



SUTHA

Golden Lime Public Company Limited

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<p>REPORT ON INTEREST OF DIRECTORS, EXECUTIVES</p>		<p>QR for  EN version</p>



Principle

A director and an executive shall file with the company a report on his interest or a related person's interest in relation to management of the company or the subsidiary. In order for the Company to have information to comply with provisions concerning with the connected transactions, by which conflicts of interest may arise and result in a transfer of interest of the Company and the subsidiary. Furthermore, the director and executive have fiduciary duties to conduct themselves and make decision without any direct or indirect interest.

Practices

- 1) A director and an executive shall file with the company a report on his interest or a related person's interest in relation to management of the company or the subsidiary in accordance with the rules, conditions and procedures as specified in the notification of the Capital Market Supervisory Board.(Section 89/14 of the Securities and Exchange Act stipulates that)
- 2) A company secretary shall submit a copy of report on interest under Section 89/14 to the Chairman and the Chairman of audit committee within seven business days from the date on which the company has received such report. (Section 89/16 of the Securities and Exchange Act)
- 3) The board of directors is to establish details on the rules, conditions and procedures for reporting the conflict of interest by the director, executive and related person, in order to comply with Section 89/14, and disclose via the website of the Company. (Notification of the Capital Market Supervisory Board No. TorChor. 2/2552 allowing the Board to prescribe reporting criteria, conditions and method to report on interest of directors and executives according to section 89/14 suitably to characteristics of the Company)
- 4) Section 88 of the Public Limited Company Act B.E. 2535 stipulates that a director shall notify the company without delay in the following cases:
 - A. having a direct or indirect interest in any contract which is made by the company during an accounting year, and shall indicate the nature of the contract, names of the contracting party and interest of the director in the contract (if any);
 - B. holding shares or debentures of the company or an affiliated company, and shall indicate the total number of shares increasing or decreasing during an accounting year (if any).

Rules for Reporting on interest of directors and executives

The Securities and Exchange Act. B.E. 2535 and related announcements;

- Section 89/14 of the Securities and Exchange Act stipulates that a director and an executive shall file with the company a report on his interest or a related person's interest in relation to management of the company or the subsidiary in accordance with the rules, conditions and procedures as specified in the notification of the Capital Market Supervisory Board.
- A company secretary shall perform the duty under Section 89/15 of the Securities and Exchange Act. B.E. 2535 on behalf of the company or the board of directors
 - (2) Keep reports on stake holding submitted by directors or executives
- Section 89/16 of the Securities and Exchange Act stipulates that a company secretary shall submit a copy of report on interest under Section 89/14 to the Chairman and the Chairman of audit committee within **seven** business days from the date on which the company has received such report.

Importance of Reporting on interest of directors and executives

1. Data to monitor the performance of duties of directors.
 - No Conflict of Interest in any agenda item to be discusses in a meeting
2. Data of a related-party transaction
 - Listing of relevant persons and activities to monitor
3. Data record of the Company
 - 56-1 One Report such as Directors' interests in shares
4. Disclosures in Board Report
 - Report on shareholding, bonds, securities of listed companies
5. Assessment of Directors' qualifications
 - Fully qualified



Who shall report on interests

Notification of Capital Market Supervisory Board TorChor 23/2551 Definition of "Executives" under Chapter 3/1 of the Securities and Exchange Act B.E. 2535 (1992) as Amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008)

Executive" means

- the director, manager or the next four executives succeeding the manager
- the persons holding equivalent position to the fourth executive
- the persons holding the position of manager or equivalent in accounting or finance departments.

