



**Information Memorandum Concerning the Acquisition of Assets
of Golden Lime Public Company Limited (Schedule 2)
Regarding the Acquisition of Ordinary Shares of Thai Marble Corporate Limited**

The Board of Directors' Meeting of Golden Lime Public Company Limited (the "**Company**") No. 2/2020, held on 13 May 2020 resolved to approve the acquisition by Golden Lime Public Company Limited of 3,305,126 ordinary shares of Thai Marble Corporation Limited ("TMC"), comprising 1,652,563 ordinary shares from the Ministry of Finance and 1,652,563 ordinary shares from CPB Equity Co., Ltd. (the "**Sellers**") at the purchase price of approximately Baht 183.05 per share, totaling Baht 605,000,000 after passing the second round of TMC's bidding procedure and payment of the value of the shares within 10 working days from receipt of the notice letter from TMC. The key details of the acquisition transaction are as follows:

TMC is a limited company that engages in mining operations. TMC possesses five mining concession areas, in respect of which three mining concession certificates have been granted, and two are in the process of approval. One of its mines operates the quarrying of quality kiln feed limestone which can service a high proportion of the Company's needs. The acquisition of Ordinary shares of TMC constitutes vertically integrating which is an important strategic plan for business development to enhance stability in limestone raw material supply, enhancing finished goods quality, as well as expanding the business scope of the company. Aside from TMC having concession certificates and mining businesses TMC also engages and has profound experience in the operation of comprehensive marble businesses covering marble mining, rocks blasting and grinding, and crafting, selling and installing marble products as well as converting marble waste into calcium carbonate powder(GCC) that is used in the animal feed industry (GMP), sanitary ware coating products, automotive tire industry, and many other industries. The Company sees great growth prospects in TMC's business which will enhance the profitability of the Company in the future.

This Transaction is considered an acquisition of material assets pursuant to the Notification of the Capital Market Supervisory Board Notification No. TorJor. 20/2551 entitled Rules on the Entering into Material Transactions Deemed as the Acquisition or Disposition of Assets and the Notification of the Board of Governors of the Stock Exchange of Thailand entitled Disclosure of Information and Other Acts of the Listed Company Concerning the Acquisition and Disposition of Assets, 2004 (**the "Major Transaction Rules"**). When considering the size of the acquisition pursuant to each calculation method prescribed under the Major Transaction Rules and based on the reviewed consolidated financial statements of the Company for the period ended 31 March 2020, the transaction size is of the highest value when calculated based on the net profit basis, which equals 813.54 percent of the total net profit of the Company and its subsidiaries. In this connection, when consolidating the size of this acquisition with all acquisition transactions entered into by the Company and its subsidiaries, the Company and its subsidiaries did not enter into any significant acquisition transaction during the past six months prior to the date of entering into this acquisition, the net profit of the acquiring assets under the Major Transaction Rules equals 813.54 percent of the total net profit of the Company and its subsidiaries. The transaction is classified as Class 4 pursuant to the Major Transaction Rules having transaction size equivalent to or higher than 100

TPID-15-85803



percent of the total net profit of the Company and its subsidiaries. Whilst the acquisition transaction is classified as Class 4 pursuant to the Major Transaction Rules, the acquisition of shares of TMC does not constitute a backdoor listing on the SET as it falls under the exception of Section 24 of the Major Transaction Rules where the transaction meets all the exception requirements and the business is not required to apply for the new listing application. In this case, the Company is responsible for the following

- (1) Prepare Information of the acquisition and disclose the information memorandum of such transaction to the SET immediately;
- (2) Appoint an independent financial advisor in order to provide opinions on the acquisition of the assets and deliver the said opinions to the Office of Securities and Exchange Commission (the “SEC”), the SET, and shareholders. The Company appointed the Avantgarde Capital Company Limited, a financial advisor which is in the approved list of the Office of Securities and Exchange Commission, to be the Independent Financial Advisor who giving opinions regarding the Entering Into This Transaction to shareholders and deliver the said opinion to the Office of Securities and Exchange Commission, the SET, and shareholders; and
- (3) Convene the shareholders’ meeting which shall be held on Thursday July 16, 2020 at 14:00 PM at Bussarakam Ballroom, the AVANI Atrium Bangkok, for an approval on the Entering into This Transaction (with the votes of not less than three-fourths of the total number of votes of the shareholders attending the meeting and having the right to vote, excluding those having interest. In this respect, no shareholder has an interest in the transaction. In addition, the said transaction is not considered a connected transaction under the Notification of the Capital Market Supervisory Board Notification No. TorJor. 21/2551 and the Notification of the Board of Governors of the Stock Exchange of Thailand entitled Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, 2003. The Company will send the notice convening the shareholders’ meeting no less than 14 days prior to the meeting.

1. Information Memorandum (Schedule 1)

1.1 Date / Month / Year of the Transaction

TMC announced the bidding result whereby the Company is the winning bidder of 3,305,126 ordinary shares for the total consideration of Baht 605,000,000 on 29 April 2020. The Company paid the total consideration of Baht 605,000,000 to the Sellers on 8 May 2020 and the Sellers transferred 3,305,126 shares of TMC to the Company on 13 May 2020. In this regard, as the Company entered into a confidentiality agreement with TMC as a condition to the bidding process, as well as the uncertainty of the terms and conditions of the bidding which provide that the Sellers may amend the terms and conditions of the bid or cancel the share sale without a requirement to inform the bidders prior to the cancellation. For such reasons, the Company deemed it necessary to disclose this Information Memorandum regarding the acquisition of TMC’s shares after completion of the entire process, namely, completion of the share transfer, to prevent any impact on its shares and shareholders by this uncertainty.



1.2 Relevant Parties and their Relationship with the Company

Buyer : The Company

Sellers and Relationship : The Ministry of Finance and CPB Equity Co., Ltd., who are not with the Company related persons of the Company as detailed below:

| Name | Number of Shares* | Percentage of Shareholding |
|----------------------------|-------------------|----------------------------|
| 1. The Ministry of Finance | 1,652,563 | 49.896 |
| 2. CPB Equity Co., Ltd. | 1,652,563 | 49.896 |
| 3. Other shareholders | 6,874 | 0.208 |
| Total | 3,312,000 | 100 |

Remark* All existing shares in TMC are ordinary shares.

1.3 General Characteristics of the Transaction

The Company entered into the transaction to acquire 3,305,126 ordinary shares of TMC, representing approximately 99.79 percent of its total issued and outstanding shares, with a par value of Baht 25 per share, comprising 1,652,563 ordinary shares from the Ministry of Finance and 1,652,563 ordinary shares from CPB Equity Co., Ltd. through a bidding process held by TMC at the purchase price of approximately Baht 183.05 per share, totaling Baht 605,000,000. Following this transaction, the Company has secured access to kiln feed quality limestone, which is a key raw material in the Company's production process. In addition, it has acquired a valuable marble business with experienced personnel and customer base. TMC, therefore, is considered a potential asset for the future development of the Company's business expansion in Thailand.

1.4 Calculation of the Transaction Size

Based on the reviewed consolidated financial statements of the Company for the period ended 31 March 2020, the transaction size is of the highest value when calculated based on the net profit basis, which equals 813.54 percent of the total net profit of the Company and its subsidiaries. In this connection, when consolidating the size of this acquisition with all acquisition transactions entered into by the Company and its subsidiaries, the Company and its subsidiaries did not enter into any significant acquisition transaction during the past six months prior to the date of entering into this acquisition transaction, the net profit of the acquiring assets equals 813.54 percent of the total net profit of the Company and its subsidiaries, and is therefore classified as Class 4 pursuant to the Major Transaction Rules having transaction size equivalent to or higher than 100 percent of the total net profit of the Company and its subsidiaries. Details of the transaction size calculated are as follows:



| Audited Financial Highlights | The Company (Consolidated) | | | TMC | |
|------------------------------|-------------------------------|-----------|-----------|-------------|-----------|
| | (THBmm) | Year 2018 | Year 2019 | 31 Mar 2020 | Year 2018 |
| Revenue | 1113.33 | 973.06 | 971.27** | 238.73 | 305.09 |
| EBITDA | 230.09 | 165.39 | 162.58** | 116.17 | 97.63 |
| Net Income | 84.56 | 7.17 | 8.13** | 81.35 | 66.28 |
| Total Assets | 1442.76 | 1341.44 | 1358.76 | 409.27 | 424.36 |
| NTA | 383.76 | 284.01 | 303.98 | 346.23 | 370.03 |

Remark** The total value based on the consolidated financial statements of Q1/2020, Q2/2019, Q3/2019 and Q4/2019.

| Criteria of Calculation | Formula of Calculation | Percentage of Transaction Value |
|-------------------------------|---|---|
| 1. Net Tangible Assets (NTA) | $= \frac{\text{NTA of the acquiring assets} * \% \text{ of shares acquired} * 100}{\text{NTA of the Company}}$ $= \frac{370.03 * 99.79\% * 100}{303.98}$ | 121.47 |
| 2. Net Profit | $= \frac{\text{Net profit of the acquiring assets} * \% \text{ of shares acquired} * 100}{\text{Total net profit of the Company}}$ $= \frac{66.28 * 99.97\% * 100}{8.13}$ | 813.54 |
| 3. The Value of Consideration | $= \frac{\text{Total value of Consideration paid} * 100}{\text{Total assets of the Company}}$ $= \frac{605 * 100}{1358.76}$ | 44.53 |
| 4. Value of Securities | $= \frac{\text{Total number of shares issued as consideration} * 100}{\text{Total number of shares issued and fully paid-up}}$ $= \text{N/A}$ | Unable to calculate as the Company does not issue any securities as consideration for the assets acquired in this transaction |

Whilst the acquisition transaction is classified as Class 4 pursuant to the Major Transaction Rules, the acquisition of shares of TMC does not constitute a backdoor listing on the SET as it falls under



the exception of Section 24 of the Major Transaction Rules where the transaction meets all the following requirements and the business is not required to apply for the new listing application.

