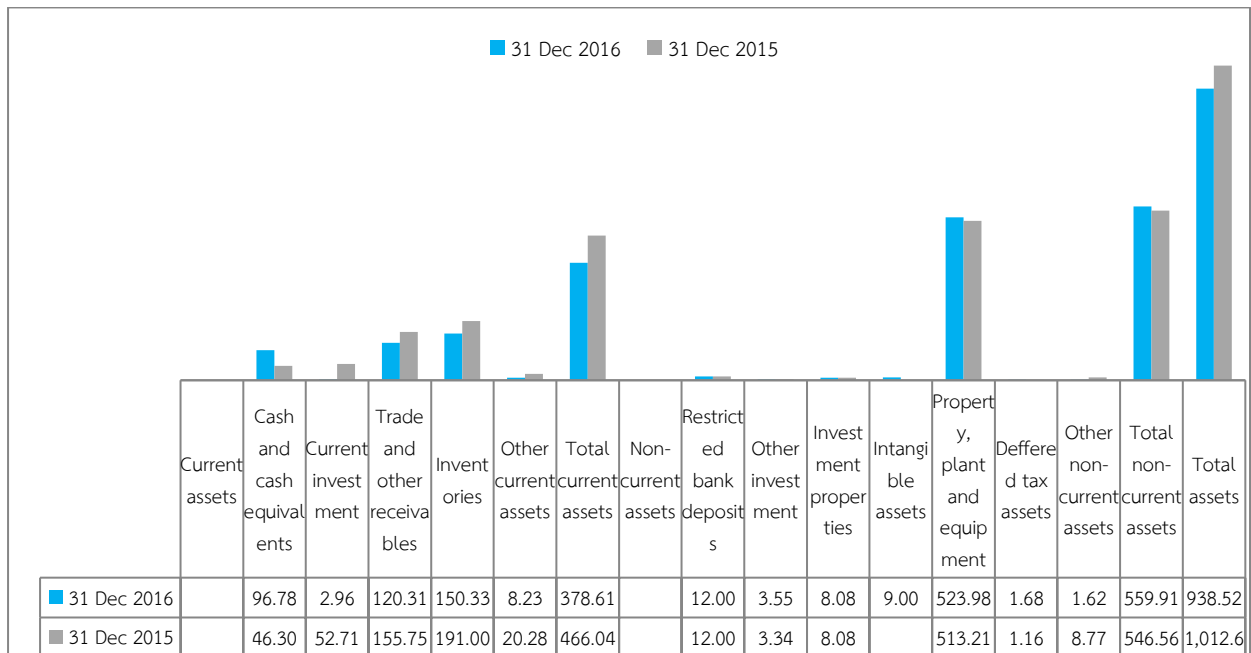
#### Financial Position Summary

##### (3.1) Assets



## Management Discussion and Analysis

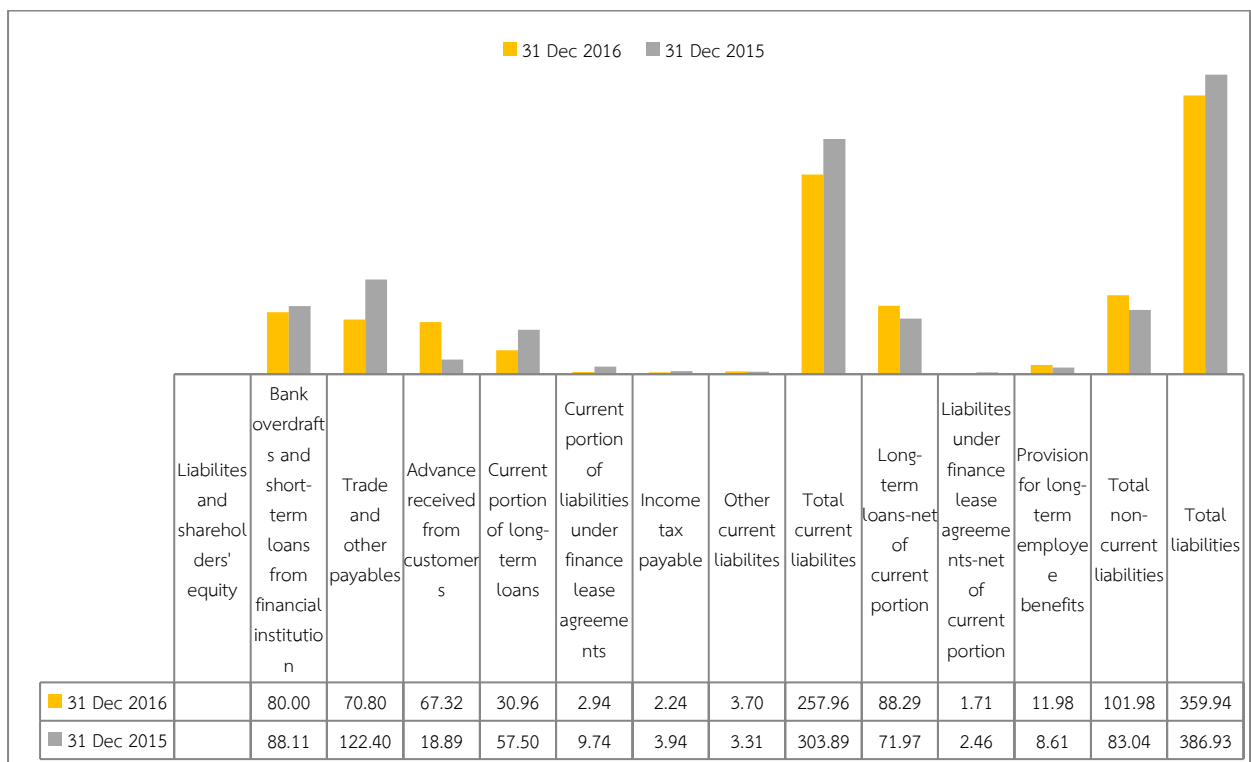
Transaction changed consisting of:



### (3.2) Liabilities

As at 31 December 2016, the Company had total liabilities of THB 359.94 million which decreased by THB 26.99 million or 7%. Transaction changed consisting of:

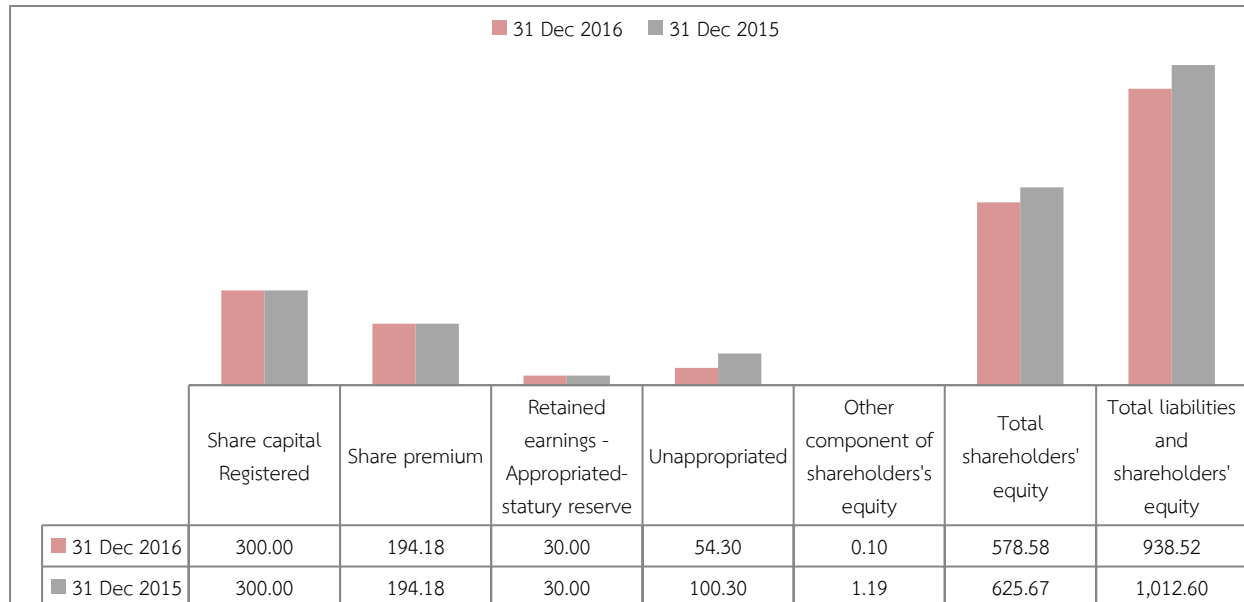
- Current Liabilities decreased of THB 45.93 million or equivalent to 15 %.
- Non-Current Liabilities increased of THB 18.94 million or equivalent to 23 %.



## Management Discussion and Analysis

### (3.3) Shareholders' Equity

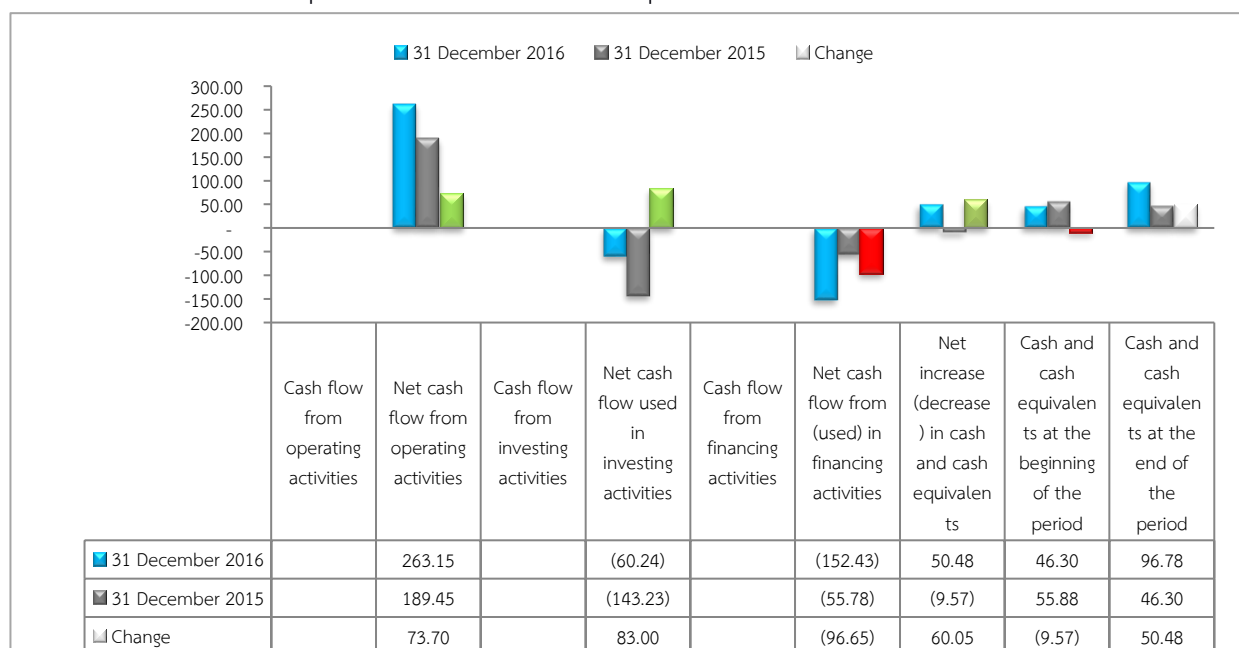
As at 31 December 2016, the Company had total shareholders' equity of THB 578.58 million, a decrease of THB 47.10 million or equivalent to 8 %. The paid out dividends to shareholders of the Company played a significant role. The main transactions were as follows:



### 4. Cash Flow Analysis

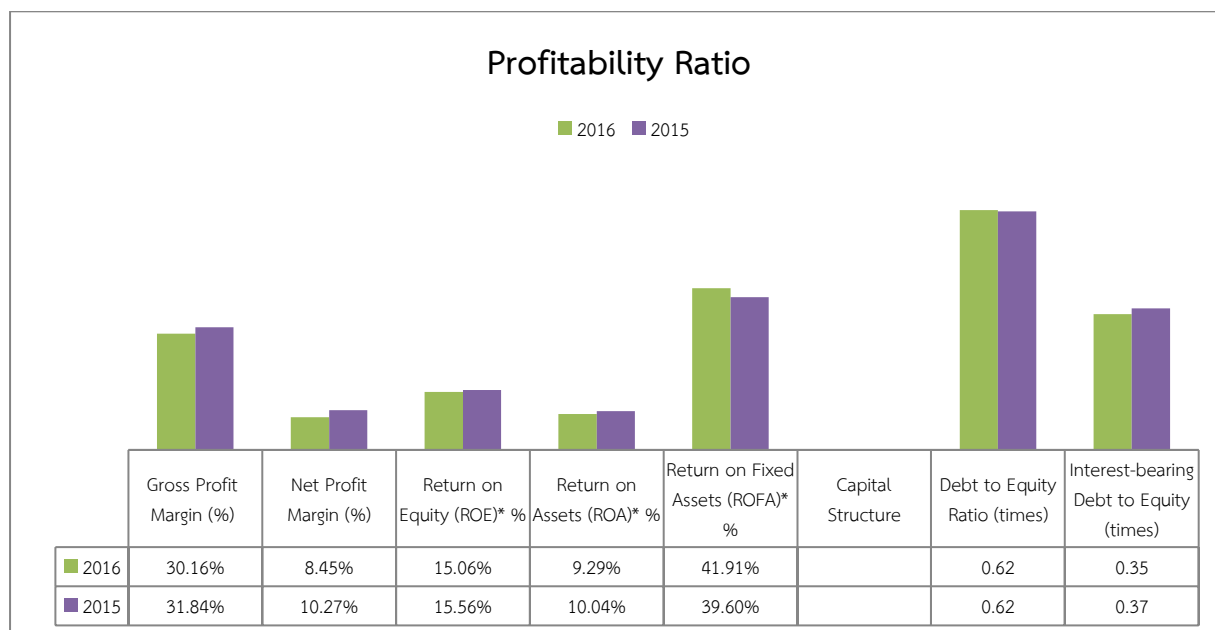
Cash and cash equivalent increased of THB 50.48 million, consisting of:

- Cash and cash equivalents at the beginning of the period of THB 46.30 million
- Cash from operating activities increase by THB 263.15 million
- Cash spent on in investment activities of THB 60.24 million
- Cash spent on financial activity of THB 152.43 million
- Cash and cash equivalents at the end of the period of THB 96.78



## Management Discussion and Analysis

### 5. Financial Ratio analysis



The overall operating result in quarterly period ending 31 December 2016 compared to the same period of previous year shows an decrease in net profit of the Company for the three-month period by THB 3.80 million. For the year ended 31 December 2016, the net profit of the Company decreased by THB 28.73 million. The performance difference is mainly attributable to the pricing influences of the competitive environment, the reduction in production volume due to three kiln shut downs, and the increase of unit COGS due to external lump lime as raw material purchases.