Notification of Capital Market Supervisory Board TorChor 2/2552 ทจ. 2/2552 Rules for report on interest of Directors, Executives and related persons

- (1) Executives refer to persons prescribed in Notification of Capital Market Supervisory Board TorChor 23/2551 Definition of "Executives" under Chapter 3/1 of the Securities and Exchange Act B.E. 2535 (1992) as Amended by the Securities and Exchange Act (No. 4) B.E. 2551 (2008)
- (2) The Board of Directors is to monitor and supervise the interests of the Company's directors and executives by setting criteria and methods for reporting conflicts of interest of directors and executives of the company

Report on interest of

1. oneself or
2. related person" means a person or a partnership having relationship with a person in any of the following manners:
 - (a) a spouse of such person (or living together as a couple without being in a civil partnership or married refer the Notification of Capital Market Supervisory Board Sor Jor 38/2561) ;
 - (b) a minor child of such person;
 - (c) an ordinary partnership in which such person or the person under (a) or (b) is a partner;
 - (d) a limited partnership in which such person or the person under (a) or (b) is a partner with unlimited liabilities or a partner with limited liabilities holding shares in an aggregate number of more than thirty percent of the total number of shares of such limited partnership;
 - (e) a limited company or a public limited company in which such person or the person under (a) or (b) or the partnership under (c) or (d) holds shares in an aggregate number of more than thirty percent of the total paid-up shares of such company;
 - (f) a juristic person in which such person has managing power in his position as representative of juristic person;

A company secretary shall submit a copy of report on interest under Section 89/14 to the **Chairman and the Chairman of audit committee** within seven business days from the date on which the company has received such report.

Factors to proceed reporting on interest

- Periodic financial report
- Any change of directors, holding shares of the Company or other companies
- entering into new related party transaction with a new related party or any change on the relation of the previous RPT report
- Upon amendment of reporting form in order to comply with reporting criteria and requirements of the Capital Market Supervisory Board

SECTION 281/2 of Securities and Exchange Act, any director or executive of the company who fails to perform his duties with responsibility, due care and loyalty in accordance with section 89/7 which causes damage to a company or causes himself or another person to obtain any benefit from the contravention or failure to comply with such



duties shall be liable to a fine not exceeding the damages or the benefit obtained but not less than five hundred thousand baht.

In cases where a person who commits an offence under the first paragraph with dishonest intent, he shall be liable to imprisonment for a term not exceeding five years and a fine not exceeding two times the damages incurred or the benefit obtained but not less than one million baht, or both.

SECTION 281/3, Securities and Exchange Act. Any director or executive of the company who fails to comply with Section 89/14 shall be liable to a fine not exceeding five hundred thousand baht and a further fine not exceeding three thousand baht for every day during which the contravention continues.

SECTION 281/5, Securities and Exchange Act. Any company secretary who fails to comply with the duty under Section 89/15 (1) (2) or (3) or Section 89/16 shall be liable to a fine not exceeding one hundred thousand baht.

Section 203, Public Limited Companies Act. Any director who fails to comply with section 88 or does comply with section 88 but incompletely or inaccurately as to truthfulness shall be liable to a fine not exceeding twenty thousand Baht.

SECTION 275, Securities and Exchange Act. Any person who has the duty to prepare and disclose the reports under Section 59 contravenes or fails to comply with Section 59 or the rules or procedures as prescribed thereunder shall be liable to a fine not exceeding five hundred thousand baht and a further fine not exceeding ten thousand baht for every day during which the contravention continues.

Communication of the policy

This policy was established, proposed to the board meeting No.6/2023 dated November 10, 2023 then published onto the website of the Company including an appendix of the Good Corporate Governance Manual. Report on interest of the directors will be prepared according to Notification of the Capital Market Supervisory Board No. Tor Jor.2/2009 and delivered to directors and executives to acknowledge and submit their information for the record of the Company to comply with rules for report on interest of directors, executives in Section 89/14 of the Securities and Exchange Act.

Policy Review

Guidelines for reporting on directors' interests are reviewed or revised upon changes appropriately.

This policy has been established and presented to the Board of Directors Meeting No. 6/2023 on 10 November 2023 for further use.

