

AGENDA NO. 1

TO ADOPT AND APPROVE THE MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS YEAR 2018

Background and Rationale

The Company convened the Annual General Meeting of Shareholders Year 2018 on Monday, April 23, 2018 during 15:00 hours to 16:39 hours at the at the Crystal Hall A, 3rd Floor, Plaza Athenee Bangkok – A Royal Meridien Hotel, 61 Wireless Road, Lumpini, Pathumwan, Bangkok, according to the attached minutes of the meeting which has been published in the Company’s website and forwarded in advance to every shareholder along with the meeting invitation.

Board of Directors’ Opinion

The Board of Directors has considered that the said minutes of the meeting was correctly recorded in accordance with the resolutions of the shareholders’ meeting. Therefore, the Board of Directors proposes that the Minutes of the Annual General Meeting of Shareholders Year 2018 be approved by the shareholders’ meeting accordingly.

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

Minutes of the Annual General Meeting of Shareholders Year 2018

of

Lanna Resources Public Company Limited

The Meeting was held on Monday, April 23, 2018 at 15:00 hrs., at the Crystal Hall A Room, 3rd Floor, The Athenee Hotel Bangkok, A Luxury Collection Hotel, 61 Wireless Road, Lumpini, Pathumwan, Bangkok.

Mr. Somkiart Limsong, Chairman of the Board, presided as the Chairman of the Shareholders' Meeting, by which he stated that this Shareholders' Meeting had 161 shareholders holding 84,295,369 shares attending the meeting in person and 82 shareholders holding 342,578,733 shares granting proxies to attend the meeting, for a total of 243 persons holding an aggregate amount of 426,874,102 shares or 81.3094 percent of all the issued shares with voting right, constituting a meeting quorum, according to the Company's regulations. Accordingly, the Chairman commenced the Annual General Meeting of Shareholders Year 2018 and introduced the following directors.

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| (1) Mr. Somkiart Limsong | Chairman of the Board |
| (2) Mr. Vanchai Tosomboon | Director |
| (3) Mr. Paul Heinz Hugentobler | Director |
| (4) Mr. Tanon Tantisunthorn | Director |
| (5) Mr. Padoong Techasarintr | Independent Director and Audit Committee Chairman |
| (6) Mr. Adul Tantharatana | Independent Director and Audit Committee Member |
| (7) Mrs. Duangkamol Suchato | Independent Director and Audit Committee Member |
| (8) Mr. Akasit Jirayuwanon | Independent Director |
| (9) Mr. Kraisi Sirirungsi | Director and Nomination and Remuneration Committee Chairman |
| (10) Mr. Suroj Subhasavasdikul | Director |
| (11) Mr. Visit Tantisunthorn | Director |
| (12) Mr. Srihasak Arirachakaran | Director and Chief Executive Officer |
| (13) Mr. Anun Louharanoo | Director and Risk Management Committee Chairman |

Thirteen of fourteen directors have attended this general meeting of shareholders as presented above or 92.86 percent of the total number of Company's Directors. One director, Mr. Siva Mahasandana, was absent from the meeting with notification letter informing of the absence due to other important business obligations

Mr. Somkiart Limsong, Chairman, assigned Mr. Saharat Vatanatumrak, Company Secretary and Chief Officer – Corporate, to introduce the following executives and auditors attending this meeting.

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| (1) Mr. Vacharachai Nachailert | Chief Officer – Domestic Marketing |
| (2) Mr. Sudusit Ounsangchan | Chief Officer – Coal Business Development |
| (3) Mr. Prasert Promdech | Chief Officer – International Marketing |
| (4) Mrs. Petcharat Chayanon | Chief Officer – Finance and Accounting |
| (5) Ms. Patcharawan Koonarangsri | Auditor Representative, EY Office Limited |

The Thai Investors Association (“TIA”) as the shareholder has submitted a letter notifying that Mr. Pornsak Chaiwanichaya (“Right Protection Volunteer”) was the proxy from TIA assigned to attend this Shareholders' Meeting. Accordingly, TIA has carried out the quality assessment of the Annual General Meeting of Shareholders of the listed companies since year 2006 until present.

According to the Office of the National Anti-Corruption Commission has provided a promotional video under the theme of “Civil Power on Thailand-Reformation” with the objectives to indicate the effect of corruption and raising awareness of Thai people concerning negative effects and causes of corruption. The Securities and Exchange Commission (SEC) has requested the Company to support and disseminate such promotional video by any means as part of the campaign against corruption. The Company had shown such promotional video to the shareholders before this Annual General Meeting of Shareholders commenced and also presented the Corporate Social Responsibility of the Company in year 2017, which was awarded by the Ministry of Industry and the Company’s anti-corruption certification of accreditation by the Thailand’s Private Sector Collective Action Coalition Against Corruption.

Before entering upon the meeting agendas procedure and in order to properly conduct the meeting, Mr. Somkiart Limsong, Chairman of the Board, assigned Mr. Saharat Vatanatumrak, Company Secretary, to clarify the rules for this meeting including practices for voting and vote counting procedures for each of the meeting agenda, which could be summarized as follows (details had been provided within the Meeting Invitation):

(1) The Company made announcement on the Company’s website in order to open opportunity and give right to the shareholders to propose the shareholders’ meeting agendas that were deemed important and to propose names of qualified persons for new directorship appointment in advance during October 1, 2017 until December 31, 2017, for a total period of 3 months. Accordingly, there were no shareholders proposing additional meeting agenda. Therefore, the meeting would be carried out according to the Company’s regulation and the meeting agendas as established within the meeting invitation which had been forwarded to the shareholders.

(2) Voting shall be conducted openly with one share being counted as one vote, with the following procedures.

(2.1) The shareholder attending the meeting in person and the proxy holder both natural person and juristic person with Proxy Form A must vote according to the number of shareholding or as granted by the proxy and cannot divide the votes within each of the agendas. If the voting for each agenda is below or exceeding the number of shareholding or as granted by the proxy or being divided or voting not as specified by the Proxy Form in any agenda, the voting shall be deemed incorrect and all be counted as abstention.

(2.2) The proxy holder with Proxy Form B and C must vote according to the remarks that the proxy grantor has specified in the Proxy Form. The Company’s staff has written the number of shares or number of votes in the provided voting ballots, to be conducted as follows:

(2.2.1) The proxy holder with Proxy Form B must vote according to the number of shareholding as granted by the proxy and cannot divide the votes within each of the agendas. If the voting for each agenda is below or exceeding the number of shareholding or as granted by the proxy or being divided or voting not as specified by the Proxy Form in any agenda, the voting shall be deemed incorrect and all be counted as abstention.

(2.2.2) The proxy holder with Proxy Form C (in case that the grantor is a foreign investor with appointment of custodian in Thailand as depositary and caretaker of the shares) may divide the voting for each agenda. If the voting in any agenda exceeds the number of shares granted by the proxy or not as specified by the Proxy Form, the voting shall be deemed incorrect and all be counted as abstention. If the voting in any agenda is as specified by the Proxy Form but less than the number of shares granted by proxy, all the missing votes shall be counted as abstention.

(3) For the voting in any of the meeting agendas (except for Agenda No. 5: The Appointment of Directors Retired by Rotation, Agenda No. 8: The Amendment to Article 18 and Article 22 of the Company’s Articles of Association, and Agenda No. 9: The Amendment to Clause 3 of the Company’s Memorandum of Association), if there are no other different or conflicting opinions from any shareholder, the voting ballot will not be need to be filled out and the particular meeting agenda will therefore be considered as unanimously resolved. On the other hand, if any shareholder has any other or different or conflicting opinion or disagrees with the proposal of the Board of Directors or abstains from the voting, the voting ballot will be filled out for

the vote counts. In order for quick vote counting process, only the votes that disapprove and abstain will be counted. Those who do not object or abstain are assumed to be approving of the particular meeting agenda. Therefore, any shareholder who does not approve or abstain on any meeting agenda should raise his/her hand and the Chairman will ask the Company's staff to collect the voting ballots for further vote counting and subsequently notify the resolution to the meeting.

(4) For the voting in Agenda No. 5 "The Appointment of Directors Retired by Rotation", every shareholder's vote shall be counted to appoint the director individually. The Company's staff will be collecting the voting ballots from the shareholders for vote counting and subsequently notify the resolution to the meeting. If any shareholder does not submit the voting ballot, all the missing votes shall be counted as abstention.

(5) For the voting in Agenda No. 8 "The Amendment to Article 18 and Article 22 of the Company's Articles of Association and Agenda No. 9: "The Amendment to Clause 3 of the Company's Memorandum of Association", every shareholder's vote shall be counted. The Company's staff will be collecting the voting ballots from the shareholders for vote counting and subsequently notify the resolution to the meeting. If any shareholder does not submit the voting ballot, all the missing votes shall be counted as abstention.

(6) The meeting resolutions for each meeting agenda shall normally be based on the majority votes, which have been informed within the Meeting Invitation forwarded to the shareholders for each of the meeting agenda. If the voting counts are equal, the Chairman will have the right for a casting vote. In other cases where different laws or Company's regulations apply, the Chairman will inform the shareholders before the voting procedure of the particular agenda.

(7) The shareholder who has any direct stake or interest in any agenda is not allowed to vote in the particular agenda. The Chairman shall inform the shareholder before the voting of the particular agenda.

(8) A vote on a secret poll may be taken when a requisition to that effect has been made by at least 5 shareholders and a resolution to that effect has been passed by the meeting. Every shareholder will fill out the voting ballot and the Chairman will ask the Company's staff to collect and count the votes in order to notify the meeting of the resolution.

(9) If any shareholder or proxy holder with proxy granted from the shareholder wishes to make any comments or additional suggestions, he/she may use the provided microphones by introducing oneself with the first name and last name, and whether he/she is a shareholder or proxy holder.

(10) The whole meeting will be conducted in Thai. If any shareholders wish to speak their concerns, inquiries, and comments, they may do so in Thai, and the Board of Directors will clarify the matter in Thai. Foreign shareholders may proceed as follows: (1) The Company's employee will discuss with the shareholder to take notes of any questions. The questions will then be presented in Thai, and the Board of Directors will answer the questions in Thai. The Company's employee will then translate the answers into English for the shareholder; or (2) The shareholders may provide the questions in writing, and the Board of Directors will reply the questions in writing later on.

(11) The Company had hired Inventech Systems (Thailand) Co., Ltd. to perform and supervise the counting of votes of each agenda. The Company's staff shall collect the voting ballots containing barcodes for vote counting and subsequently showing the voting results for each of the meeting agendas on the designated screen installed in the meeting room for shareholders' acknowledgment. The Chairman may proceed with consequent agenda while the vote counting is ongoing, and the resolution of the previous agenda shall be notified after the vote counting of the agenda is completed.

(12) Before the meeting was commenced, the Company has invited shareholders' representative to be the observer in the vote counting process for each agenda by performing duty with Company's staff at the provided seat, by which Mr. Pajit Tantimedh, shareholder with meeting attendance registration no. 213, volunteered to be the observer in the vote counting process for each agenda.

Subsequently, the meeting was commenced according to the meeting agendas procedure as follows:

Agenda No. 1: To Approve the Minutes of the Annual General Meeting of Shareholders Year 2017

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the minutes of the Annual General Meeting of Shareholders Year 2017 with information presented as follows:

Background and Rationale

The Company convened the Annual General Meeting of Shareholders Year 2017 on Tuesday, April 25, 2017 during 15:00 hours to 16:17 hours at the at the Crystal Hall A Room, 3rd Floor, Plaza Athenee Bangkok, A Royal Meridien Hotel, 61 Wireless Road, Lumpini, Pathumwan, Bangkok, according to the attached minutes of the Annual General Meeting of Shareholders Year 2017 which has been published in the Company's website and forwarded in advance to every shareholder along with the meeting invitation.

Board of Directors' Opinion

The Board of Directors has considered that the said minutes of the meeting was correctly recorded in accordance with the resolutions of the shareholders' meeting. Therefore, the Board of Directors proposes that the Minutes of the Annual General Meeting of Shareholders Year 2017 be approved by the shareholders' meeting accordingly.

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

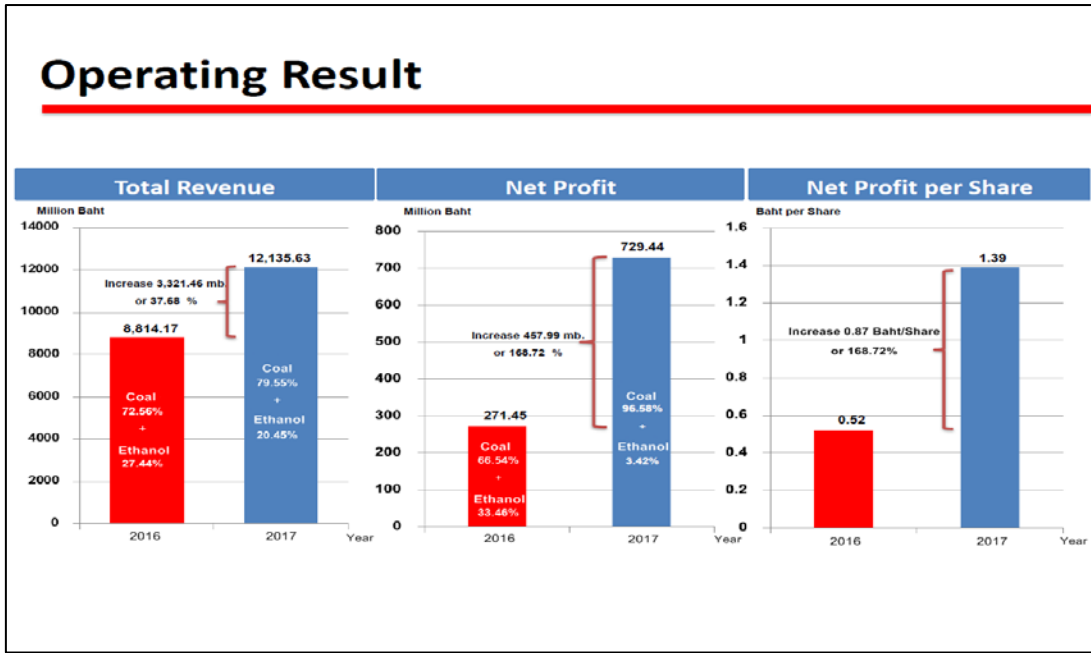
The Shareholders' Meeting has considered and unanimously resolved to approve the minutes of the Annual General Meeting of Shareholders Year 2017 as proposed above with the following number of votes.

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	427,046,815	0	0
Percentage (%)	100.0000	0	0

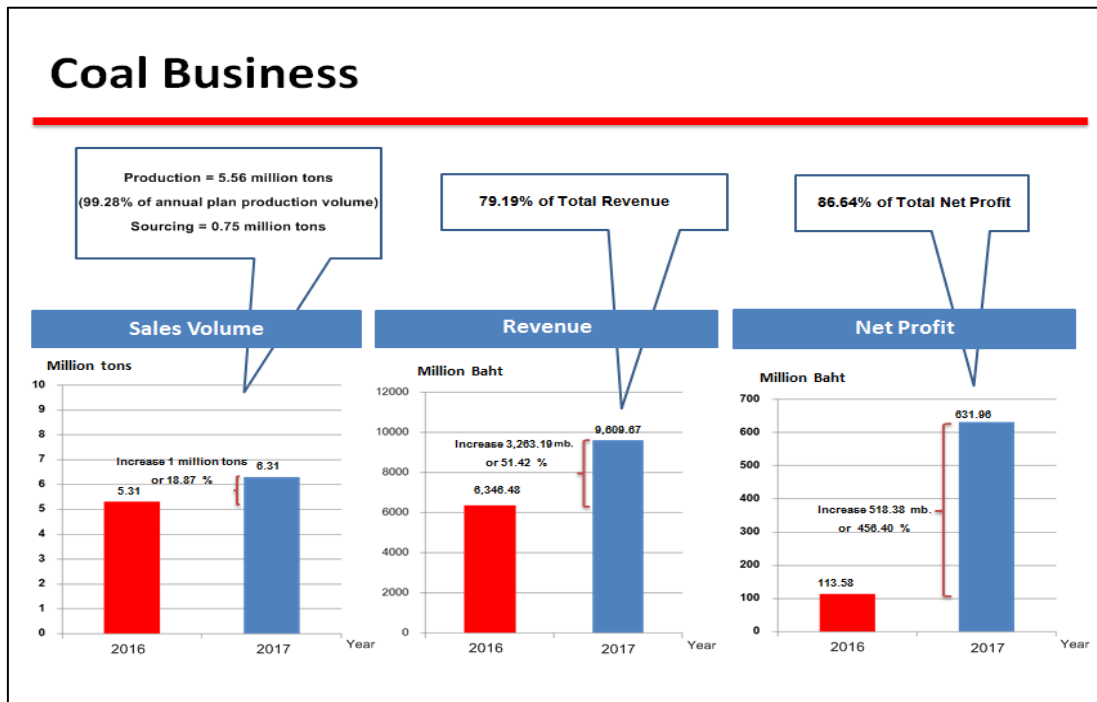
During the voting of this agenda, there were 264 shareholders attending the meeting, holding a total of 472,046,815 shares or 89.9134 percent of all the issued shares with voting right.

