

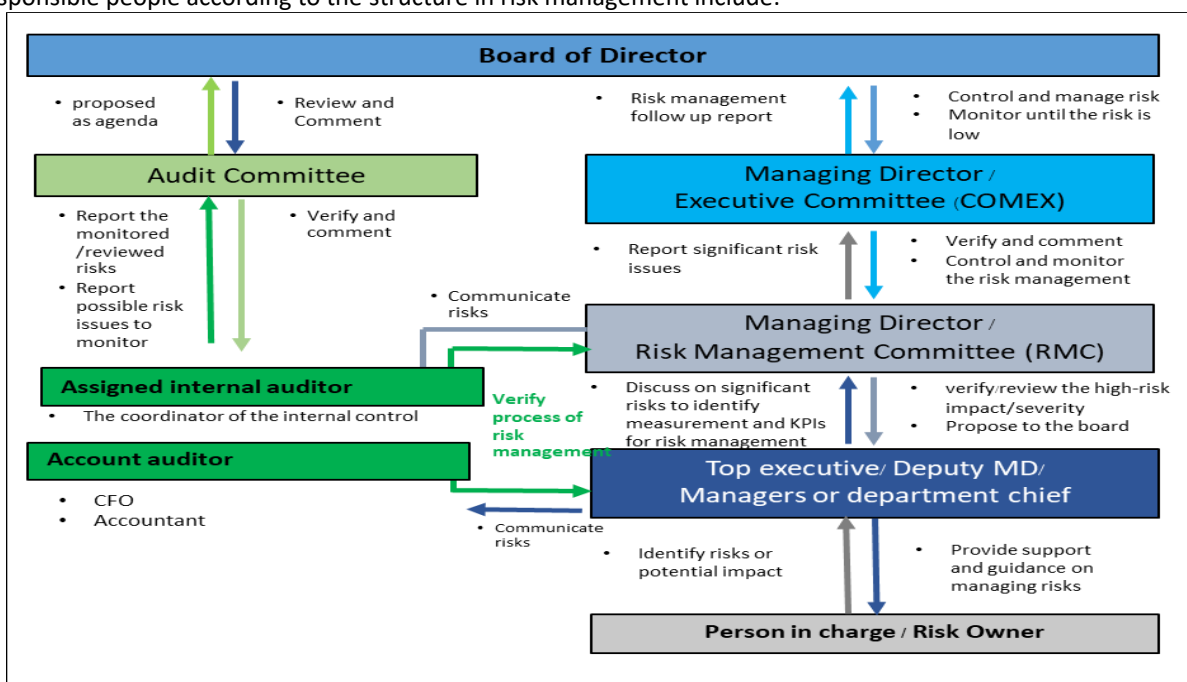
2 Risk Management

2.1 Risk Management Policy

The Board of Directors has established the Risk Management Committee, which includes Board members and Executives, to oversee enterprise risks that could impact ESG sustainability and crisis management for business continuity. This RM committee will hold regular meetings with Executives and department heads, including additional sub-meetings to address issues that may affect the Company's operational continuity. The Risk Management Committee understands the critical need to implement a risk management system that aligns with international standards when risks or issues arise. To support this objective, the Company has developed a Risk Management Policy based on the following framework.

1. Define risk management as a responsibility for all employees at all levels to be aware of operational risks including sufficient and appropriate risk management in sustainability development, crisis management for business continuity.
2. Encourage employees at all levels to embrace risk assessment and management in all critical operations and investment projects as well as continuously develop to create a risk management culture throughout the organization for confidence among the shareholders and SUTHA's stakeholder.
3. Support the corporate use of technology for corporate and sustainability risk management and report on risk management to be examined by the committee or those appointed to ensure efficient risk management.
4. All risks that impact corporate achievement and business continuity shall be
 - 4.1) Identified in a timely manner
 - 4.2) Assessed with regard to likelihood of occurrence and the its impact
 - 4.3) Treated such risk in a manner that is in line with the Company's Risk Management Framework with regards to costs and benefits of the treatment
 - 4.4) Monitored to ensure that they are appropriately managed
 - 4.5) Reported all high-possible risks which may affect the Company's business sustainability plan and financial corporate strategies to the Risk Management Committee or Audit Committee or Board of Directors

Responsible people according to the structure in risk management include:



The Risk Management Committee, appointed by the Board of Directors, consists of one director and eight senior executives, coordinators, and secretaries of the Risk Management Committee. They are responsible for overseeing and managing risks in accordance with the Risk Management Committee Charter as follows:

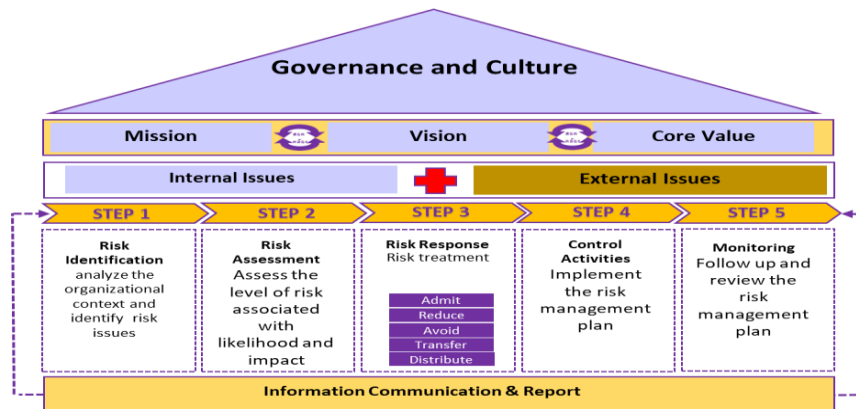
1. Establish and review the risk Management policy and the guidelines to manage the Company's business crises.
2. Drive all risk management implementation practices; risk assessment, risk treatment, identifying emerging risks.
3. Determine Risk Appetite aligned with corporate strategy and value.
4. Supervise and support the implementation of enterprise risk management to be in line with the sustainability business strategy, internal controls, ESG risks including the crises and changes that may affect the business operations.
5. Suggest and follow-up to evaluate the potential risk management including the guidelines or the measure of prevention, control or mitigation (Mitigation Plan) for the development of risk management system continuously.
6. Supervise to assign the Management to implement the ESG sustainability risk and enterprise risk management plan to minimize the impact including follow-up, review to ensure sufficient and appropriate organizational risk management plan.
7. Support and develop the risk management to cover all levels both internal and external as well as to build relationships with relevant Stakeholders to jointly to reduce risks that may affect the business.
8. In the case of any significant strategic risks, financial risks, ESG sustainability risks, operational risks, the Risk Committee shall report to the Board of Directors and the management. For example, if there is an urgent matter it can be reported via email.
9. Perform other duties assigned by the Board of Directors.

2.2 Risk Factors

The Company materializes risk issues covering environmental, social, and corporate governance issues that may affect the Company's and its subsidiaries' operations. Such issues, at present as well as in the future unless no preventive measurement, may impact the entity's business and operations so the risk assessment is implemented to identify risk treatment as a prevention to be informed to stakeholders using a Forward-Looking Statement stated 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.

SUTHA applied the 2017 COSO Enterprise Risk Management - Integrated Framework (2017 COSO ERM) for Risk management Process throughout its organization and has developed a "Risk Management Manual" in line with the 2017 COSO ERM. **(GRI: 3-1)**

- Governance and Culture
- Strategy & Objective Setting
- Performance
- Review & Revision
- Information, Communication & Reporting



By analyzing and identifying risks, assessing events, the likelihood of occurrence, and evaluating the impact based on the situation, factors, and indicative activities, we can assess the severity of the risks and their subsequent impacts. This includes having a risk management plan according to the identified organizational risk topics, which consists of:

Risk Assessment:

SUTHA determines the associated degree of risk in terms of likelihood and severity for each impact identified to place risks into the matrix or map based on the likelihood and severity of a potential incident.