Sripop Sarasas

The Chairman of the Board of Directors

Revision

No.	Document number	Revision date	Date to the Board	Board Meeting approved
1	CS20231001	4 October 2023	10 November 2023	The BOD meeting no. 6/2023



Report form on conflict of interest of directors and executives

Report Date	
Name/Family Name of Reporting Person	
Position	
Reporting Information	<input type="checkbox"/> Initial Reporting <input type="checkbox"/> Reporting on any change of interest No:

Part 1: the Section 89/14 Securities and Exchange Act B.E. 2535 and Related Laws

(1) Conflict of interest Yes No

- (1.1) On the date.....
I have interest in relation to management of the Company as follows:
.....
.....
- (1.2) On the date.....
I have interest in relation to management of the Subsidiary as follows:
.....
.....

(2) Interests of related persons Yes No

- (2.1) On the date.....
My related person is.....
having interest in relation to management of the Company as follows
.....
.....
- (2.2) On the date.....
My related person is.....
having interest in relation to management of the subsidiary as follows
.....
.....

Part 2: the section 88 of the Public Limited Company Act B.E. 2535 (A director shall notify the company without delay)

Yes No

- (1) On the date I have direct interest in the contract made by the Company as follows
 (1) Contract Title:
 (2) Name of Contracting Party:
 (3) Date of Contract:
 (4) Nature of Contract:
 (5) Description of Interest:
- (2) On the date I have direct interest in the contract made by the Company as follows:
 (1) Contract Title:
 (2) Name of Contracting Party:
 (3) Date of Contract:
 (4) Nature of Contract:
 (5) Description of Interest:



Definition of the connected transactions and nature of the person connected with the listed company

The Securities and Exchange Act B.E. 2535, amended version, effective on August 31, 2008 (Section 89/12), prescribed the Securities and Exchange Commission (SEC) to lay out details and oversee connected transactions of the listed companies. Therefore, SEC issued SEC Announcement Tor.Jor.21/2551 on connected transaction rules for the listed companies to abide by.

When the listed company is doing a transaction with connected person, it may lead to the conflict of interests. To make the conduct transparent and fair to all shareholders equally, the listed company should be adhering to the following principles:

- The transaction must be approved through a transparent process by the directors and executives performing their duties with responsibility, caution, and honesty without beneficiaries involved in the decision process.
- The transaction must be for the sake of the company's benefits, similarly to any transactions done with the third party.
- There must be a monitoring and audit system to ensure that the transaction has gone through the right process.

Definition

Connected transactions refers to transactions made by a listed company or its subsidiary with **the person connected with** the listed company.

Connected person refers to a person who may have led to the conflict of interests of the company's directors or executives, causing a conflicting situation to make a decision based on personal or corporate benefits. This includes

1. The directors, executives, major shareholders, controlling person, person to be nominated for directors, executive, or controlling person position, as well as their related persons and close relatives.
2. Any juristic person with major shareholders or controlling persons in (1).
3. Any person whose actions can be identified as proxy or under the influence of (1) and (2).
4. The director of a juristic person with controlling power.
5. The spouse, underage offspring or adopted child of the director in (4).
6. A juristic person under the controlling power of the person in (4) or (5).
7. Any person taking action under the perception or agreement that if such action is to bring the financial benefit to the person, the following person will also gain similar benefit:

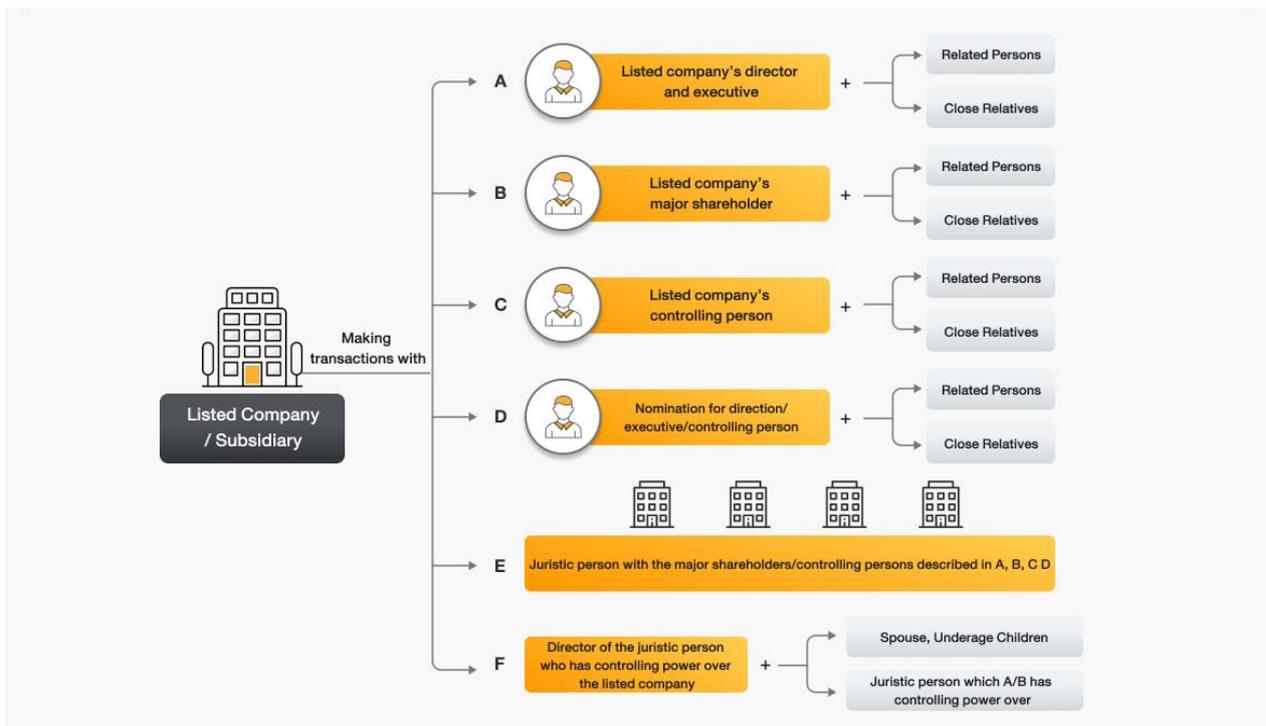
7.1 The company's director

7.2 The company's executive

7.3 The company's controlling person

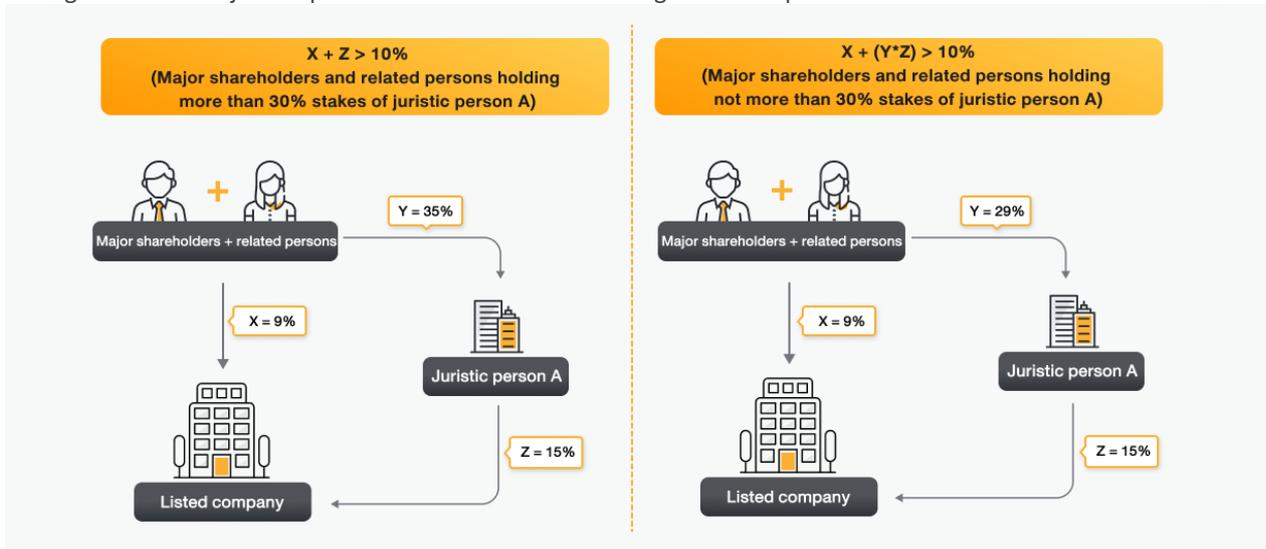
7.4 The director of the person with controlling power over the company