Agenda No. 2: To Acknowledge the Report of the Board of Directors on the Operating Results of Year 2017

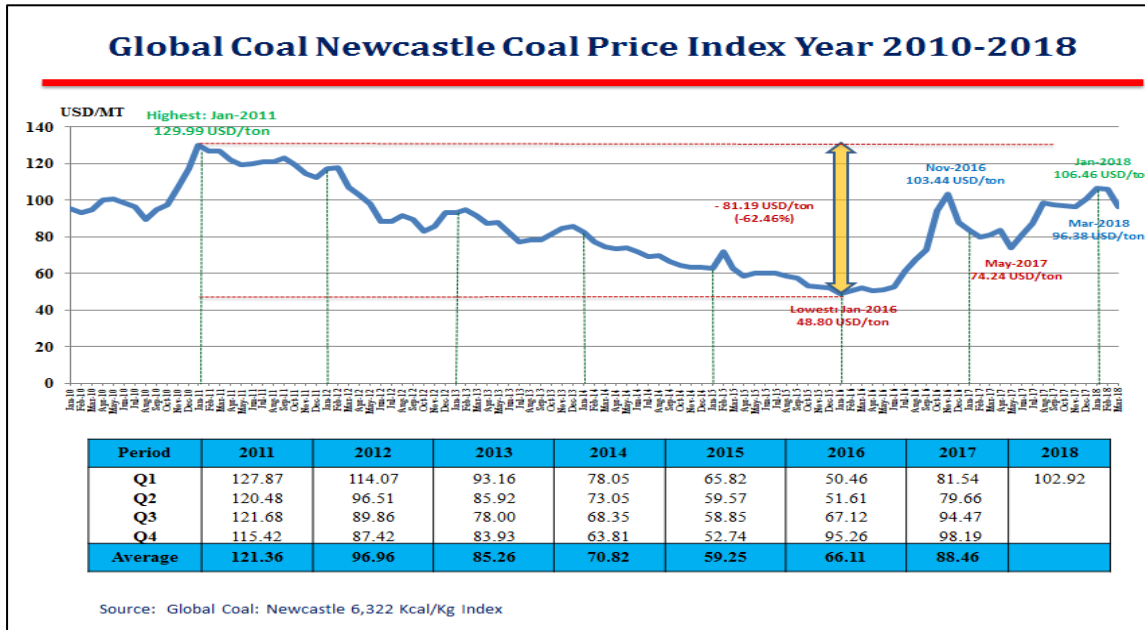
Mr. Somkiart Limsong, Chairman of the Board, presented the Report of the Board of Directors on the operating results and financial status, including other information of the Company and affiliated companies during year 2017, which had been printed in the Annual Report Year 2017 and disseminated on the Company's website and forwarded to all shareholders in advance in CD-ROM format along with this meeting invitation. Mr. Srihasak Arirachakaran, Director and Chief Executive Officer, was assigned to briefly report to the shareholders on the operating results of the past year 2017, which is considered excellent and satisfactory as profitability has improved significantly. The net profit increased nearly twofold from the previous year, which is the highest in the past five years. The overall operating results in 2017 has a total revenue of Baht 12,135.63 million with the net profit of Baht 729.44 million or net earnings per share of Baht 1.39. In comparison with year 2016, the revenue and net profit increased by Baht 3,321.46 and 457.99 million or an increase of 37.68 and 168.72 percent, respectively. The revenue proportion from the sales of coal and ethanol accounted for 79.55 percent and 20.45 percent with the net profit proportion from the coal business and ethanol business of 96.58 percent and 3.42 percent, respectively.



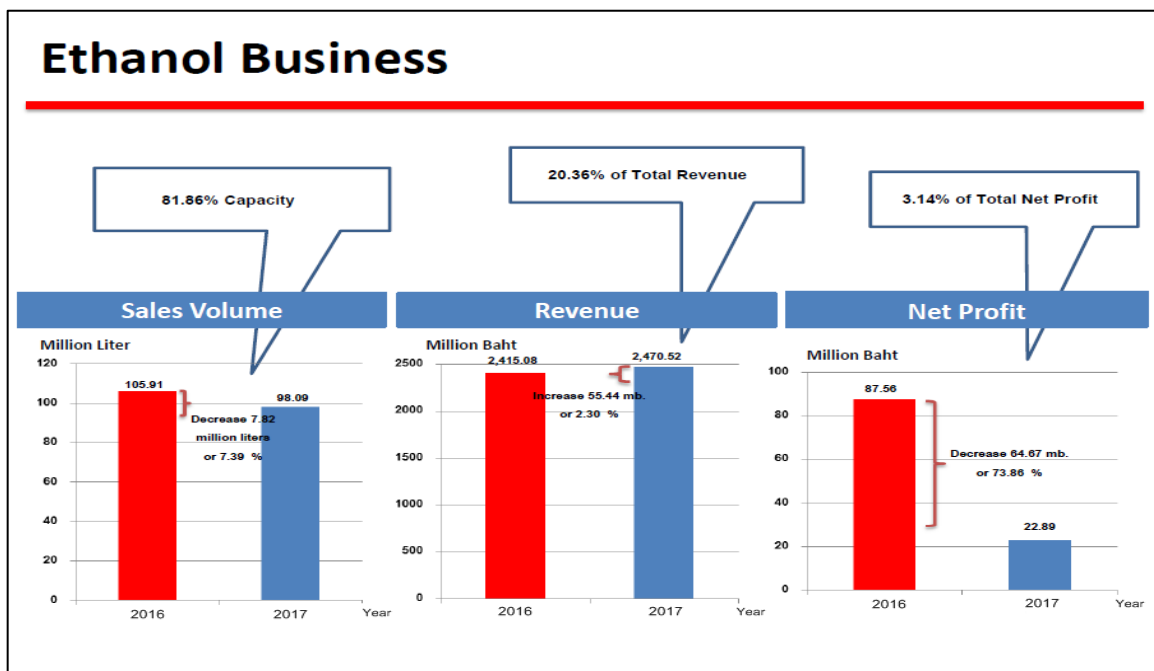
Operating results of the coal business, which is the core business, the total revenue in 2017 was Baht 9,609.67 million and the net profit was Baht 1,169.93 million, increase from the previous year of Baht 3,263.19 million and Baht 934.48 million or an increase of 51.42 percent and 396.88 percent, respectively. Even though coal sales volume increased by only 18.87 percent but the average coal selling price increased by 27.38 percent due to rising global coal prices throughout the past year 2017. Currently, there are two coal mining concessions in operation in Indonesia with total coal production capacity of approximately 6 million metric tons per year. More discussions and negotiations are under way as well for new investment opportunities in coal mining concessions in order to expand Company's production and distribution capacity in the future.



As global coal prices have continued to rise, it is expected that the operating results of the coal business, which is a core business, will be able to make more profit growth in year 2018 with positive global coal price trend. In early 2018, PT. Lanna Harita Indonesia (“LHI”) and PT. Lanna Singlurus Pratama (“SGP”), subsidiary companies in Indonesia, have amended their coal mining concession on the divestment of foreign or non-Indonesian shareholding to not more than 49 percent of paid-up capital within year 2019, by which the Company has disclosed this information to the Stock Exchange of Thailand to inform the shareholders and investors. Nevertheless, the Company still has management control in both subsidiary companies, which allows for the consolidation of both subsidiary companies’ financial statements into the Company’s consolidated financial statements as before.



Operating results of the ethanol-for-fuel business, which is the secondary core business; the total revenue in 2017 was Baht 2,470.52 million, an increase from the previous year of Baht 55.44 million or 2.30 percent. Nonetheless, the net profit was Baht 48.86 million, a decrease from the previous year of Baht 129.25 million or 72.57 percent due to the flood incident causing the treated wastewater pond of the ethanol production plant of the subsidiary company to collapse in the late 2017. Consequently, there was no income during a 2-month temporary shutdown of the ethanol production plant for repair during October and November 2017. The ethanol production plant, which is located in Dan Chang District, Suphanburi Province, consists of two ethanol production lines with a total production capacity of 350,000 liters per day, mainly utilizing molasses and cassava as the raw materials. Both ethanol production lines have been granted special investment promotion privileges according to the Investment Promotion Act, B.E. 2520.



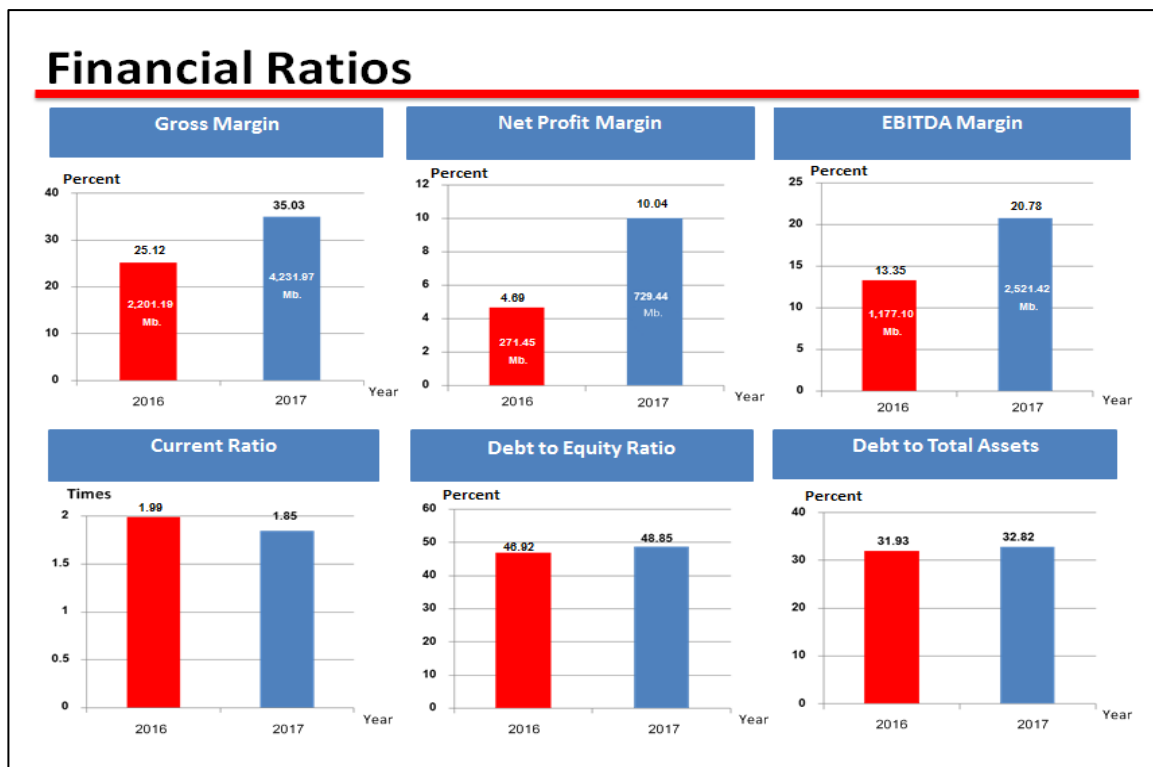
Impact from the flood incident in late 2017 as described above has caused the operating results of ethanol business in 2017 to be lower than expectation. It is anticipated that the ethanol business will be profitable in year 2018 as before as the Energy Business Department is considering the direction on gasohol 91 phase-out which will drive the use of gasohol E20 and should result in higher demand for ethanol.

For future investment, the Company plans to invest in coal-fired power plant and other renewable energy projects in both Thailand and overseas, having established Lanna Power Generation Co., Ltd. in 2016, a wholly-owned subsidiary company, to conduct feasibility studies and prepare to invest in such businesses. To begin with, the Company and PT. Indonesia Power, a state enterprise of Indonesia, entered into the memorandum of understanding to establish partnership and look into viable joint venture investment in coal-fired power plant project in Indonesia. The Company and subsidiary companies certainly have potential to invest in such project with its own coal mining concessions. In addition to the increase in coal production and distribution capacity, the return on investment in such power plant projects should yield higher revenue and profit for the Company in the future.

The overall financial position in 2017 was in good standing having the total asset as at the end of 2017 of Baht 8,774.60 million, an increase from the previous year of Baht 244.10 million or 2.86 percent and the total liabilities as at the end of 2017 of Baht 2,879.59 million increased from the previous year by Baht 155.45 million or 5.71 percent. The total shareholders' equity as at the end of 2017 of Baht 5,895.01 million increased from the previous year by Baht 88.65 million or 1.53 percent, resulting in an increase in the book value from Baht 7.84 per share in 2016 to Baht 8.26 per share in 2017, an increase of Baht 0.42 per share or 5.36 percent.

The overall liquidity in 2017 was also considered in good standing with the current ratio as high as 1.85 times with the total debt to total asset ratio was only 32.82 percent and the total debt to equity ratio was only 48.85 percent. In addition, the Company has cash flow and credit facilities from financial institutions that are sufficient for business operations and future investments.

The overall earnings efficiency of the Company in 2017 was considered in good standing having the EBITDA margin increased from 13.35 percent in 2016 to 20.78 percent in 2017, the net profit margin increased from 4.69 percent in 2016 to 10.04 percent in 2017 and the return on equity increased from 6.48 in 2016 to 17.25 percent in 2017, which is considered that the profitability has improved significantly in 2017.



The Company continues to give priority to the principles of good corporate governance and realizes the importance of corporate social responsibility to create sustainable development for the corporation in the long run, as well as being committed to promoting anti-corruption in every form. Accordingly, the Company has received the following rewards and recognitions in 2017:

- The Company was placed in a “Very Good” level or 4 stars (▲▲▲▲) for the assessment of Corporate Governance (“CGR”) Year 2017 by the Thai Institute of Directors Association, having received a score of 88 percent, higher than the previous year 2016 with the score of 86 percent, ranking in the Top Quartile of the group of companies with a market capitalization of Baht 3,000-9,999 million.

- The Company received a full 100-score or “excellent” level on the Annual General Meeting Quality Assessment of the Listed Companies (“AGM Checklist”) Year 2017 conducted by the Thai Investors Association. The Company has received the full 100-score assessment for seven consecutive years from 2011 to 2017.

- The Company has been officially certified as a member of “Thailand’s Private Sector Collective Action Coalition Against Corruption” since 2015 and will proceed with the certificate renewal in 2018.

- The Ayutthaya Coal Center conducts its business operation in Thailand with responsibility toward the communities, society and environment, having been granted the Green Industry Accreditation (Green System) Level 3 and recently awarded with the Corporate Social Responsibility Department of Industrial Works (CSR-DIW Award 2017) from the Ministry of Industry in 2017.

- Both subsidiary companies with coal mining operations in Indonesia have been consistently awarded every year with regard to their excellent environmental management from the Governor of East Kalimantan. Both subsidiary companies also received safety management certificates from the Directorate General of Mineral and Coal for good environmental and safety management standards in compliance with relevant laws and regulations.

The Board of Directors has endeavored to manage and resolve any difficulties with prudence and diligence by adhering to good corporate governance principles, having allowed the Company to get through any obstacles and maintain good operating results, which enables the Company to pay dividend to the shareholders at high level every year. Accordingly, the Board of Directors shall continue to consider business expansion for sustainable development of the Company in long term.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry or suggestion to the Board of Directors concerning with the aforementioned Company’s management and operating results.

Mr. Komtouch Chotirak, shareholder with meeting attendance registration no. 128, inquired about 2 topics as follows:

- (1) As reported that the ethanol production plant had to halt its ethanol production and distribution, has the problem been resolved and whether or not the ethanol plant has returned to its normal operation? If not, when will it be completed?

- (2) Has the insurance claim for the damages been completed?

Mr. Srihasak Arirachakaran, Director and Chief Executive Officer, clarified as follows.