### 6. Outlook

The short and midterm management forecasts envisage an improvement of the business performance, due to a combination of multiple external and internal factors. The competitive environment is expected to be fierce, still price erosions are likely to ease or reverse, due to cost pressure on all market players. The capacity availability ( due to unforeseen maintenance ) shortfalls had an important impact on 2016 performance, but also resulted in earlier execution of maintenance activity otherwise scheduled for the coming years, this has a lasting effect for years, overall improving the production capacity availability ratios in the years to come. The external lump lime for raw material purchases, that are an exceptional measure, were on all-time peak in 2016, with the improved capacity availability this activity will reduce or disappear, decreasing unit costs of production, enhancing profitability. With the ownership structure changes as of September 2016, and the associated improvement programs launched Q4/2016 ( technological and cost structure improvements , sale and marketing of lime products ) are expected to bear fruit through 2017 and 2018. As combined effect of the factors above management forecasts a performance improvement in the coming years.





## Report of Responsibility of the Board of Directors towards Financial Reports

The Company's Board of Directors is responsible for the financial statements of the Company as well as financial information presented in the annual reports. The financial statements for the Year end of December 31, 2016 have been prepared in accordance with Thailand's Generally Accepted Accounting Principles (GAAP). In preparing the financial statements, appropriate accounting policies have been adopted and regularly adhered to, using careful discretion and reasonable estimates. As well, key information has been adequately disclosed in the notes to the financial statements. The purpose is to ensure that the disclosed information rightly reflect the Company's financial status, performance and cash flows in a transparent manner, which are beneficial to the investing public. Importantly, the certified auditor from EY Office Limited has audited the financial statements and issued an unqualified opinion on them. To enable the auditor to conduct the audit and provide the opinion in line with the audit standards, the Company provides the auditor with its support in terms of information and documents.

The Board of Directors has also provided the appropriate and efficient risk management policy, internal control systems, internal audit systems and corporate governance in order to ensure the accuracy, completion and adequacy of the accounting information. This will lead to the Company's assets were maintained properly and fraud and significant irregular actions are prevented.

In this connection, the Board of Directors has appointed the Audit Committee with all of its members being independent directors. The Committee is responsible for reviewing accounting policies and ensuring the quality of financial reports. It is also responsible for reviewing internal control, the internal audit and Risk Assessment. As well, it is responsible for ensuring that the disclosure of information about related party transactions is complete, adequate and appropriate. The opinion of the Audit Committee is given in its report which is already included in this Annual Report.

The Board of Directors is of the opinion that the overall internal control systems are adequate and appropriate and gives rise to the reasonable confidence that financial statements of the Company for the year end of December 31, 2016 are reliable and in compliance with the Generally Accepted Accounting Principles (GAAP) as well as the related laws and regulations.

Mr. Timothe Arthur Maria Van den Bossche  
Chairman of the Board Directors

Mr. Kiatikul Monsereenusorn  
Chairman of the Executive Committee and  
Managing Director



## Report and Financial Statements 31 December 2016

### Independent Auditor's Report

To the Shareholders of Golden Lime Public Company Limited

#### Opinion

I have audited the accompanying financial statements of Golden Lime Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2016, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Golden Lime Public Company Limited as at 31 December 2016, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

## Report and Financial Statements 31 December 2016

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for this matter are describe below.

### Recognition of revenue from sales

Revenue from sales of chemical products for industrial use is a significant amount. In addition, the Company has a large number of customers and a variety of terms and conditions of sale. I therefore determined as a key audit matter by focusing on the amount and timing of the recognition of revenue from sales. The accounting policy on the recognition of revenue from sales is disclosed in Note 4.1 to the financial statements.

I performed the audit procedures on the recognition of revenue from sales of the Company including:

- Assessing and testing of the Company's internal controls with respect to the revenue cycle.
- Applying a sampling method to select sales supporting documents to examine whether the revenue recognition was in compliance with the Company's accounting policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Performing analytical procedures on disaggregated data of revenue from sales.

### Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

## Report and Financial Statements 31 December 2016

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.

## Report and Financial Statements 31 December 2016

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.





## Report and Financial Statements 31 December 2016

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mrs. Gingkarn Atsawarangsalit.

Gingkarn Atsawarangsalit

Certified Public Accountant (Thailand) No. 4496

EY Office Limited

Bangkok: 22 February 2017



## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited

Statement of financial position

As at 31 December 2016

(Unit: Baht)

	Note	2016	2015
Assets			
Current assets			
Cash and cash equivalents	7	96,780,614	46,304,934
Current investment	8	2,954,320	52,712,481
Trade and other receivables	9	120,309,649	155,749,325
Inventories	10	150,332,384	190,996,437
Other current assets		8,232,959	20,279,382
Total current assets		378,609,926	466,042,559
Non-current assets			
Restricted bank deposits	11	12,000,000	12,000,000
Other investment	12	3,544,018	3,341,738
Investment properties	13	8,084,001	8,084,001
Property, plant and equipment	14	523,983,284	513,207,994
Intangible assets	15	9,000,000	-
Deferred tax assets	23	1,675,142	1,154,366
Other non-current assets		1,622,006	8,768,479
Total non-current assets		559,908,451	546,556,578
Total assets		938,518,377	1,012,599,137

The accompanying notes are an integral part of the financial statements.



## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited

Statement of financial position (continued)

As at 31 December 2016

(Unit: Baht)

	Note	2016	2015
Liabilities and shareholders' equity			
Current liabilities			
Bank overdrafts and short-term loans from			
financial institutions	16	80,000,000	88,106,187
Trade and other payables	6, 17	70,800,237	122,397,105
Advance received from customers		67,319,085	18,891,458
Current portion of long-term loans	18	30,960,000	57,500,000
Current portion of liabilities under finance lease			
agreements	19	2,941,466	9,736,831
Income tax payable		2,236,272	3,941,662
Other current liabilities		3,708,466	3,313,780
Total current liabilities		257,965,526	303,887,023
Non-current liabilities			
Long-term loans - net of current portion	18	88,291,400	71,971,400
Liabilities under finance lease agreements - net of			
current portion	19	1,707,140	2,457,768
Provision for long-term employee benefits	20	11,982,183	8,608,819
Total non-current liabilities		101,980,723	83,037,987
Total liabilities		359,946,249	386,925,010

The accompanying notes are an integral part of the financial statements.



## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited  
Statement of financial position (continued)  
As at 31 December 2016

		(Unit: Baht)	
	Note	2016	2015
Shareholders' equity			
Share capital			
Registered			
300,000,000 ordinary shares of Baht 1 each		300,000,000	300,000,000
Issued and paid-up			
300,000,000 ordinary shares of Baht 1 each		300,000,000	300,000,000
Share premium		194,175,000	194,175,000
Retained earnings			
Appropriated - statutory reserve	21	30,000,000	30,000,000
Unappropriated		54,301,425	100,299,816
Other component of shareholders' equity		95,703	1,199,311
Total shareholders' equity		578,572,128	625,674,127
Total liabilities and shareholders' equity		938,518,377	1,012,599,137
		-	-

The accompanying notes are an integral part of the financial statements.



## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited  
Statement of comprehensive income  
For the year ended 31 December 2016

		(Unit: Baht)	
	Note	2016	2015
Profit or loss:			
Revenues			
Sales and service income		791,197,646	927,177,521
Gain on foreign exchange		566,908	4,741,365
Other income		12,580,601	9,987,799
Total revenues		804,345,155	941,906,685
Expenses			
Cost of sales and services		552,566,155	631,994,067
Selling expenses		85,507,943	97,960,780
Administrative expenses		86,080,160	93,981,964
Total expenses		724,154,258	823,936,811
Profit before finance cost and income tax expenses		80,190,897	117,969,874
Finance cost		(4,509,588)	(8,407,320)
Profit before income tax expenses		75,681,309	109,562,554
Income tax expenses	23	(7,679,700)	(12,835,522)
Profit for the year		68,001,609	96,727,032
Other comprehensive income:			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
Gain (loss) on change in value of available-for-sale investment		(1,379,509)	294,426
Less: Income tax effect	23	275,901	(58,885)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		-1,103,608	235,541
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Actuarial gains	20	-	1,294,495
Less: Income tax effect	23	-	(144,984)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	1,149,511
Other comprehensive income for the year		(1,103,608)	1,385,052
Total comprehensive income for the year		66,898,001	98,112,084
Earnings per share	25		
Basic earnings per share		0.23	0.32

The accompanying notes are an integral part of the financial statements.

## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited

Statement of changes in shareholders' equity

For the year ended 31 December 2016

(Unit: Baht)

	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other component of equity	Total shareholders' equity
				Appropriated		Other comprehensive income	
				statutory reserve	Unappropriated	Surplus on change in value of available- for-sale investment	
Balance as at 1 January 2015		300,000,000	194,175,000	25,445,439	96,977,834	963,770	617,562,043
Profit for the year		-	-	-	96,727,032	-	96,727,032
Other comprehensive income for the year		-	-	-	1,149,511	235,541	1,385,052
Total comprehensive income for the year		-	-	-	97,876,543	235,541	98,112,084
Dividend paid	28	-	-	-	(90,000,000)	-	(90,000,000)
Transferred unappropriated retained earnings to statutory reserve	21	-	-	4,554,561	(4,554,561)	-	-
Balance as at 31 December 2015		300,000,000	194,175,000	30,000,000	100,299,816	1,199,311	625,674,127
Balance as at 1 January 2016		300,000,000	194,175,000	30,000,000	100,299,816	1,199,311	625,674,127
Profit for the year		-	-	-	68,001,609	-	68,001,609
Other comprehensive income for the year		-	-	-	-	(1,103,608)	(1,103,608)
Total comprehensive income for the year		-	-	-	68,001,609	(1,103,608)	66,898,001
Dividend paid	28	-	-	-	(114,000,000)	-	(114,000,000)
Balance as at 31 December 2016		300,000,000	194,175,000	30,000,000	54,301,425	95,703	578,572,128
		-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.





## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited

Statement of cash flows

For the year ended 31 December 2016

	(Unit: Baht)	
	2016	2015
Cash flows from operating activities		
Profit before income tax expenses	75,681,309	109,562,554
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities		
Depreciation	98,949,129	90,017,092
Reversal of reduction of inventory to net realisable value	-	(262,885)
Reversal of allowance for doubtful accounts	(3,297)	-
Allowance for impairment loss on investment (reversal)	(202,280)	2,076,643
Gain on sales of equipment and vehicles	(3,023,989)	-
Gain on sales of current investment	(1,621,349)	(1,213,343)
Unrealised gain on foreign exchange	(135,125)	(24,023)
Movements in provision for long-term employee benefits	3,373,364	1,668,456
Interest expenses	4,509,588	8,407,320
Profit from operating activities before changes in operating assets and liabilities	177,527,350	210,231,814
Operating assets (increase) decrease		
Trade and other receivables	35,612,729	(20,004,318)
Inventories	40,664,053	(12,299,213)
Other current assets	12,046,423	(14,679,005)
Other non-current assets	1,373,579	76,816
Operating liabilities increase (decrease)		
Trade and other payables	(43,268,642)	36,165,252
Advance received from customers	48,427,627	6,091,010
Other current liabilities	394,686	273,756
Cash flows from operating activities	272,777,805	205,856,112
Cash paid for income tax expenses	(9,629,964)	(16,409,144)
Net cash flows from operating activities	263,147,841	189,446,968

The accompanying notes are an integral part of the financial statements.



## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited

Statement of cash flows (continued)

For the year ended 31 December 2016

	(Unit: Baht)	
	2016	2015
Cash flows from investing activities		
Increase in restricted bank deposits	-	(12,000,000)
Cash received from sales of current investment	50,000,000	50,000,000
Cash paid for purchase of property, building and equipment	(111,205,552)	(181,002,085)
Cash paid for purchase of computer software	(9,000,000)	-
(Increase) decrease in deposits for acquisition of machine	5,772,894	(232,009)
Cash received from sales of equipment and vehicles	4,193,958	-
Net cash flows used in investing activities	(60,238,700)	(143,234,094)
Cash flows from financing activities		
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(8,106,187)	650,274
Cash received from long-term loan	48,000,000	101,971,400
Repayment of long-term loans	(58,220,000)	(40,000,000)
Repayment of finance lease payables	(10,649,213)	(17,266,553)
Dividend paid	(114,000,467)	(90,000,000)
Cash paid for interest expenses	(9,457,594)	(11,138,495)
Net cash flows used in financing activities	(152,433,461)	(55,783,374)
Net increase (decrease) in cash and cash equivalents	50,475,680	(9,570,500)
Cash and cash equivalents at beginning of year	46,304,934	55,875,434
Cash and cash equivalents at end of year	96,780,614	46,304,934
	-	-
Supplemental cash flows information		
Non-cash transactions		
Account payables for purchase of assets	(8,432,748)	4,405,724
Acquisition of vehicles under finance lease agreements	2,644,860	-
Actuarial gains	-	1,294,495

The accompanying notes are an integral part of the financial statements.



## Report and Financial Statements 31 December 2016

Golden Lime Public Company Limited

Notes to financial statements

For the year ended 31 December 2016

### 1. General information

Golden Lime Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. It is principally engaged in the manufacture and distribution of chemical products for industrial use, and supply, assembly and installation of equipment. The registered office is at 8/222 Moo 3, Srisamarn Soi 2, Tambon Banmai, Amphur Pakkred, Nonthaburi and the Company has three branches, with two in Saraburi and the other in Lopburi.