7.5 The spouse, underage offspring or adopted child of the person described in 7.1 to 7.4



Executive refers to the manager or the first four top-ranking executives after the manager level as well as all other 4th ranking equivalent, and accounting or finance executives of department head level and up.

Major shareholder refers to a direct and indirect shareholder of a juristic person with more than 10% holding of voting shares of the juristic person. This includes the holding of related person as follows

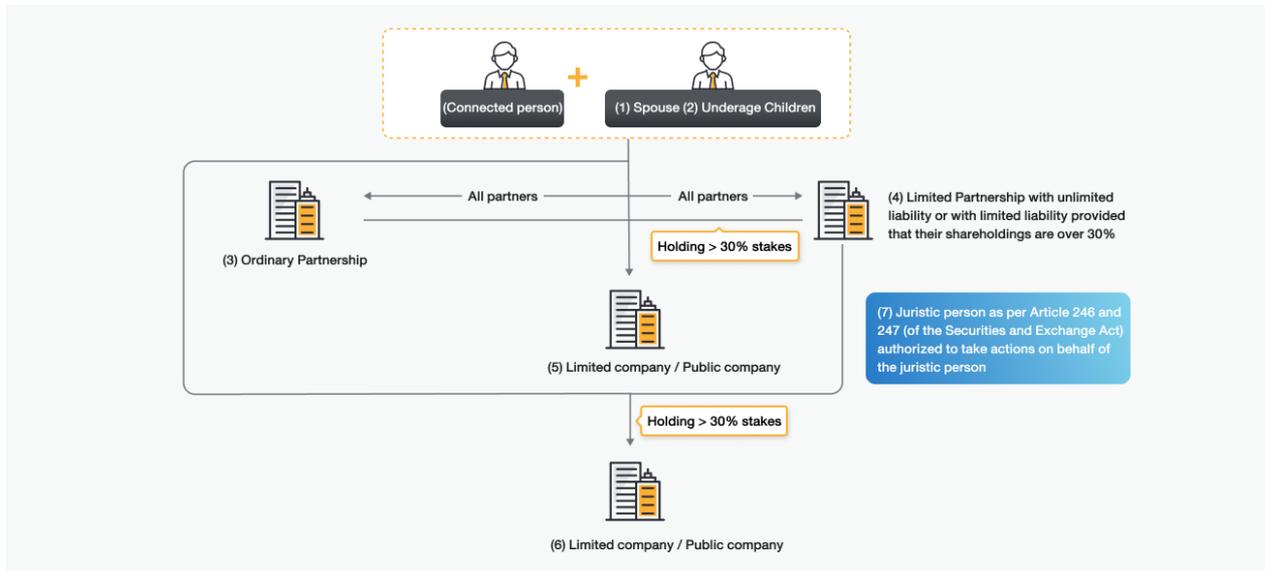


Related person refers to the person relating to the connected person, which means the person or the Ordinary Partnership described as per Article 258 (1)-(7) of the old Securities and Exchange Act B.E. 2535 as follows