Risk Appetite and Risk Tolerance:

SUTHA sets Risk Appetite at 10 as the amount of risk that the Company is willing to take to achieve its objectives, and as a risk tolerance the amount of variation from risk appetite that the Company is willing to accept.

Risk level identification:

Key Risk Indicators (KRIs) act as early warning signs, helping the Company identify and address risks for monitoring, analyzing, managing, and mitigating key risks before they escalate into significant issues, more complicated concerns.

Risk Management Plan 2024

To assess factors that impact objectives or cause operations to deviate from business goals according to the identified risk topics as follows.

Enterprise risks			✓ (Impact) * (None)
ESG	ESG Risk Issues		Assessed
1)	E Emerging Risk		
	E1	The driving of sustainability goal-setting and regulatory changes to enforce ESG practices encompassing environmental, social and governance management. Governance), emerging risk from climate change	✓
	E2	Risks from war affecting fuel prices / Stable and secure fuel procurement sources (able to procure in sufficient quantities and with efficient usability, promoting cost management and continuous procurement)	✓
ESG	ESG Risk Issues		Assessed
2)	S Strategic Risk & ESG Risk		
	2.0 S2.0	Technology Development	
	2.1 S2.0	carbon capture and storage technologies has not yet met the expectations of stakeholders.	✗

Enterprise risks			✓(Impact) * (None)
ESG	ESG Risk Issues		Assessed
3	S3	Changes in behavior or needs of customers / consumers	
3.1		Demand on environmental care products, low carbon products, or green label products	✓
3.2		Electronic tax invoices and transactions, digital contracts or " e-Contract"	✓
4	S4	Changes in government policy and enforcement of new laws or regulations.	
4.1		Legal, Regulatory, and Compliance Risks of the Company	✓
4.2		Implementation, development, and allocation of operating resources to ensure standard processes consistent with the changing methods.	✓
5	S5	Changes in international policies or agreements related to business operations	
5.1		Additional sustainability and ESG assessment initiated and arranged by the major shareholders for certification by Third party	✓
6	S6	Technology advancement	
6.1		Digital transformation	✓
6.2		Stakeholder satisfaction survey technology	✓
6.3		High investment in the Modification of Technology and machinery control system	✓
6.4		IT security and cybersecurity systems rely on both hardware and software, often involving service providers from the public network. This can introduce various risk factors. Managing cybersecurity and business continuity can lead to significant investment costs for necessary changes and ongoing expenses to maintain the system's hardware, software, and protective devices, ultimately increasing IT costs.	✓
7	S7	trading partners ,suppliers change their trade/business patterns	
7.1		Raw material producers, suppliers / Subcontractor	✓
7.1.1		Producers of limestone, dolomite and calcite.	✓
7.1.2		Stone crushing partners contracted to produce products that are by-products from limestone quarries.	✓
7.2.1		Fuel / Coal suppliers and distributors	✓
7.2.2		Purchasing and importing fuel from abroad and risks from the sea transportation process	✓
7.3		Refractory brick producer	✓
8	S8	Dependence on the major shareholder or affiliates of the major shareholder or executives	✓
9	S9	Over -Reliance on one customer/ few customers	
9.1		Marketing risks and opportunities from crises or changes in the Company's customer industries	✓
9.2		High competition risk	✓
9.3		Risks and opportunities in Export sales to CLMV countries	✓
9.4		Marketing risks from Cost fluctuation	✓
9.5		Risk of Noncompliance with sales agreement (Product responsibility to customers)	✓
9.6		Risk of Development of new products and customers' product trials	✓
10	S10	Dependency on a few distributors or trading partners	✓
11	S11	Corporate Image and reputation	✓
3)	0	Operational Risk	Assessed

Enterprise risks			✓ (Impact) * (None)
ESG	ESG Risk Issues		Assessed
12	O12	Losing an employee in important positions	✓
13	O13	Shortage of proficient workers	✓
14	O14	Shortage of raw materials or production factors	
14.1		Sufficiency of limestone raw materials /Dolomite - sufficient raw material (stone) / - Raw materials possess chemical characteristics that align with the specifications required by the customer.	✓
14.2		Sufficiency of limestone raw materials /Dolomite - sufficient raw material (stone) / - Raw materials possess chemical characteristics that align with the specifications required by the customer.	✓
14.3		Sufficiency of limestone raw materials /Dolomite - sufficient raw material (stone) / - Raw materials possess chemical characteristics that align with the specifications required by the customer.	✓
15	O15	System that has errors or failures or lack of good standards and controls	✓
15.1	O15.1	Internal control and risk management systems across the organization	
15.2	O15.2	Order to cash	✓
15.3	O15.3	Purchase to pay	✓
15.4	O15.4	Account and Financial Reporting	✓
15.5	O15.5	Production	✓
15.6	O15.6	Inventory Management and Production Costing	✓
15.7	O15.7	Fixed Asset Management	✓
15.8	O15.8	Human Resources Management and Payroll	✓
15.9	O15.9	Information Management	✓
16	O16	Human error in process	✓
17	O17	Obsolete Inventory	✓
18	O18	Information or computer system security and cyberattacks	✓
19	O19	Loss or damage from a breaching trading partner	✓
20	O20	Delay of planned projects	✓
21	O21	Invested project in progress not yet Recognizing income	
22	O22	Office space rental	
23	O23	Safety, occupational health and working environment	✓
24	O24	Climate change disaster and the occurrence of unstable weather conditions	✓
25	O25	Environmental impact	✓
25.1	O25.1	Risks and impacts on biodiversity	✓
26	O26	The Effects of Population Structure	✓
27	O27	Human rights impact	✓
28	O28	Corruption	✓
4)	C	Compliance Risk	Assessed
29	C29	Changes in regulations and laws regarding business operations	✓
30	C30	Social forces on sustainability against current unchanged laws and regulations	✓
31	C31	Violations of Laws and Regulations	✓
5)	F	Financial Risk	Assessed

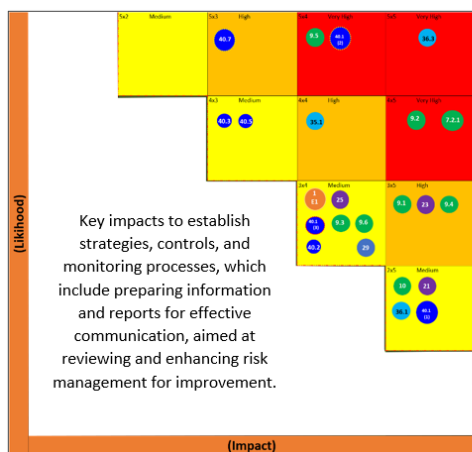
Enterprise risks			✓ (Impact) * (None)
ESG	ESG Risk Issues		Assessed
32	F32	Insufficient financial resources	
32.1	F32.1	Risks and sources of funds and sufficiency and flexibility of working capital	✓
33	F33	Changes in financial and investment policies of financial institutions	
33.1	F33.1	Terms or conditions that are inconsistent with the terms and conditions of the loan agreement that cannot be complied with or, if not complied with, may affect the need to repay the debt before the due date.	✓
34	F34	Default of payment or exchange of goods	
34.1	F34.1	late payment/default by the Trade Account Receivable	✓
34.2	F34.2	default of payment to creditors, late payment/default by the clients	✓
34.3	F34.3	Default delivery of goods and services	✓
34.4	F34.4	Default delivery of goods and services from Supplier , Subcontract, Vendor, Contractor	✓
35	F35	Exchange rate fluctuations and Inflation fluctuations	
35.1	F35.1	Exchange rate fluctuations	✓
35.2	F35.2	Inflation fluctuations	✓
36	F36	Fluctuations in ROA and ROI	
36.1	F36.1	The risk of fluctuations in the return on assets or investments: in a subsidiary Golden Lime Engineering Co., Ltd. _GLE	✓
36.2	F36.2	The risk of fluctuations in the return on assets or investments: in Saraburi Quick Lime Co., Ltd. _SQL	✓
36.3	F36.3	The risk of fluctuations in the return on assets or investments: in Thai Marble Co., Ltd. _TMC	✓
36.4	F36.4	Investment in Solar Farm	✓
37	F37	The risk of unhedged foreign borrowings	✗
6)	SS38	Risks to shareholders	✓
	SS39	Investment in foreign securities	✗
7)	IS40	Business risks of Thai Marble as a Subsidiary Company	
40.1(1)	IS40.1(1)	Threat of New Entrants (Produce – Import - Sell)	✓
40.1(2)	IS40.1(2)	Threat of New Entrants ((Retail distributor/ Buy and sell/ Distributor representative))	✓
40.1.(3)	IS40.1(3)	Threat of New Entrants from abroad	✓
40.2	IS40.2	Threat of Substitution	✓
40.3	IS40.3	Financial risk: The budget may not be consistent with the annual budget plan for concession application / renewal	✓
40.4	IS40.4	Occupational health and safety risk	✓
40.5	IS40.5	Social and environmental risks, stakeholders' risk	✓
40.6	IS40.6	Technology Risk	✓