Its previous major shareholder was the Monsereenusorn family. On 29 September 2016, the Monsereenusorn family disposed of 135,000,000 ordinary shares, or 45% of the Company’s issued and paid-up share to CE Lime (Thailand) Limited, which is a company incorporated in Thailand. From 11 October 2016 to 15 November 2016 CE Lime (Thailand) Limited made a tender offer to purchase all of shareholder’s shares, and shareholders of 21,380,460 ordinary shares accepted the offer, or equivalent 7.13% of issued and paid-up share. The structure of shareholders of the Company is changed whereby CE Lime (Thailand) Limited is the major shareholder and holds 156,380,460 ordinary shares, or equivalent 52.13% of issued and paid-up share.

### 2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## Report and Financial Statements 31 December 2016

### 3 New financial reporting standards

#### (a) Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

#### (b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company believe that the revised financial reporting standards and interpretations and new accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied.

### 4. Significant accounting policies

#### 4.1 Revenue recognition

##### *Sales of goods*

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

##### *Rendering of services*

Service revenue is recognised when services have been rendered taking into account the stage of completion.

##### *Interest income*

Interest income is recognised on an accrual basis based on the effective interest rate.

## Report and Financial Statements 31 December 2016

### 4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### 4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

### 4.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the weighted average method) and net realisable value. Cost includes all production costs and attributable factory overheads.

Raw materials and supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

### 4.5 Investments

- a) Investment in available-for-sale securities are stated at fair value. Change in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- b) Other long-term investments in non-marketable equity securities, which the Company holds as other investments, are stated at cost net of allowance for loss on diminution in value (if any).

The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

### 4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 years. Depreciation of the investment properties is included in determining income.

No depreciation is provided on land of investment properties.

## Report and Financial Statements 31 December 2016

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

### 4.7 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings and building improvement	-	5 - 20 years
Machinery and equipment	-	5 - 10 years
Office equipment	-	5 years
Vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and construction.

An item of building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

### 4.8 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### 4.9 Intangible assets

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Computer software	10	years
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## Report and Financial Statements 31 December 2016

### 4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

### 4.11 Long-term leases

Leases of property, plant and equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the assets.

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

### 4.12 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

### 4.13 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment, investment properties and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

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### 4.14 Employee benefits

#### *Short-term employee benefits*

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

#### *Post-employment benefits*

##### *Defined contribution plans*

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

##### *Defined benefit plans*

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in in other comprehensive income.

### 4.15 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

### 4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

#### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

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### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

At each reporting date, the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

### 4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

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### 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

#### **Leases**

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

#### **Allowance for doubtful accounts**

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

#### **Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

#### **Impairment of equity investments**

The Company treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

#### **Investment properties**

In determining depreciation of investment properties, the management is required to make estimates of the useful lives and residual values of the investment properties and to review estimate useful lives and residual values when there are any changes.

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In addition, the management is required to review investment properties for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

### Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

### Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Related party transactions

During the years, the Company 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 Company and those related parties.

(Unit: Million Baht)

	2016	2015	Transfer pricing policy
<u>Transaction with related companies</u>			
Purchase of goods	9.5	-	At agreed upon price
<u>Transactions with related persons</u>			
Rental expenses	1.0	1.0	At the rate specified in the agreement

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As at 31 December 2016 and 2015, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	2016	2015
<b><u>Trade and other payables - related parties (Note 17)</u></b>		
Related companies <sup>(1)</sup>	10,419	-
Total trade and other payables - related parties	10,419	-
Relationship with the related companies		

<sup>(1)</sup> Common ultimated shareholder

### Directors and management's benefits

During the year ended 31 December 2016 and 2015, the Company had employee benefit expenses to their directors and management as below.

(Unit: Thousand Baht)

	2016	2015
Short-term employee benefits	13,320	10,135
Termination benefits	1,996	326
Total	15,316	10,461

### 7. Cash and cash equivalents

(Unit: Thousand Baht)

	2016	2015
Cash	291	299
Bank deposits in saving accounts	91,438	42,970
Bank deposits in current accounts	5,052	3,036
Total	96,781	46,305

As at 31 December 2016, bank deposits in saving accounts carried interests between 0.05 and 0.37 percent per annum (2015: 0.05 and 0.37 percent per annum).



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### 8. Current investment

(Unit: Thousand Baht)

	2016	2015
<u>Available-for-sale securities</u>		
Investment in open-end fund - cost	2,835	51,213
Add: Change in fair value	119	1,499
Total investment in open-end fund	<u>2,954</u>	<u>52,712</u>

### 9. Trade and other receivables

(Unit: Thousand Baht)

	2016	2015
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	92,252	124,484
Past due		
1 - 90 days	27,683	29,326
91 - 180 days	244	1,819
181 - 365 days	-	-
Over 365 days	1,374	1,378
Total	<u>121,553</u>	<u>157,007</u>
Less: Allowance for doubtful debts	<u>(1,375)</u>	<u>(1,378)</u>
Total trade receivables - net	<u>120,178</u>	<u>155,629</u>
<u>Other receivables</u>		
Advances	132	120
Total other receivables	<u>132</u>	<u>120</u>
Total trade and other receivables - net	<u>120,310</u>	<u>155,749</u>

### 10. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories-net	
	2016	2015	2016	2015	2016	2015
Finished goods	19,968	14,690	-	-	19,968	14,690
Work in process	18,757	5,077	-	-	18,757	5,077
Raw materials	57,687	71,670	(1,524)	(1,524)	56,163	70,146
Supplies	53,039	32,450	-	-	53,039	32,450
Goods in transit	2,405	68,633	-	-	2,405	68,633
Total	<u>151,856</u>	<u>192,520</u>	<u>(1,524)</u>	<u>(1,524)</u>	<u>150,332</u>	<u>190,996</u>

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### 11. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure credit facilities as described in Note 29.5 to financial statements.

### 12. Other investment

(Unit: Thousand Baht)

	2016	2015
PT. KRAKATAU GOLDEN LIME	5,418	5,418
Less: Allowance for impairment of investment	(1,874)	(2,076)
Total other investment - net	3,544	3,342

On 26 November 2013, the Company has entered into a joint venture agreement whereby it is to invest in 10 percent of the registered share capital (708,100 ordinary shares of IDR 10,000 each) or IDR 7.1 billion in PT. KRAKATAU GOLDEN LIME, a company newly established in Indonesia, to engage in the manufacture and distribution of lime. The Company has recorded part of the investment called up in accordance with the agreement.

The resolution of PT. KRAKATAU GOLDEN LIME's shareholders meeting agreed to suspend the operations, effective from May 2015. At present, PT. KRAKATAU GOLDEN LIME is in the process of considering developing a new business plan.

### 13. Investment properties

Investment properties of the Company are land and structures thereon, with the following net book value as of 31 December 2016 and 2015.

(Unit: Thousand Baht)

	2016			2015		
	Land	Building	Total	Land	Building	Total
Cost	8,084	1,000	9,084	8,084	1,000	9,084
Less: Accumulated depreciation	-	(1,000)	(1,000)	-	(1,000)	(1,000)
Net book value	8,084	-	8,084	8,084	-	8,084

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The fair value of the investment properties as at 31 December 2016 and 2015 stated below:

(Unit: Thousand Baht)

	2016	2015
Land	17,936	17,936
Land and warehouse for rent	13,372	13,372
Total	31,308	31,308

The fair values of the above investment properties has been determined based on valuation performed by an accredited independent valuer and the management of the Company as below.

The fair value of land has been determined by an accredited independent valuer based on market prices.