- (1) The subsidiary company had already resolved the problem since the end of year 2017, which was caused by a force majeure incident with heavy rain and flood damaging the treated wastewater pond of the subsidiary’s ethanol plant during the end of year 2017. The repair was carried out according to the measures as stipulated by the authority, by which the Ministry of Industry had inspected and permitted the subsidiary company to recommence its ethanol production and distribution since December 2017, which happened in time for the sugarcane crushing period this season. In addition, the subsidiary company would invest in the construction of the wastewater evaporation plant for the spent wash or vinasse to effectively treat the wastewater from the ethanol production process and mitigate environment impact sustainably in long term. The construction was expected to be completed by March 2019. For this year, the subsidiary company has carried out several measures and prepared to handle increasing volume of vinasse or wastewater from the ethanol production process until at least the middle of next year and is confident that such problem earlier will

not occur again this rainy season in year 2018. Actually, the wastewater evaporation plant had been planned from the beginning; however, initially the ethanol plant had only one production line with relatively small amount of wastewater or vinasse and it was not necessary to invest in such a plant. Therefore, the treated wastewater has been sent to the settling pond before going to the natural evaporation ponds, which is a conventional and industrially acceptable method of wastewater treatment system. The investment of the wastewater evaporation plant has become necessary after the construction of ethanol production plant line no. 2 and the timing is appropriate as the long term loan of the subsidiary company is about to be paid off within this year and more loan can be obtained for the investment of the wastewater evaporation plant. In fact, the subsidiary company has recently disclosed information concerning the investment for the construction of the wastewater evaporation plant to the Stock Exchange of Thailand and the public with stated investment capital of over Baht 400 million.

(2) As for the claim of damage compensation from the insurance company, the assessment of damage on the ethanol production plant by the insurance company has just been completed and the matter is under consideration by the insurance company, by which the compensation is expected to be paid soon afterward.

Ms. Suwannee Chiansirikraiwit, shareholder with meeting attendance registration no. 249, inquired about 4 topics as follows:

- (1) The progress on the investment in the power plant projects in Indonesia.
- (2) Future coal consumption trend
- (3) Impact on the ethanol-for-fuel business from future development and utilization of electric vehicles (“EV”)
- (4) Information on the remaining coal reserves and coal production and distribution plan of the Company

Mr. Srihasak Arirachakaran, Director and Chief Executive Officer, clarified on topic (1) and topic (2) as follows.

(1) The Company has explored investment opportunities in power plant projects in Indonesia as the Indonesian Government has policy encouraging investment in several coal-fired power plants, more than in Thailand. The Company also has already had long time experience operating in Indonesia. Currently, the Company is conducting a feasibility study on the investment of 2 to 3 power plant projects in Indonesia. Accordingly, the Company has established a wholly-owned subsidiary, Lanna Power Generation Co., Ltd. in 2016 to conduct a study and explore investment opportunities in such power business with aim to invest in the coal-fired power plant and other renewable energy projects both in Thailand and overseas. The Company and its subsidiary should have potential or advantage in the development of coal-fired power plant, having their own coal mine concessions. Besides having potential to increase its coal production and distribution, the Company and subsidiaries may also have investment return with higher revenue and profit in the future. As such power plant projects above have become more definite, the Company shall report on the progress of such development to the shareholders for acknowledgment in due time.

(2) Coal consumption trend should lean toward the use of good quality coal, especially coal with low sulfur content and produced from coal mine concessions that practice strict environmental and safety standards, by which both subsidiary companies have produced good quality coal with low sulfur content suitable for coal-fired power plant. Both subsidiary companies have also been consistently awarded with certificates displaying excellence in environmental and safety management in accordance with the standards and in compliance with relevant laws and regulations. Therefore, it is anticipated that the Company’s coal business will grow steadily and sustainably.

Mr. Somkiart Limsong, Chairman, clarified on topic (3) and topic (4) as follows.

(3) Several more years will be needed for the electric vehicles (“EV”) to be widely used due to the lack of charging stations for the electric vehicles, which have not covered every area possible to make it convenient for the electric vehicle owners. Moreover, the electricity charging time for the electric vehicles currently takes a long time when compared with the time period for filling gasoline into the car. There are also millions of combustion engine cars on the road which will take quite a long time for all to change to the electric vehicles. Accordingly, it is not anticipated that electric vehicles will significantly impact Company’s ethanol business for at least another ten years.

(4) There are still large amount of coal reserves in the coal mine concessions of the subsidiary companies in Indonesia with several more years of coal production and distribution. Nonetheless, the Company realizes the depletion of coal reserves every year and therefore has been looking for additional investments in other coal mine concessions and recently the Company has agreed to invest in a new coal mine concession in Indonesia, with details on such investment reported and disclosed to the Stock Exchange of Thailand and general public in March 2018, which should considerably add more coal reserves for the Company to increase its production capacity for several more years.

Ms. Suwannee Chiansirikraiwut, shareholder with meeting attendance registration no. 249, further inquired about the investment budget required for such investments in the power plant projects, including the sizes of the power plants and investment structure as to what shareholding proportion the Company planned to take.

Mr. Srihasak Arirachakaran, Director and Chief Executive Officer, clarified that initially the Company has no restriction on the size of the power plant for the investment; however, the investment is considered based on the appropriateness and capability of the Company on the investment. Currently, the Company is conducting feasibility studies for the investment in both 600 megawatts and even less than 100 megawatts. Priority is given to power plant projects which are located in the vicinity of Company's own coal mine concessions. As for the shareholding proportion, the Government of Indonesia has a clear policy stipulating that foreign investors or non-Indonesian entity shall not hold more than 49 percent of the paid-up capital in the power plant project. Therefore, the Company would not have total management control in such projects, basically similar to power plant project investments in Thailand for the foreigner or non-Thai investors. The Company considers that the investment in power plant projects in Indonesia to be appropriate and feasible with its own coal mine concessions in Indonesia, which should add more value and capacity in the coal production and distribution and the Government of Indonesia has also encouraged such investment in the coal-fired power plant projects, issuing measures stipulating domestic coal mine operators to produce and distribute coal for domestic consumption, especially for the increasing number of coal-fired power plants in Indonesia. Accordingly, the Company should meet its obligation according to such policy of the Indonesian Government. Anyhow, the Company would enjoy investment return from the power plant projects, which should bring more revenues and profit for the Company in the future. As for the investment budget, it is estimated that a 50-megawatt may cost up to USD 100 million and if the project could be financed at 2:1 debt to equity ratio or shareholders' equity of about USD 30 million. 49-percent shareholding by the Company would require only USD 15 million of investment capital for the Company, which should be within Company's financial capability without having to raise addition capital from the shareholders. Nonetheless, if required, the Company would report to the shareholders for further consideration in due time.

The Shareholders' Meeting acknowledged the report of the Board of Directors on the operating results of year 2017 as presented above.

Agenda No. 3: To Consider and Approve the Statement of Financial Position (Balance Sheets) and Statements of Earnings for the Year Ended December 31, 2017

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the statement of financial position (balance sheets) and statements of earnings for the year ended December 31, 2017 by assigning Mr. Anun Louharanoo, Director and Financial Advisor, to present the following information for consideration.

Background and Rationale

Ms. Siriwan Suratepin, certified public accountant no. 4604, of EY Office Limited, has audited and certified the balance sheets and statement of earnings for the year ended December 31, 2017, of which have been published in the Annual Report Year 2017, under the topic "Report of the Independent Auditor and Financial Statements", Page 31 to 110, including the analysis of financial status and operation results on Page 111 to 118, which have been disseminated on the Company's website and forwarded to all the shareholders in advance in the CD-ROM format along with the meeting invitation. Accordingly, the Audit Committee has reviewed the said financial statements and supervised that they comply with the generally accepted accounting standards as well as complete and adequate disclosure of financial information, according to the Report of the Audit Committee included in the Annual Report 2017, Page 138 to 139.

Board of Directors' Opinion

The Board of Directors has considered that the Financial Statements of Year 2017 provide complete and adequate information on the financial status and operating results, in accordance with the generally accepted accounting standards. Therefore, the balance sheets and statements of earnings for the year ended December 31, 2017 are being proposed to the shareholders' meeting for its consideration and approval as presented above, which can be summarized as follows:

(1) Consolidated Financial Statements:

Description (Unit: Million Baht)	Balance Sheets or Statement of Financial Position as at December 31 st		Increase (Decrease)	
	2017	2016	Amount	%
Total Assets	8,774.60	8,530.50	244.10	2.86
Total Liabilities	2,879.59	2,724.14	155.45	5.71
Total Shareholders' Equity	5,895.01	5,806.36	88.65	1.53
Share Book Value (Baht per Share)	8.26	7.84	0.42	5.36

Description (Unit: Million Baht)	Statements of Earnings		Increase (Decrease)	
	2017	2016	Amount	%
Total Revenues	12,135.63	8,814.17	3,321.46	37.68
Net Profit	729.44	271.45	457.99	168.72
Net Earnings per Share (Baht per Share)	1.39	0.52	0.87	168.72

(2) Separate Financial Statements:

Description (Unit: Million Baht)	Balance Sheets or Statement of Financial Position as at December 31 st		Increase (Decrease)	
	2017	2016	Amount	%
Total Assets	2,661	2,343	318	13.57
Total Liabilities	112	186	(74)	(39.78)
Total Shareholders' Equity	2,549	2,157	392	18.17
Share Book Value–Baht per Share	4.86	4.11	0.75	18.17

Description (Unit: Million Baht)	Statements of Earnings		Increase (Decrease)	
	2017	2016	Amount	%
Total Revenues	2,882	1,910	972	50.89
Net Profit	754	337	417	123.74
Net Earnings per Share – Baht per Share	1.44	0.64	0.80	123.74

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry into any problem concerning with the financial statements of year 2017 above.

Mr. Taweecat Chulangkul, shareholder with meeting attendance registration no. 238, inquired about 2 topics as follows:

(1) At current coal price, what is Company's policy on long-term or advanced coal sale and purchase agreement for the past year and this year?

(2) What kind of impact to the Company concerning with the news on China's new measure on controlling and restriction on coal import through it ports in the southern and eastern parts of China and what is the export and sale proportion of the Company for coal produced from Indonesia to overseas countries?

Mr. Srihasak Arirachakaran, Director and Chief Executive Officer, clarified in summary that although the Company tried to enter into a long-term coal sale and purchase agreement in advance when coal prices were at the high level but if coal price declined significantly, the buyers would try to negotiate for postponement of coal shipment and delivery and also for new lower coal prices. Therefore, the Company has set the policy for appropriate and balanced coal sales by not entering into the coal sale and purchase agreement of more than 6 months in advance. Normally, the Company would commit and enter into the coal sale and purchase agreement for approximately 60 percent of the production and distribution plan for each year. For the remaining coal sale volume, monitoring and assessment of coal market situation would be undertaken and certain customers would be given right to purchase the coal at market price. Problem might still arise if coal price fell sharply. However, if coal price gradually declined, similar to current situation, contract price would be based on coal price index of the previous month for coal shipment and delivery this month. If the customer came to take coal delivery as agreed in the contract, the Company would not have much problem. As for China's recent measure on banning certain coal import through its ports in order to utilize its remaining coal inventory in the country and convert its power generation from fuel to hydropower, which certainly had an impact on global coal prices. Nonetheless, the Company did not directly sell its coal into China; therefore, the Company had no direct impact, although there could be impact to coal prices indices overall. Currently, the Company exported and sold majority of coal to India. The Company would start to produce coal that is suitable for Chinese market during the next 2 years and coal sale and marketing policy would be considered again in due time.

Mr. Tanpong Tansalarak, shareholder with meeting attendance registration no. 215, inquired about the divestment of shareholding proportion of the Company in the 2 subsidiary companies in Indonesia as to what assumptions and reference pricing would be used for the sales of such shares and how the Company would recognize this revenue from such shares sales whether or not the revenue recognition would be by quarter or at once for the whole amount.

Mr. Srihasak Arirachakaran, Director and Chief Executive Officer, clarified that the divestment of shareholding of the foreigners that are non-Indonesian from 65 percent to no more than 49 percent of the paid-up capital must be carried out in succession starting from October 2017 and to be completed within October 2019 according to the Indonesian law. Nonetheless, the Company had been in discussion with relevant units of the Government of Indonesia concerning with such policy. It appeared that the Company must offer to sell the excess shares from such regulation to the state enterprises of the Central Government of Indonesia first, such as the electricity authority of Indonesia (Perusahaan Listrik Negara or "PLN") before such shares could be offered to the local enterprises of the local government where coal mine concessions of the subsidiary companies are located. Then, private entities or individuals of Indonesian national would be next for such share sale offer. Accordingly, the Company had been in discussion and negotiation with potential purchasers whom were interested in the shares of both subsidiary companies. As for the share sale price, the specification by the regulation was very broad, stating that the sale price should be at a fair market value. Nonetheless, other divestment transactions by other companies previously did not calculate their share price value based on the discounted cash flow method by using future free cash flow projections and discounting them to present value. Thus, the major issue would be the deciding factor for the Government or interested buyers to arrive at the fair market value. Accordingly, the Company had engaged the financial advisor, acceptable by the Government of Indonesia, to carry out share price assessment and valuation in order to determine the fair market value of the shares to be divested so that it could be used to start the share sale negotiation with the Government and interested buyers.

Mr. Anun Louharano, Director and Financial Advisor, clarified on the matter concerning with the revenue recognition from the share sale of the subsidiary companies that the Company would monitor the information daily; however, financial statements would be closed monthly. Company's independent auditor would review the financial statements quarter as stipulated by the Stock Exchange of Thailand. The revenue from share sale would be recognized for the whole amount at one time, when such share sale and purchase transaction occurs.

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

The Shareholders' Meeting has considered and, by the majority, resolved to approve the statement of financial position (balance sheets) and statements of earnings for the year ended December 31, 2017 as proposed above with the following number of votes:

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	426,785,468	0	586,800
Percentage (%)	99.8626	0	0.1374

During the voting of this agenda, there were 306 shareholders attending the meeting, holding a total of 427,372,268 shares or 81.4043 percent of all the issued shares with voting right.

Agenda No. 4: To Consider and Approve the Appropriation of Earnings

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the appropriation of earnings to set aside for general reserve and for dividend payment for the operating results of year 2017, by assigning Mr. Srihasak Arirachakaran, Director and Chief Executive Officer, to present the following information for consideration:

Background and Rationale

According to Section 116 of the Public Limited Companies Act B.E. 2535, "The Company is required to set aside a statutory reserve at least five percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches ten percent of the registered share capital, except that the statutory reserve level set in the Company's Memorandum of Association or in other regulations is required to be higher than ten percent.". The Company may appropriate the net profit as other reserve.

Dividend Payment Policy

In the case that no additional investments are required and that there are no outstanding loans, the Company's dividend payment policy is not less than 60 percent of its yearly net profit of the separate financial statements for each financial period after the deductions of statutory reserve and the net loss carried forward (if any).

Board of Directors' Opinion

According to the operating results of the Company in year 2017, the net profit based on separate financial statements was Baht 754,000,376.47 or a net profit of Baht 1.44 per share, calculated from the issued and paid-up shares of 524,999,679 shares at a share value of Baht 1.00 per share. The Board of Directors has considered that the Shareholders' Meeting should approve of the appropriation of earnings for the operating results of year 2017, having the following details.

Details of the Appropriation	Amount (Baht)
Retained Earnings from previous year	22,112.41
Plus • Net Profit of Year 2017	754,000,376.47
Retained Earnings for Appropriation for Year 2017	754,022,488.61
Less • Appropriation for General Reserve	297,200,000.00
• Appropriation for Interim Dividend Payment at Baht 0.40 per share, already approved by the Board of Directors and paid to the shareholders on November 15, 2017	209,999,871.60
• Appropriation for Dividend Payment to be approved for this period at Baht 0.47 per share	246,749,849.13
Earnings Carried Forward	72,767.88

(1) To appropriate the earnings for general reserve at Baht 297,200,000 and;

(2) To appropriate the earnings for dividend payment to shareholders at Baht 0.87 per share, totaling Baht 456,749,720.73 The Board of Directors already approved the interim dividend payment to the shareholders on November 15, 2017 at Baht 0.40 per share, totaling Baht 209,999,871.60; therefore, the remaining dividend payment for shareholders is at Baht 0.47 per share, totaling Baht 246,749,849.13 The record date for the name list of shareholders entitled to receive dividend payment for this period will be determined on March 20, 2018 and the dividend will be paid on May 15, 2018. Accordingly, shareholders are required to pay income tax for such dividend according to the Revenue Code, having details on tax credit as follows:

(A) For the dividend at Baht 0.16 per share of 524,999,679 shares, totaling Baht 83,999,948.64, shareholders who are natural persons will receive tax credit at two-eighth of the received dividend as the dividend is paid from the portion of earnings with corporate income tax of 20 percent of net profit, and

(B) For the dividend at Baht 0.31 per share of 524,999,670 shares, totaling Baht 162,749,900.49, shareholders who are natural persons will receive no tax credit as the dividend is paid from the portion of earnings exempted from the corporate income tax.

Comparison of Dividend Payment to Net Profit

The Shareholders will receive the dividend payment appropriated from the net profit derived from the separate financial statements in year 2017 at Baht 0.87 per share or 60.58 percent of the net earnings.