The Risk Factors of SUTHA

SUTHA and its subsidiaries produce and distribute lime, calcium carbonate, limestone, marble products, and related by-products. Their operations are influenced by various internal and external factors, such as customer preferences, technological advancements, natural disasters, economic downturns, geopolitical events, and labor dynamics. Changes in laws and regulations have introduced significant risks, prompting SUTHA to implement a comprehensive risk management plan. This plan addresses strategic, ESG, operational, financial, and regulatory risks, including impact evaluations, management strategies, and monitoring indicators. Key risk factors have been identified.

The four types of risk management techniques ensure that all risk scenarios are covered by a protocol that is appropriate and effective. The below four types of risk management are quite different and cover a wide range of corporate scenarios to mitigate such risk events to become Risk Appetite and Risk Tolerance level.

- Risk Acceptance
- Risk Reduction / Risk Control
- Risk Sharing
- Risk Avoidance



Risk Management Plan Year 2024-Y2025						
Type	Code	Risk Level	Type	Code	Risk Level	
Emerging Risk	E1	Medium	Financial Risk	F36.1	Medium	
				F36.3	Very high	
Strategic and ESG Risk	S7.2.1	Very high	Business risks of Subsidiary Company	IF40.1 (1)	Medium	
	S9.1	High		IF40.1 (2)	Very high	
	S9.2	Very high		IF40.1 (3)	Medium	
	S9.3	Medium		IF40.2	Medium	
	S9.4	High		IF40.3	Medium	
	S9.5	Very high		IF40.5	Medium	
	S9.6	Medium		IF40.7	High	
	S10	Medium				
Operation Risk	O21	Medium	Summary Risk Management Plan Y2024-Y2025			
	O23	High	22 Impact	Very High	5	Impact
	O25	Medium		High	4	Impact
		Medium		13	Impact	
Compliance Risk	C29	Medium				

Risk Factors / Risk treatment measures

Risk treatment measures: **Emerging Risk**

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> E1 Emerging Risk Risk Level Medium </div> <p>▪ The driving force behind sustainability goal-setting and regulatory changes to enforce ESG practices encompassing environmental, social and governance management</p> <p>Climate Change Risk</p> <p>Severe global climate change causes frequent natural disasters leading to the UN Paris Agreement in which 200 countries around the world have committed to Nationally Determined Contributions or NDCs as national action plans for reducing emissions to limit global temperature rise to 'well below 2 degrees Celsius' compared to pre-industrial temperatures and to try to keep the temperature no higher than 1.5 degrees Celsius.</p> <p>To reduce greenhouse gas emissions , the Thai government has set a goal of becoming a carbon neutral country in 2050 to achieve Net Zero Emission in 2065. More environmental policy and regulations become more stringent so the industrial section shall follow.</p> <p><small>Risk Timeframe : Medium-long term</small></p> <p>Physical Risk :</p> <ul style="list-style-type: none"> ▪ Higher temperature ▪ Likeability of risk from natural disasters which may have a direct and indirect effect on the business <p>Transition Risks</p> <ul style="list-style-type: none"> ▪ Laws, regulations and policies (Policy and Legal). 	<div style="margin-bottom: 10px;"> - </div> <ul style="list-style-type: none"> • Limited financial support as financial institutions may consider credit lines only to those who are implementing GHG reduction measures. • Unachievable or noncompliant goal and target to the THSI sustainability assessment, ECOVADIS and other regulatory units, financial institutions, and customers who focus on the Task Force on Climate-related Financial Disclosures (TCFD) • The higher operating costs are linked to emissions reduction efforts, carbon credit, environmentally stringent regulations, and preferences for low-carbon products. • increase in carbon tax costs • costs of carbon emissions verification • costs of training and cooperation • additional costs on ESG personnel to ensure performances meet stakeholder expectations. <div style="margin-bottom: 10px;"> + </div> <ul style="list-style-type: none"> • Alternative energy / an opportunity to receive grant funding and national political support to develop renewable energy project • Develop low-carbon products that tend to be more marketable. • Opportunity to receive support from the government and Regulatory agency and 	<ul style="list-style-type: none"> • Designate a responsible committee to initiate, monitor to ensure risk control, prevention, correction and mitigation activities reliable and acceptable. • Participating in SET ESG/FT Russell assessment • Personnel knowledge development • Green Lime Project • Development of environmental improvement products related to air, soil and water • Create alliances to develop products for environmental treatment ESG and Decarbonize • Using solar energy as renewable energy • Formulate and implement strategies to utilize existing resources effectively, generate economic value, and maximize its value. • Using biological material - biomass - to produce energy as a sustainable alternative to fossil fuels <p>Additional measures to be taken</p> <ul style="list-style-type: none"> • Setting plans, timelines, and indicators for greenhouse gas emissions reduction by targeting and communicating the progress 	<ul style="list-style-type: none"> • Global Risk, Draft of a new regulation / new law related to business activities • SET ESG RATING • Natural Disasters · Global temperature tracking. • Relevant rules and regulations and ESG Rating assessment results. • Eco Vadis assessment • Renewable Energy project implemented • renewable energy projects in progress

Risk Factors / Risk treatment measures

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<ul style="list-style-type: none"> ▪ Product and innovation development in carbon capture, absorption, and storage ▪ Changing demand or expectations from key stakeholders to greenhouse gas emission reductions ▪ Reputation and corporate image 	<p>business partners, both customers and partners supporting knowledge training or courses related to ESG</p> <ul style="list-style-type: none"> • Credit facility support for investment in low-carbon projects or green products • New product developments for the environment; air pollution treatment such as sulfur dioxide before releasing into the atmosphere, soil conditions, wastewater treatment and water production 	<ul style="list-style-type: none"> • Organizing Climate Change training for personnel at all levels within the organization. • Creating public relations media to create awareness in reducing the amount of corporate greenhouse gases emissions 	