(1) The acquired business is in a similar line of business or a mutually supporting business to the Company

TMC engages in the quarrying of kiln feed limestone which is a key raw material for the operation of the Company's lime business. Hence, the acquisition of the shares of TMC would greatly expand the Company's capacity for its lime and calcium carbonate business operation and would enhance the profitability of the Company in the lime industrial business. -

(2) The Company has no policy to make a major change in its main business after the acquisition

After the acquisition, the Company has no policy to change its main business on the operation of lime and calcium carbonate business. The acquisition of shares of TMC will entail the cost reduction on the production of lime and calcium carbonate and allow the Company to grow exponentially in Thailand. -

(3) After the acquisition of assets, the Company still has suitable qualifications for listing on the SET

After the acquisition of the shares of TMC, the Company still has suitable qualifications to maintain its listing status on the SET including:

- (a) The Board of Directors, executives or controlling persons of the Company have the required qualifications and do not have any prohibited characteristics under the Notification of Capital Market Supervisory Board No. 39/2559 on the Applications for and Approval of Offer for Sale of New Shares (Codified) and SET regulations (the “**Regulations**”);
- (b) Corporate governance and internal control of the Company are sufficient and appropriate, and the duties and responsibilities of the Audit Committee and independent directors are clearly defined under the Regulations;
- (c) The requirement regarding the minority shareholders (free float) of the Company is duly maintained;
- (d) No conflict of interest between the Company and its subsidiary at the present or in the near future;
- (e) The Financial Statements of the Company have been prepared in accordance with the Regulations and approved by the auditor (who is approved by Office of the Securities and Exchange Commission); and
- (f) The provident funds have been set up by the Company in accordance with the law and regulations on provident funds.



(4) There will be no material change in the composition of the Board of Directors, power to control or controlling shareholders of the Company

The Company neither has a material change nor will have the policy to change the composition of the Board of Directors, shareholders or controlling persons of the Company at the present or in the near future.

1.5 Details of Acquired Asset

| | | |
|--|---|---|
| Name | : | Thai Marble Corporation Limited |
| Address | : | 565/1 Soi. Ramkhamhaeng 39 (Watheplila) Ramkhamhaeng Road. Phlapphla, Wang Thong Lang, Bangkok 10310 |
| | | Branch (1) 351 Moo 2, Phaholyothin Road Km. 127, Na Phra Lan, Chalermprakiet, Saraburi, used as a factory and TMC's Saraburi office. |
| | | Branch (2) 271 Moo 9 Tubkwang, Kaengkhoi, Saraburi, used as a mining area. |
| | | Branch (3) 53/1 Moo 10 Prabatnoi-Pukae, Songkon, Kaengkhoi, Saraburi, used to store raw materials. |
| | | Branch (4) 351/72 Moo 2, Phaholyothin Road, Na Phra Lan, Chalermprakiet, Saraburi, used as a factory and TMC's Saraburi office. |
| | | Branch (5) 351/74 Moo 2, Phaholyothin Road, Na Phra Lan, Chalermprakiet, Saraburi, used as a factory and TMC's Saraburi office. |
| Date of incorporation | : | 21 May 1956 |
| Nature of business | : | Operation of comprehensive marble businesses |
| Capital structure | : | As of 13 May 2020, the registered and fully paid-up capital of TMC was Baht 82,800,000, divided into 3,312,000 shares with par value of Baht 25 per share |
| Shares in TMC held by the Company prior to the transaction | : | None |
| Number of shares acquired | : | 3,305,126 shares |
| Shares to be held by the Company after the transaction | : | 3,305,126 shares |
| Directors before the acquisition | : | As of 13 May 2020, there were 5 directors as follows |



1. Mr. Pramote Techasupatkul
2. Mr. Et Wibooncharoen
3. Mr. Kajohndet Sangsuban
4. Miss Worachaya Latthayaporn
5. Mr. Suphawut Rangripanodon
6. Mrs. Siriwan Kaeomunniam
7. Mr. Preecha Ruangmas
- Directors after the acquisition
- As of 13 May 2020, there were 5 directors as follows
1. Mr. Geza Emil Perlaki
2. Mr. Krishnan Subramanian Aylur
3. Mr. Preecha Ruangmas
4. Mr. Mungkorn Kajorndech
5. Ms.Thidarat Sihawanlop

Shareholders : As of 13 May 2020, there are shareholders as follows:

| | Names of Shareholder before the acquisition | Number of Shares | Percentage of Shareholding |
|----|--|-------------------------|-----------------------------------|
| 1. | The Ministry of Finance | 1,652,563 | 49.896 |
| 2. | CPB Equity Co., Ltd. | 1,652,563 | 49.896 |
| 3. | Other shareholders | 6,874 | 0.208 |
| | Total | 3,312,000 | 100 |

After the acquisition, the shareholders of TMC shall be as follows

| | Names of Shareholder after the acquisition | Number of Shares | Percentage of Shareholding |
|----|---|-------------------------|-----------------------------------|
| 1. | Golden Lime Public Company Limited | 3,305,126 | 99.792 |
| 2. | Other shareholders | 6,874 | 0.208 |
| | Total | 3,312,000 | 100 |

TMC's Audited Financial Statements Highlights

| Audited Financial Statements | | | |
|---|-------------|-------------|-------------|
| For the Year End 31 December | | | |
| (Unit: Baht unless stated otherwise) | 2017 | 2018 | 2019 |
| Total assets | 353,204,904 | 409,265,880 | 424,359,362 |



| | | | |
|-----------------------|-------------|-------------|-------------|
| Total liabilities | 49,115,070 | 62,274,316 | 54,147,159 |
| Shareholders' equity | 302,076,463 | 346,991,565 | 370,212,202 |
| Registered capital | 82,800,000 | 82,800,000 | 82,800,000 |
| Paid-up capital | 82,800,000 | 82,800,000 | 82,800,000 |
| Total revenue | 308,475,214 | 317,653,174 | 309,775,282 |
| Net Profit | 78,805,634 | 81,347,101 | 66,276,638 |
| Total shares (shares) | 3,312,000 | 3,312,000 | 3,312,000 |

TMC operates comprehensive marble businesses covering marble mining, rock cutting and polishing, and crafting, selling and installing marble products as well as converting marble wastes into calcium carbonate powder. Each year, it also gains a large amount of revenues from subleasing its concession certificates to other companies.

TMC possesses five mining concession areas, in respect of which three mining concession certificates have been granted, and two are in the process of approval. As follows:

1. **Concession number 32499/15852 (Khao Ngob)** permitted to mine marbles located in Na Phra Lan Subdistrict, Chaloem Phrakiat District, Saraburi province, an area of 148-0-54 rai, with a concession certificate aged 17 years from 21 April 2019 to 20 April 2034, used to produce white-gray marble – red stripes marbles, with a mining lease having marble yield rate per falling stone panel (“Yield”)^{1/} at approximately 10.00 – 15.00 percentage. the yield of marble bars that do not have sufficient properties to be processed into finished marble slabs will be used to produce calcium carbonate powder.

Image: Concession number 32499/15852 (Khao Ngob)



2. **Concession number 32517/16065 (Khao Kao)** permitted to mine limestone industry and marble quarries Located in Na Phra Lan Subdistrict Chaloem Phrakiat District Remember, Saraburi, area of 227-1-80 Rai. The concession certificate is valid for 10 years from 29 October 2013 to 28 October 2023. It is used to produce black marble and limestone for the lime industry. The concession certificate has the production rate of marble blocks per the total rock fall^{1/} of approximately 25.00 - 30.00 percent

^{Source}^{1/}: Geological Studies Report by GMT Corporation



Image: Concession number 32517/16065 (Khao Kao)



3. **Concession number 32486/16060 (Khao Yai Southern)** permitted to mine limestone industry located in Na Phra Lan Subdistrict Chaloem Phrakiat District, Saraburi Province, an area of 102-3-96 Rai. The concession certificate is valid for 10 years from 10 October 2013 to 9 October 2023. It is used to produce limestone for the construction industry.

Image: Concession 32486/16060 (Khao Yai Southern)



4. **Concession number 24869/14158 (Khao Thap Kwang)** permitted to mine marble Located at Tub Kwang Subdistrict, Chaloem Phrakiat District, Saraburi Province, an area of 11-0-34 rai. The concession certificate has expired on December 3, 2013. Currently, TMC is in the process of requesting for a renewal of a concession certificate. It is used to produce pink marble and the mining lease has a production rate of marble slab per fall of all stone panels1/ of approximately 20.00 percent

Image: Concession number 24869/14158 (Khao Thap Kwang)



5. **Concession number 17310/13865 (Khao Yai Northern)** permitted to mine limestone industry Located in Na Phra Lan Subdistrict Chaloem Phrakiat District, Saraburi Province, an area of 67-0-65 rai. The concession certificate has expired on March 31, 2011. Currently, TMC is in the process of requesting for a renewal of a mining lease. It is used to produce limestone for the construction industry.