Comparison of Dividend Payment with the Past Year

Details of the Dividend Payment	Year 2017	Year 2016
Net Profit	Baht 754,000,376.47	Baht 337,251,025.53
Number of Shares of Interim and Annual Dividend Payment	524,999,679 shares	524,999,679 shares
Total Dividend Payment per Share	0.87 Baht per share	0.64 Baht per share
• Interim Dividend	0.40 Baht per share	0.35 Baht per share
• Annual Dividend	0.47 Baht per share	0.29 Baht per share
Total Dividend Payment	Baht 456,749,720.73	Baht 335,999,794.56
Dividend Payment Ratio	60.58 percent	99.63 percent

The Board of Directors has proposed for the dividend payment from the operating results of the Company in year 2017 at 60.58 percent of the net profit, which is higher than the established dividend payment policy but lower than the previous year by 39.20 percent.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry concerning the appropriation of earnings for the operating results of year 2017 above.

Mr. Somwang Poonsombat, shareholder with meeting attendance registration no. 234, inquired about the reason of the relatively low dividend payment ratio for year 2017, or the Company wished to reserve fund for future investments.

Mr. Somkiart Limsong, Chairman of the Board, clarified that in normal situation the Company would try to maintain its dividend payment ratio according to the Company's dividend payment policy above and reserve certain part for investment and operation in the future, by which the money would still belong to the shareholders. Nevertheless, Company's operating results during the past few years were not in good condition due to the decline in coal prices but the Company shared the feeling with the shareholders, thus tried to pay dividend to shareholders as much as possible keeping a small reserve. However, in 2017, the net profit was quite high, the Company therefore decided to return to the original practice in accordance with the dividend payment policy.

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

The Shareholders' Meeting considered and, by the majority, resolved to approve the appropriation of earnings in year 2017 from the Board of Directors' proposal as follows.

(1) To appropriate the earnings for general reserve at Baht 297,200,000 and

(2) To appropriate the earnings for dividend payment to shareholders at Baht 0.87 per share, totaling Baht 456,749,720.73. The Board of Directors already approved the interim dividend payment to the shareholders on November 15, 2017 at Baht 0.40 per share, totaling Baht 209,999,871.60; therefore, the remaining dividend payment for shareholders is at Baht 0.47 per share, totaling Baht 246,749,849.13. The record date for the name list of shareholders entitled to receive dividend payment for this period will be determined on March 20, 2018 and the dividend payment of this period will be paid on May 15, 2018. Accordingly, shareholders are required to pay income tax for such dividend according to the Revenue Code, having details on tax credit as follows:

(A) For the dividend at Baht 0.16 per share of 524,999,679 shares, totaling Baht 83,999,948.64, shareholders who are natural persons will receive tax credit at two-eighth of the received dividend as the dividend is paid from the portion of earnings with corporate income tax of 20 percent of net profit, and

(B) For the dividend at Baht 0.31 per share of 524,999,670 shares, totaling Baht 162,749,900.49, shareholders who are natural persons will receive no tax credit as the dividend is paid from the portion of earnings exempted from the corporate income tax, with voting results as follows:

Voting Results	Approved	Disapproved	Abstained/Voiced Ballot
Number of Votes	427,372,268	0	0
Percentage (%)	100.00	0	0

During the voting of this agenda, there were 306 shareholders attending the meeting, holding a total of 427,372,268 shares or 81.4043 percent of all the issued shares with voting right.

Agenda No. 5: To Consider the Appointment of Directors Retired by Rotation

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider approving the appointments of directors retired by rotation by assigning Mr. Kraisi Sirirungsi, Nomination and Remuneration Committee Chairman, to present the following information for consideration:

Background and Rationale

According to the Article No. 11 of the Company's Articles of Association, corresponding to the Section 71 of the Public Limited Company Act B.E. 2535, stating that "at every Annual General Meeting of Shareholders, one-third (1/3) of the directors shall be retired by rotation and if the number of directors are not divisible by one-third, the number of directors to be retired shall be nearest to one-third (1/3);

The number of directors to be retired in the first year and second year after the Company's registration shall be done by lottery selection. For subsequent years, the directors in position for the longest time shall be retired first."

At the Annual General Meeting of Shareholders Year 2018, the following four directors are retired by rotation according to the Article No. 11 of the Company's Articles of Association; namely (1) Mr. Somkiart Limsong, (2) Mr. Padoong Techarintr, (3) Mr. Paul Heinz Hugentobler, and (4) Mr. Anun Louharanoo.

Board of Directors' Opinion

The Board of Directors has considered and resolved to propose to the Shareholders' Meeting for consideration and approval of the appointment of four directors in place of the directors who are retired by rotation. Accordingly, the Shareholder's Meeting shall be proposed for consideration for each appointment individually as follows:

Proposed Names for Appointment of Directors Replacing the Directors Retired by Rotation	Proposed Director's Positions
(1) Mr. Somkiart Limsong	Director
(2) Mr. Padoong Techasarintr	Director and Independent Director
(3) Mr. Paul Heinz Hugentobler	Director
(4) Mr. Anun Louharanoo	Director

Criteria and Nomination Procedure

Nomination process for the Company's directorship positions has been through the deliberation of the Nomination and Remuneration Committee ("NRC"). It was considered and concluded that all of the four directors above possess the knowledge, capabilities, experience and various expertise, which are deemed beneficial to the Company's business operation and also possess all the qualifications to take the director position of the listed company, according to the Company's Article of Association and governing laws. Past work experiences as the Company's directors have also been reviewed.

According to the good corporate governance principles which suggest that the tenure of an independent director should not exceed a cumulative term of 9 years. Although Mr. Padoong Techasarintr has served as the independent director from April 27, 1993 until present for a total of 24 years and 8 months, Mr. Padoong Techasarintr has always performed his duties appropriately, possessed good knowledge, capabilities and experience, and been able to express independent opinions in accordance with relevant laws, as well as having variety of expertise which are beneficial to the Company's business operation. Accordingly, the Board of Directors has thoroughly considered and therefore proposed to the Shareholders' Meeting for its consideration to appoint Mr. Padoong Techasarintr for the position of Independent Director for another term.

The Company provided the opportunity for the shareholders to propose meeting agenda items and appointment of new director according to the good corporate governance principles by submitting a written proposal by mail or facsimile (FAX) to the Company Secretary in advance, during October 1, 2017 to December 31, 2017, for a period of 3 months. However, there was no shareholder proposing any meeting agenda item in advance or proposing any appointment for a new director.

Information of the Proposed Persons for Director Positions

Brief curricula vitae of all four persons being proposed for the director positions, including performance results as the Company's directors during the past years, which has been forwarded to every shareholder along with the meeting invitation and disseminated on the Company's website, having details as follows:

(1) Information of the Proposed Person for Director Position

Name and Surname: Mr. Somkiart Limsong
Current Position: Chairman of the Board of Directors and Director
Nationality: Thai
Age: 76 years
Address: 251 Soi Sarasin, Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330
Education: MBA, Harvard Business School
Director Accreditation Program: Director Accreditation Program (DAP) Class 5/2003
Date of Appointment: October 2, 1985
Period of Directorship: Holding Director Position since 1985 until present for total of 32 years and 3 months.
Meeting Attendance of the Past Year: Attended 4 of 6 Board of Directors' Meetings
Shareholding in the Company as at December 31, 2017: None
Direct and indirect interest in any of business with Company and its subsidiaries: None

Director/Executive Positions in other Business:

Listed Company		Other Non-Listed Company	Other Position in Competing Business/Connected with Company's Business
Total	Type of Directorship		
-None-	-None-	-None-	-None-

Work Experience:

1994 - 2001: Chairman, Gulf Electric Public Co., Ltd.

1968 - 1999: Last position; Vice-Chairman of the Board, President, Executive Chairman and Managing Director, Siam City Cement Public Co., Ltd.

(2) Information of the Proposed Person for Director and Independent Director Positions

Name and Surname: Mr. Padoong Techasarintr

Current Position: Audit Committee Chairman and Independent Director

Nationality: Thai

Age: 77 years

Address: 41/9 Rim Klong Bangsakae Road, Bangkor, Chomthong, Bangkok 10150

Education: Bachelor Degree, Accounting and Commerce, Thammasat University

Director Accreditation Program: The Role of Chairman Program (RCM) Class 6/2002

Director Accreditation Program (DAP) Class 3/2003

Director Certification Program (DCP) Class 55/2005

Date of Appointment: April 27, 1993

Period of Directorship: Holding Director Position since 1993 until present for total of 24 years and 8 months.

Holding Audit Committee Member Position since 1999 until present for a total of 18 years.

Meeting Attendance of the Past Year: Attended 6 of 6 Board of Directors' Meetings

Attended 10 of 10 Audit Committee Meetings

Shareholding in the Company as at December 31, 2017: None

Direct and indirect interest in any of business with Company and its subsidiaries: None

Director/Executive Positions in other Business:

Listed Company		Other Non-Listed Company	Other Position in Competing Business/Connected with Company's Business
Total	Type of Directorship/Executive		
4 companies	(1) Independent Director / Audit Committee Member, Kulthorn Kirby Public Co., Ltd. (2) Independent Director / Audit Committee Member, C.P. All Public Co., Ltd. (3) Independent Director / Audit Committee Member, Textile Prestige Public Co., Ltd. (4) Independent Director / Audit Committee Member, Thanulux Public Co., Ltd.	1 place (Foundation)	-None-

Work Experience:

- 2000 - Present: Independent Director and Audit Committee Member, Kulthorn Kirby Public Co., Ltd.
- 1999 - Present: Independent Director and Audit Committee Member, C.P. All Public Co., Ltd.
- 1999 - Present: Independent Director and Audit Committee Chairman, Textile Prestige Public Co., Ltd.
- 1994 - Present: Independent Director and Audit Committee Chairman, Thanulux Public Co., Ltd.
- 1988 - Present: Director, Than Tao Mahaprom Foundation Erawan Hotel

(3) Information of the Proposed Person for Director Position

Name and Surname: Mr. Paul Heinz Hugentobler

Current Position: Director

Nationality: Swiss

Age: 68 years

Address: 898 Ploenchit Tower Floor 8F, Ploenchit Road, Lumpini, Patumwan, Bangkok 10330

Education: Havard Business School International Senior Management Program

: Graduate School of Economics and Business of St.Gallen, Switzerland Lic.Oec.HSG

: Swiss Federal Institute of Technology, Zurich B.SC in Civil Engineering

Date of Appointment: April 26, 2000

Period of Directorship: Holding Director Position since 2000 until present for total of 17 years and 8 months.

Meeting Attendance of the Past Year: Attended 3 of 6 Board of Directors' Meetings

Shareholding in the Company as at December 31, 2017: None

Direct and indirect interest in any of business with Company and its subsidiaries: None

Director/Executive Positions in other Business:

Listed Company		Other Non-Listed Company	Other Position in Competing Business/Connected with Company's Business
Total	Type of Directorship		
1 company	Director and Chairman, Nomination and Remuneration Committee Chairman, Siam City Cement Public Co., Ltd.	1 company	-None-

Work Experience:

- 2017 - Present: Chairman, Siam City Cement Public Co., Ltd.
- 2014 - Present: Nomination and Remuneration Committee Chairman, Siam City Cement Public Co., Ltd.
- 2007 - Present: Commissioner, PT. Lanna Mining Services (Subsidiary company)
- 2014 – 2017: Director of Governance Risk and Compliance Committee, Siam City Cement Public Co., Ltd.
- 2004 – 2014: Director, Holcim Participations Ltd.
- 2001 – 2014: Member of the Executive Committee, Holcim Ltd.
- 1998 – 2014: Director, Holcim Capital (Thailand) Ltd.
- 1998 – 2014: Director, Thai Roc-Cem Ltd.

(4) Information of the Proposed Person for Director Position

Name and Surname: Mr. Anun Louharanoo

Current Position: Director, Authorized Director, Financial Advisor, Risk Management Committee Chairman, and Nomination and Remuneration Committee Member

Nationality: Thai

Age: 64 years

Address: 95/81 Golden Lanna Village, Soi Ramkumhang 92, Ramkumhang Road, Sarnsoong, Bangkok 10240

Education: Bachelor Degree, Accounting and Law, Thammasat University

Director Accreditation Program:

Director Accreditation Program (DAP) Class 1/2003
 Director Certification Program (DCP) Class 29/2003
 Audit Committee Program (ACP) Class 2/2004
 DCP Refresh Course Class 2/2006
 Improving the Quality of Financial Reporting (QFR) Class 2/2006
 Monitoring the Internal Audit Function (MIA) Class 1/2007
 Monitoring the System of Internal Control and Risk Management (MIR) 1/2007
 Role of Compensation Committee Program (RCC) Class 7/2008
 Corporate Governance Workshop Board Performance Evaluation Year 2007
 R-ACF-Audit Committee Forum (R-ACF 1/2016)

Director Development Program of the Stock Exchange of Thailand:

CG Forum 4/2014: Discussion on Performance Evaluation of the Board of Directors to the Remuneration of Directors
 CG Forum 1/2015: CG in Substance: Organization Culture and Corporate Governane
 CG Forum 3/2015: Risk Oversight: High Priority Roles of the Board
 CFO in the new financial world, The Securities and Exchange Commission Year 2015
 Board and Management Responsibility for Internal Control Year 2015
 M&A, The Role of Director Year 2015

Date of Appointment: October 2, 1985

Period of Directorship: Holding Director Position since 1985 until present for total of 32 years and 3 months

Meeting Attendance of the Past Year: Attended 6 of 6 Board of Directors' Meetings

Attended 12 of 12 Risk Management Committee Meetings

Attended 2 of 2 Nomination and Remuneration Committee Meetings

Shareholding in the Company as at December 31, 2017: 1,380,587 shares or 0.26 percent of all shares with voting rights

Direct and indirect interest in any of business with Company and its subsidiaries: None

Director/Executive Positions in other Business:

Listed Company		Other Non-Listed Company	Other Position in Competing Business/Connected with Company's Business
Total	Type of Directorship/Executive		
3 companies	(1) Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member, Diamond Building Products Public Co., Ltd. (2) Independent Director and Audit Committee Chairman, TCM Corporation Public Co., Ltd. (3) Director, Thai Agro Energy Public Co., Ltd.	4 companies	-None-

Work Experience:

2016 - Present: Director, Lanna Power Generation Co., Ltd.

2012 – Present: Independent Director and Audit Committee Chairman, TCM Corporation Public Co., Ltd.

2008 – Present: Director, PT. Singlurus Pratama (Subsidiary)

- 2006 – Presnet: Commissioner, PT. Lanna Mining Services (Subsidiary)
- 2005 – Present: Independent Director, Audit Committee Member and Nomination and Remuneration Committee Member, Diamond Building Products Pcl. (Formerly Diamond Roofing Tiles Pcl.)
- 2003 – Present: Director, Thai Agro Energy Public Co., Ltd. (Subsidiary)
- 1998 – Present: Director, PT. Lanna Harita Indonesia (Subsidiary)

Definition of the Independent Director

Independent director has the following definition and qualifications:

(1) Holding shares not more than one percent of all shares with voting rights of the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, which shall be inclusive of the shares held by related persons of the particular Audit Committee Member.

(2) Not being or used to be the director who takes part in the management of the Company, employee, staff member, advisor who receives a regular salary, or a controlling person of the Company, holding company, subsidiary company, associated company, subsidiary company of the same level, major shareholder, or controlling person of the Company, except having been out of the above position for at least two years prior to the appointment. Nevertheless, such prohibited characteristic does not include the case where the independent director who used to be a civil servant or an advisor to the Government which is the major shareholder or controlling person of the Company.

(3) Not being a person who is related by blood or by law as a parent, spouse, sibling and child including a child's spouse, to any management member, major shareholder, controlling person or the person whom has been proposed to become the management member or controlling person of the company or subsidiary company.

(4) Not having or used to have business relationship with the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, in a way which may prevent independent judgment, as well as not being or used to be the significant shareholder or controlling person of the entity having business relationship with the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, except having been out of the above position for at least two years prior to the appointment.

(5) Not being or used to be the auditor of the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, and not being significant shareholder, controlling person or managing partner of the audit firm with staff being the auditor of the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company in the firm, except having been out of the above position for at least two years prior to the appointment.

(6) Not being or used to be the service provider in any professions including legal advisor or financial advisor receiving the service fee exceeding Baht 2 million per year from the Company, holding company, subsidiary company, associated company, major shareholder, or controlling person of the Company, and not being significant shareholder, controlling person or partner of the such professional service provider, except having been out of the above position for at least two years prior to the appointment.

(7) Not being the director who has been appointed as the representative of the Company, major shareholder or shareholder whom is related to the major shareholder of the company.

(8) Not being an entrepreneur in any business similar to or material competing with the Company or its subsidiary company or not being the material partner in partnership, executive director, employee, staff, advisor who receives salary or holds no more than 1 percent of total number of shares with voting right of the company similar to or material competing with the Company or its subsidiary company.

(9) Having no other characteristic which may prevent from giving independent opinions concerning with the business operation of the Company.

The Independent Director with qualifications in (1) to (9), may be assigned by the Board of Directors to make decision in the business operation of the Company, holding company, subsidiary company, associated company, subsidiary of the same level, major shareholder or controlling person of the Company, based on the collective decision.