1. Spouse
2. Underage children
3. Ordinary Partnership where the person as well as (1) or (2) are partners
4. Limited Partnership where the person as well as (1) or (2) are partners with unlimited liability or with limited liability provided that their holdings are over 30%



5. Limited company or public company where the person plus (1) or (2) or (3) or (4) collectively hold more than 30% stakes
6. Limited company or public company where the person plus (1) or (2) or (3) or (4) or (5) collectively hold more than 30% stakes
7. Juristic person as per Article 246 and 247 (of the Securities and Exchange Act) authorized to take actions on behalf of the juristic person



Controlling persons refer to the person with the controlling power over the company, which means

- Holding the voting shares of a juristic person more than 50% of the company’s total voting shares
- Having control over majority votes at the juristic person’s shareholder meeting, either directly or indirectly or by any reason
- Controlling an appointment or discharge of more than half of the directors, either directly or indirectly

Close relatives refer to the person having blood relations or legal relations by registration, who are

1. Spouse
2. Father
3. Mother
4. Siblings
5. Offspring and spouse of the offspring

Type of the connected transactions

The connected transactions can be categorized into 5 types

Type	Description	Examples
1. Ordinary business transactions	Commercial transactions that a listed company or its subsidiary normally makes to operate business under general commercial conditions	Selling goods, buying the raw materials, and providing services
2. Ordinary business support transactions	Transactions made to support ordinary business under general commercial conditions	A hire for goods shipment, advertisement production, management contract, and receiving technical assistance



Type	Description	Examples
3. Real estate rental transactions for a period not longer than 3-year span	Rental transactions with no more than 3-year contract period, and without proof of general commercial conditions	Renting a building as office, or renting a building or land for warehousing
4. Transactions relating to assets or services	Transactions about the acquisition or disposition of assets, or the right to get or receive the service	Buying the machine, buying investment capital, selling a building, selling the land leasehold or concession
5. Providing or receiving financial assistance	Providing financial assistance	Offering the loans or guarantee
	Receiving financial assistance	Borrowing loans, paying fees for the connect persons' credit line used by the company, paying fees to connected persons regarding the loan guarantee
Calculation of the transaction size and how to handle it		

- Value used for the calculation of the transaction size

Transactions	Value used for the calculation of the transaction size	Examples
1. Asset or service	Highest of transaction value, book value, or market value	The sale of land at agreed upon value of 200 million Baht, when its book value was at 150 million and the appraisal value by independent appraiser was 198 million Baht, the value to be used to calculate the transaction size would be 200 million Baht.
2. Providing financial assistance	The principal and interested throughout the loan period, or the guarantee value in line with potential damages when the connected person becomes default	In case of 20 million Baht loan for a period of two years, at 5% interest, the value to be used to calculate the transaction size would be 22 million Baht as per this formula $(20+(20 \times 5\% \times 2))$.
3. Receiving financial assistance	The reward or benefit to be paid to connected persons through the period of the financial assistance.	In case of 20 million Baht loan for a period of two years, at 5% interest rate, the value to be used to calculate the transaction size would be 2 million Baht as per this formula $(20 \times 5\% \times 2)$.
4. Disposition of capital investment to the extent that the subsidiary or affiliate no longer exists	Total rewards to be gained including borrowed money (principal plus interest), the guarantee, or other liabilities that the listed company or its	In case the company has sold all of its investment in the subsidiary to the major shareholder at 100 million Baht, when the subsidiary has 50 million Baht liability (loan plus interest) accrued to the listed



Transactions	Value used for the calculation of the transaction size	Examples
	subsidiary has to be responsible for.	company, the value to be used to calculate the transaction size would be 150 million Baht