TMC is a comprehensive marble manufacturer for domestic sale and exportation and involves in the interior design and construction business. TMC also manufactures calcium carbonate which is used in the animal feed industry (GMP), sanitary ware coating products, automotive tire industry, and many other industries. Moreover, as TMC has its own raw mineral resources which are expected to remain available for at least 50 years. As such, TMC is capable of further expanding its calcium carbonate business due to the market demands which positively depicts the stability of the business of TMC. Given that TMC has been in the business for more than 60 years, the business of TMC has been prosperous and continuously providing great returns to its shareholders.

1.6 Value of Consideration and Payment Method

1.2 Total Value of Consideration

The total consideration value for the acquisition of 3,305,126 ordinary shares of TMC equals to Baht 605,000,000.

1.3 Payment Method

The Company paid the total consideration of Baht 605,000,000 by issuing cashier cheques for the total amount of Baht 302,500,000 to each of the Ministry of Finance and CPB Equity Co., Ltd.

1.7 Value of Acquired Asset

The total value of the assets to be acquired by the Company is at Baht 605,000,000. In light of this, the Company has appointed Avantgarde Capital Company Limited (who is approved by the Office



of the Security and Exchange Commission) to be the independent financial advisor providing its opinion on the fair value of the acquired assets.

The IFA projected TMC's equity value by valuation approaches which can be summarized as follows:

Table of summary of TMC's share value

| Approach | Equity Value (THBmm) | Details |
|------------------------------------|----------------------|---|
| 1. Book Value Approach | 258.6 | The Book Value is the method that reflects the financial position at one point in time without taking into account of the market value of certain assets and significant events after the date of financial statement. Moreover, it will not be able to reflect the ability of an asset to generate profit from TMC's business in the future. Hence, the IFA does not select this valuation approach. |
| 2. P/BV Ratio | 111.4 – 145.8 | The Price to Book Value Ratio reflects the financial position at a point of time, from comparing with the average ratio of comparable companies. The IFA concludes that the P/BV ratio is not the appropriate method for the valuation since it does not reflect the market value of certain assets and significant events after the date of referred financial statement as well as the ability to make profits from the assets for TMC's business in the future. Therefore, it is not an appropriate approach. Hence, the IFA does not select this valuation approach. |
| 3. P/E Ratio | 535.6 – 716.0 | The Price to Earnings Ratio refers to the earnings per share for over the past 12 months and multiplied by the P/E ratio. The IFA concludes that this approach does not take into account of the difference of business structure, such as revenue structure and cost structure; therefore, this approach might not fully reflect the actual value. Hence, the IFA does not select this valuation approach. |
| 4. EV/EBITDA | 720.6 – 852.3 | The EV to EBITDA ratio refers to the EBITDA for over the past 12 months and multiplied by the EV to EBITDA ratio. The IFA concludes that this approach does not take into account of the difference of business structure, such as revenue structure and cost structure; therefore, this approach might not fully reflect the actual value. Hence, the IFA does not select this valuation approach |
| 5. Transaction Comparable Approach | 641.8 | The Transaction Comparable Approach reflects the ability to generate cash flow from operation deducted by the effects of capital structure in different enterprises. The IFA views that this valuation approach contains uncertainty of various factors such as transaction size and time of the transaction, which might indicate the misleading share value from the valuation. Hence, the IFA does not select this valuation approach. |
| 6. Discounted Cash Flow Approach | 571.2 – 709.8 | Based on the Discounted Cash Flow Approach, the value of TMC is equal to 571.2 THBmm – 709.8 THBmm. This approach reflects business operation plan, ability to make profit and growth prospect as well as return of equity in the future, which is estimated from TMC's revenues and expenses based on an assumption that is considered to be fair and appropriate by the IFA. Hence, the IFA concludes that this valuation approach is appropriate for the share valuation of the company. |

Avantgarde Capital Company Limited as the IFA of the Transaction analyzed the objectives of the Transaction, TMC's operating performance, current and future business policies and the situation of marble and other related industries in order to analyze pros and cons of entering into the Transaction. The IFA concluded that entering into the Transaction will create opportunities for business expansion and growth for the Company in the future, improve competitiveness and be the owner of potential assets. Thus, the IFA has an opinion that this Transaction is **appropriate**.



Regarding the appropriateness of price, the IFA has an opinion that the fair value for the transaction value of 605.0 THBmm is **appropriate** since it is in the IFA's valuation range of 571.2 THBmm – 709.8 THBmm by using the Discounted Cash Flow approach which is the appropriate valuation approach that reflects future operating performance under a business operation plan and using fair assumptions.

1.8 Basis Used for Determination of Transaction Value

The total value of consideration for this transaction is based on the analysis of possibility and due diligences on certain aspects by the advisors of the Company including TMC's growth profile and nature of business, revenue projection and discounted cash flow valuation, the use of trading multiples and precedent transaction multiples, as well as the return on investment analysis, which are the standard methods commonly used in investment decision making.

1.9 Expected Benefits to the Company

The acquisition of the shares of TMC is an important part of the strategy for the business development of the Company. It possesses five mines, in respect of which three concession certificates have been granted, and two are in the process of approval. One of its mines operates the quarrying of quality kiln feed limestone which currently secures a large proportion of the Company's raw material suppliers of the Company, the acquisition shall entail cost reduction to the Company, which will enhance the Company's profitability and allow the Company to grow in Thailand and strengthens the Company's competitive capabilities. TMC also engages and has profound experience in the operation of comprehensive marble businesses covering marble mining, rocks blasting and grinding, and crafting, selling and installing marble products as well as converting marble wastes into calcium carbonate powder in Thailand, in which the Company sees great growth prospects in its business which will enhance profitability of the Company in the future.

1.10 Sources of Financing

The Company has financed its acquisition of the shares of TMC by fund obtained from sources as follows:

- (1) The financial institution in the amount of Baht 600,000,000. In this regard, the entry into the loan agreement with the financial institution at this time does not incur any material negative effect to the Company's shareholders.
- (2) The remaining amount of Baht 5,000,000 is allocated from the Company's working capital.

1.11 Key Conditions Necessary for the Entry into the Transaction

As the acquisition of the shares of TMC is considered an acquisition of assets pursuant to the Major Transaction Rules, the Company shall prepare an information memorandum concerning the acquisition of assets and disclose it to the SET as well as appoint an independent financial advisor to provide an opinion regarding the acquisition transaction to the shareholders and convene a general meeting of shareholders to obtain requisite resolutions of a general meeting of shareholders to be held on 16 July 2020 with affirmative votes of not less than three-fourths of



the total votes of the shareholders attending the meeting and eligible to vote, excluding those of the interested shareholders.

1.12 Opinion of the Company's Board of Directors on the Entry into the Transaction

The Board of Directors has considered and viewed that the transaction is reasonable and most beneficial to the Company and its shareholders and approved the proceeding of related matters required for the acquisition of shares of TMC and authorized the authorized Directors to proceed with related matters at the Board of Directors Meeting of the Company No.1/2020 held on 25 February 2020 as follows:

- (i) Approve the submission of the bid on 3 February 2020 at the price of Baht 605,000,000.
- (ii) Approve in principle, subject to acceptance by the sellers of the Company's bid, the proposed acquisition by the Company of 99.79% of equity interests in TMC for a purchase price equal to the price offered as the bid on 3 February 2020.
- (iii) Approve, subject to acceptance by the sellers of the Company's bid on 3 February 2020, the selection and appointment of an Independent Financial Advisor to render an opinion on the Assets Acquisition Transaction to the Company's shareholders in line with the SET/SEC rules.
- (iv) Approve in principle, subject to acceptance by the sellers of the Company's bid on 3 February 2020, the entry into and execution by the Company of the SPA and any other documents necessary or useful to implement the transactions referred to in or related to the SPA.
- (v) Authorize, subject to acceptance by the sellers of the Company's bid on 3 February 2020, both Mr. Geza Emil Perlaki and Mr. Krishnan Subramanian Aylur, acting jointly, to
 - a. finalize the negotiations of the SPA in line with the explanations provided to the Meeting and,
 - b. enter into and execute on behalf of the Company the SPA and any other documents necessary or useful to implement the transactions referred to in or related to the SPA

1.13 Opinion of the Company's Audit Committee and/or the Company's Directors which is Different from the Opinion of the Board of Directors

The Audit Committee attended the Board of Directors Meeting of the Company No.1/2020 held on 25 February 2020. After consideration, the Audit Committee's opinion is not different from that of the Board of Directors of the Company as detailed in 1.12.

2. Responsibilities of the Board of Directors on the information contained in the Information Memorandum circulated to the shareholders



The Board of Directors is responsible for the information set out in this Information Memorandum and hereby certifies that all information contained herein is true, complete and, to their best knowledge and available information, will not mislead any person. In case the Board of Directors does not act with integrity, honesty and due care in the protection of benefits of the Company in relation to the acquisition of assets and if failure to perform such duties causes losses to the Company, one or more shareholders holding the aggregate number of shares of not less than five percent of the total number of shares sold may claim compensation from that director on behalf of the Company under Section 85 of the Public Limited Companies Act B.E. 2535 (1992) (as amended), and if the failure to perform such duties causes the director, the executive or the related person to obtain undue benefit, a shareholder or shareholders who hold shares and have the right to vote amounting to not less than five percent of the total number of voting rights of the Company may bring an action against the director for disgorgement of such benefits on behalf of the Company under Section 89/18 of the Securities and Exchange Act B.E. 2535 (1992) (as amended).