Risk treatment measures: Strategic Risk & ESG Risk

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics				
<table border="1" data-bbox="73 874 703 943"> <tr> <td data-bbox="73 874 174 943">S7.2.1</td> <td data-bbox="174 874 434 943">Strategic Risk & ESG Risk</td> <td data-bbox="434 874 568 943">Risk Level</td> <td data-bbox="568 874 703 943">Very High</td> </tr> </table> <p>Materiality Analysis includes the issues below.</p> <ul style="list-style-type: none"> ▪ Fuel / Coal suppliers and distributors <p>From : <input type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p><u>description/details</u></p> <p>Fuel supply security as fuel supplies both fuels imported directly and domestic fuel purchased from importers/distributors who somehow suddenly cease or cannot supply adequately but fuel import requires a longer time in bidding, sourcing, sea freight, and loading and unloading.</p>	S7.2.1	Strategic Risk & ESG Risk	Risk Level	Very High	<ul style="list-style-type: none"> • Sources of fuel procurement • Fuel adequacy • Minimum inventory storage is reserved for distributors to deliver • Number of main trading partners Secondary partners in fuel procurement • Working capital limit and interest rate of import • The characteristics of fuels derived from various sources may possess specific attributes that influence the manufacturing of products for clients within a particular industry sector. 	<ul style="list-style-type: none"> • Flex Fuels project • Policy on Minimum inventory storage reserved for distributors to deliver • number of key suppliers and alternatives • Biomass development to replace coal-based fuels in the future. • Examine fuel variables to modify control systems and processes, enabling the production of products that align with fuel properties. This includes identifying specific fuel types for production tailored to groups or particular customers. 	<ul style="list-style-type: none"> • number of suppliers with risks • number of suppliers that cannot be substituted • Number of suppliers and their capacity • Minimum inventory quantity
S7.2.1	Strategic Risk & ESG Risk	Risk Level	Very High				

Risk Factors / Risk treatment measures

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<p>S9 Strategic Risk & ESG Risk</p> <p>Over -Reliance on one customer/ few customers</p> <p>from : <input type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p><u>Description/Details</u></p> <p>The Company distributes varied products into various industries, e.g., sugar industry, steel industry, chemical industry, construction industry, mining industry and pulp and paper industry each of which has approximately 20-25 customers, and the total income from these customers average 70 percent. However, these customers are in similar purchase ratios such as steel, chemical and sugar industry. Anyhow, the Company realizes that maintaining and sustaining every customer and treats every customer as important stakeholder to prevent customer loss and protect operating results.</p>	<ul style="list-style-type: none"> The responsible handling of wide range of products Factors to be controlled and managed for customer satisfaction 	<ul style="list-style-type: none"> Respond to customers' needs with quantity, quality on time, a fair price with sales services to gain customer confidence. Market diversification as a risk-reduction strategy to manage volatility and provide a more stable revenue for equitable growth. Measures to gain new customers. Increase customer base to other industries or new customers in the existing market Enhance to ensure quality of products and services <ul style="list-style-type: none"> new product release for steel to replace the import of MgO 	<ul style="list-style-type: none"> Top 25 customers The number of large customers with sales of more than 10% of total sales. Sales by industry

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics				
<table border="1" data-bbox="73 911 927 979"> <tr> <td data-bbox="73 911 150 979">S9.1</td> <td data-bbox="150 911 607 979">Strategic Risk & ESG Risk</td> <td data-bbox="607 911 741 979">Risk Level</td> <td data-bbox="741 911 927 979">High</td> </tr> </table> <p>▪ Changes in Company's customers.</p> <p>from : <input type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p><u>Description/Details</u></p> <p>Selling to industrial sectors comes with a risk when some industries may face their downturn as our revenue may decline from their downturn or disruption.</p>	S9.1	Strategic Risk & ESG Risk	Risk Level	High	<ul style="list-style-type: none"> Decrease in sales volume from less demand or production A client's concerns about the cost Reduced sales volume from downturn in any industry 	<ul style="list-style-type: none"> Introducing new products to replace the imports such as dolime and lightweight brick Approaching new markets such as air treatment, gas treatment, environmental treatment Increasing sales in environmentally friendly products and low carbon lime Soil Stabilization 	<ul style="list-style-type: none"> Customer lost proportion Sales volumes lost categorized into groups and causes Sales proportion of new products Sales proportion to new industries New emerging industry Increased number of new customers
S9.1	Strategic Risk & ESG Risk	Risk Level	High				

Risk Factors / Risk treatment measures

Risk issues / explanation				Risk (+Opportunity)	Mitigation plan	KRIs metrics
S9.2	Strategic Risk & ESG Risk	Risk Level	Very high	<ul style="list-style-type: none"> Declining sales volume from the company's fixed price The selling price cannot cover the rising cost. Declining sales volume from dumping price by a competitor to gain market share then reducing its selling price 	<ul style="list-style-type: none"> Engaging long-term sales contracts with major customers to protect market share Developing new products and new markets to compensate for capacity left from the loss of market share Improvement and development of product standards and product qualifications, as well as services and product application support including joint development with customers to deliver what customer needs. Cost reduction keeps pricing aligning with cost and selling price for profitability that creates sustainability to the business and maintain customer base and customer loyalty Developing new products to expand the customer base. 	<ul style="list-style-type: none"> Proportion of original customers lost Proportion of lost sales relative to group or type of impact. Monitoring the report of Thailand export statistics of in HS code of Lime products
<p>▪ High competition risk from : <input type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p><u>Description/Details</u></p> <p>3 out of 5 main players in the Thailand lime business are major players and relatively the business competitors in terms of production capacity and product development. Recently, one competitor who mainly exports faced an appreciation of THB, triggering a decrease in its export volume then focused on the domestic market instead resulting in a price war to gain market share. This price war blocks the company's cost-driven pricing strategy and consequently the company's reduced profitability.</p> <p>In 2024, the strategy for engaging in competitive bidding for local industrial clients has been revised. If there are effects on the industrial sector or significant overseas clients, such as the strengthening of the Thai baht impacting export capabilities, these effects will intensify domestic competition for domestic market share. The competitive landscape in the lime production and distribution sector, where most companies rely on pricing strategies as a key competitive factor, will affect price adjustment trends, which may fluctuate based on cost conditions or influence potential profit growth. Consequently, the factors involved in pricing policy development must be carefully managed to mitigate the impact on competitive opportunities within the domestic market.</p>						

Risk Factors / Risk treatment measures

Risk issues / explanation				Risk (+Opportunity)	Mitigation plan	KRIs metrics
S9.3	Strategic Risk & ESG Risk	Risk Level	Medium	<ul style="list-style-type: none"> Lime manufacturers in CLMV countries can affect the Company's export sales. Currently in Laos there is a kiln. As a result, the export market in this section decreased. Export sales potential to Cambodia Myanmar has good limestone resources, but no kiln built yet together with a population of more than 50 million people, Myanmar then is a potential investment opportunity in the future 	<ul style="list-style-type: none"> Feasibility and demand study of CLMV countries. limestone exploration Analysis of exports to CLMV countries 	<ul style="list-style-type: none"> GDP and economics trends of target countries
<p>▪ Export sales to CLMV countries from : <input type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors <u>Description/Details</u></p> <p>Laos, as the main export market, which was previously 100% imported from Thailand, approximately one hundred thousand tons per year, now has their own lime plant resulting in a decrease in export. However, some export to Laos continues and exports to other CLMV countries such as Cambodia with a market share of up to 90% to compensate the Laos gap and the Myanmar which has good limestone resources, but no kiln built yet together with a population of more than 50 million people, Myanmar then is a potential investment opportunity in the future.</p>						