- Multiple connected transactions can be included into one if the transactions have been intentionally separated to avoid the rules. An inclusion should be for all other transactions made six months prior to an agreement to do the transaction by the same person, his/her related person, or close relatives. Nevertheless, this would not include the connected transactions approved by the shareholders.
- The company should measure the size of transaction to prepare for the case of any possible connected transactions and how to handle them. The company should compare the transaction value against the higher one between the two references as per the latest financial statement (X is the transaction value)

Transaction size	Choose the maximum value between	
Small	$X \leq 1$ million Baht	$X \leq 0.03\% \text{NTA}^*$
Medium	1 million Baht $< X < 20$ million Baht	$0.03\% \text{NTA}^* < X < 3\% \text{NTA}^*$
Large	$X \geq 20$ million Baht	$X \geq 3\% \text{NTA}^*$

* Net total assets (NTA) refers to Total assets – intangible assets – total liability – non-controlling interests (if any) (Intangible assets are, for example, the goodwill and deferred charges. Exceptions are for intangible assets that generate major income such as the concession and patent permit.)

In case of consolidated financial statements, NTA value from the consolidated financial statements will be used

- Size of each type of transactions and how to process

Type of transaction	Authority		
	Small	Medium	Large
1. Normal business transactions/ 2. Normal business-support transactions - General commercial conditions	The company's board of directors approve in principal and lay down the framework for the management to proceed		
- No general commercial conditions	The Management	Board of directors + Information disclosure to SET	Shareholders
3. Rental or rented real estate for not longer than 3-year period, and under no general commercial conditions	The Management	The Management + Information disclosure to SET	Board of directors + Information disclosure to SET
4. Transactions relating to products or services	The Management	Board of directors + Information disclosure to SET	Shareholders
5. Transactions on offering or receiving financial assistance			



Type of transaction	Authority		
	Small	Medium	Large
- Providing financial assistance to connected person or the company where the connected persons hold more shares than the listed company	Board of directors (Less than 100 million Baht or 3%NTA, whichever lower)	-	Shareholders (Over 100 million Baht or 3%NTA, whichever lower)
- Providing financial assistance to a company where the listed company hold more shares than the connected persons	The Management	Board of directors + Information disclosure to SET	Shareholders
- Receiving financial assistance	The Management	Board of directors + Information disclosure to SET	Shareholders

Remark

General commercial conditions refer to the commercial transactions under fair pricing and conditions, which do not lead to the benefit transfer. This includes

- The prices and conditions which the listed company or its subsidiary gain or offer to general people
- The price and conditions which connected person offer to general people
- The price and conditions which the listed company can prove that similar business operators have offered to general people as well.

Gaining an approval from the shareholder meeting must be from three-quarter of participating and voting shareholders, excluding interested shareholders. In doing so, IFA (independent finance advisor) must be appointed and express views regarding the transactions including the rationality and benefits to the company, fairness of prices and conditions, as well as risks

In case the connected person is a state agency, juristic person established by specific law, or the business owned by state agency or by juristic person stabled by specific law, the company will not be required to gain approval from the shareholder meeting once the board of directors have already approved.

Transactions exempted from the connected transaction rules	
✔	Loan offering as per the employee welfare rule
✔	Transactions of which the counterparty of listed company, or both parties are A subsidiary in which the listed company hold no less than 90% stakes B subsidiary in which the director, executives, or related persons hold shares or has the interest in, directly or indirectly, no more than the rate determined by the Capital Market Supervisory Board, or has the required qualifications.
✔	<div style="display: flex;"> <div style="flex: 1;"> <p>The listed company has made the transactions with its subsidiary, in which the connected persons holds no more than 10% stakes and has no controlling power over the subsidiary.</p> </div> <div style="flex: 1; border: 1px solid #FFD700; padding: 10px;"> <pre> graph TD MrA[Mr. A] -- Director --> LC[Listed Company] LC -- 80% --> CA[Company A] MrA -- Holding 5% stakes --> CA </pre> </div> </div>