3. Opinion of an independent expert

The qualifications of the Independent Financial Advisor (IFA) who gave opinions on this transaction:

- 1) Shareholding and the relationship between the Company and IFA
-None-
- 2) Consent of IFA to disclose the opinions
Avantgarde Capital Company Limited (IFA) consented to disclose the opinions
- 3) Date of giving opinion
June 19, 2020

4. Liabilities of the Company

4.1 The total amount of debt instruments having been issued and those not having been issued

-None-

4.2 The total amount of loans with specific repayment periods of the Company and its subsidiaries as of 31 March 2020, including the liability to place assets as collateral.

Long-term loan from financial institutions as of 31 March 2020 for the total amount of Baht 205,000,000 guaranteed by the mortgage of land with buildings and machines of the Company's group which has the net value of Baht 597,000,000. Mortgage assets for the investment value of Baht 8,100,000 and the pledge of SQL's shares holding by the Company total 48,498 shares.

4.3 The total value of debts in other categories of the Company and its subsidiaries as of 31 March 2020, including the liability to place assets as collateral

Short-term loan from financial institutions as of 31 March 2020 for the total amount of Baht 479,000,000 guaranteed by the mortgage of land with buildings and machines of the Company's



group which has the net value of Baht 597,000,000. Mortgage assets for the investment value of Baht 8,100,000 and the pledge of SQL's shares holding by the Company total 48,498 shares.

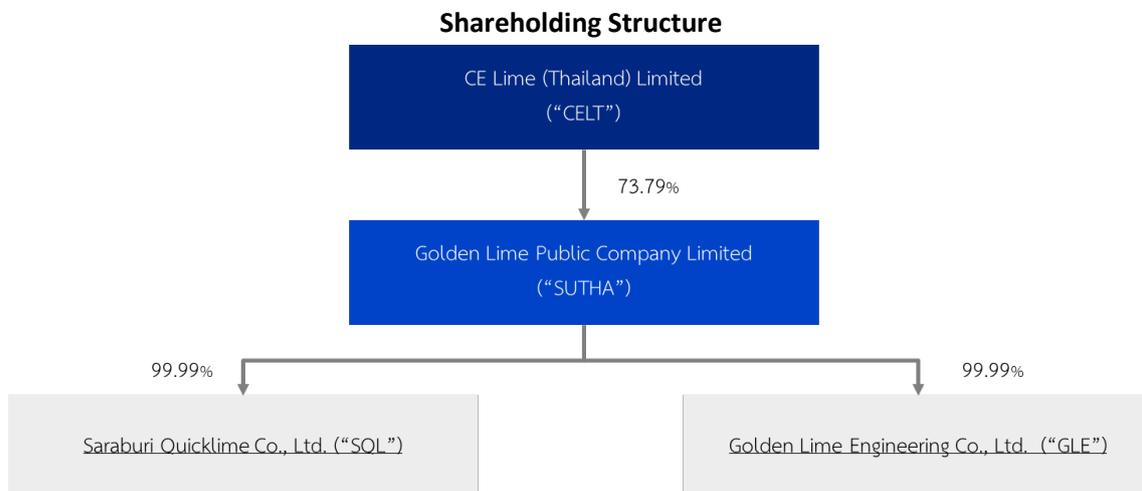
4.4 Contingent liabilities

Loan from financial institutions as of 31 March 2020 for the total amount of Baht 600,000,000 composed of short-term loan total amount of Baht 150,000,000 and long-term loan total amount of Baht 450,000,000. The said loans used for the payment of the acquisition share price of TMC guaranteed by the mortgage of land with buildings and machines of the Company's group including the collateral securities by the Group company of CE Lime (Thailand) Company Limited who is a major shareholder.

5. Information of the Company

5.1 Information relating to the nature of business operations

The Company was established on 2 October 2003 with a registered capital of THB 1.00 million. In 2005, the Company increased its registered capital to THB 90.00 million and on 2 April 2014, the Company has listed on the Stock Exchange of Thailand (SET) with current registered and paid-up capital of THB 300 million. The Company has 2 subsidiaries which are Golden Lime Engineering Company Limited and Saraburi Quicklime Company Limited, which has the entire business transfer of Saraburi Quicklime Co., Ltd. to the Company completed on December 1, 2019.



Golden Lime Engineering Company Limited ("GLE")

The Board of Directors Meeting of Golden Lime Public Company Limited (the "Company") No. 1/2017 held on 22 February 2017 has passed the resolution to approve the setting up of a subsidiary company for the expansion of the Engineering Business and Equipment Supply. The Company successfully registered the new subsidiary with the Ministry of Commerce details are summarized as follows



Table: Information of Golden Lime Engineering Company Limited (“GLE”)

| | |
|--------------------------------|--|
| Company Name | Golden Lime Engineering Company Limited (“GLE”) |
| Date of Registration | 15 March 2017 |
| Business operation | Engineering Consulting Services and drawing designs Production and distribution of the Machinery and equipment |
| Location | 89 Cosmo Office Park, 6th Floor, Unit H, Popular Road, Banmai, Pakkret, Nonthaburi 11120, Thailand |
| Registered Capital | THB 20,000,000, number of shares 2,000,000 Ordinary shares with par value of THB 10 |
| Paid-up Capital | THB 20,000,000 |
| Name of Directors as on | 1. Mr. Bernard Jules A Maiter 2. Mr. Krishnan Subramanian Aylur 3. Mr. Geza Emil Perlaki 4. Mr. Ishaan Shah |
| 31 December 2019 | Any two of Directors jointly sign with company seal affixed |

Saraburi Quicklime Company Limited (“SQL”)

The Board of Directors Meeting of Golden Lime Public Company Limited (the “Company”) No. 1/2018 held on 23 February 2018 resolved to approve the Company’s initial plan on the acquisition of entire equity interest in Saraburi Quicklime Company Limited (“SQL”). The Company entered into a share purchase agreement dated 19 March 2018 with the Sellers to acquire the entire equity interest in SQL comprising 48,500 fully paid ordinary shares and paid consideration to the Sellers in the total amount of THB 320 million as well as successfully completed the registration with the Ministry of Commerce for changing of SQL’s new directors and authorized signatories together with banking signatories to be persons designated by the Company. Summary detail as follows:

Table: Information of Saraburi Quicklime Company Limited (“SQL”)

| | |
|---|--|
| Company Name | Saraburi Quicklime Company Limited (“SQL”) |
| Date of Acquisition of Share on | 19 March 2018 |
| Location | 39/2 Moo. 9, Pukkgrang Sub-district, Phabudhabath district, Saraburi 18120. |
| Business operation | Manufacturer and distributor of Lime (Calcium Oxide and Calcium Hydroxide) |
| Registered Capital | THB 38,800,000 number of shares 48,500 Ordinary shares with par value of THB 800 |
| Paid-up Capital | THB 38,800,000 |
| Registered the liquidation date on 17 December 2019 The liquidators are: | 1. Mr. Geza Emil Perlaki 2. Mr. Krishnan Subramanian Aylur |
| The liquidator can jointly perform on behalf of the Company unless in following event which: | Define separate authorization is any process to complete the Company dissolution and liquidation, one liquidator can sign |



5.2 Product and Services

The Company main products are Lime (i.e., Calcium Oxide (CaO) and Calcium Hydroxide) and the Company has 4 factories located in Lopburi province and Saraburi province

We have nine kilns for burnt lime production operating 24 hours a day with a production capacity of 492,500 tons per annum. Our Kilns are automatically controlled by modern computerized systems and closely monitored by experienced and skilled staff. In addition, the Company also has a factory at Na Phralan Sub-district, Saraburi which is a factory with grinding machines and machines for processing lime and mineral products. The Company also has products that are purchased for both domestic and international sales and engineering business, which sells machinery and equipment including engineering consulting. The revenue structures of the Company are consisting of:

- 1) Lime Product
- 2) Calcium Carbonate (CaCO₃)
- 3) Trading products and other products and services
- 4) Sales and installation of machinery and equipment

Revenue Structure

Revenue structure of the Company for the year ended as of 31 December has details as follows;

Table: Revenue Structure of the Company for the year ended as of 31 December 2017 to 2019

| Unit: THB mm | For the year end as of 31 December | | |
|--|------------------------------------|--------------|--------------|
| | 2019 | 2018 | 2017 |
| Revenue Structure | | | |
| LIME (Calcium Oxide and Calcium Hydroxide) | 807.5 | 880.1 | 747.7 |
| Domestic | 738.9 | 763.0 | 648.0 |
| Export | 68.6 | 117.1 | 99.7 |
| Calcium Carbonate | 32.3 | 33.4 | 42.0 |
| Domestic | 32.3 | 33.4 | 42.0 |
| Export | - | - | - |
| Trading Products | 63.8 | 24.3 | 35.0 |
| Domestic | 63.8 | 24.3 | 23.6 |
| Export | - | - | 11.1 |
| Machine and Equipment sales and installation | 14.6 | 5.5 | 88.0 |
| Gain/Loss from foreign currency exchange | - | 1.1 | 0.4 |
| Other revenue 1/ | 33.0 | 7.9 | 7.1 |
| Total | 951.2 | 952.2 | 919.8 |

Note1: Other revenue include rental fees, interest, and gain from sales of properties, including scrap from the production process.