Risk issues / explanation				Risk (+Opportunity)	Mitigation plan	KRIs metrics
S9.4	Strategic Risk & ESG Risk	Risk Level	High	<ul style="list-style-type: none"> Decrease in sales volume because of selling price increases. Profitability in case of maintaining market share over the cost-based pricing 	<ul style="list-style-type: none"> Pricing strategy plan in handling with maintaining sales volume, market share, customer base with a current cost basis. Cost reduction to increase profitability. Acquire new customers and grow revenue by new products. Negotiating a partnership to collaboratively import fuel, the second 	<ul style="list-style-type: none"> Sales volume and sales revenue Decreased number of current customers Increased number of new customers Existing customers who return to buy products after using the pricing strategy
<p>▪ Cost fluctuation from : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors <u>Description/Details</u></p> <p>Fuel plays a crucial role in the cost structure of production, with prices varying based on external influences. A shift in fuel prices will have a substantial effect on production costs.</p> <p>Rapidly rising costs from fuel price fluctuations or rising oil prices Y2021 till present force the management to consider increasing</p>						

Risk Factors / Risk treatment measures

<p>selling price as a price mechanism by implementing Price Formulation in relation to fuel price index such as the price of coal or other fuels used in the production process and inflation. A guaranteed price is offered to customers for no more than 3 months. For transportation costs, the selling price will be adjusted in accordance with the diesel prices.</p>		<p>most crucial raw material, in order to secure a lower price.</p> <ul style="list-style-type: none"> evaluating the competition for each customer individually to come up with pricing strategies that can help keep current customers or win back those who have stopped buying the company's products. 	<ul style="list-style-type: none"> Contribute Margin of each customer to assess the adjustment of the strategy to maintain the existing customer base.
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Risk issues / explanation				Risk (+Opportunity)	Mitigation plan	KRIs metrics
S9.5	Strategic Risk & ESG Risk	Risk Level	Very High	<ul style="list-style-type: none"> Non-compliant products result in a product return, concurring transportation costs, stock values, and inventories to increase Negative feedback and dissatisfaction then customer confidence drops Negative reputation of the company Interrupt the market-share gains as the key to long-run growth accumulating products that fail to meet requirements, along with inadequate inventory management, may lead to deterioration over extended periods. Dust buildup from processing or product degradation Products failing to meet quality standards risk losing value. Sales may drop as substandard products can't be marketed at standard prices. 	<ul style="list-style-type: none"> Develop production strategies, manage inventory, and select product features to meet customer needs involving sales team /customers feedback before proceeding if timely production is not feasible. Compile databases to analyze issues and identify solutions. Establish control benchmarks and preventive measures to mitigate risks before defects affect customers. Gather statistics on customer complaints. Provide clear information and collaborate with customers when product specifications cannot meet delivery quantities. Create a manual of preventive measures or conduct training for staff. 	<ul style="list-style-type: none"> Customer Satisfaction survey % of return or reject Quantity of products delivered compared to the quantity ordered. Inventory quantity/inventory value Depreciated or obsolete inventory quantity
<p>▪ Noncompliance with sales agreement (Product responsibility to customers) from : <input checked="" type="checkbox"/> internal factors <input type="checkbox"/> external factors <u>Description/Details</u></p> <p>In managing risks to mitigate the impact of industry volatility and to establish a stable revenue base, the company has set guidelines for the production and distribution of products to customers in all industry sectors, both domestically and internationally. These sectors include steel, chemical, paper, sugar, mining, construction, wastewater treatment, gas treatment, agriculture, and environment.</p> <p>However, since each industry has different product specifications, the company has developed production guidelines and processes using nine lime kilns to produce products for each industry sector. Nevertheless, at times when some kilns are shut down for</p>						

Risk Factors / Risk treatment measures

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<p>maintenance or when there are changes in import factors such as fuel, limestone sources, or machinery limitations, it may affect the production capacity. This could result in the inability to produce sufficient products to meet the demands of some customer groups or individual customers.</p> <p>The company recognizes the importance of risk management in this matter, with a mission to deliver value and a focus on customer orientation and to gain and maintain continual revenues, a long-term market base, competitive advantage, bargaining power and customers' reliability are required through long-term processes and relationships. All processes, either core production process or supporting process could impact the confidence of the customer such as quality control, packing, delivery, customer application, and after-sales service including the manufacturing process, quality of raw material, right physical appearances, and right chemical specifications in order to deliver product quality in compliance with sales agreements.</p>	<ul style="list-style-type: none"> • Unsold inventory incurs accumulating costs. • Poor management can erode stakeholder confidence. 	<ul style="list-style-type: none"> • Enhance processes and machinery to improve quality based on customers' application • Identify standards and distribution channels to distribute to applicable market base • Evaluate options to minimize losses or adjust costs for non-compliant products to align pricing with market conditions. 	

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics				
<table border="1" data-bbox="76 986 927 1054"> <tr> <td data-bbox="76 986 152 1054">S9.6</td> <td data-bbox="152 986 633 1054">Strategic Risk & ESG Risk</td> <td data-bbox="633 986 772 1054">Risk Level</td> <td data-bbox="772 986 927 1054">Medium</td> </tr> </table> <p>▪ Development of new products and customers' product trials from : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p>Description/Details Product development to obtain additional or new advantageous characteristics by modifying raw materials, adding new minerals to serve new applications and particular industrial processes, and customizing in line with customers' requirements to establish a new market that needs the company's expertise for developing techniques and formulas to achieve the right product for their application.</p>	S9.6	Strategic Risk & ESG Risk	Risk Level	Medium	<ul style="list-style-type: none"> • Specific issues that need monitoring and supervision to control production processes to ensure compliance with product applications • Successful outcome of the development can enhance growth / revenue • Additional costs or controls on sales support and trials 	<ul style="list-style-type: none"> • New product development processes for each should be collected and analyzed as a case study. • Managing the costs of new product development projects including launch strategy and launch process until holding the market • Identity to assess a new technology initiated from a new product development project in order to introduce and develop such new innovation as a new technology driven. 	<ul style="list-style-type: none"> • Register risks occurred in new product development process • Economic Value vs. Market Value either advantageous or disadvantageous ones
S9.6	Strategic Risk & ESG Risk	Risk Level	Medium				

Risk Factors / Risk treatment measures

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<p>S10 Strategic Risk & ESG Risk Risk Level Medium</p> <p>▪ Dependency on few distributors or trading partners from : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p><u>Description/Details</u> The company does not sell directly to distributors. Instead, it supplies large distributors who then sell the products. A major factor in this is the sugar group; if they are unable to sell to these distributors, it may result in decreased sales. This risk could also encompass scenarios where, the Company selectively picks trading partners for refractory, machine, machine spare parts, fuel logistics, raw materials, and commercial port but is not limited to such trading partners as there will probably be constraints in terms of terms and conditions, delivery of non-compliance goods or services or price disadvantages that do not comply with the market price or not following trade agreements. The Company reviews terms or agreements or changes trading partners from previously specified.</p>	<ul style="list-style-type: none"> • Selling to major trade buyers with no bidding could significantly reduce both the volume and total sales. • A disadvantage of sole sourcing for specific critical materials is restricted flexibility to meet future changing requirements as well as unpredictable events in the needful period. 	<ul style="list-style-type: none"> • Analyze the Contribute Margin and examine price trends to decide if bidding is feasible, as long as Contribute Margin remains profitable. Sales volume is greatly affected by customer demand, so pricing strategies will be evaluated to maintain the customer base. • Seek qualified alternative trading partners for new substitutions screened by the procurement dept. for raw materials, equipment, fuel, refractory or any prompt delivery instead of existing suppliers. 	<ul style="list-style-type: none"> • Number of high risk trading partners