The fair value of land and warehouse for rent has been determined by the management of the Company based on income approach. The main assumptions used in the valuation are yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company mortgaged investment properties with net book values amounting to Baht 8.1 million (2015: Baht 8.1 million) with banks to secure long-term loans and other credit facilities granted to the Company as described in Note 29.5 to financial statements.

The Company has land with a book value of Baht 2 million (2015: Baht 2 million) that currently has no development plan.

### 14. Property, plant and equipment

(Unit: Thousand Baht)

	Land	Building and building improvement	Machinery and equipment	Office equipment	Vehicles	Asset under installation and construction	Total
<b>Cost</b>							
1 January 2015	72,715	100,253	674,503	7,949	170,682	35,912	1,062,014
Additions	12,192	2,281	9,625	369	685	160,256	185,408
Transfer in (out)	-	17,252	38,676	-	-	(55,928)	-
Capitalised interest	-	-	3,981	-	-	-	3,981
31 December 2015	84,907	119,786	726,785	8,318	171,367	140,240	1,251,403
Additions	-	1,944	9,732	745	7,462	85,533	105,416
Disposals	-	-	-	-	(11,530)	(1,051)	(12,581)
Transfer in (out)	-	13,788	39,843	-	-	(53,631)	-
Capitalised interest	-	-	5,477	-	-	-	5,477
31 December 2016	84,907	135,518	781,837	9,063	167,299	171,091	1,349,715

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(Unit: Thousand Baht)

	Land	Building and building improvement	Machinery and equipment	Office equipment	Vehicles	Asset under installation and construction	Total
<b>Accumulated depreciation</b>							
1 January 2015	-	64,502	455,350	5,712	122,614	-	648,178
Depreciation for the year	-	13,737	55,978	871	19,431	-	90,017
31 December 2015	-	78,239	511,328	6,583	142,045	-	738,195
Depreciation for the year	-	15,452	64,818	840	17,839	-	98,949
Depreciation on disposals	-	-	-	-	(11,412)	-	(11,412)
31 December 2016	-	93,691	576,146	7,423	148,472	-	825,732
<b>Net book value</b>							
31 December 2015	84,907	41,547	215,457	1,735	29,322	140,240	513,208
31 December 2016	84,907	41,827	205,691	1,640	18,827	171,091	523,983
<b>Depreciation for the year</b>							
2015 (Baht 71.6 million included in manufacturing cost, and the balance in selling and administrative expenses)							90,017
2016 (Baht 81.3 million included in manufacturing cost, and the balance in selling and administrative expenses)							98,949

During the year ended 31 December 2016, the Company included borrowing costs in the cost of machinery amounting to Baht 5.5 million (2015: Baht 4.0 million).

As at 31 December 2016, the Company had vehicles under finance lease agreements with net book values amounting to Baht 8.1 million (2015: Baht 18.6 million).

As at 31 December 2016, certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 482.7 million (2015: Baht 427.1 million).

The Company has mortgaged plots of land with structures there on and machinery with net book values amounting to Baht 229.0 million (2015: Baht 193.8 million) with banks to secure loans and other credit facilities granted to the Company as described in Note 29.5 to financial statements.

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### 15. Intangible assets

The net book value of intangible assets as at 31 December 2016 and 2015 is presented below.

	(Unit: Thousand Baht)	
	2016	2015
Computer software under installation - cost	9,000	-
Net book value	9,000	-

A reconciliation of the net book value of intangible assets for the years 2016 and 2015 is presented below.

	(Unit: Thousand Baht)	
	2016	2015
Net book value at beginning of year	-	-
Acquisition of computer software	9,000	-
Net book value at end of year	9,000	-

### 16. Bank overdrafts and short-term loans from financial institutions

	(Unit: Thousand Baht)			
	Interest rate (% per annum)		2016	2015
	2016	2015		
Bank overdrafts	-	MOR-2.25, 3.15	-	8,540
Promissory note and bill of exchange	2.00	2.40	80,000	79,566
Total			80,000	88,106

Parts of bank overdrafts and short-term loans from financial institutions are secured by the mortgage of plots of land with structures thereon, machinery and fixed deposits of the Company as described in Note 29.5 to financial statements.

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### 17. Trade and other payables

(Unit: Thousand Baht)

	2016	2015
Trade payables - related parties	9,589	-
Trade payables - unrelated parties	30,818	82,713
Trade payables - related parties	830	-
Other payables - unrelated parties	14,610	12,208
Other payables for purchase of assets	4,136	12,569
Advances	196	591
Accrued interests	75	4
Accrued expenses	10,546	14,312
Total	70,800	122,397

### 18. Long-term loans

(Unit: Thousand Baht)

Loan	Interest rate (% per annum)	Repayment schedule	2016	2015
1	MLR or MLR less the rate specified in the agreement	Payment of principal, excluded interest, in monthly installments; to be completed within March 2017	-	13,750
2	MLR or MLR less the rate specified in the agreement	Payment of principal, excluded interest, in monthly installments; to be completed within March 2017	-	13,750
3	4.75	Payment of principal, excluded interest, in quarterly installments; to be completed within February 2021	119,251	101,971
Total			119,251	129,471
Less: Current portion			(30,960)	(57,500)
Long - term loans, net of current portion			88,291	71,971

During the current year, the Company made full repayment of loan (1) and (2) before the maturity dates.



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Movements in the long-term loans account during the year ended 31 December 2016 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2016	129,471
Add: Addition	48,000
Less: Repayment	(58,220)
Balance as at 31 December 2016	<u>119,251</u>

The long-term loans are secured by the mortgage of plots of land with structure thereon and machinery of the Company as described in Note 29.5 to financial statements.

### 19. Liabilities under finance lease agreements

(Unit: Thousand Baht)

	2016	2015
Liabilities under finance lease agreements	4,937	12,670
Less: Deferred interest expenses	(289)	(475)
Total	4,648	12,195
Less: Portion due within one year	(2,941)	(9,737)
Liabilities under finance lease agreements - net of current portion	<u>1,707</u>	<u>2,458</u>

The Company has entered into the finance lease agreements with leasing companies for rental of vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 4 years. Under the terms of the agreements, the Company has the option to purchase the assets leases. The Company is required to comply with the conditions and restrictions set forth in the agreements.

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Future minimum lease payments required under the finance lease agreements were as follows:

(Unit: Thousand Baht)

	As at 31 December 2016		
	Less than 1 year	1-4 years	Total
Future minimum lease payments	3,084	1,853	4,937
Deferred interest expenses	(143)	(146)	(289)
Present value of future minimum lease payments	2,941	1,707	4,648

(Unit: Thousand Baht)

	As at 31 December 2015		
	Less than 1 year	1-4 years	Total
Future minimum lease payments	10,167	2,503	12,670
Deferred interest expenses	(430)	(45)	(475)
Present value of future minimum lease payments	9,737	2,458	12,195

### 20. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2016 and 2015, which represents compensation payable to employees after they retire from the Company, was as follows:

(Unit: Thousand Baht)

	2016	2015
<b>Provision for long-term employee benefits at beginning of year</b>	8,609	8,235
Included in profit or loss:		
Current service cost	3,124	1,394
Interest cost	249	274
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	-	(873)
Financial assumptions changes	-	889
Experience adjustments	-	(1,310)
<b>Provisions for long-term employee benefits at end of year</b>	11,982	8,609

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Long-term employee benefit expenses are included in administrative expenses in the profit or loss.