5.3 Statement of financial position summary for the past three years including the current year (latest quarter) and the Management Discussion and Analysis

1. Summary of significant items in the consolidated financial statements

- Consolidated Statement of Comprehensive Income

Table: Summary of key figures in the Company's statement of comprehensive income in 2017-2019 and Quarter 1 in 2019-2020

| | 2017 | | 2018 | | 2019 | | 1Q2019 | | 1Q2020 | |
|---|----------------|---------------|----------------|---------------|----------------|---------------|---------------|---------------|---------------|---------------|
| | THB mm | % | THB mm | % | THB mm | % | THB mm | % | THB mm | % |
| Revenue from sales and services | 912.2 | 100.00 | 1113.3 | 100.00 | 973.1 | 100.00 | 296.1 | 100.00 | 294.3 | 100.00 |
| Other incomes | 7.1 | 0.78 | 6.3 | 0.56 | 4.3 | 0.44 | 0.7 | 0.24 | 0.8 | 0.27 |
| Total Revenue | 919.3 | 100.78 | 1119.6 | 100.56 | 977.3 | 100.44 | 296.8 | 100.24 | 295.1 | 100.27 |
| Cost of sales and services | (655.1) | 71.82 | (794.1) | 71.33 | (736.1) | 75.65 | (213.8) | 72.23 | (208.1) | 70.72 |
| Gross Profit | 264.2 | 28.96 | 325.5 | 29.24 | 241.2 | 24.79 | 82.9 | 28.01 | 87.0 | 29.55 |
| Distribution costs | (113.7) | 12.46 | (135.1) | 12.13 | (127.9) | 13.15 | (35.8) | 12.09 | (41.2) | 14.00 |
| Administrative expenses | (64.4) | 7.06 | (73.0) | 6.56 | (69.3) | 7.12 | (15.2) | 5.14 | (15.0) | 5.08 |
| Loss on foreign exchange - net | 0.4 | 0.05 | 1.1 | 0.10 | (0.4) | 0.04 | (1.1) | 0.36 | (1.8) | 0.63 |
| Total Expenses | (177.6) | 19.47 | (207.0) | 18.59 | (197.6) | 20.31 | (52.1) | 17.59 | (58.0) | 19.71 |
| Earnings before Interest and Taxes | 86.6 | 9.49 | 118.5 | 10.64 | 43.6 | 4.48 | 30.8 | 10.42 | 29.0 | 9.84 |
| Finance costs | (3.4) | 0.37 | (19.0) | 1.71 | (25.7) | 2.64 | (5.9) | 1.98 | (5.3) | 1.81 |
| Tax expense | (12.4) | 1.36 | (14.9) | 1.34 | (10.7) | 1.10 | (6.7) | 2.26 | (4.4) | 1.48 |
| Net profit | 70.8 | 7.76 | 84.6 | 7.60 | 7.2 | 0.74 | 18.3 | 6.18 | 19.3 | 6.55 |

Source: The Company's consolidated financial statement in 2017-2019 and Quarter 1 in 2019-2020

- Consolidated Statement of Financial Position

Table: Summary of key figures in the statement of financial position in 2017-2019 and Quarter 1 in 2020

| | Dec 31, 2017 | | Dec 31, 2018 | | Dec 31, 2019 | | 1Q2020 | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | THB mm | % |
| Assets | | | | | | | | |
| Cash and cash equivalents | 50.3 | 5.12 | 38.8 | 2.69 | 83.4 | 6.22 | 42.8 | 3.15 |
| Temporary investment | 3.0 | 0.30 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 |
| Trade and other current receivables - net | 143.6 | 14.62 | 182.9 | 12.68 | 139.0 | 10.36 | 143.6 | 10.57 |
| Inventories - net | 169.6 | 17.27 | 277.1 | 19.21 | 212.7 | 15.85 | 252.3 | 18.57 |
| Other current assets | 3.9 | 0.40 | 5.8 | 0.40 | 4.7 | 0.35 | 6.6 | 0.49 |
| Total current assets | 370.5 | 37.71 | 504.7 | 34.98 | 439.8 | 32.78 | 445.3 | 32.77 |
| Other non-current financial asset - net | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 | 3.3 | 0.24 |
| Investments in subsidiaries - net | 3.3 | 0.34 | 3.2 | 0.22 | 3.3 | 0.25 | 0.0 | 0.00 |
| Trade non-current receivables - net | 0.0 | 0.00 | 3.2 | 0.22 | 1.8 | 0.14 | 1.8 | 0.14 |
| Investment properties - net | 8.1 | 0.82 | 8.1 | 0.56 | 8.1 | 0.60 | 8.1 | 0.59 |
| Property, plant and equipment - net | 585.9 | 59.64 | 714.3 | 49.51 | 675.2 | 50.34 | 690.7 | 50.84 |



| | Dec 31, 2017 | | Dec 31, 2018 | | Dec 31, 2019 | | 1Q2020 | |
|--|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | THB mm | % | THB mm | % | THB mm | % | THB mm | % |
| Goodwill | 0.0 | 0.00 | 171.6 | 11.89 | 171.6 | 12.79 | 171.6 | 12.63 |
| Other intangible assets - net | 10.1 | 1.03 | 34.4 | 2.38 | 31.7 | 2.36 | 31.0 | 2.28 |
| Deferred tax assets - net | 1.7 | 0.18 | 2.0 | 0.14 | 0.1 | 0.01 | 0.0 | 0.00 |
| Other non-current assets | 2.8 | 0.29 | 1.4 | 0.09 | 9.8 | 0.73 | 6.9 | 0.51 |
| Total non-current assets | 612.0 | 62.29 | 938.1 | 65.02 | 901.7 | 67.22 | 913.5 | 67.23 |
| Total assets | 982.5 | 100.00 | 1442.8 | 100.00 | 1341.4 | 100.00 | 1358.8 | 100.00 |
| Liabilities | | | | | | | | |
| Short-term loans from financial institutions | 214.6 | 21.84 | 348.8 | 24.18 | 381.4 | 28.43 | 479.1 | 35.26 |
| Trade and other current payables | 74.9 | 7.62 | 85.7 | 5.94 | 116.6 | 8.69 | 119.9 | 8.83 |
| Deferred income | 4.7 | 0.48 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 |
| Current portion of long-term loans from financial institutions | 31.0 | 3.15 | 68.1 | 4.72 | 129.6 | 9.66 | 55.8 | 4.11 |
| Current portion of lease liabilities | 0.6 | 0.06 | 1.2 | 0.09 | 2.5 | 0.19 | 3.7 | 0.28 |
| Income tax payable | 3.6 | 0.37 | 6.9 | 0.48 | 2.2 | 0.17 | 6.5 | 0.48 |
| Other liabilities | 3.1 | 0.32 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 |
| Total liabilities | 332.5 | 33.84 | 510.8 | 35.40 | 632.4 | 47.14 | 665.1 | 48.95 |
| Long-term loans from financial institutions - net | 57.3 | 5.84 | 315.9 | 21.89 | 186.3 | 13.89 | 148.7 | 10.94 |
| Lease liabilities - net | 1.5 | 0.16 | 2.9 | 0.20 | 5.2 | 0.39 | 7.6 | 0.56 |
| Deferred tax liabilities - net | 0.0 | 0.00 | 9.6 | 0.67 | 9.6 | 0.71 | 9.6 | 0.71 |
| Non-current provisions for employee benefit | 10.6 | 1.08 | 13.9 | 0.96 | 20.7 | 1.54 | 21.2 | 1.56 |
| Total non-current liabilities | 69.5 | 7.07 | 342.3 | 23.72 | 221.8 | 16.53 | 187.1 | 13.77 |
| Total liabilities | 402.0 | 40.91 | 853.0 | 59.12 | 854.2 | 63.67 | 852.2 | 62.72 |
| Shareholders' equity | | | | | | | | |
| Issued and paid-up share capital | 300.0 | 30.53 | 300.0 | 20.79 | 300.0 | 22.36 | 300.0 | 22.08 |
| Premium on share capital | 194.2 | 19.76 | 194.2 | 13.46 | 194.2 | 14.48 | 194.2 | 14.29 |
| Appropriated to legal reserve | 30.0 | 3.05 | 30.0 | 2.08 | 30.0 | 2.24 | 30.0 | 2.21 |
| Unappropriated to legal reserve | 56.2 | 5.72 | 65.6 | 4.54 | -36.9 | -2.75 | -17.6 | -1.30 |
| Other component of shareholders' equity | 0.1 | 0.01 | 0.0 | 0.00 | 0.0 | 0.00 | 0.0 | 0.00 |
| Total shareholder's equity | 580.5 | 59.09 | 589.7 | 40.88 | 487.3 | 36.33 | 506.6 | 37.28 |
| Total liabilities and shareholder's equity | 982.5 | 100.00 | 1442.8 | 100.00 | 1341.4 | 100.00 | 1358.8 | 100.00 |

Source: The Company's consolidated financial statement in 2017-2019 and Quarter 1 in 2020



- **Important Financial Ratios**

Table: Important Financial Ratios in 2017-2019 and Quarter 1 in 2020

| | 2017 | 2018 | 2019 | 1Q2020 |
|---------------------------------|--------|--------|--------|--------|
| Liquidity ratio | | | | |
| Current ratio (times) | 1.11 | 0.99 | 0.70 | 0.67 |
| Quick ratio (times) | 0.60 | 0.45 | 0.36 | 0.29 |
| Account receivable day (days) | 57.46 | 59.97 | 52.14 | 178.08 |
| Inventory day (days) | 94.52 | 127.37 | 105.46 | 442.45 |
| Account payable day (days) | 41.73 | 39.37 | 57.81 | 210.36 |
| Cash Cycle (days) | 110.24 | 147.97 | 99.79 | 410.17 |
| Profitability ratio | | | | |
| Gross profit margin (%) | 28.96% | 29.24% | 24.79% | 29.55% |
| Operating profit margin (%) | 9.49% | 10.64% | 4.48% | 9.84% |
| Net profit margin (%) | 7.76% | 7.60% | 0.74% | 6.55% |
| Return-on-equity (%) | 12.20% | 14.34% | 1.21% | 3.81% |
| Solvency ratio | | | | |
| Debt-to-equity ratio (times) | 0.69 | 1.45 | 1.75 | 1.68 |
| Interest coverage ratio (times) | 25.42 | 6.24 | 1.70 | 5.43 |

Source: the Company's consolidated financial statement in 2017-2019 and Quarter 1 in 2020

2. Explanation for Financial Status and Performance

- **Financial Performance**

Revenue from sales and services

Revenue from sales and services of the Company consists of lime (calcium oxide and calcium hydroxide), calcium carbonate, trading products in domestic and global market, sales and installation of machinery and equipment, gain/Loss from foreign currency exchange and other revenue.