Risk Factors / Risk treatment measures



Risk treatment measures: **Operational Risk**

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics				
<table border="1" data-bbox="73 400 795 438"> <tr> <td data-bbox="73 400 159 438">O21</td> <td data-bbox="159 400 454 438">Operational Risk</td> <td data-bbox="454 400 613 438">Risk Level</td> <td data-bbox="613 400 795 438">Medium</td> </tr> </table> <p data-bbox="73 472 795 533">▪ The project is currently underway, but income has not yet been recognized.</p> <p data-bbox="73 566 795 604">from : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p data-bbox="73 606 309 635"><u>Description/Details</u></p> <p data-bbox="73 671 795 831">New investment project for business growth and development requires various phases; research, study, test, product trial until product launch, market access, and pricing all of which should be monitored and controlled on resources invested with no revenue yet recognized and then communicated to stakeholders. /</p> <p data-bbox="73 873 795 999">assets under construction that have remained unmoved for an extended period, or those currently being processed that have yet to yield any commercial results that shall keep relevant parties and stakeholders accurately and transparently informed.</p>	O21	Operational Risk	Risk Level	Medium	<ul data-bbox="831 405 1344 727" style="list-style-type: none"> • Safe investment • Progress and performance against the project plan • The return fails to meet the target. • A list of assets under construction that are not advancing as planned due to halted projects or delays. Currently, there is no construction plan in place, and no transactions are occurring, as management has taken over a year. 	<ul data-bbox="1377 405 1825 890" style="list-style-type: none"> • The responsible person shall be able to record and report the progress of investment projects including costs and returns transparently and systematically. • The accounting and operations dept. examines the list of assets under construction to monitor and act on those that are non-movement. • A strategy is developed for assets that are idle or lack commercial viability, with plans to put them up for sale. • Additionally, a tracking plan to ensure that usable assets under construction are effectively utilized. 	<ul data-bbox="1868 405 2145 628" style="list-style-type: none"> • Value of assets under construction phase • Expenditure / Capex separated into projects. • List of assets under construction that are slow-moving or inactive.
O21	Operational Risk	Risk Level	Medium				

Risk Factors / Risk treatment measures

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<p>O23 Operational Risk Risk Level High</p> <p>▪ Safety, occupational health and working environment</p> <p>from : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p><u>Description/Details</u></p> <p>The company prioritizes safety in all processes and business activities to ensure compliance with the ISO 45001 standard for occupational health and safety and implements various emergency measures, including fire prevention, chemical spill response, and epidemic control. Nonetheless, safety risks can still emerge due to human error, insufficient controls and monitoring, or external factors related to the supply chain, including business partners, contractors, and transport services involved in managing occupational health and safety.</p>	<ul style="list-style-type: none"> • Incident, injury to employees • Incident, injury to stakeholders • Financial remedy solicitors' costs to be incurred. • Property damage • Damages, Affects 	<ul style="list-style-type: none"> • Assess the entire process environment to improve potential risk areas. • Set out safety measures for the entire process. • Standardized Safety Manuals • Communication, training, to raise safety awareness. • Creating safety accountability and responsibility • Minimize personnel's Lost-Time Injury Severity Rate: ISR to 3 days lost/1,000,000 LTI Hrs. and less than 1 Injury Frequency Rate: IFR /1,000,000 Hrs. • An assessing of hazardous working conditions and unsafe practices is conducted to offer training programs for operators. • A risk analysis report is generated to evaluate safety through a Job Safety Analysis (JSA), which helps identify further safety measures. • An annual safety training program is available for employees across all levels and branches. • Additionally, there is an annual training course focused on safety or specific work areas, incorporating accident statistics to educate all employees, including those in contractor or subcontractor roles. • Setting objectives for accident reduction and defining zero accident 	<ul style="list-style-type: none"> • Safety statistics • Lost-Time Injury Severity Rate: ISR • Injury Frequency Rate: IFR

Risk Factors / Risk treatment measures

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<p>O25 Operational Risk Risk Level Medium</p> <p>Environmental impact from : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors Description/Details</p> <p>The business nature involves crushing and sizing, calcining limestone, processing the lime further which may result in negative environmental impacts on nearby communities. Hazard control measures are in place in accordance with the Department of Industrial Works, Ministry of Industry, the environmental rules and regulations regarding the disposal of waste or discarded materials. The air emission control is in accordance with the announcement of the Ministry of Industry in preparation of reports on the pollutants that the process or unit emits, etc.,</p> <p>The Company also implies ISO14001 principles in addition to reducing the impact, power management, and renewable energy promotion including enhancing environmental development in accordance with sustainability development.</p>	<p></p> <ul style="list-style-type: none"> Dust from the production process Dust from transportation Carbon dioxide emission Waste generated from poor management. Budget required. Damage reputation from poor environmental management <p></p> <ul style="list-style-type: none"> Standardized environmental management. Better quality of lives of employee Gain revenue from environmental care products Value shared to the community and society 	<ul style="list-style-type: none"> standardized environmental manual and work instruction sustainability indicators that promote and drive projects of conscious consumption, renewable resource efficiency, waste prevention and waste recycling to achieve a circular economy. Enhance the entire process to standardized practices Develop environmentally friendly product Engaging in assessment projects with key stakeholders to track environmental performance based on criteria established by external /third parties 	<p>Negative</p> <ul style="list-style-type: none"> environmental complaints Community Complaints negative standard scores evaluated by Third Party <p>Progress</p> <ul style="list-style-type: none"> Number of environmental projects Number of products that reduce pollution Sustainability Assessment Results

Risk Factors / Risk treatment measures

Risk treatment measures: **Compliance Risk**

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics				
<table border="1" data-bbox="73 400 786 437"> <tr> <td data-bbox="73 400 136 437">C29</td> <td data-bbox="136 400 465 437">Compliance Risk</td> <td data-bbox="465 400 600 437">Risk Level</td> <td data-bbox="600 400 786 437">Medium</td> </tr> </table> <p data-bbox="73 475 786 501"> Changes in regulations and laws regarding business operations </p> <p data-bbox="73 507 786 533"> from : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors </p> <p data-bbox="73 539 786 564"> <u>Description/Details</u> </p> <p data-bbox="73 608 786 895"> The Compliance risk is an organization's potential exposure to legal penalties from non-compliance with external and internal regulations , laws, government policies, announcements of the Securities and Exchange Commission (SEC), Thailand, the safety and occupational health standards, environmental standards, quality standards, product liability, human rights for privacy all of which possibly change all the time so the Company shall stay relevant to all relevant laws and regulations to prevent business disruption from compliance risk. </p> <p data-bbox="73 901 786 1093"> As the push for sustainability grows, regulatory bodies are developing frameworks and standards to address societal and environmental impacts. This has led to new laws and revisions in practices, encouraging businesses to operate responsibly and minimize negative effects while meeting stakeholder expectations. </p>	C29	Compliance Risk	Risk Level	Medium	<ul style="list-style-type: none"> <li data-bbox="808 507 1355 533">▪ the company's reputation, penalties and fines <li data-bbox="808 539 1355 608">▪ Budget required to set up or modify the work process to be consistent with changing regulations and measures <li data-bbox="808 614 1355 805">▪ Closely monitoring corporate existing measures to stay relevant and compliant with relevant requirements including upgrading data collection and the presentation of information disclosure to meet the stakeholders' expectations 	<ul style="list-style-type: none"> <li data-bbox="1355 507 1845 533">▪ Knowledge development for personnel <li data-bbox="1355 539 1845 564">▪ Having legal advisors for specific task <li data-bbox="1355 571 1845 662">▪ review and revise policy and practices to ensure compliance with changing requirements <p data-bbox="1355 730 1845 756"><u>Additional measures</u></p> <ul style="list-style-type: none"> <li data-bbox="1355 762 1845 853">▪ Identify rules and regulations referred for further tracking and updating all relevant laws and regulations 	<ul style="list-style-type: none"> <li data-bbox="1845 475 2166 501">• Legal disputes <li data-bbox="1845 507 2166 564">• Complaints on non-compliance <li data-bbox="1845 571 2166 596">• Monetary penalty <li data-bbox="1845 603 2166 694">• Proposed laws or legislation pending approval <li data-bbox="1845 700 2166 927">• Rules included in the development strategies of the Stock Exchange and the Securities and Exchange Commission (SEC)
C29	Compliance Risk	Risk Level	Medium				