The Company expect to pay Baht 0.4 million of long-term employee benefits during the next year (2015: Baht 0.1 million).

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefit is 11 years (2015: 11 years).

Significant actuarial assumptions are summarised below:

	2016	2015
	(% per annum)	(% per annum)
Discount rate	2.90	2.90
Future salary increase rate	5.0	5.0
Employee turnover rate	0 - 30	0 - 30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2016 are summarised below:

	(Unit: Thousand Baht)	
	Increase 1%	Decrease 1%
Discount rate	(931)	1,080
Future salary increase rate	1,109	(971)
Employee turnover rate	(1,006)	393

### 21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

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### 22. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	2016	2015
Changes in inventories of finished goods and work in progress	(18,958)	(11,152)
Purchase finished goods	29,131	62,139
Raw materials and consumables used	286,448	312,634
Salaries and wages and other employee benefits	65,275	63,703
Depreciation	98,949	90,017
Transportation expenses	59,516	68,708

### 23. Income tax

Corporate income tax was calculated on profit from non-promoted activities (as described in Note 24 to financial statements) and multiplying by the effective tax rate.

Income tax expenses for the years ended 31 December 2016 and 2015 are made up as follows:

	(Unit: Thousand Baht)	
	2016	2015
<b>Current income tax:</b>		
Current income tax charge	7,925	13,051
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(245)	(215)
<b>Income tax expense reported in the statements of comprehensive income</b>	<b>7,680</b>	<b>12,836</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

	(Unit: Thousand Baht)	
	2016	2015
Deferred tax relating to gain from the change in value of available-for-sale investment	276	(59)
Deferred tax relating to actuarial gains	-	(145)
<b>Total</b>	<b>276</b>	<b>(204)</b>

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The reconciliation between accounting profit and income tax expense is shown below.

(Unit: Thousand Baht)

	2016	2015
Accounting profit before tax	75,681	109,563
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	15,136	21,913
Effects of:		
Promotional privileges (Note 24)	(7,274)	(9,096)
Non-deductible expenses	32	22
Expenses related to unrecognised deferred tax assets	(40)	415
Additional expense deductions allowed	(269)	(338)
Others	95	(80)
Income tax expense reported in the statements of comprehensive income	7,680	12,836

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	2016	2015
<b>Deferred tax assets</b>		
Allowance for doubtful accounts	185	185
Allowance for diminution in value of inventories	305	305
Provision for long-term employee benefits	1,209	964
Loss (gain) on re-measuring available-for-sale investments	(24)	(300)
Total	1,675	1,154

### 24. Promotional privileges

The Company has received promotional privileges from the Board of Investment for the manufacture of Calcium Oxide, pursuant to the investment promotion certificate No. 2236(2)/2550 and No. 2288(2)/2557, the manufacture of Calcium Hydroxide pursuant to the promotion certificate No. 59-0430-1-00-1-0 and the manufacture of Calcium Oxide and Calcium Hydroxide production, pursuant to the promotion certificate No. 1426(2)/2554. Subject to certain imposed conditions, the privileges include an exemption form or reduction of import duty on machinery, raw materials and significant supplies used in production for export. They also include an exemption from corporate income tax for a period of 8 years (except under certificate No. 2288(2)/2557 and 59-0430-1-00-1-0 where the period is 3 years) from the date the promoted operations commenced generating revenues.

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The Company's operating revenues for the years ended 31 December 2016 and 2015, divided between promoted and non-promoted operations are summarised below.

	<u>Promoted operations</u>		<u>Non-promoted operations</u>		<u>(Unit: Thousand Baht)</u> <u>Total</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Sales and service income						
Domestic						
sales	323,046	355,405	331,353	385,603	654,399	741,008
Export sales	68,754	51,087	68,045	135,083	136,799	186,170
Gain on foreign						
exchange	-	2,080	567	2,661	567	4,741
Other income	2,615	2,856	9,965	7,132	12,580	9,988
Total sales	<u>394,415</u>	<u>411,428</u>	<u>409,930</u>	<u>530,479</u>	<u>804,345</u>	<u>941,907</u>

### 25. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluded other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	<u>2016</u>	<u>2015</u>
Profit for the year (Thousand Baht)	68,002	96,727
Weighted average number of ordinary shares (Thousand shares)	300,000	300,000
Earnings per share (Baht/share)	0.23	0.32

### 26. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company is organised into business units based on its products and services and have two reportable segments as follows:

- The manufacture and distribution of chemical products segment, which manufacture and distribute of Calcium Oxide, Calcium Hydroxide and other related products
- The supply, assembly and installation of equipment segment, which supply of construction equipment and related machinery for construction of lime kiln, including the consultation for commissioning.



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The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The revenue, profit and total assets information regarding the Company's operating segments for the years ended 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December					
	The manufacture and distribution of chemical products segment		The supply, assembly and installation of equipment segment		Total	
	2016	2015	2016	2015	2016	2015
<b>Revenue</b>						
Revenue from sales and service	780,277	907,816	10,921	19,362	791,198	927,178
<b>Operating results</b>						
<b>Gross profit of segments</b>	235,032	292,857	3,599	2,327	238,631	295,184
Other income					13,147	14,729
Selling expenses					(85,508)	(97,961)
Administrative expenses					(86,079)	(93,982)
Finance cost					(4,509)	(8,407)
<b>Profit before income tax expenses</b>					75,682	109,563
Income tax expenses					(7,680)	(12,836)
<b>Profit for the year</b>					68,002	96,727

The following table presents segment assets of the Company's operating segments as at 31 December 2016 and 2015.

(Unit: Thousand Baht)

	The manufacture and distribution of chemical products segment		The supply, assembly and installation of equipment segment		Total	
	2016	2015	2016	2015	2016	2015
	2016	2015	2016	2015	2016	2015
Segment total assets	917,631	999,187	20,887	13,412	938,518	1,012,599

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### Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)

	2016	2015
Revenue from external customers		
Thailand	654,399	741,008
Laos	108,989	90,111
Indonesia	22,148	74,792
Others	5,662	21,267
Total	791,198	927,178

### Major customers

For the year 2016, the Company has revenue from a major customer in amount of Baht 108.5 million, arising from sales by the manufacture and distribution of chemical products segment (2015: the Company has no major customer with revenue of 10 percent or more of an entity's revenues).

### 27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 2 percent of basic salary. The fund, which is managed by Krung Thai Master Pooled Fund, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2016 amounting to approximately Baht 0.5 million (2015: Baht 0.4 million) were recognised as expenses.