✓	<p>Connected transactions between the listed company's subsidiaries, in which the connected persons hold no more than 10% stakes and are not the controlling person over the subsidiaries.</p>	<pre> graph TD LC[Listed Company] -- 60% --> CA[Company A] LC -- 75% --> CB[Company B] MA[Mr. A] -- 5% --> CA MA -- 5% --> CB </pre>
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✓	<p>The listed company or its subsidiaries has issued new securities to connected persons in the following manners</p> <ul style="list-style-type: none"> • To transfer to other persons; The price of newly issued securities must not be lower than the market price, and must not increase the shareholding of the connected persons • The connected persons receive the securities in line with their right and shareholding (Right Offering)) • The connected persons are the underwriters or sub-underwriters for the listed company or subsidiary with firm underwriting commitment. • Securities are allocated to the employees or executives (ESOP)
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✓	<p>The transactions which were made by the listed company or subsidiary with a juristic person, in which the listed company or subsidiary has sent someone to take control.</p>	<pre> graph TD MA[Mr. A] -- Director --> LCA[Listed Company A] MA -- Director representing listed company A --> LCA LCA -- X% --> CB[Company B] </pre>
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✓	<p>The transactions proven to be fair and did not lead to the benefit transfer.</p>
☛	<p>Information disclosure</p>

- The company has to notify, via SETLink, about the board resolutions on the connected transactions immediately upon making the transaction (normally on the day the board has given an approval), that is within the day the board has made the resolution or by 9.00 hrs. of the following business day at the latest.
- Key information of the board resolution are
 1. Date, month, year of the transaction and the name of counterparty
 2. Description about the assets, services, financial assistance to be provided or received, and in case of investment capital, the name and type of business must be specified as well as the business operations, summary of the financial statements and operational performance, list of major shareholders, and the directors.
 3. Total value and the measurement of total value, total transaction value, payment method, conditions, interest rate, interest payment terms, and the guarantee (if any)
 4. Names of the connected persons and how they are connected.
 5. Description and scope of the connected persons' stake in making connected transactions.
 6. The source of fund for buying assets, and financial assistance and the fund adequacy. In case of loan, possible conditions that may affect the shareholder rights must be specified such as the limitation to pay dividend.



7. Specify the names of directors having the interest and/or directors who are connected persons, and specify that the mentioned persons had not attended the director meeting and had no voting right.
8. The views of the board of directors about an agreement to enter into the transaction in terms of the rationality, the company's optimum benefit comparing a transaction with an outside independent person, as well as associated risks.
9. The opinion of an audit committee and/or the directors that differ from the board of directors.

Comments of independent financial advisor (IFA)

- IFA has to express his/her views regarding the transaction to the board to directors on
 1. The rationality and benefits to the listed company.
 2. Fairness of the price and conditions.
 3. Reasoning about whether the shareholders should vote for an approval of the transaction.
- The company must send the IFA's comments along with an invitation to shareholder meeting to the SEC and SET to consider about an adequacy of information. The submission can be in either one of these two ways
 1. Sending the documents at least 5 business days before sending them to the shareholders.
 2. Sending the documents at the same time as with the shareholders

Sending an invitation to shareholder meeting to the shareholders

- Submitting period An invitation letters must be sent to shareholders at least 14 days ahead of the meeting date
- Information to be included in the invitation are the IFA's opinions and the following documents
 1. Information disclosed to SET once the company agrees to enter into the transaction.
 2. Summary of company information e.g. list of executives and major shareholders, business operations and trends, inter-company transactions, 3-year financial summaries and latest financial statement with MD&A, risk factors, and financial forecasts (if any).
 3. Names and number of shares held by shareholders who has no voting right.
 4. Opinions of independent experts such as the asset appraiser.
 5. The company must nominate at least one audit committee member to be a proxy of the shareholders.
 6. Views of the board of directors regarding the rationality and optimum benefits toward the company comparing to making a transaction with an outside party.