Risk Factors / Risk treatment measures

Risk treatment measures: **Financial Risk**

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<p>Fluctuations in ROA and ROI</p> <p>F36.1 Financial Risk Risk Level Medium</p> <p>▪ Investment in a subsidiary Golden Lime Engineering Co., Ltd. GLE</p> <p>From : <input checked="" type="checkbox"/> internal factors <input checked="" type="checkbox"/> external factors</p> <p>Investments in the company's assets include:</p> <p>Established on March 15, 2017, registered capital of 20 million baht, shareholding 99.9%</p> <ol style="list-style-type: none"> 1) Revenue: project sales of kiln and related machinery 2) Revenue : from engineering and design services <p>Achievement before registering as SUTHA's subsidiary.</p> <ol style="list-style-type: none"> 1. K7 Kiln Construction Project, Huai Pa Wai Branch 2. Kiln project sales to Indonesia Kurnia 1 3. Kiln project sales to Indonesia BAM 4. Engineering designs services for electrical systems, Kiln process development, software systems, circuits, and PLC control systems, etc. <p>Assessment of the 150 TPD Kiln Business Viability</p> <p>Following the launch of the GLE to facilitate the 150 TPD Kiln projects, the market presents both constraints and potential for growth. To effectively support engineering tasks and the execution of expansion initiatives, the GLE operational team has undergone restructuring. Key personnel, including engineers and staff, have been reassigned from GLE to a dedicated engineering unit under GL.</p>	<p>+</p> <p>Return on investment in GLE Company</p> <ul style="list-style-type: none"> • Develop engineering, innovation and technology. • Develop kiln with Vertical Shaft Kiln technology under the brand EOD Lime Kiln.™ • Adding more of services for more revenue • 1 GL Kiln and other 3 external customers' kilns • Inhouse engineering team <p>-</p> <ul style="list-style-type: none"> • No turnover from the sale results in negative cash flow • Negative cashflow affects stakeholders. • An overreliance on competency of existing staff 	<ul style="list-style-type: none"> • Allowance for the value of capital 100% • Reducing / balancing revenue and expenses • Organizational restructuring to mitigate risks and manage internal human resources, accounting and tax structures between the Company and subsidiaries. 	<ul style="list-style-type: none"> • Number of projects <ul style="list-style-type: none"> ○ internal ○ external • Intangible assets • Net income / • P/L

Risk Factors / Risk treatment measures

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics				
<p>Fluctuations in ROA and ROI Materiality Analysis includes the issues below.</p> <table border="1" data-bbox="76 368 734 400"> <tr> <td data-bbox="76 368 197 400">F36.3</td> <td data-bbox="197 368 412 400">Financial Risk</td> <td data-bbox="412 368 562 400">Risk Level</td> <td data-bbox="562 368 734 400">Very High</td> </tr> </table> <p>▪ Investment in Thai Marble Co., Ltd. TMC</p> <p>Thai Marble Co., Ltd. acquisition as a supply security by bidding and acquiring 99.79 percent of shares from a total registered capital of 82.8 million baht, the total price paid in the auction was 605 million baht dated December 31, 2022. The company then purchased additional shares from existing minor shareholders to hold 99.81% of total shares. At present, the main business of TMC It can be divided into 3 main processes:</p> <ol style="list-style-type: none"> 1. Manufacture and sale of marble and its by-products 2. Manufacture and sale of limestone and its by-products 3. Manufacture and sale of calcium carbonate from marble scraps 	F36.3	Financial Risk	Risk Level	Very High	<p>+</p> <ul style="list-style-type: none"> • As a limestone supply security to GL and supply for marble production as its own core business and GCC products • Legal quarrying permission valid 20 years <p>■</p> <ul style="list-style-type: none"> • The acquisition of TMC comes with debt obligations • An increase of interest rate lead to increase of financing cost • Its marble business growth depends on construction activities ▪ Limestone quarrying and marble quarrying still largely depend on supplier / contractors' performance 	<ul style="list-style-type: none"> • Assign management to control and monitor operation to ensure some practice. • Internal controls and financial policy • Set standardized accounting and finance practices. • Conduct internal audit by external auditor • Set a yearly budget plan and monitoring. • Assign an external auditor for inventory audit. • Conduct suppliers visit to ensure safe and professional performance 	<ul style="list-style-type: none"> • Revenue/net profit • Selling general and administrative (SG&A) expenses • Set Follows up matters. • Audit result and risk assessment result • Manpower • Concession certificate • Cashflow • Financial Ratios • Repayment ability rate
F36.3	Financial Risk	Risk Level	Very High				

Risk Factors / Risk treatment measures

Risk treatment measures: Risk of Business of Thai Marble Corporation Limited (Subsidiary Company)

Risk issues / explanation	Risk (+Opportunity)	Mitigation plan	KRIs metrics
<p>IS40.1 (1) Risk of TMC Risk Level Medium</p> <p>▪ Threat of New Entrants</p> <p>: <input type="checkbox"/> Internal <input checked="" type="checkbox"/> External</p> <p>Materiality Analysis includes the issues below.</p> <p>▪ Threat posed by new player/New Entrant</p> <p>The analysis of marble mining concession applications revealed that new players faced significant challenges. Government restrictions demanding substantial investments hindered their ability to enter the market and compete effectively.</p>	<ul style="list-style-type: none"> • Still unaffected by new players. • Government regulations mandate substantial investment in mining concession operations. 	<ul style="list-style-type: none"> • Follow up market situation among producers and distributors of marble and alternative natural stone. • Monitor the progress of requests and approvals related to concessions. • Track the flow of stone imports from international sources. • Assess the quality, satisfaction levels, and accessibility for customer segments that have confidence in the company. 	<ul style="list-style-type: none"> • Sales target • Trends of sales revenue • Customer Complaint
<p>IS40.1 (2) TMC Risk Risk Level Very High</p> <p>▪ Threat posed by new player/New Entrant</p> <p>In the context of importing, producing, and selling, it has been observed that the number of new traders entering the market remains limited. However, there is competition from emerging traders, alongside investments from foreign nations, including China and Vietnam, seeking to establish business operations in Thailand. Both new and established traders are utilizing the importation of raw stones from overseas for domestic production and sales, incurring an import tax ranging from 10% to 30%.</p>	<ul style="list-style-type: none"> • Not much affected by new players / traders • Quite high competition in pricing to entry to the market • An increasing competition among existing traders • More import of raw materials from abroad 	<ul style="list-style-type: none"> • Monitor and assess details from manufacturers and distributors of marble or alternative prefabricated stone products. • Track imports of stone from international sources. • Observe trends in customer demand for imported stone. • Keep in touch with customers who have utilized TMC stone. 	<ul style="list-style-type: none"> • Company sales target • Market share and trends • Customer complaints