In the event that the person appointed by the Company as the independent director is the person whom has or used to have business relationship or is a provider of professional service with service fee exceeding the amount under (4) or (6), the Board of Directors may consider for the allowance if it is deemed that the appointment of such person has no impact on the performance of duties and independence of opinions, and the Company has disclosed the following information within the invitation to the shareholders' meeting in the agenda concerning the consideration of the appointment of independent director.

(A) Characteristics of the business relationship or professional service, which have made such person to have the qualification not conforming to the established criteria.

(B) Reason and necessity for maintaining or appointing such person as the independent director.

(C) Opinions of the board of directors for proposing for the appointment of such person as the independent director.

The Company has established the qualifications of the Independent Directors the same as the minimum requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand regarding the shareholding in the Company such that the Independent Director must not hold more than 1 percent of total shares with voting right of the Company. In addition, the individuals proposed for appointment of the Independent Director possess no other types of relationship as follows.

Type of Relationship	Proposed Independent Director Mr. Padoong Techasarintr
Shareholding in Company <ul style="list-style-type: none"> • Number of Shares • Proportion of All Shares with Voting Right 	None None
Being close relative with Executive/Major Shareholder of the Company/Subsidiary	No
Having the following relationship with Company/holding company/subsidiary/associated or juristic person with possible conflict of interest currently or during past 2 years <ul style="list-style-type: none"> (1) Being director who takes part in the management of the Company, employee, staff member, advisor who receives a regular salary (2) Being professional service provider (such as auditor, legal advisor) (3) Having business relationship (such as trading of raw material/service, lending or borrowing) with specified transaction size. 	No No None

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry concerning the appointment of directors in place of the directors retired by rotation above. There was no shareholders making inquiry and/or expressing their opinion.

Voting Procedure

The resolution for this meeting agenda will be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes by voting according to the following procedures:

(1) The shareholder will have each share being counted as one vote.

(2) Each shareholder must use all the votes according to (1) to appoint one person or several persons for the director position but cannot divide the votes into different number of votes for a particular person.

(3) The persons receiving the highest number of votes in descending order will be appointed as the directors for the total number of director positions available at the time. In the case of a tie (same number of votes) for successive positions available, the Chairman of the Meeting shall have the casting vote.

The Chairman informed the meeting that there was one director holding shares in the Company who would not exercise their right to vote in this agenda due to direct interest, namely, Mr. Anun Louharano, holding 1,380,587 shares.

Afterward, the Chairman proposed the shareholders' meeting to consider appointing four directors in place of the directors retired by rotation by voting for each individual person as follows:

(1) The shareholders' meeting resolved to appoint Mr. Somkiart Limsong to be the Director for another term with the following number of votes.

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	407,526,857	18,904,100	941,466
Percentage (%)	95.3564	4.4233	0.2203

(2) The shareholders' meeting resolved to appoint Mr. Padoong Techasarintr to be the Director and Independent Director for another term with the following number of votes.

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	422,767,057	3,630,100	975,266
Percentage (%)	98.9224	0.8494	0.2282

(3) The shareholders' meeting resolved to appoint Mr. Paul Heinz Hugentobler to be the Director for another term with the following number of votes.

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	405,916,357	20,495,700	960,366
Percentage (%)	94.9795	4.7958	0.2247

(4) The shareholders' meeting resolved to appoint Mr. Anun Louharanoo to be the Director for another term with the following number of votes.

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	405,672,020	19,231,800	2,468,603
Percentage (%)	94.9224	4.5000	0.5776

During the voting of this agenda, there were 308 shareholders attending the meeting, holding a total of 427,372,423 shares or 81.4043 percent of all the issued shares with voting right.

Agenda No. 6: To Consider the Directors' Remunerations

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider determining the remuneration of Directors by assigning Mr. Kraisi Sirirungsi, Nomination and Remuneration Committee Chairman, to present the following information for consideration:

Background and Rationale

According to the Public Limited Company Act B.E. 2535, Section 90, first paragraph, states that "to prohibit the company from offering payments or assets to the director except for remuneration compensation as stated by the company's articles of association".

The Company's Articles of Association, Article 16, second paragraph, states that "the director is entitled to receive remuneration from the company; namely salaries, wages, rewards, meeting allowances, remunerations, bonuses, or other types of benefits in accordance with the articles or the shareholders' meeting consideration, which can specify the amounts or establish the criteria and specify for each occasion, or be effective until any changes."

Composition of the Remuneration

(1) The Board of Directors receives the following remuneration:

(1.1) Fixed monthly remuneration, with the Chairman receiving Baht 60,000 per month and the Directors receiving Baht 30,000 per month each, which were approved by the Extraordinary Meeting of Shareholders No. 2/1993 dated December 8, 1993 and have been used since December 1993 without any changes.

(1.2) Annual remuneration, which must be approved by the shareholders' meeting each year, varied according to the Company's operating results of each year. For the past year 2017, the Annual General Meeting of Shareholders Year 2017 resolved to approve the annual remunerations for 14 directors, totaling Baht 5,040,000, using the same basis as every past year by which 2 parts are given to the Chairman of the Board at Baht 672,000; and 1 part to 13 Directors at Baht 336,000 each person.

(2) Subcommittees receive remunerations, in addition to (1), as follows:

(2.1) The Audit Committee members receive fixed monthly remuneration. The Chairman of the Audit Committee receives Baht 15,000 per month, with the other Audit Committee Members receiving Baht 10,000 per month per person. The above remuneration rates have been used since October 1999 without any changes. The composition and scope of duties of the Audit Committee have been disclosed within the Annual Report Year 2017, Page 136 to 137 under the topic "Management Structure", which has been disseminated on the Company's website and forwarded to every shareholder along with the meeting invitation.

(2.2) The Nomination and Remuneration Committee members receive fixed remuneration per meeting. The Chairman of the Nomination and Remuneration Committee receives Baht 15,000 per meeting, with the other Nomination and Remuneration Committee Members receiving Baht 10,000 per meeting per person. The above remuneration rates have been used since January 1, 2016 without any changes. The composition and scope of duties of the Nomination and Remuneration Committee have been disclosed within the Annual Report Year 2017, Page 142 to 143 under the topic "Management Structure", which has been disseminated on the Company's website and forwarded to every shareholder along with the meeting invitation.

(2.3) The Corporate Governance Committee and the Risk Management Committee, of which members are all executives whom already receive monthly salary and other benefits as the Company's employees; therefore, there are no additional remuneration.

(3) The Company does not provide any other remuneration or offer any other privileges to the directors other than what mentioned in (1) and (2) above. The remunerations paid to each of the directors during year 2017 have been disclosed in the Annual Report Year 2017, Page 179 under the topic "Management Structure", which has been disseminated on the Company's website and forwarded to every shareholder along with the meeting invitation.

Board of Directors' Opinion on the Directors' Remuneration for 2018 and Comparison with the Past Year

The Board of Directors has considered and resolved to propose to the Shareholders' Meeting for approval of the Directors' remunerations for 2018, having details as follows:

(1) The Board of Directors shall receive remunerations as follows:

(1.1) Fixed monthly remuneration with the Chairman of the Board shall receive Baht 60,000 per month, and the Directors shall receive Baht 30,000 per month each, which is based on the same basis as of the remuneration paid in the previous year without any changes.

(1.2) Annual remuneration shall be paid once a year according to the Company's operating results of each year. For year 2018, the annual remuneration shall be paid to 14 Directors totaling Baht 6,852,000, which is higher than the past year 2017 by Baht 1,812,000 or 35.95 percent, to be paid on the same basis as in the previous year, by which 2 parts are given to the Chairman of the Board at Baht 913,600; and 1 part to each of the 13 directors at Baht 456,800 per person.

(2) The Audit Committee members shall receive a monthly remuneration which is fixed every month, with the Audit Committee Chairman receiving Baht 20,000 per month, higher than the previous year by Baht 5,000 or 33.33 percent and the other Audit Committee Members receiving Baht 15,000 per month per person, higher than the previous year by Baht 5,000 or 50 percent.

(3) The Nomination and Remuneration Committee shall receive a remuneration which is fixed per meeting, with the Nomination and Remuneration Committee Chairman receiving Baht 15,000 per meeting and the other Nomination and Remuneration Committee Members receiving Baht 10,000 per meeting per person, which is based on the same basis as of the remuneration paid in the previous year without any changes.

Criteria, Procedure, and Proposal of Remuneration

The above remuneration proposed above has been through deliberation from the Nomination and Remuneration Committee by considering and comparing with references from the same industrial sector, including the business size, business expansion and operating results of the Company. It was deemed appropriate to determine the directors' remuneration as proposed above. The tables below show the information of directors' remuneration of the listed companies for year 2016 as surveyed and published by the Stock Exchange of Thailand and Thai Director Compensation Survey Report for year 2016 by the Stock Exchange of Thailand and the Thai Institute of Directors Association compared with the directors' remuneration paid by the Company as follows.

(1) Comparison of Directors' Remuneration of Listed Companies for year 2016 by the Stock Exchange of Thailand;

(a) Comparison of Remuneration of Directors of the Company with 632 Listed Companies on 2016 Survey Report by the Stock Exchange of Thailand:

Description (Unit: Baht per person per year)	Chairman's Remuneration			Average Director's Remuneration		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Energy and Infrastructure sector in 2016	1,470,000	50,000	5,010,000	970,000	80,000	3,150,000
Listed companies with revenue exceeding 10,000 million Baht in 2016	1,570,000	50,000	4,730,000	900,000	60,000	3,820,000
Listed companies with net profit (loss) less than 500 million Baht in 2016	920,000	60,000	3,950,000	580,000	60,000	3,190,000
Lanna Resources Public Co., Ltd. • Remuneration year 2017	1,392,000			696,000		

(b) Comparison of Remuneration of the Audit Committee of the Company with 632 Listed Companies on 2016 Survey Report by the Stock Exchange of Thailand:

Description (Unit: Baht per person per year)	Audit Committee Chairman's Remuneration			Average Audit Committee Member's Remuneration		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Energy and Infrastructure sector in 2016	260,000	30,000	1,030,000	200,000	30,000	1,030,000
Listed companies with revenue exceeding 10,000 million Baht in 2016	360,000	30,000	192,000	290,000	30,000	1,880,000
Listed companies with net profit (loss) less than 500 million Baht in 2016	250,000	50,000	790,000	200,000	40,000	630,000
Lanna Resources Public Co., Ltd. only • Remuneration year 2017	180,000			120,000		

(2) Comparison of Thai Director Compensation for year 2016 by the Thai Institute of Directors Association;

(a) Comparison of Compensation of Directors of the Company with 228 Listed Companies on 2016 Survey Report by Thai Institute of Directors Association:

Description (Unit: Baht per person per year)	Chairman's Compensation			Average Director's Compensation		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Resources sector in 2016	639,036	252,000	1,800,000	438,108	150,000	1,440,000
Listed companies with revenue exceeding 10,000 million Baht in 2016	1,144,560	231,204	4,080,000	428,676	120,000	900,000
Lanna Resources Public Co., Ltd. only • Remuneration year 2017	1,392,000			696,000		

(b) Comparison of Compensation of the Audit Committee of the Company with 228 Listed Companies on 2016 Survey Report by Thai Institute of Directors Association:

Description (Unit: Baht per person per year)	Audit Committee Chairman's Remuneration			Average Audit Committee Member's Remuneration		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Resources sector in 2016	269,004	99,996	480,000	210,000	39,996	360,000
Listed companies with income exceeding 10,000 million Baht in 2016	399,924	120,000	1,392,000	279,492	80,004	748,800
Lanna Resources Public Co., Ltd. only • Remuneration year 2017	180,000			120,000		

(c) Comparison of Compensation of the Nomination and Remuneration Committee of the Company with 228 Listed Companies on 2016 Survey Report by Thai Institute of Directors Association:

Description (Unit: Baht per person per year)	Nomination and Remuneration Committee Chairman's Compensation			Average Nomination and Remuneration Committee Member's Compensation		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Resources sector in 2016	21,354.-	5,000.-	60,000.-	15,800.-	5,000.-	15,000.-
Listed companies with income exceeding 10,000 million Baht in 2016	26,140.-	1,200.-	60,000.-	19,233.-	5,000.-	40,000.-
Lanna Resources Public Co., Ltd. only • Remuneration year 2017 (2 meetings were held)	15,000			10,000		

Remark: The Nomination and Remuneration Committee of Lanna Resources Public Co., Ltd. holds 2 to 3 meetings per year.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry concerning the remuneration of directors.

Mr. Pornsak Chaiwanichaya, the proxy of Thai Investors Association, with meeting attendance registration no.106, inquired that the Company has paid dividend from the operating result in 2017 at the lower rate than that of the previous year but propose to increase the annual remuneration for the directors at the higher rate than that of the previous year for what reason.

Mr. Somkiart Limsong, Chairman of the Board, clarified that the dividend payment ratio at approximately 60 percent of the net profit had been in practice by the Company throughout the past. However, during the past 2-3 years, due to poor operating results, dividend payment ratio had been reduced but the Board of Directors still considered paying dividend at a higher ratio as compared to the net profit of that year for the highest return to the shareholders, but the remunerations for the Directors were not increased in line with the dividend payment ratio. Accordingly, the lower dividend payment ratio did not decrease from the previous base but the decrease was due to significant decline in coal price situation, resulting in a poor operating results during the past 2-3 year.

Voting Procedure

The resolution for this meeting agenda shall be based on two-thirds of all votes from shareholders attending the meeting and casting their votes. The Chairman informed the meeting that there were 6 directors holding shares in the Company that had no right to vote in this agenda due to direct interest, namely, (1) Mrs. Duangkamol Suchato holding 180,000 shares, (2) Mr. Vanchai Tosomboon holding 560,000 shares, (3) Mr. Kraisi Sirirungsi holding 9,697,781 shares, (4) Mr. Visit Tantisunthorn holding 6,430,500 shares, (5) Mr. Anun Louharanoo holding 1,380,587 shares, and (6) Mr. Srihasak Arirachakaran holding 508,010 shares.

The Shareholders' Meeting considered and resolved to approve the remunerations of the Directors for year 2018, having details as follows.

(1) The Board of Directors shall receive remunerations as follows:

(1.1) Fixed monthly remuneration with the Chairman of the Board receives Baht 60,000 per month, and the Directors receive Baht 30,000 per month each, which is the same as in year 2017.

(1.2) Annual remuneration shall be paid once a year to 14 Directors totaling Baht 6,852,000, which is higher than year 2017 by Baht 1,812,000 or 35.95 percent, by which 2 parts are given to the Chairman of the Board at Baht 913,600; and 1 part to each of the 13 directors at Baht 456,800 per person.

(2) The Audit Committee members shall receive a monthly remuneration which is fixed every month, with the Audit Committee Chairman receiving Baht 20,000 per month, higher than the previous year by Baht 5,000 or 33.33 percent and the other Audit Committee Members receiving Baht 15,000 per month per person, higher than the previous year by Baht 5,000 or 50 percent.

(3) The Nomination and Remuneration Committee shall receive a remuneration which is fixed per meeting, with the Nomination and Remuneration Committee Chairman receiving Baht 15,000 per meeting and the other Nomination and Remuneration Committee Members receiving Baht 10,000 per meeting per person, which is the same as in year 2017.

The shareholders' meeting had the following number of votes more than two-third of all votes from shareholders attending the meeting with voting right as follows:

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	406,331,573	2,285,200	18,765,878
Percentage (%)	95.0744	0.5347	4.3909

During the voting of this agenda, there were 315 shareholders attending the meeting, holding a total of 427,382,651 shares or 81.4063 percent of all the issued shares with voting right.

Agenda No. 7: To Consider the Appointment of the Auditor and Determination of Audit Fee

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider the appointment of the auditor and determination of the audit fee for the year 2018, by assigning Mr. Padoong Techasarintr, Audit Committee Chairman, to present the following information for consideration:

Background and Rationale

According to the Company's Articles of Association concerning with the appointment of auditor and determination of the audit fees for the Company, stating that the matter should be carried out according to the governing law; by which the Public Limited Company Act B.E. 2535 states as follows:

Section 120: The Company's financial auditor must be chosen and fees are reviewed and approved by the Annual General Meeting of Shareholders where the meeting may vote for the same auditor to continue as the company's financial auditor.

Section 121: The financial auditor must not be a director, employee, or take any position in the company.

Auditor Nomination Policy

The Company shall contact various auditor offices, having financial auditors whom have been approved by the Securities and Exchange Commission (SEC) to audit the listed companies, to obtain their service proposals and audit fees for comparison and selection for the best and most suitable service terms and fees.