### 28. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Total shares (Million shares)	Dividend per share (Baht)
Final dividends from profit for the year 2014 (after deduct interim dividends)	Annual General Meeting of the shareholders on 3 April 2015	45.0	300	0.15
Interim dividends announced from retained earnings	Board of Directors' meeting No. 3/2015 on 13 August 2015	45.0	300	0.15
Total dividend for 2015		90.0		



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Dividends	Approved by	Total dividends (Million Baht)	Total shares (Million shares)	Dividend per share (Baht)
Final dividends from profit for the year 2015 (after deduct interim dividends)	Annual General Meeting of the shareholders on 8 April 2016	90.0	300	0.30
Interim dividends announced from retained earnings	Board of Directors' meeting No. 3/2016 on 11 August 2016	24.0	300	0.08
Total dividend for 2016		<u>114.0</u>		

**29. Commitments and contingent liabilities****29.1 Capital commitments**

- As at 31 December 2016, the Company had capital commitments of Baht 15.1 million relating to building construction agreements and purchasing agreements of machinery and equipment (2015: Baht 20.2 million).
- As at 31 December 2016, the Company had a commitment of IDR 5.3 billion (2015: IDR 5.3 billion) in respect of uncalled portion of investments in PT. KRAKATAU GOLDEN LIME.

**29.2 Operating lease and service agreement commitments**

The Company has entered into several lease agreements in respect of the lease of land, office building and apartment and service agreement in respect of hiring a consultant. The terms of the agreements are generally between 1 and 3 years.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)	
	As at 31 December	
	<u>2016</u>	<u>2015</u>
Payable:		
In up to 1 year	1.4	2.3
In over 1 and up to 3 years	0.3	1.2



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### 29.3 Long-term service commitments

The Company has entered into service agreement with an oversea related company (related by have common ultimated shareholder) whereby this company will provide know-how, technical service and support. Under the conditions of this agreement, the Company has to pay monthly service fee as stipulated in the agreement and will enter into effect as from 1 January 2017.

### 29.4 Guarantees

As at 31 December 2016, there were outstanding bank guarantees of approximately Baht 11.9 million (2015: Baht 14.0 million and USD 2.3 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 2.6 million (2015: Baht 5.5 million) to guarantee sale agreements, Baht 9.3 million (2015: Baht 8.5 million) to guarantee electricity use and as at 31 December 2015, USD 2.3 million (2016: Nil) to guarantee the release of goods. These bank guarantees were secured by the mortgage of plots of land with structures thereon and machines of the Company.

### 29.5 Credit facilities

As at 31 December 2016, the Company has been granted credit facilities by financial institutions for which it has placed collaterals, as follows:

- a) Long-term loan facilities as described in Note 18 to financial statements, and letter of credit facilities, trust receipts, import financing, letters of guarantee and short-term loan facilities totaling Baht 783 Million (2015: Baht 783 million), of which Baht 390 million (2015: Baht 435 million) of unutilised amount is outstanding. These credit facilities are secured by the mortgage of the plots of land with structures thereon, machines and fixed deposits of the Company.
- b) Overdraft facilities of Baht 62 million (2015: Baht 62 million) are secured by the mortgage of plots of land with structure thereon, machines and fixed deposits of the Company.
- c) Forward exchange contract facilities of Baht 260 million (2015: Baht 260 million) are secured by the mortgage of plots of land with structures thereon and machines of the Company.
- d) Hire purchase and finance lease facilities totaling Baht 72 million (2015: Baht 72 million).

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### 30. Fair value hierarchy

As at 31 December 2016 and 2015, the Company had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)				
As at 31 December 2016				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Available-for-sale investments				
Unit trusts	-	2,954	-	2,954
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	17,936	13,372	31,308

(Unit: Thousand Baht)				
As at 31 December 2015				
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Available-for-sale investments				
Unit trusts	-	52,712	-	52,712
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	17,936	13,372	31,308

During the current year, there were no transfers within the fair value hierarchy.

### 31. Financial instruments

#### 31.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable, investments, short-term loans, long-term loans and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

#### *Credit risk*

The Company is exposed to credit risk primarily with respect to trade and other receivables. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

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### Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, short-term loans, long-term loans and liabilities under finance lease agreements. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2016 and 2015, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	As at 31 December 2016					Effective interest rate (% per annum)
	Fixed interest rates				Total	
	Within 1 year	1-5 years	Floating interest rate	Non-interest bearing		
<u>Financial Assets</u>						
Cash and cash equivalent	-	-	92	5	97	0.05 - 0.37
Current investments	-	-	-	3	3	-
Trade and other receivables	-	-	-	120	120	-
Restricted bank deposits	12	-	-	-	12	0.5
	12	-	92	128	232	
<u>Financial liabilities</u>						
Short-term loans from financial institutions	80	-	-	-	80	2.0
Trade and other payables	-	-	-	71	71	-
Long-term loans	31	88	-	-	119	4.75
Liabilities under finance lease agreements	3	2	-	-	5	4.65 - 5.86
	114	90	-	71	275	

(Unit: Million Baht)

	As at 31 December 2015					Effective interest rate (% per annum)
	Fixed interest rates				Total	
	Within 1 year	1-5 years	Floating interest rate	Non- interest bearing		
<u>Financial Assets</u>						
Cash and cash equivalent	-	-	43	3	46	0.05 - 0.37
Current investments	-	-	-	53	53	-
Trade and other receivables	-	-	-	156	156	-
Restricted bank deposits	12	-	-	-	12	1.15
	12	-	43	212	267	



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(Unit: Million Baht)

	As at 31 December 2015					
	Fixed interest rates					
	Within	1-5	Floating	Non-		Effective
	1 year	years	interest rate	interest	Total	interest rate
				bearing		(% per annum)
Financial liabilities						
Bank overdrafts and short-term						
loans from financial						2.4, 3.15,
institutions	80	-	8	-	88	MOR-2.25
Trade and other payables	-	-	-	122	122	-
Long-term loans	30	72	27	-	129	4.75, 5.52
Liabilities under finance lease						
agreements	10	2	-	-	12	5.31 - 8.16
	120	74	35	122	351	

### Foreign currency risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2016 and 2015 are summarised below.

Foreign currency	Financial assets as at 31 December		Financial liabilities as at 31 December		Average exchange rate as at 31 December	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2.0	1.5	0.3	1.9	35.8306	36.0886

As at 31 December 2016 and 2015, the Company has no foreign exchange contracts outstanding.

### 31.2 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rate 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.

### 32. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2016, the Company's debt-to-equity ratio was 0.6:1 (2015: 0.6:1).



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### 33. Event after the reporting period

- 33.1 On 9 January 2017, the Company to enter into agreement to purchase a factory supply for production with an oversea company as quantities and price stipulated in the agreement. The meeting of the Company's Board of Directors ratification this agreement on 22 February 2017.
- 33.2 On 22 February 2017, a meeting of the Company's Board of Directors passed resolutions approving the following:
- 1) Passed a resolution to propose to the Annual General Meeting of the Company's shareholders for approval a dividend payment to the shareholders of 300 million ordinary shares, at a rate of Baht 0.17 per share, or a total of Baht 51 million. Since the Company had already paid an interim dividend of Baht 0.08 per share, as approved by the meeting of the Company's Board of Directors held on 11 August 2016, the remaining additional dividend would be Baht 0.09 per share, or a total of Baht 27 million, to be paid on 3 May 2017.
  - 2) Passed to establish Golden Lime Engineering Company Limited which will register in Thailand. It is principally engaged in supply, assembly and installation of equipment, with a registered share capital of Baht 20 million. The Company will invest at 100% of its shares.

### 34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2017.



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“การลงทุนมีความเสี่ยง ผู้ลงทุนควรศึกษาข้อมูลก่อนการตัดสินใจ”

“Investment contains certain risks; investors are advised to study relevant information carefully before making any decision.”