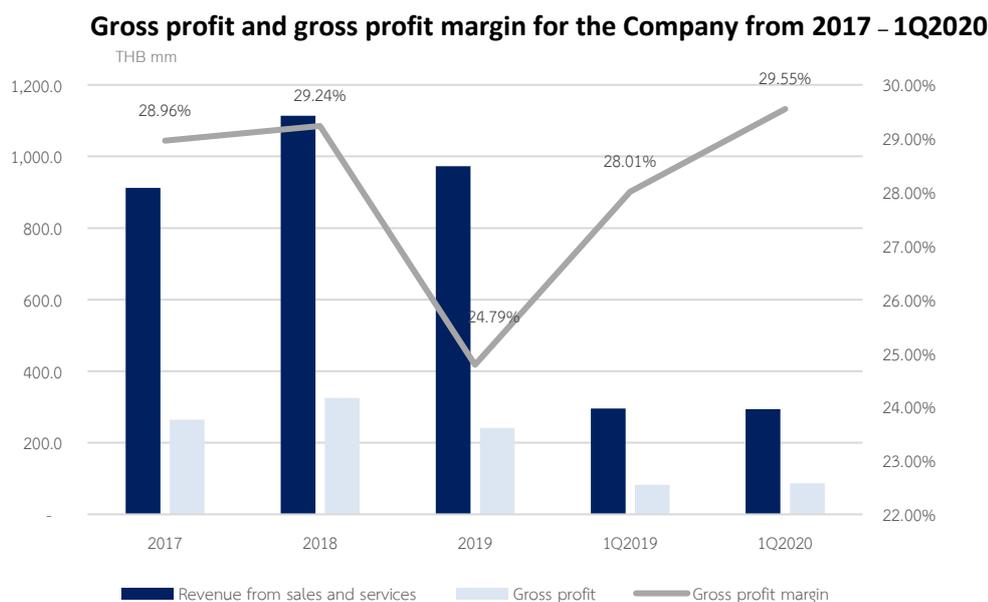
In 2018, the Company had revenue from sales and services equal to 1,113.3 THB mm, an increase from 2017 which was 912.2 THB mm equal to 201.1 THB mm or 22.05% increase

In 2019, the Company had revenue from sales and services equal to 973.1 THB mm, a decrease from 2018 which was 1,113.3 THB mm equal to 140.3 THB mm or 12.60% decrease

In the first quarter of 2020, the Company had revenue from sales and services equal to 294.3 THB mm, a decrease from the first quarter of 2019 which was 296.1 THB mm equal to 1.8 THB mm or 0.60% decrease



Gross profit margin



In 2018, the Company had gross profit equal to 325.5 THB mm, an increase from 2017 which was 264.2 THB mm equal to 61.3 THB mm or 23.20% increase

In 2019, the Company had gross profit equal to 241.2 THB mm, a decrease from 2018 which was 325.5 THB mm equal to 84.3 THB mm or 25.90% decrease

In the first quarter of 2020, the Company had gross profit equal to 87.0 THB mm, an increase from the first quarter of 2019 which was 82.9 THB mm equal to 4.0 THB mm or 4.85% increase. In year 2017 to 2019, the Company had gross profit margin equal to 28.96%, 29.24%, 24.79% respectively and in the first quarter of 2019 – 2020, the Company had gross profit margin equal to 28.01% and 29.55% respectively.

Selling, general and administrative expense

In 2018, the Company had selling, general and administrative expense equal to 208.0 THB mm, an increase from 2017 which was 178.1 THB mm equal to 30.0 THB mm or 16.83% increase

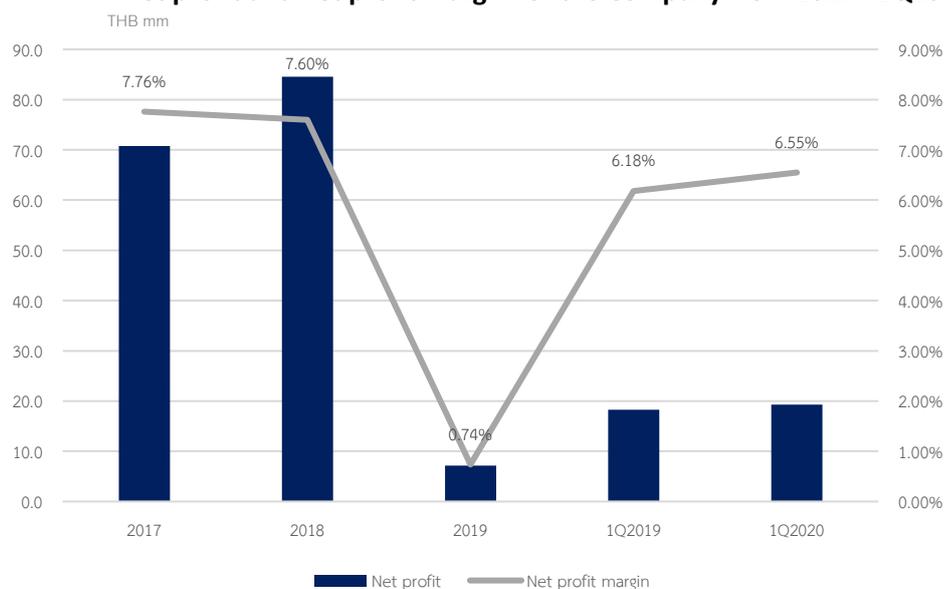
In 2019, the Company had selling, general and administrative expense equal to 197.2 THB mm, a decrease from 2018 which was 208.0 THB mm equal to 10.8 THB mm or 5.21% decrease

In the first quarter of 2020, the Company had selling, general and administrative expense equal to 56.1 THB mm, an increase from the first quarter of 2019 which was 51.0 THB mm equal to 5.1 THB mm or 10.04% increase

Net profit



Net profit and net profit margin for the Company from 2017 – 1Q2020



In 2018, the Company had net profit equal to 84.6 THB mm, an increase from 2017 which was 70.8 THB mm equal to 13.8 THB mm or 19.45% increase

In 2019, the Company had net profit equal to 7.2 THB mm, a decrease from 2018 which was 84.6 THB mm equal to 77.4 THB mm or 91.53% decrease

In the first quarter of 2020, the Company had net profit equal to 19.3 THB mm, an increase from the first quarter of 2019 which was 18.3 THB mm equal to 1.0 THB mm or 5.34% increase. In 2017 – 2019, the Company had net profit margin equal to 7.76% 7.6% and 0.74 respectively and in 1Q2019 – 1Q2020, the Company had net profit margin equal to 6.18% and 6.55% respectively

- **Financial position**

Assets

At 2018, the Company had total assets equal to 1,442.8 THB mm, an increase from 2017 which was 982.5 THB mm equal to 460.3 THB mm or 46.85% increase

At 2019, the Company had total assets equal to 1,341.4 THB mm, a decrease from 2018 which was 1,442.8 THB mm equal to 101.4 THB mm or 7.03% decrease

At the first quarter of 2020, the Company had total assets equal to 1,358.8 THB mm, an increase from 2019 which was 1,341.4 THB mm equal to 17.4 THB mm or 1.29% increase

Liabilities

At 2018, the Company had total liabilities equal to 853.0 THB mm, an increase from 2017 which was 402.0 THB mm equal to 451.1 THB mm or 112.21% increase

At 2019, the Company had total liabilities equal to 854.2 THB mm, an increase from 2018 which was 853.0 THB mm equal to 1.2 THB mm or 0.14% increase



At the first quarter of 2020, the Company had total liabilities equal to 852.2 THB mm, a decrease from 2019 which was 854.2 THB mm equal to 2.0 THB mm or 0.24% decrease

Shareholder's equity

At 2018, the Company had total shareholder's equity equal to 589.7 THB mm, an increase from 2017 which was 580.5 THB mm equal to 9.2 THB mm or 1.59% increase

At 2019, the Company had total shareholder's equity equal to 487.3 THB mm, a decrease from 2018 which was 589.7 THB mm equal to 102.4 THB mm or 17.37% decrease

At the first quarter of 2020, the Company had total shareholder's equity equal to 506.6 THB mm, an increase from 2019 which was 487.3 THB mm equal to 19.3 THB mm or 3.95% increase