Audit Committee's Opinion

The Audit Committee has considered for the nomination of the Company' auditor, which either proposing the appointment of or discontinue the service of the same auditors, by reviewing the auditor's qualifications, working quality and standard, expertise and independence, performance results, in comparison with the volume of work and the audit fees; and therefore has recommended to the Board of Directors to propose to the Shareholders' Meeting to consider appointing Ms. Siriwan Suratepin, certified public accountant no. 4604, and/or Ms. Kamontip Lertwitworatep, certified public accountant no. 4377, and/or Ms. Satida Ratananurak, certified public accountant no. 4753 of EY Office Limited, one or the other, whom is qualified to be the financial auditor of the listed companies as established by the SEC, to be the Company's financial auditor for the year 2018, and for the approval of the audit fee for year 2018 at Baht 1,200,000, which is equivalent to the previous year, which is deemed appropriate.

Board of Directors' Opinion

In compliance with the Public Limited Company Act B.E. 2535 which stipulates that the Shareholders' Meeting appoints the auditor and determines the audit fee regularly every year. The Board of Directors has considered proposing to the Shareholders' Meeting to consider appointing any one of the auditors from EY Office Limited from the following name list to be the financial auditor for the year 2018 with the yearly audit fee of Baht 630,000 and the three quarterly reviews at Baht 190,000 each quarter, for a total of Baht 1,200,000, which is equivalent to the previous year, as proposed by the Audit Committee above.

(1) Ms. Siriwan Suratepin, certified public accountant no. 4604 (used to be the auditor signing in the Company's financial statements for 2017) and/or,

(2) Ms. Kamontip Lertwitworatep, certified public accountant no. 4377 (used to be the auditor signing in the Company's financial statements from 2008 to 2012) and/or,

(3) Ms. Satida Ratananurak, certified public accountant no. 4753 (never been the auditor signing in the Company's financial statements).

Supporting Information

(1) The proposed audit fee of the Company for year 2018 at Baht 1,200,000 above is equivalent to year 2017, having details as follows:

Descriptions	Unit : Baht		Remark
	2017	2018	
Yearly Audit Fee	630,000.-	630,000.-	The audit fee for year 2018 as proposed above is equivalent to the year 2017
Interim Financial Statement Audit Fee	570,000.-	570,000.-	
Total	1,200,000.-	1,200,000.-	

(1) Subsidiary and affiliated companies have engaged the auditor affiliated with the same auditing office of the Company in year 2018, having details as follows:

Subsidiary/Affiliated Company	Auditor/Auditing Office
(1) Thai Agro Energy Public Co., Ltd. (Subsidiary company in Thailand)	Ms. Kamontip Lertwitworatep EY Office Limited
(2) Lanna Power Generation Co., Ltd. (Subsidiary company in Thailand)	Ms. Satida Ratananurak EY Office Limited
(1) PT. Lanna Harita Indonesia (Subsidiary company in Indonesia)	Mr. Benediktio Salim Purwantono, Sungkoro & Surja (A member firm of Ernst & Young Global Limited)
(4) PT. Singlurus Pratama (Subsidiary company in Indonesia)	Mr. Benediktio Salim Purwantono, Sungkoro & Surja (A member firm of Ernst & Young Global Limited)
(5) PT. Lanna Mining Services (Subsidiary company in Indonesia)	Mr. Benediktio Salim Purwantono, Sungkoro & Surja (A member firm of Ernst & Young Global Limited)
(6) United Bulk Shipping Pte. Ltd. (Affiliated company in Singapore)	Ms. Low Yen Mei Ernst & Young LLP

(3) During the past year 2017, in addition the above audit services, the Company and the subsidiary company also used non-audit services or had not-audit fees from the auditing office affiliated with the auditor and person or business related with the auditor or the auditing office affiliated with the auditor, having details as follows:

Company and Subsidiary Company	Service Fee	Purpose of Use
(1) Lanna Resources Public Company Limited	Baht 350,000	To evaluate the conciseness and appropriateness of Anti-Corruption practice guidelines.
(2) PT. Lanna Harita Indonesia	IDR 340,000,000 (Approximately Baht 863,770)	To inspect coal selling price between the companies within the same group that it is established on an arm's length basis.
Remark: The Company and subsidiary company have recently used non-audit services from the auditing office mentioned above in year 2017. There were no non-audit services used prior to year 2017.		

(4) The financial auditors proposed above have independence in the audit and opinions to the Company's financial statements, without having any relationship or other stakes or interests whatsoever with the Company/subsidiary companies/executives/major shareholders or relevant persons to the above parties.

(5) The financial auditors proposed above are endorsed by the SEC to audit the listed companies, with the shareholders' meeting having appointed EY Office Limited (Formerly Ernst and Young Office Limited) as the Company's financial auditor for the past 19 years from 1999 to 2017. Accordingly, the Company has strictly complied with the regulation regarding the Auditor Rotation as stipulated by the SEC, i.e., by changing the financial auditor every five accounting years.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry concerning the appointment of the auditor and determination of audit fee for year 2018 above. There was no shareholders making inquiry and/or expressing their opinion.

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

The Shareholders' Meeting considered and by the majority resolved to appoint Ms. Siriwan Suratepin, certified public accountant no. 4604, and/or Ms. Kamontip Lertwitworatop, certified public accountant no. 4377, and/or Ms. Satida Ratananurak, certified public accountant no. 4753 of EY Office Limited; one or the other, to be the Company's financial auditor for the year 2018 with the yearly audit fee for year 2018 of Baht 630,000 and the three quarterly reviews at Baht 190,000 each quarter, for a total of Baht 1,200,000, which is equivalent to the year 2017, with the following number of votes:

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	408,841,452	18,541,200	0
Percentage (%)	95.6617	4.3383	0

During the voting of this agenda, there were 316 shareholders attending the meeting, holding a total of 427,382,652 shares or 81.4063 percent of all the issued shares with voting right.

Agenda No. 8: To Consider and Approve the Amendment to Article 18 and Article 22 of the Company's Article of Association

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders' meeting to consider and approve the amendment to Article 18 and Article 22 of the Company's Article of Association, by assigning Mr. Anun Louharanoo, Director and Financial Advisor, to present the following information for consideration:

(1) Amendment to Article 18 of the Company's Articles of Association

Background and Rationale

According to the Announcement of the National Council for Peace and Order No. 74/2557 Re: Electronic Conferencing dated June 27, 2014, Clause 3, states that "The conference under the provisions of law which requires that the conference be held, in addition to taking action in accordance with a procedure provided in each of statutes, the person serving as the chairman of the conference may determine that the conference be organized and held through electronic media; and it shall have the same effect as the conference held pursuant to a legally provided procedure" and according to the Explanation of the Department of Business Development dated September 23, 2016, in case where a public limited company wishes to conduct conference through electronic media, they must specify the provision for such electronic conferencing in the Articles of Association of public limited company. Therefore, it is necessary to amend Article 18 of the Company's Articles of Association in order to be able to conduct conference through electronic media.

Board of Directors' Opinion

The Board of Director resolved to propose to the Shareholders' Meeting for consideration and approval of the amendment to Article 18 of the Company's Articles of Association in order to be able to conduct conference through electronic media or electronic conferencing as follows:

The original statements read as follows:

“Article 18: Not less than one-half of the total directors must be present at a meeting of the Board of Directors to constitute a quorum. In the event the chairman is not present at the meeting or is not able to perform his duty, the vice-chairman, if any, shall preside at the meeting. If there is no vice-chairman or there is a vice-chairman he is not able to perform his duty, the directors present shall choose one of their members to be chairman of the meeting.

The decision of the meeting shall be made by a majority vote.

A director has one vote, except that a director having interests in a given matter has no right to vote on such matter. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.”

The amended statements read as follows:

“Article 18: Not less than one-half of the total directors must be present at a meeting of the Board of Directors to constitute a quorum. In the event the chairman is not present at the meeting or is not able to perform his duty, the vice-chairman, if any, shall preside at the meeting. If there is no vice-chairman or there is a vice-chairman he is not able to perform his duty, the directors present shall choose one of their members to be chairman of the meeting.

The decision of the meeting shall be made by a majority vote.

A director has one vote, except that a director having interests in a given matter has no right to vote on such matter. In case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

The Board of Directors’ meeting or the sub-committee meeting of the Company can be conducted through electronic media in accordance with the requirements of the laws.”

(2) Amendment to Article 22 of the Company’s Articles of Association

Background and Rationale

According to the Order of the Head of the National Council for Peace and Order No. 21/2560 Re: Amendments of Laws to Facilitate the Ease of Doing Business dated April 4, 2017, with Section 100 of the Public Limited Companies Act B.E. 2535 was repealed and replaced, in order to promote and facilitate the ease of doing business. Therefore, it is necessary to amend Article 22 of the Company’s Articles of Association in corresponding to the amended provisions of the law as follows:

Board of Directors’ Opinion

The Board of Director resolved to propose to the Shareholders’ Meeting for consideration and approval of the amendment to Article 22 of the Company’s Articles of Association to be in correspondence with the amended provisions of the law as follows:

The original statements read as follows:

“Article 22: The Board of Directors must cause an annual ordinary meeting of shareholders to be held within four (4) months from the ending date of the fiscal year of the Company.

All other meetings of shareholders apart from the aforementioned shall be called extraordinary meetings. The Board of Directors may summon an extraordinary meeting of shareholders whenever it sees fit, or the shareholders holding **not less than one-fifth (1/5) in the aggregate of the total number of outstanding shares or not less than twenty-five (25) shareholders holding not less than one-tenth (1/10) in the aggregate of the total number of outstanding shares** may at any time requisition in writing the summoning of the extraordinary meeting of shareholders. However, the reason for requisitioning the summoning of the meeting must also be clearly stated in the writing.”

The amended statements read as follows:

“Article 22: The Board of Directors must cause an annual ordinary meeting of shareholders to be held within four (4) months from the ending date of the fiscal year of the Company.

All other meetings of shareholders apart from the aforementioned shall be called extraordinary meetings. The Board of Directors may summon an extraordinary meeting of shareholders whenever it sees fit, or the shareholders holding **not less than ten (10) percent in the aggregate of the total number of outstanding shares** may at any time requisition in writing the summoning of the extraordinary meeting of shareholders. However, the reason for requisitioning the summoning of the meeting must also be clearly stated in the writing. In this case, **the Board of Directors must cause a meeting of shareholders to be held within forty-five (45) days from the date of receiving the letter from the shareholders.”**

(3) During the registration with the public company limited registrar of the amended Articles of Association of the Company under (1) and (2) as approved by the shareholders’ meeting above, the language of the amendment may need to be changed according to the recommendation of the registrar. For flexibility during the registration, the shareholders’ meeting is proposed to grant authorization to the Company’s Board of Directors or Company’s employee or authorized representative of the Company to further amend, revise, delete or cancel the language of the amendment as recommended by the registrar without restrictions.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry concerning the amendment to Article 18 and Article 22 of the Company’s Articles of Association above. There was no shareholders expressing their opinion or making inquiry during this meeting agenda.

Voting Procedure

The resolution for this meeting agenda shall be based on three-fourth of all votes from shareholders attending the meeting with voting right.

The Shareholders’ Meeting considered and by the majority (more than three-fourth of all votes from shareholders attending the meeting and casting their votes) resolved to approve the amendment to Article 18 and Article 22 of the Company’s Articles of Association with the following number of votes:

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	425,942,213	0	1,440,439
Percentage (%)	99.6630	0	0.3370

During the voting of this agenda, there were 316 shareholders attending the meeting, holding a total of 427,382,652 shares or 81.4063 percent of all the issued shares with voting right.

Agenda No. 9: To Consider and Approve the Amendment to Clause 3 of the Company’s Memorandum of Association by Adding Objectives From 26 Clauses to 29 Clauses with the Addition of 3 Objectives; Namely, Clause 27, Clause 28 and Clause 29

Mr. Somkiart Limsong, Chairman of the Board, proposed to the shareholders’ meeting to consider and approve the amendment to Clause 3 of the Company’s Memorandum of Association by adding objectives from 26 Clauses to 29 Clauses with the addition of 3 objectives; namely, Clause 27, Clause 28 and Clause 29, by assigning Mr. Anun Louharanoo, Director and Financial Advisor, to present the following information for consideration:

Background and Rationale

As the Company wishes to distribute its products through electronic media via internet network system and to utilize technological innovation for the benefit of conducting the business according to the objectives of the Company; therefore, for conformity with the intention, it is necessary to amend Clause 3 of the Company’s Memorandum of Association, concerning with the Company’s objectives.

Board of Directors' Opinion

The Board of Director resolved to propose to the Shareholders' Meeting for consideration and approval of the amendment to Clause 3 of the Memorandum of Association by adding objectives from 26 clauses to 29 clauses with the addition of 3 objectives; namely Clause 27, Clause 28 and Clause 29, according to details as appeared in the document (BorMorJor. 002) as attached with this meeting agenda, which can be summarized as follows:

“Clause 3 The objectives of the Company consist of 29 items as follows:

(1) to (26): Remain the same without any changes.

(27) To engage in business of distribution of all kind of products such as coal, etc., using electronic media through internet network in compliance with the laws.

(28) The use of innovation and robotics technology and/or machinery, for the benefit of the business objectives of the Company in compliance with the laws.

(29) The use of innovation, technology and/or radio communication equipment used in the unmanned aerial vehicles controlled by external systems (Drone), for the benefit of the business objectives of the Company in compliance with the laws.”

During the registration of the amended Memorandum of Association of the Company with the public company limited registrar, as approved by the shareholders' meeting above, the language of the amendment may need to be changed according to the recommendation of the registrar. For flexibility during the registration, the shareholders' meeting is proposed to grant authorization to the Company's Board of Directors or Company's employee or authorized representative of the Company to further amend, revise, delete or cancel the language of the amendment as recommended by the registrar without restrictions.

Afterward, the Chairman provided opportunity for the shareholders to express opinion and make inquiry concerning the amendment to Article 18 and Article 22 of the Company's Articles of Association above. There was no shareholders expressing their opinion or making inquiry during this meeting agenda.

Voting Procedure

The resolution for this meeting agenda shall be based on three-fourth of all votes from shareholders attending the meeting with voting right.

The Shareholders' Meeting considered and by the majority (more than three-fourth of all votes from shareholders attending the meeting and casting their votes) resolved to approve the amendment to Clause 3 of the Company's Memorandum of Association according to BorMorJor. 002 Form, by adding objectives from 26 Clauses to 29 Clauses with the addition of 3 objectives; namely, Clause 27, Clause 28 and Clause 29, with the following number of votes:

Voting Results	Approved	Disapproved	Abstained/Voided Ballot
Number of Votes	425,943,813	0	1,440,196
Percentage (%)	99.6630	0	0.3370

During the voting of this agenda, there were 317 shareholders attending the meeting, holding a total of 427,384,009 shares or 81.4065 percent of all the issued shares with voting right.

Agenda No. 10: Consideration of Other Matters

Mr. Somkiart Limsong, Chairman, provided an opportunity for the shareholders to make inquiries, express their opinion and give suggestions to the Board of Directors concerning the operations of the Company (if any). There was no shareholders expressing their opinion or making inquiry.

Afterward, the Chairman inquired whether any person had any other matters for further consideration.

It appeared that there was no one proposing any other matter for consideration.

Therefore, the Chairman had expressed his appreciation to all the Shareholders for attending the Meeting and for all the suggestions received from the shareholders during this Meeting, by which the Board of Directors shall use them for consideration of future implementation.

The Chairman then declared the meeting closed. The total number of meeting attendants was 317 persons, holding 427,384,009 shares, or 81.4065 percent of all the issued shares with voting rights.

The meeting was closed at 16.39 hrs.

(Mr. Somkiart Limsong)
Chairman of the Meeting

(Mr. Saharat Vatanatumrak)
Secretary to the Meeting

AGENDA NO. 2

TO ACKNOWLEDGE THE REPORT OF THE BOARD OF DIRECTORS ON THE OPERATING RESULTS OF YEAR 2018

Background and Rationale

The Report of the Board of Directors on the Operating Results of Year 2018 has been printed in the Annual Report Year 2018 Page 1 to 3 under the topic “Report of the Board of Directors” (with details in the document attached herewith), along with other information of the Company during year 2018, which have been disseminated on the Company website and forwarded to all the shareholders in advance in the QR Code format along with this meeting invitation.

Board of Directors’ Opinion

The Report of the Board of Directors on the Operating Results of Year 2018 is being proposed to the shareholders’ meeting for its acknowledgement.

Voting Procedure

Voting for this meeting agenda (if any) shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

REPORT OF THE BOARD OF DIRECTORS

On behalf of the Board of Directors of Lanna Resources Public Company Limited, I would like to take this opportunity to report to the shareholders with regard to the financial status and operating results for the past year 2018, which can still be considered as good. The performance of coal business, which is the core business, and ethanol-for-fuel business, which is the secondary core business, were still satisfactory and profitable despite the fact that coal prices had started to decline during the second half of 2018 as global economy began to slow down. Additionally, the Indonesian Government policy has become more stringent especially on the Domestic Obligation Market policy, which stipulates higher portion of coal supply to the domestic consumers with lower selling price than that of export.