Risk Factors / Risk treatment measures

Risk issues / explanation				Risk (+Opportunity)	Mitigation plan	KRIs metrics
IS 40.1 (3)	TMC Risk	Risk Level	Medium	<ul style="list-style-type: none"> Gain market share by creating closer customer relationships instead of just acting as a reliable sales agent Use inventory from importers-manufacturers-distributors without capital in the process Have relatively high price competition Offer quality stones imported from abroad rather than domestic stones 	<ul style="list-style-type: none"> Track and assess data from manufacturers and distributors of marble or prefabricated stone products that serve as alternatives to prefabricated marble. Ensure quality, customer satisfaction, and accessibility for groups that have specific needs and trust in the company. Foster relationships and establish rapport with these trading groups, representing TMC's stones and those imported by TMC. 	<ul style="list-style-type: none"> Company sales targets Market share and trends Customer complaints
<p>▪ Threat posed by new player/New Entrant</p> <p>In the context of small distributors, trading distributors and sales representatives, it has been observed that a significant number of new distributors are entering the market. These entities operate as sales representatives, sourcing ready-made stones and stone slabs to fulfill customer requirements and construction projects. They engage in buy-and-sell activities with minimal investment, often without inventory, although their profit margins tend to be relatively low.</p>						
IS 40.2	TMC Risk	Risk Level	Medium	<ul style="list-style-type: none"> Imported products replace the TMC market share Foreign competitors, particularly from China, Vietnam to establish a market presence and take over the company's market share. India has started importing granite to challenge marble and capture its market share. A variety of stone types are imported to satisfy customer demands. 	<ul style="list-style-type: none"> Shift strategy to import marble from international sources to offer more variety and options for customers. The focus should be on preserving the marketing edge while targeting high-end market. Develop unique products, which is the current strategy of the company. pivot towards creating handicrafts and exploring ways to enhance the value of products beyond merely selling stone slabs for construction. 	<ul style="list-style-type: none"> Sales target Trends of sales revenue; upward or downward
<p>▪ Threat of international competitors</p> <p><input type="checkbox"/> Internal <input checked="" type="checkbox"/> External</p> <p>Materiality Analysis includes the issues below.</p> <ul style="list-style-type: none"> The rise in marble availability presents opportunities for international competitors, particularly from China, Vietnam, and India. Different varieties of marble can be imported with a tax rate ranging from 10% to 30%, enabling a diverse range of global imports. Granite also holds a significant portion of the marble market, with production facilities in India importing it to establish market presence. Customers are increasingly favoring pure white marbles over white-gray options. 						

Risk Factors / Risk treatment measures

Risk issues / explanation				Risk (+Opportunity)	Mitigation plan	KRIs metrics
IS 40.3	TMC Risk	Risk Level	Medium	<ul style="list-style-type: none"> The strengths mentioned enable marble to distinguish themselves in the marketplace, possessing intrinsic value that is expected to be appreciated over time. Conversely, a notable weakness lies in the proliferation of products that resemble or replicate marble, which diminishes the potential to sustain a solid market presence. Marble is a natural material that cannot be replicated by humans, showcasing distinctive advantages that are unparalleled. 	<ul style="list-style-type: none"> Sales and marketing strategies focused on the use of aesthetically pleasing marble materials in building construction to enhance the company's reputation. Advertising, public relations, and promotional efforts aimed at educating sellers and users about the benefits and strengths of the stone product. 	<ul style="list-style-type: none"> Sales target Trends of sales revenue
<p>▪ Threat of Substitution</p> <p>: <input type="checkbox"/> Internal <input checked="" type="checkbox"/> External</p> <p>Materiality Analysis includes the issues below.</p> <ul style="list-style-type: none"> Marble products possess distinct qualities that set them apart. Their appeal in the market stems from various advantages, particularly that marble is a natural material that cannot be replicated exactly. Artificial stones can mimic marble, but they lack authenticity. Other stone varieties, including granite, limestone, and laterite, are also competing for a portion of the marble market. The availability of Thai's marble is declining, as it cannot be sourced or produced in greater quantities due to the constraints of limited natural resources. 						
IS 40.5	Risk of TMC	Risk Level	Medium	<ul style="list-style-type: none"> Employee health and workplace safety Safety measures for visitors, external individuals, and the community (Health and Safety) Safety in the delivery of products. 	<ul style="list-style-type: none"> Occupational Health and Safety Policy Safe practices and safe operations 	<ul style="list-style-type: none"> I.F.R. rate I.S.R rate Annual health checkup results Community Health Fund (health checkup result)
<p>▪ Occupational health and safety risk</p> <p>: <input checked="" type="checkbox"/> Internal <input checked="" type="checkbox"/> External</p> <p>Materiality Analysis includes the issues below.</p> <p>The production activities associated with mining, marble processing facilities, and calcium carbonate entail that employees are required to operate machinery while contending with noise, dust, heat, and strenuous physical labor, in addition to the effects on visitors and external individuals.</p>						

Risk Factors / Risk treatment measures

Risk issues / explanation				Risk (+Opportunity)	Mitigation plan	KRIs metrics
IS 40.7	TMC Risk	Risk Level	High	<ul style="list-style-type: none"> • Potential to establish new marketing channel • Chance to build a database for online sales that allows for information access and real-time updates from any location • Improve the efficiency of the production process • Risk of losing customer base from online marketing and sales • Falling behind in technology trends can lead to somewhat loss. 	<ul style="list-style-type: none"> • Focus on advancing technology. • Establish an online trading platform. • Implement a marketing information system. • Enhance the production process to align with technological movement. 	<ul style="list-style-type: none"> • Company sales targets • Market share and trends • Customer complaints
<p>▪ Technology Risk : <input type="checkbox"/> Internal <input checked="" type="checkbox"/> External Materiality Analysis includes the issues below.</p> <ul style="list-style-type: none"> - The use of technology and social media for marketing marble is on the rise. Many business owners have shifted their focus to online platforms to showcase their marble products more effectively. -New technologies are being increasingly integrated into stone production processes. - Factory operators and mining companies are adapting their strategies to explore opportunities for growth alongside technology and innovation. 						

2.2.2 Shareholders' investment risk : Yes

Risk 1 Investment risks for securities holders

- Risk from the company having any shareholder holding \geq 75% of the shares
- Risk from the shares having low free float resulting in low liquidity in trading Related risk topics:

Risk characteristics

The company has a policy to pay annual dividends or pay interim dividends quarterly at a rate of not less than 40 percent of net profit after deducting corporate income tax and allocating legal reserves each year. However, the company may consider paying dividends at a rate different from the specified policy or refrain from paying dividends, depending on the operating results, financial position, economic situation, investment plan, other necessities and appropriateness as the company's board of directors and/or shareholders deem appropriate.

Currently, the company has financial costs and has the burden of repaying loans to financial institutions on a timely basis. Therefore, if the company and its subsidiaries' operating results are not as expected, or if the company or its customers are affected by the economic crisis, it may result in a decrease in revenue and result in the company's profits during the period of difficulty being insufficient to pay dividends, or if in the period when the principal repayment is due according to the loan agreement Or may have to increase working capital reserves due to the economic situation, which may result in insufficient cash flow to allocate to pay dividends to the company's shareholders.

Impact

- The company may not consider paying quarterly dividends to shareholders.
- The company may not consider paying annual dividends to shareholders, depending on the operating results, financial position, economic conditions, investment plans, and necessity.
- According to the regulations, if the company cannot pay dividends if the operating results are not profitable

Risk management measurement

- The executives and board of directors will evaluate the possibility of issuing dividends at a minimum rate of 40 percent, contingent upon satisfactory operating results and cash flow aligned with the financial management strategy.
- If dividends are not distributed quarterly or annually, an announcement will be made via the Stock Exchange of Thailand to explain the rationale and necessity to shareholders.
- A report will be provided regarding dividend payments or their suspension, along with proposals for approval concerning annual dividend payments at the annual shareholders' meeting.

2.2.3 Investment risks for securities holders investing in foreign securities (applicable to only foreign companies)

Are there any risk factors affecting securities holders from investing in foreign securities: No

Risk management involves assessing impacts, prioritizing strategies, and using Key Risk Indicators (KRIs) to monitor the process. For more details, please refer to the link.

<i>Link for risk management policy and plan</i>	https://www.goldenlime.co.th/risk_management.asp?lang=E
<i>Link Page Number</i>	<i>Tab Risk Management Plan and Report</i>