Current and Debt to Equity ratio

From 31 December 2017 to 2019 and 1Q2020, the Company had current ratio equal to 1.11 times 0.99 times 0.70 times and 0.67 times respectively. At 2018, the Company had current ratio equal to 0.99 times, a decrease from 2017, which was 1.11 times equal to 0.13 times or 11.31% decrease. Moreover, at 2019, the Company had current ratio equal to 0.70 times, a decrease from 2018, which was 0.99 times equal to 0.29 times or 29.62% decrease. At the first quarter of 2020, the Company had current ratio equal to 0.67 times, a decrease from 2019 which was 0.70 times equal to 0.03 THB mm or 3.73% decrease

At 31 December 2017 to 2019 and 1Q2020, the Company had debt to equity ratio equal to 0.69 times 1.45 times 1.75 times and 1.68 times respectively. At 2018, the Company had debt to equity ratio equal to 1.45 times, an increase from 2017, which was 0.69 times equal to 0.75 times or 108.89% increase. Moreover, at 2019, the Company had debt to equity ratio equal to 1.75 times, an increase from 2018 which was 1.45 times equal to 0.31 times or 21.19% increase. At the first quarter of 2020, the Company had debt to equity ratio equal to 1.68 times, a decrease from 2019 which was 1.75 times equal to 0.07 THB mm or 4.03% decrease

5.4 Financial projection of the current year (if any), including assumptions on trading, economy and industry and being reviewed by certified auditors and opined by the Independent Financial Advisor that the projections have been prepared with caution

-None-

5.5 List of Board of Directors, Executives and the 10 Major Shareholders of the Company

1) List of Board of Directors as of 31 May 2020

| Name - Surname | Position |
|-------------------------|---|
| 1. Mr. Sripop Sarasas | Independent Director Chairman of the Board of Directors Chairman of Audit Committee |
| 2. Ms. Kristel Verleyen | Director Nomination Remuneration and CG Directors |
| 3. Ms. Nishita Shah | Director Executive Directors |



| Name - Surname | Position |
|---|---|
| 4. Krishnan Subramanian Aylur | Director Executive Directors Nomination Remuneration and CG Directors |
| 5. Mr. Geza Emil Perlaki | Director Chairman of Executive Committee Chairman of the Risk Committee |
| 6. Mrs.Ladda Chatchaluay | Independent Director Audit Committee Chairman of Nomination Remuneration and CG Committee |
| 7. Mr. Rodolphe Marie R. Collinet (Baron) | Director Executive Directors |
| 8. Mrs. Vannee Abakaz | Independent Director Audit Committee Nomination Remuneration and CG Director |

2) List of Executives

The Executives and the next 4 Executives succeeding the manager as of 31 May 2020

| Name - Surname | Position |
|---------------------------|--|
| 1.Mr. Geza Emil Perlaki | Managing Director |
| 2.Mr. Keetawit Malanon | Operation Senior Executive Manager |
| 3.Mr. Michael Mc Cannon | Financial HR and Administration Executive Manager |
| 4.Mr. Somchai Jaturanont | Sale Marketing and Logistic Senior Executive Manager |
| 5.Mr.Chaiwat Kulkittiphat | Area Maintenance Senior Manager |
| 6.Mr.Watcharin Phongkua | Area Production Senior Manager |
| 7.Ms.Pornsuree Mayungpong | Human Resource Senior Manager |
| 8.Ms.Amorpan Suwanrat | Finance and Accounting Senior Manager |
| 9.Ms.Thidarat Sihawanlop | Office Administration Senior Manager and Company Secretary |

3) List of 10 Major Shareholders of the Company as of the Record Date on 28 May 2020

| Name | Number of shares | % shares |
|--------------------------------|------------------|----------|
| 1. CE Lime (Thailand) Limited | 221,380,460 | 73.79 |
| 2. Thai NVDR Co., Ltd. | 15,395,500 | 5.13 |
| 3. Mr.Pun Sarasas | 5,513,700 | 1.84 |
| 4. Miss Tongrak Kijwatanchai | 4,279,000 | 1.43 |
| 5. Miss Sarinee Nerngchamng | 4,275,000 | 1.43 |
| 6. Mr.Kunphet Sarasas | 3,900,000 | 1.30 |
| 7. Mr.Kitisak Piyaphattana | 2,180,000 | 0.73 |
| 8. Mr.Natthphan Thanangtanurak | 2,000,000 | 0.67 |



5.6 Other Information that may Significantly Affect Investors' Decisions (if any)

-None-

6. The Opinion of the Board of Directors of the Company Relating to the Sufficiency of Liquidity

The Board of Directors gave the opinion that the Company has the sufficiency of liquidity to enter into this transaction. The Company will use the loan facilities from the financial institution in the amount of Baht 600,000,000 and the remaining amount of Baht 5,000,000 is allocated from the Company's working capital.

7. Material Cases or Claims under the Process

-None-

8. Benefits or Connected Transactions Between the Company and Its Directors, Management and Shareholders Holding the Shares Directly or Indirectly Amounting to 10 percent

The Company shall prepare a report for any related transactions and present it in the Audit Committee and the Board of Directors' meeting on a quarterly basis.

The Company had related party transactions with certain individuals and corporations with whom it may have conflicts of interest. Below is a summary of the relationship status of the parties involved in such transactions for the period **ended 31 March 2020**, together with an indication of the transaction value for the calendar years 2019.

| Individual/Corporation | Type of Transaction/ Rationale / necessity |
|--|---|
| CARMEUSE RESEARCH AND TECHNOLOGY S.A. ("CRT") and change the company name to Tec for Lime ("TFL") | <p><u>Purchase Raw Material / Account Payable – Related Party</u></p> <p>For Service fee for a consultant</p> <ul style="list-style-type: none">o Carmeuse Research and Technology S.A. (CRT) or Tech for Lime (TFL) is a Carmeuse Group affiliate company.o There are common indirect shareholders. <p><u>Necessity entering a connected transaction</u></p> <p>This transaction is a connected transaction through which certain services will be provided by CRT or TFL to the Company. CRT or TFL is more specifically specialized in providing technical services, support and know-how covering areas such as geology, mining, engineering, production, logistics, process automation etc. to the various companies within the Carmeuse Group. Through the Service Agreement, CRT or TFL will extend the benefit of these services to the Company in support of the development and be streamlining of the Company's business and processes.</p> <p>The Company will clearly benefit from improvements to its Engineering Process, Technical Process, Lime Stone Sourcing process, Automation and Quality Management process. Through this Service Agreement, the Company's technical employees will be further trained so as to support the</p> |



| Individual/Corporation | Type of Transaction/ Rationale / necessity |
|--|--|
| | <p>Company better in its technical and operational challenges. As a member of the Carmeuse Group, CRT or TFL is bringing know-how and support of a lime player with 155 years of experience in a large number of working environments.</p> |
| <p>PREMTHAI LOGISTICS CO., LTD. (“PTL”)</p> | <p><u>Transportation - the Related Party</u></p> <ul style="list-style-type: none"> o There are common directors. <p><u>Necessity entering a connected transaction</u></p> <p>This transaction is a connected transaction in which PTL transports and delivers the Company’s products to customers. This transaction was conducted in accordance with the terms and conditions of the procurement of general contractors for transportation by comparing the prices with other contractors of transportation companies.</p> |
| <p>Golden Lime Engineering Co., Ltd. (“GLE”) Subsidiary Company</p> | <p><u>Service Agreement –Other service - Short-term loan</u></p> <ul style="list-style-type: none"> o Subsidiary Company that the Company is the shareholding 99.99%. o There are common directors. <p><u>Necessity entering a connected transaction</u></p> <p>The Company will clearly benefit from improvements to its Engineering Design, Technical Process Service and Support of EOD lime kiln running of the production process at Huay Pai Wai Plant through this Service Agreement, the Company will further receive the engineering support better in its Engineering Design, technical and operational challenges.</p> <p>Other service items, Golden Lime PCL will provide services in accounting and other management support to its subsidiaries and loan transactions between each other. With a policy of borrowing between the Company and its subsidiaries, it will use credit facilities from financial institutions transparently with only the inter-company loan remaining and subsidiaries as necessary.</p> |
| <p>Saraburi Quicklime Co., Ltd (“SQL”) Subsidiary Company from the acquisition asset on 19 March 2018.</p> | <p><u>Sales of goods / purchase product and raw material, transportation service, other service and short-term loan</u></p> <ul style="list-style-type: none"> o Subsidiary Company that the Company is the shareholding 99.99%. o To have jointly of three directors. <p><u>Necessity entering a connected transaction</u></p> <p>SQL is the manufacturing and distributor of lime and sells the same product of lime to customer and when the production produces the product do not enough to deliver to the customer, SQL will purchase the product from Golden Lime PCL and delivery to the customers.</p> <p>Including the purchase of products which is the purchase of goods and raw materials such as lime or fuel for use in production. For other service items, Golden Lime PCL will be providing services in accounting and other management support to its subsidiaries and loan transaction for re-payment short-term loan to financial institutes of the subsidiaries which have an interest rate expense higher than the credit lines of the Company.</p> <p>Note:</p> |