Overall Operating Results in 2018: The total revenue was Baht 12,573.40 million with net profit according to the shareholding proportion of Baht 600.68 million or net earnings per share of Baht 1.14. In comparison with year 2017, the revenue increased by Baht 437.77 million or 3.61 percent, but the net profit decreased by Baht 41.95 million or 6.53 percent. The revenue proportion from the sales of coal and ethanol accounted for 78.49 percent and 21.51 percent with the net profit proportion from the coal business and ethanol business of 75.01 percent and 24.99 percent, respectively, having EBITDA margin of 18.22 percent, net profit margin of 8.33 percent and return on equity of 13.94 percent, which are still considered satisfactory.


Operating Results of the Core Business in 2018, The Coal Business: The total revenue was Baht 9,839.13 million, which increased from the previous year by Baht 229.46 million or 2.39 percent, having the net profit of Baht 753.58 million, which decreased from the previous year by Baht 329.54 million or 30.43 percent. Although coal sales volume increased by 9.22 percent, the average coal selling price decreased by 6.25 percent due to reduction in global coal prices in the second half of 2018. Currently, there are two coal mining concessions in operation in Indonesia with total coal production capacity of approximately 6 million metric tons per year.

Operating Results of the Secondary Core Business in 2018, the Ethanol-for-Fuel Business: The total revenue was Baht 2,696.08 million, which increased from the previous year by Baht 225.56 million or 9.13 percent due to the increase in ethanol sales volume of 18.09 percent but the average ethanol selling price decreased by 7.58 percent, having net profit of Baht 294.28 million, which increased from the previous year by Baht 245.42 million or 502.33 percent due to the decrease in average cost of ethanol sales of 13.88 percent, since the price of molasses, which is the main raw material and major cost of ethanol production, decreased by 17.97 percent from the previous year. Currently, the ethanol production plant, which is located in Dan Chang District, Suphanburi Province, consists of two ethanol production lines with total production capacity of 350,000 liters per day, utilizing molasses as the main raw material. Both ethanol production lines have been granted special investment promotion privileges according to the Investment Promotion Act, B.E. 2520, by which the investment promotion certificate for production line no. 1 has expired since January 30, 2013 and for the production line no. 2, it will expire on April 1, 2020.

Overall Financial Position in 2018: Company's financial position was in good standing having the total asset as at the end of 2018 of Baht 9,645.72 million, which increased from the previous year by Baht 871.12 million or 9.93 percent and the total liabilities as at the end of 2018 was Baht 3,729.87 million, which increased from the previous year by Baht 763.47 million or 25.74 percent. The total shareholders' equity as at the end of 2018 was Baht 5,915.85 million, which increased from the previous year by Baht 107.65 million or 1.85 percent, resulting in an increase in the book value from Baht 8.10 per share in 2017 to Baht 8.31 per share in 2018, an increase of Baht 0.21 per share or 2.59 percent.

Overall Liquidity in 2018: Company's liquidity was also considered in good standing with the current ratio as high as 1.61 times with the total debt to total asset ratio at a low level of only 38.67 percent and the total debt to equity ratio of only 63.05 percent. In addition, the Company has cash flow and credit facilities from financial institutions that are sufficient for business operations and future investments.

Awards and Recognitions: The Company gives priority on the management according to the principles of good corporate governance and realizes the importance of corporate responsibility to society, community and environment, in order to create sustainable development for the corporation in the long run, as well as being committed to promoting anti-corruption in every form. Accordingly, the Company has received the awards and recognitions as follows:

(1) For the assessment of Corporate Governance (“CGR”) Year 2018 by the Thai Institute of Directors Association, the Company was placed in a “Very Good” level or 4 stars (), ranking in the Top Quartile of the group of companies with a market capitalization of Baht 3,000-9,999 million, having received a score of 88 percent, the same score as previous year. .

(2) For the Annual General Meeting Quality Assessment of the Listed Companies (“AGM Checklist”) Year 2018 conducted by the Thai Investors Association, the Company has received the full 100-score or “excellent” level for eight consecutive years since 2011.

(3) The Company has been officially certified as a member of “Thailand’s Private Sector Collective Action Coalition Against Corruption” since 2015 and was re-certified as its member for 3 more years until November 5, 2021.

(4) The Company has received the Outstanding Company Performance Awards for listed companies with market capitalization of 3,000-10,000 million Baht at the SET Awards 2018 on November 27, 2018, which was organized by the Stock Exchange of Thailand together with the Money & Banking Magazine,.

(5) The Ayutthaya Coal Distribution Center conducts its business operation in Thailand with responsibility toward the community, society and environment, having been granted awards during 2018 as follows: (A) the Green Industry Accreditation (Green System) Level 3 for having systematic environmental management with monitoring, assessment and review for continuous development (B) the Environmental Good Governance Project Certification for being an industrial workplace which follows environmental good governance rule and (C) the CSR-DIW Continuous Award 2018 on the Standard for Corporate Social Responsibility, Department of Industrial Works (CSR-DIW).

(6) PT. Lanna Harita Indonesia, a subsidiary company with coal mining operations in Indonesia received the awards in 2018 from the central and local government of Indonesia for their excellent environmental management in compliance with the environmental management standards and relevant laws.

(7) PT. Singlurus Pratama, another subsidiary company with coal mining operations in Indonesia received awards in 2018 from the central and local government of Indonesia for their excellent environmental management in compliance with the environmental management standards and relevant laws, and received “Zero Accident Awards” from the Ministry of Labor and the Governor of East Kalimantan Province for having zero accident from the period between January 1, 2009 until December 31, 2017.

Future Investments: The Company plans to invest in various projects as follows:

(1) The Company has prepared to invest in the third coal mining concession of PT. Pesona Khutulistiwa Nusantara in Indonesia, currently operating in two coal deposits with total coal production capacity of 3.50 million metric tons per year. In addition, the Company is still seeking for investment opportunities in coal mining concessions in order for the Company to expand its production and distribution capacity in the future.

(2) Thai Agro Energy Public Co., Ltd., a subsidiary company, has currently under construction of the wastewater evaporation plant utilizing an evaporation system process for bio-methanated waste with a capacity of 3,000 cubic meters per day, to be completed within the 1st quarter of 2019. This project is deemed an effective and sustainable solution for treatment of wastewater from the ethanol production process, which is in line with Company’s policy. In addition, water resource consumption can be significantly reduced by over 90 percent as water condensation from the spent wash evaporation process can be reused for ethanol production process and excess electricity power produced from this project can be used in the ethanol production plant, resulting on electric energy saving. Furthermore, a by-product, which is the potassium humate, will be derived from this waste evaporation process at approximately 50,000 metric tons per year, which can be sold for additional revenue and profit.

(3) Lanna Power Generation Co., Ltd., a wholly-owned subsidiary company, has entered into the memorandum of understanding with PT. Indonesia Power, a state enterprise of Indonesia, to conduct a feasibility study and jointly invest in a coal-fired power plant project in Indonesia, by which the Company and the subsidiary companies certainly have the potential to invest in such project having existing coal mining concession. In addition to the increase in coal production and distribution capacity, the return on investment from such power plant will be received. Moreover, the Company is negotiating for more investment opportunities in other renewable energy projects in both domestic and overseas such as bio-energy, etc., which could yield higher revenue and profit in the future.

Future Trend: Coal is still the world's primary fuel with increase in utilization rate every year, especially in the Southeast Asia region, due to the fact that coal has abundant amount of reserves and is less expensive than other types of fuel. It is therefore expected that the operation results for the core business of coal and the secondary business of ethanol-for-fuel will continue to be profitable in 2019, especially with the reduction in molass price, which is the main raw material and major cost of ethanol production.

The Board of Directors has endeavored to manage and resolve any difficulties with prudence and diligence by adhering to good corporate governance principles, having guided the Company through various obstacles and maintain good operating results, which enables the Company to pay dividend to the shareholders at high level every year. Accordingly, the Board of Directors will continue to consider business expansion for sustainable development of the Company in long term.

On behalf of the Board of Directors of Lanna Resources Public Company Limited



(Mr. Somkiart Limsong)

Chairman of the Board

AGENDA NO. 3

TO CONSIDER AND APPROVE THE STATEMENT OF FINANCIAL POSITION (BALANCE SHEETS) AND STATEMENT OF EARNINGS FOR THE YEAR ENDED DECEMBER 31, 2018

Background and Rationale

Ms. Satida Ratananurak, certified public accountant no. 4753, of EY Office Limited, has audited and certified the statement of financial position (balance sheets) and statement of earnings for the year ended December 31, 2018, of which have been published in the Annual Report Year 2018, under the topic “Report of the Independent Auditor and Financial Statements”, Page 32 to 115, including the analysis of financial status and operation results on Page 116 to 123 (with details in the document attached herewith), which have been disseminated on the Company website and forwarded to all the shareholders in advance in the QR Code format along with the meeting invitation. Accordingly, the Audit Committee has reviewed the said financial statements and supervised that they comply with the generally accepted accounting standards as well as complete and adequate disclosure of financial information, according to the Report of the Audit Committee included in the Annual Report 2018, Page 147 to 148

Board of Directors’ Opinion

The Board of Directors has considered that the Financial Statements of Year 2018 provide complete and adequate information on the financial status and operating results as well as adequate disclosure of information in accordance with the generally accepted accounting standards. Therefore, the statement of financial position (balance sheets) and statement of earnings for the year ended December 31, 2018 are being proposed to the shareholders’ meeting for its consideration and approval as presented above (please refer to the analysis of financial status and operating results of year 2018, having details as attached herewith, for consideration).

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

Lanna Resources Public Company Limited

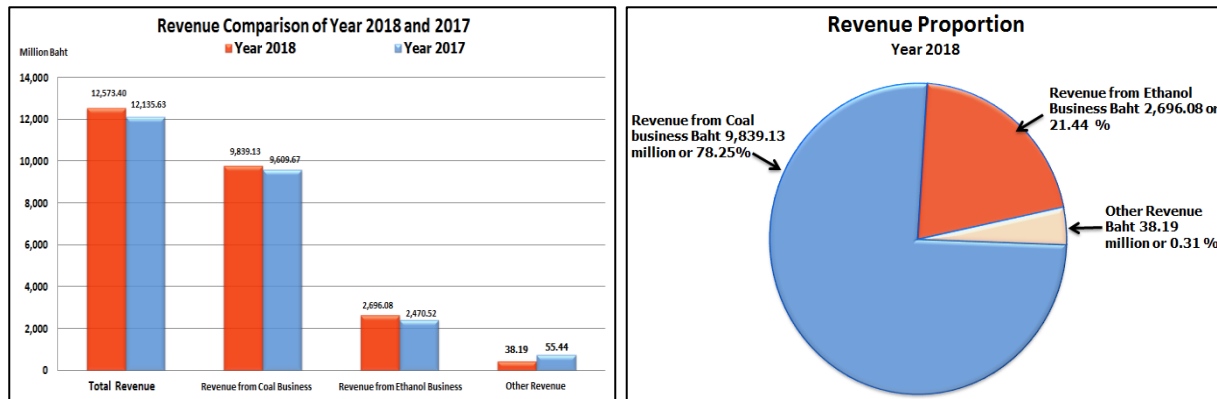
MANAGEMENT DISCUSSION AND ANALYSIS

(For the Consolidated Financial Statements Year 2018)

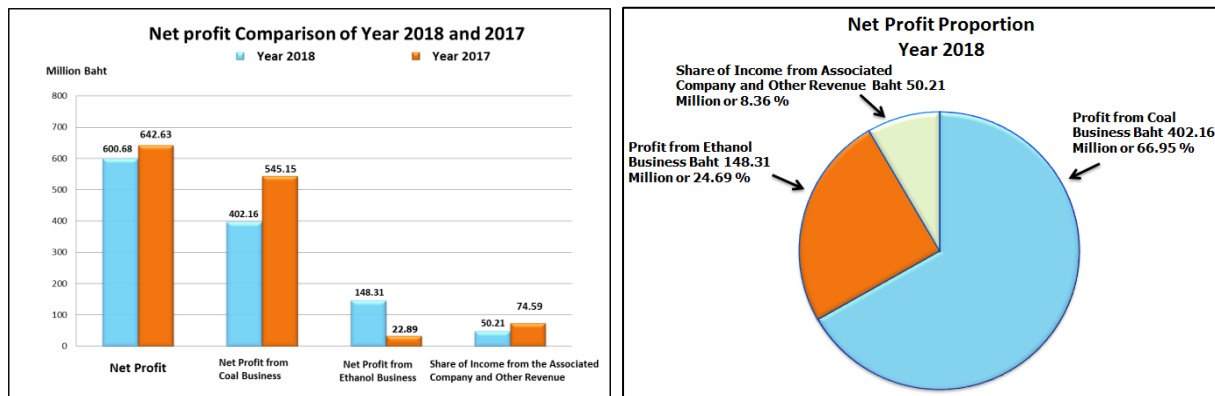
OVERALL OPERATING RESULTS

The overall operating results for year 2018 of the Company and subsidiary companies can still be considered as good and satisfactory in terms of revenue and net profit, despite the fact that coal prices had started to decline during the second half of 2018 as global economy began to slow down. Additionally, the Indonesian Government policy has become more stringent, namely the Domestic Market Obligation, which stipulates higher portion of coal supply to the domestic consumers with lower selling price than that of export. For the ethanol-for-fuel business, which is the secondary core business, was still profitable due to the decrease in price of molasses, which is the raw material and major cost of ethanol production.

The Company and subsidiary companies had total revenue in year 2018 of Baht 12,573.40 million, which increased from the previous year by Baht 437.77 million or 3.61 percent. The revenue proportion from coal business, ethanol business and other revenue accounted for 78.25, 21.44 and 0.31 percent, respectively.



The Company and subsidiary companies had total net profit in year 2018 of Baht 600.68 million or net earnings per share of Baht 1.14, a decrease from the previous year of Baht 41.95 million or 6.53 percent. The net profit proportion from coal business, ethanol business, and other revenue including share of income from the associated company accounted for 66.95, 24.69 and 8.36 percent, respectively, with the net profit margin of 8.33 percent, EBITDA margin of 18.22 percent, and return on equity of 13.94 percent.



The overall financial status and liquidity of the Company and subsidiary companies as at end of 2018 could be considered as good. The current ratio was as high as 1.61 times, but the total debt to total assets ratio was only 38.67 percent with debt to equity ratio of only 63.05 percent.

Operating Results of the Core Business in 2018, The Coal Business: The total revenue was Baht 9,839.13 million, which increased from the previous year by Baht 229.46 million or 2.39 percent, due to the increase in coal sales volume of 9.22 percent, but the average coal selling price decreased from the previous year by 6.25 percent. The net profit derived from shareholding proportion of the Company was Baht 402.16 million, which decreased from the previous year by Baht 142.99 million or 26.23 percent due to the decline in global coal prices during the second half of 2018.

Operating Results of the Secondary Core Business in 2018, the Ethanol-for-Fuel Business: The total revenue was Baht 2,696.08 million, which increased from the previous year by Baht 225.56 million or 9.13 percent due to the increase in ethanol sales volume of 18.09 percent but the average ethanol selling price decreased from the previous year by 7.58 percent. The net profit derived from shareholding proportion of the Company was Baht 148.31 million, which increased from the previous year by Baht 125.42 million or 547.92 percent due to the flood incident in late 2017 that caused damage and collapse of the wastewater treatment pond resulting in a temporary halt of ethanol production and distribution for approximately two months, incurring extraordinary expense for compensation payment to the affected villagers at approximately Baht 73.32 million. At present, the wastewater treatment pond has been rectified to be strong and stable, with reduction of wastewater level in each pond to obtain higher freeboard distance, therefore, such problem did not occur again in year 2018.

OPERATING RESULTS ANALYSIS

Revenue	Year 2018		Year 2017		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from Coal Sales	9,839.13	78.25	9,609.67	79.19	229.46	2.39
Revenue from Ethanol Sales	2,696.08	21.44	2,470.52	20.36	225.56	9.13
Other Revenue	38.19	0.31	55.44	0.45	(17.25)	(31.11)
Total Revenue	12,573.40	100.00	12,135.63	100.00	437.77	3.61

REVENUE: The revenue of the Company and subsidiary companies in year 2018 totaled Baht 12,573.40 million, which increased from the previous year by Baht 437.77 million or 3.61 percent due to the following reasons:

(1) Revenue from coal business totaled Baht 9,839.13 million, which increased from the previous year by Baht 229.46 million or 2.39 percent. This was due to the increase in coal sales volume as described above.

(2) Revenue from ethanol business totaled Baht 2,696.08 million, which increased from the previous year by Baht 225.56 million or 9.13 percent. This was due the increase in ethanol sales volume as described above; and

(3) Other revenue totaled Baht 38.19 million, which decreased from the previous year by Baht 17.25 million or 31.11 percent due to the decrease in interest received and revenue from miscellaneous items.