| Individual/Corporation | Type of Transaction/ Rationale / necessity |
|--|---|
| | <p>On 14 August 2019, the Extraordinary General Meeting of Shareholders No. 1/2019 has the resolution to approve the business restructuring plan under the entire business transfer scheme by transferring the entire business of Saraburi Quicklime Co., Ltd. (Subsidiary) to Golden Lime Public Company Limited and execution of the entire business transfer agreement. The said entire business was completed on 30 November 2019. Please see detail in the part of the Shareholding Structure of the Company and subsidiaries.</p> |
| <p>Premthai Energy Limited (“PTE”) or (“PEL”)</p> | <p><u>Product Purchase / Engineering Service – Related Party</u></p> <ul style="list-style-type: none"> o The Company and PEL share a common indirect major shareholder – being GP Group. Both companies also share a common director. <p><u>Necessity entering a connected transaction</u></p> <p>Under the Service Agreement, PEL to provided employs senior geologists and international solid fuel commodity experts who shall provide services supporting geological assessment of limestone/dolomite deposits (a prime raw material) , procurement, contract negotiations with suppliers, monitoring and controlling stocks including the analysis to evaluate the amount of raw materials needed for production. Procurement of solid fuels such as petcoke, monitoring international supply and demand of petcoke market in USA, Europe and Asia, comparing sources of the petcoke in terms of quality / cost / logistics, survey and provide appropriate marine and road transportation services.</p> |
| <p>CARMEUSE SA (“CM SA”)</p> | <p><u>Consulting Fee</u></p> <ul style="list-style-type: none"> o There are common indirect shareholders and common directors <p><u>Necessity entering a connected transaction</u></p> <p>CM SA disposes of a specialized laboratory which performs from time to time various quality tests on the limestone used by Golden Lime in its production process. The tests are performed based upon pre-defined laboratory services rates.</p> |
| <p>EXECUTIVE AND DIRECTORS OF THE COMPANY (“EXE/DIR”)</p> | <p><u>Remuneration for Executives and Directors</u></p> <ul style="list-style-type: none"> O To be directors and executives of the Company. <p><u>Necessity entering a connected transaction</u></p> <p>The remuneration and benefit of the executives and directors of the Company in the short-term and long-term.</p> |
| <p>Christiani & Nielsen Energy Solutions (“CNES”) the subsidiary of Christiani & Niesen (Thailand) Public Company Limited (“CNT”)</p> | <p><u>Consulting Fee</u></p> <ul style="list-style-type: none"> o The subsidiary of Christiani & Niesen (Thailand) Public Company Limited (“CNT”). <p>A major Shareholder of the Company is CE Lime (Thailand) Limited and CNT shares a common Director - Mr.Ishaan Shah and shares an indirect major Shareholder Ms.Nishita Shah</p> <p><u>Necessity entering a connected transaction</u></p> <p>The Board of Directors’ Meeting no.3/2019 which held on 14 May 2019 approved the Company to sign of the Letter of Intent (“LOI”)/</p> |



| Individual/Corporation | Type of Transaction/ Rationale / necessity |
|------------------------|---|
| | <p>Memorandum of Understanding (“MOU”) of the service agreement for the Solar Farm Project.</p> <p>Under the terms of the LOI, CNES will provide services related to the design, shortlisting and selection of suppliers and the obtaining of the necessary approvals and services related to the erection of a Solar Farm with a 2-2.5 MW capacity. CNES has submitted the best techno-commercial offer for the 2MW Solar Farm Project. And L.O.I condition signing, the realization of the Solar Farm Project is dependent upon the successful receipt of the following conditions</p> <ul style="list-style-type: none"> - BOI privileges - Credit facility from a financial institution - All other permits necessary to build and operate the Solar Farm to produce electricity |

The related party transactions for the period ended 31 March 2020 as the summary follows:

| Item | Type of Transaction | Parties | Balance Amount (Unit: THB million) | | | | Transfer pricing policy |
|---|--|-----------|--|-----------|----------|--------|--|
| | | | For the three-month period ended 31 March 2020 | | | | |
| | | | Consolidated | | Separate | | |
| Unit : THB million | Year 2020 | Year 2019 | Year 2020 | Year 2019 | | | |
| The related party transactions with a Subsidiary Company | | | | | | | |
| | Purchase of Goods/Raw material | SQL | - | - | - | 15.801 | At the agreed price |
| | Dividend Income | SQL | - | - | - | 15.035 | At declared |
| | Other income -Transportation | SQL | - | - | - | 0.003 | At the agreed price |
| | - Services | GLE | - | - | 0.360 | 0.360 | At the agreed price |
| | - Interest paid | GLE | - | - | - | 0.000 | At the agreed price |
| | - Interest income | SQL | - | - | - | 0.091 | At the rate 2.45% per year |
| | | | - | - | 0.360 | 31.290 | |
| | Purchase of Goods/Raw material | SQL | - | - | - | 3.853 | At the agreed price |
| | Consulting Fees (Engineering) | GLE | - | - | - | 0.110 | At the rate specified in the agreement |
| | Consulting Fees (Contrucion in progress) | GLE | - | - | - | 2.850 | At the rate specified in the agreement |
| | Consulting Fees (Buy Asset) | GLE | - | - | 0.017 | - | At the rate specified in the agreement |
| | | | - | - | 0.377 | 38.103 | |
| Transaction with related companies | | | | | | | |
| | Service | GLE/PTE | 0.008 | - | - | 0.000 | At the agreed price |
| | Purchase Raw material | SQL/PTE | - | 0.167 | - | 0.000 | At the agreed price |
| | Total of Purchase of Goods | | 0.008 | 0.167 | - | 0.000 | |
| | Transportation expenses | GL-PTL | 7.071 | 2.653 | 7.071 | 2.042 | |
| | Total Transportation expenses | | 7.071 | 2.653 | 7.071 | 2.042 | |
| | Cost of raw material procurement | GL-PTE | 0.150 | - | 0.150 | 0.000 | At the rate specified in the agreement |
| | Total cost of raw material procurement | | 0.150 | - | 0.150 | 0.000 | |
| | Consulting Fee | GL-TFL | 0.286 | 0.930 | 0.286 | 0.930 | At the rate specified in the agreement |
| | Consulting Fee (Asset) | GL-TFL | 5.220 | - | 5.220 | 0.000 | |
| | Total of Consulting Fee | | 5.506 | 0.930 | 5.506 | 0.930 | |
| Directors and Executives Remuneration | | | | | | | |
| | Shortterm benefit | Exe/DIR | 10.055 | 9.124 | 8.978 | 7.761 | |
| | Post-employee benefits | Exe/DIR | 0.274 | 0.204 | 0.257 | 0.175 | |
| | Directors and Executives Remuneration | | 10.329 | 9.328 | 9.235 | 7.936 | |
| | Grand total | | 23.064 | 13.078 | 22.339 | 49.011 | - |



The balances of the Account between company and those related companies end 31 March 2020 are as follows:

| Item | Type of Transaction | Parties | Balance Amount (Unit: THB million) | | | | Transfer pricing policy |
|------|---|--------------|--|-----------|-----------|---------|----------------------------------|
| | | | For the three-month period ended 31 March 2020 | | | | |
| | Unit : THB million | Consolidated | | Separate | | | |
| | | Year 2020 | Year 2019 | Year 2020 | Year 2019 | | |
| | Trade and other receivables-Subsidiaries | GLE | - | - | 0.129 | 0.000 | Services |
| | | | - | - | 0.129 | 0.000 | |
| | Trade and other receivables-related Companies | PTE | - | 0.217 | - | 0.000 | Service |
| | | | - | 0.217 | - | | |
| | Trade and Payables-Subsidiaries | SQL | - | - | 123.202 | 123.255 | Lime Purchased |
| | | | - | - | 123.202 | 123.255 | |
| | Other current liabilities-related Companies | GL/TFL | 8.365 | 7.578 | 8.365 | 7.578 | Consult fee |
| | | GL/SA CM | 0.032 | 0.030 | 0.032 | 0.030 | Lab Expense |
| | | GLE/TFL | 0.004 | 0.003 | - | 0.000 | Consult fee |
| | | GL/PTL | 2.518 | 0.193 | 2.518 | 0.193 | Transportation expense |
| | | GL/TFL | 1.824 | 1.712 | 1.824 | 1.712 | Consult fee |
| | | GL/PTE | 0.107 | 0.161 | 0.107 | 0.161 | Cost of raw material procurement |
| | | Exe/DIR | 0.270 | 0.290 | 0.270 | 0.290 | Monthly expense |
| | | | 13.120 | 9.967 | 13.116 | 9.964 | |

9. Summary of Material Agreements in the past two years.

- (1) On 14 May 2019 approved the Company to sign of the Letter of Intent (“LOI”) / Memorandum of Understanding (“MOU”) with the contractor, who submitted the best commercial proposal for the Solar Farm project with a 2 MW to produce the electricity will use in the production process.
- (2) On 1 December 2019, the Company received the entire business from Saraburi Quicklime Company Limited, a subsidiary of the Company that also transferred the factory license including all operating permits and ownership of land and buildings, other assets such as cash, bank deposits, trade accounts receivable and all other current assets as well as the outstanding debt burden with trade and financial institution creditors to the company who was the transferee.

10. Proxy form with at least one name of Independent Directors being nominated as shareholder's proxy.

The details of the proxy form and information of Independent Directors whom the Company proposes for being Proxies of the Shareholders as appeared in **the Supporting Documents** for Attending the 2020 Annual General Meeting of Shareholders (**Attachment 3**)

(The Shareholders can find more details in the IFA Report related to the Asset Acquisition of Golden Lime PLC. Prepared by Avantgarde Capital Company Limited)