Expenses	Year 2018		Year 2017		Increase (Decrease)	
	Million Baht	% Sales	Million Baht	% Sales	Million Baht	% Sales
Coal Business						
Cost of Sales			5,628.56			
Selling and Administrative Expenses	6,010.43	61.09	2,295.36	58.57	381.87	6.78
Financial Expense	2,679.41	27.23	31.04	23.89	384.05	16.73
Corporate Income Tax	22.27	0.23	644.15	0.32	(8.77)	(28.25)
	421.88	4.29		6.70	(222.27)	(34.51)
Ethanol Business						
Cost of Sales	2,257.91	83.75	2,219.66	89.85	38.25	1.72
Selling and Administrative Expenses	77.38	2.87	171.68	6.95	(94.30)	(54.93)
Financial Expense	40.79	1.51	32.85	1.33	7.94	24.17
Corporate Income Tax	27.49	1.02	(0.50)	(0.02)	27.99	N/A

COAL BUSINESS EXPENSES: The coal business expenses of the Company and subsidiary companies in year 2018 totaled Baht 9,133.99 million, which increased from the previous year by Baht 534.88 million or 6.22 percent, due to the following reasons:

(1) Cost of coal sales increased from the previous year by Baht 381.87 million or 6.78 percent, due to the increase in coal sales volume by 9.22 percent but the average cost of coal sales decreased by 2.23 percent.

(2) Selling and administrative expenses increased from the previous year by Baht 384.05 million or 16.73 percent due to the provision for the transfer quota fee for compensation of the difference in domestic coal sale volume in Indonesia according to the law of Indonesia.

(3) Financial expense decreased from the previous year by Baht 8.77 million or 28.25 percent due to the decrease in interest expense; and

(4) Corporate income tax decreased from the previous year by Baht 222.27 million or 34.51 percent in line with the decrease in profit.

ETHANOL BUSINESS EXPENSES: Ethanol business expenses of the subsidiary company in year 2018 totaled Baht 2,403.57 million, which decreased from the previous year by Baht 20.12 million or 0.83 percent, due to the following reasons:

(1) Cost of ethanol sales increased from the previous year by Baht 38.25 million or 1.72 percent due to the increase in ethanol sales volume by 18.09 percent, but the average cost of ethanol sales decreased by 13.88 percent due to 17.97 percent decrease in price of molasses, which is the raw material and major cost of ethanol production.

(2) Selling and administrative expenses decreased from the previous year by Baht 94.30 million or 54.93 percent, due to the compensation of Baht 73.32 million paid to the affected villagers from the flood incident that caused damage to the treated wastewater pond in 2017 as described above.

(3) Financial expense increased from the previous year by Baht 7.94 million or 24.17 percent due to the increase in short-term loan for working capital purpose; and

(4) There was no corporate income tax on the earnings from the Ethanol Production Line No. 2, having received the Board of Investment Promotion according to the Investment Promotion Act B.E. 2520. However, the Ethanol Production Line No. 1 that the investment promotion certificate has expired was subject to corporate income tax of Baht 27.49 million in line with the increase in profit.

Gross Profit	Coal Business		Ethanol Business		Total	
	Million Baht	%	Million Baht	%	Million Baht	%
Year 2018						
Revenues from Sales	9,839.13	100.00	2,696.08	100.00	12,535.21	100.00
Less Cost of Sales	6,010.43	61.09	2,257.91	83.75	8,268.34	65.96
Gross Profit	3,828.70	38.91	438.17	16.25	4,266.87	34.04
Year 2017						
Revenues from Sales	9,609.67	100.00	2,470.52	100.00	12,080.19	100.00
Less Cost of Sales	5,628.56	58.57	2,219.66	89.85	7,848.22	64.97
Gross Profit	3,981.11	41.43	250.86	10.15	4,231.97	35.03

GROSS PROFIT: The gross profit of the Company and subsidiary companies in year 2018 totaled Baht 4,266.87 million, or 34.04 percent of the sales revenue, which was close to the previous year with the gross profit of Baht 4,231.97 million or 35.03 percent of the sales revenue, due to the following reasons:

(1) Gross profit from coal business was 38.91 percent of the sales revenue, which decreased from the previous year with gross profit of 41.43 percent of the sales revenue. This was due to the decrease in average coal selling price of 6.25 percent, while the average cost of coal sales slightly decreased by only 2.23 percent; and

(2) Gross profit from ethanol business was 16.25 percent of the sales revenue, which increased from the previous year with gross profit of 10.15 percent of the sales revenue. Despite the decrease in average ethanol selling price of 7.58 percent, the average cost of ethanol sales decreased by 13.88 percent due to 17.97 percent decrease in price of molasses, which is the raw material and major cost of ethanol production.

Net Profit	Year 2018		Year 2017		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Profit from Coal Business	402.16	66.95	545.15	84.83	(142.99)	(26.23)
Profit form Ethanol Business	148.31	24.69	22.89	3.56	125.42	547.92
Share of Income from Associated Company and Other Revenue	50.21	8.36	74.59	11.61	(24.38)	(32.69)
Net Profit	600.68	100.00	642.63	100.00	(41.95)	(6.53)
Net Earnings per share (Baht per share)	1.14		1.22		(0.08)	(6.53)

NET PROFIT: The net profit of the Company and subsidiary companies in year 2018 totaled Baht 600.68 million, or net earnings per share of Baht 1.14, which decreased from the previous year by Baht 41.95 million or net earnings per share of Baht 0.08 or 6.53 percent, due to the following reasons:

(1) Net profit from coal business derived from shareholding proportion of the Company was Baht 402.16 million or 66.95 percent of the total net profit, which decreased from the previous year by Baht 142.99 million or 26.23 percent due to the reduction in global coal prices and there was a provision for the transfer quota fee for compensation of the difference in domestic coal sale volume in Indonesia according to the law of Indonesia as described above.

(2) Net profit from ethanol business derived from shareholding proportion of the Company was Baht 148.31 million or 24.69 percent of the total net profit, which increased from the previous year by Baht 125.42 million or 547.92 percent due to the decrease in price of molasses, which is the raw material and major cost of ethanol production, as well as in 2017 there was extraordinary expenses for compensation payment to the affected villagers from flood incident that caused damage and collapse of the wastewater treatment pond as described above; and

(3) Share of income from associated company and other revenue were Baht 50.21 million or 8.36 percent of the total net profit, which decreased from the previous year by Baht 24.38 million or 32.69 percent, due to the decrease in share of income from associated company including interest received and revenue from miscellaneous items.

EARNINGS EFFICIENCY

(1) EBITDA (Earnings before financial expenses, corporate income tax, depreciation and amortization) of the Company and subsidiary companies in year 2018 was Baht 2,291.31 million, which decreased from the previous year by Baht 230.11 million or 9.13 percent and EBITDA margin was at 18.22 percent, which decreased from the previous year by 12.29 percent.

(2) Net profit margin of the Company and subsidiary companies in year 2018 was at 8.33 percent, which decreased from the previous year by 10.65 percent.

(3) Return on equity of the Company and subsidiary companies in year 2018 was at 13.94 percent, which decreased from the previous year by 9.19 percent.

(4) Return on total assets of the Company and subsidiary companies in year 2018 was at 11.38 percent, which decreased from the previous year by 13.04 percent. The return on fixed assets in year 2018 was at 45.83 percent, which decreased from the previous year by 8.31 percent.

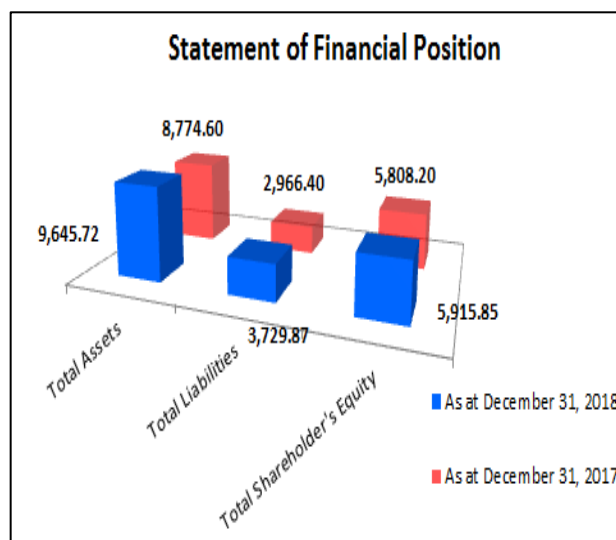
STATEMENT OF FINANCIAL POSITION

Description	Unit: Million Baht		Increase (Decrease)	
	As at December 31, 2018	As at December 31, 2017	Million Baht	%
Total Assets	9,645.72	8,774.60	871.12	9.93
Total Liabilities	3,729.87	2,966.40	763.47	25.74
Total Shareholders' Equity	5,915.85	5,808.20	107.65	1.85
Book Value-Baht per Share	8.31	8.10	0.21	2.59
Remark: Registered par value of Baht 1 per share				

ASSETS: The total assets of the Company and subsidiary companies as at end of year 2018 increased from the previous year by Baht 871.12 million or 9.93 percent, due to (1) Current assets decreased by Baht 84.79 million or 1.93 percent, consisting of: (A) cash and cash equivalent decreased by Baht 710.66 million or 36.21 percent; (B) trade accounts receivable and other accounts receivable decreased by Baht 178.69 million or 14.09 percent; (C) inventories decreased by Baht 23.11 million or 5.88 percent; and (D) other current assets, most of which were prepaid corporate income tax, prepaid expenses, etc., increased by Baht 827.67 million or 106.02 percent; and (2) Non-current assets, most of which were properties, buildings and equipment and the deferred transferred service fees increased by Baht 955.91 million or 21.87 percent.

LIABILITIES: The total liabilities of the Company and subsidiary companies as at end of year 2018 increased from the previous year by Baht 763.47 million or 25.74 percent, due to (1) Trade accounts payable and other accounts payable increased by Baht 59.84 million or 10.74 percent (2) short-term and long-term loan of the subsidiary company to use as working capital for the procurement of raw material for ethanol production and as investment capital for construction of spent wash evaporation plant increased by Baht 981.56 million or 96.53 percent (3) accrued expenses, most of which were overburden removal expenses and freight cost, etc., decreased by Baht 214.92 million or 26.90 percent; and (4) other liabilities, most of which were the lease agreement on coal transport jetty investment of the subsidiary company and provision for mine rehabilitation and allowance for long-term employee benefits, etc., decreased by Baht 63.01 million or 10.62 percent.

TOTAL SHAREHOLDERS' EQUITY: The total shareholders' equity of the Company and subsidiary companies as at end of year 2018 increased from the previous year by Baht 107.65 million or 1.85 percent, resulting in an increase of the share's book value from Baht 8.10 per share to Baht 8.31 per share, an increase of Baht 0.21 per share or 2.59 percent. This was due to: (1) increase in retained earnings of Baht 120.03 million or 4.01 percent due to an increase in net profit of Baht 600.68 million and there was dividend payment of Baht 483 million and miscellaneous items increased by Baht 2.35 million (2) net decrease in translation adjustment in financial of Baht 8.37 million or 16.42 percent; and (3) decrease in minority shareholders' equity of Baht 4.01 million or 0.26 percent.



CASH FLOWS

Description	Unit: Million Baht	
	Year 2018	Year 2017
Cash Flows from (used in) Operating Activities	1,071.15	2,615.61
Cash Flows from (used in) Investing Activities	(1,464.32)	(817.54)
Cash Flows from (used in) Financing Activities	(120.86)	(1,381.37)
Increase (Decrease) in Translation Adjustments in Financial Statements	(8.68)	13.20
Net Increase (Decrease) in Cash	(522.71)	429.90
Cash at the beginning of the period	1,128.07	698.17
Cash at the end of the period	605.36	1,128.07

(1) The net cash from operating activities of the Company and subsidiary companies in year 2018 totaled Baht 1,071.15 million, consisting of: (A) income before corporate income tax and interest expense of Baht 1,497.23 million; (B) transactions that did not affect the cash such as depreciation and amortization of assets, most of which were mostly transactions concerning coal mining operations of the subsidiary companies in Indonesia of Baht 845.20 million; (C) increase in operating assets of Baht 559.76 million; (D) increase in operating liabilities of Baht 137.13 million; and (E) an increase in interest received of Baht 24.92 million; and (F) interest expense and taxes increased by Baht 873.57 million.

(2) The net cash used in investing activities of the Company and subsidiary companies in year 2018 totaled Baht 1,464.32 million, consisting of: (A) properties, buildings and equipment, most of which were the coal transport jetty construction of the Company and wastewater treatment system construction of the subsidiary company increased by Baht 669.77 million; (B) increase in expenses of coal mine projects of subsidiary companies in Indonesia of Baht 551.23 million; and (C) short-term capital investment and other items increased by Baht 243.32 million.

(3) The net cash used in financing activities of the Company and subsidiary companies in year 2018 totaled Baht 120.86 million, consisting of: (A) increase in loan of Baht 978.21 million, (B) increase in interest expense under investment lease agreement of Baht 162.26 million. (C) dividend payment of Baht 930.34 million, and (D) decrease in minority shareholders' equity of Baht 6.47 million.

ASSET MANAGEMENT CAPABILITY

(1) The trade accounts receivable and other accounts receivable of the Company and subsidiary companies as at end of year 2018 were 11.30 percent of total assets. The provisions of doubtful debts are considered based on review of receivable period and assessment of past debt collection experience. Therefore, there was no provision of doubtful debt in year 2018.

(2) Inventory of the Company and subsidiary companies as at end of year 2018 was 3.83 percent of total assets without deterioration of the products. Therefore, there was no allowance for impairment loss of inventory in year 2018.

(3) The Company's goodwill incurred from investment in the subsidiary company in Indonesia as at end of year 2018 was accounted for 1.93 percent of total assets, of which the Company considered financial projection and impact in various aspects and found that it was not yet necessary for establishment of allowance for goodwill impairment from investment in year 2018.

LIQUIDITY AND SUFFICIENCY OF CAPITAL

(1) The total debt to equity ratio of the Company and subsidiary companies as at end of year 2018 was as low as 0.63:1 with appropriate capital structure, and the Company has sufficient cash generation and credit facilities for future investment projects.

(2) The current ratio of the Company and subsidiary companies as at end of year 2018 were as high as 1.61 times in spite of a quick ratio of only 0.87 times but there was no financial liquidity problem. Nonetheless, the Company and subsidiary companies still have sufficient credit facilities for working capital in the future.

(3) The cash cycle of the Company and subsidiary companies in year 2018 was only 29 days, an increase from the previous year of 2 days. The average debt collection period was at 33 days, an increase from the previous year of 6 days. The average inventory turnover was at 17 days, a decrease from the previous year of 3 days, but the average debt repayment period was at 21 days, an increase from the previous year of 1 day.

DEBT OBLIGATION

The subsidiary company in a business of ethanol-for-fuel production and distribution has obligation according to the terms and conditions of the loan agreement with a local commercial bank as follows:

(1) The subsidiary company must maintain its debt to equity ratio (D/E ratio) not exceeding 2 times and debt service coverage ratio (DSCR) of no less than 1.25 times until the expiration of the loan agreement. The subsidiary company is able to maintain the D/E ratio and DSCR as required by the contractual obligation of the loan without any default.

(2) The lending bank has stipulated that the Company must maintain its shareholding proportion in the subsidiary company of no less than 50 percent of the total number of shares during the whole duration of the loan agreement. Accordingly, the Company has no plan to sell or decrease its shareholding proportion in the subsidiary company to below 50 percent of the total number of shares.

(3) The lending bank has stipulated that the subsidiary company cannot pay dividend to its shareholders, including the Company, if the subsidiary company cannot comply with the conditions as stipulated within the loan agreement, such as the maintenance of D/E ratio, DSCR, and shareholding proportion of the Company in the subsidiary company, etc. Accordingly, the subsidiary company has never breached the conditions of loan agreements and has been provided with good financial support from lending banks.

FUTURE TREND

Coal Business: It is expected that the operating results of the coal business, which is a core business, will continue to be profitable in year 2019, despite the fact that coal prices had been declining since the second half of 2018 as global economy began to slow down and the Indonesian Government policy became more stringent. Nevertheless, the Company will endeavour to manage and resolve problems with prudence in order to reduce costs and various expenses to be as low as possible for good operating results.

Ethanol Business: It is expected that the operating results of the ethanol business, which is a secondary core business, will continue to be profitable in year 2019 as well, due to the decrease in price of molasses, which is the raw material and major cost of ethanol production. Moreover, the wastewater evaporation plant construction with capacity of 3,000 cubic meters per day will be completed within the 1st quarter of 2019, which is deemed an effective and sustainable solution for treatment of wastewater from the ethanol production process. Furthermore, a potassium humate will be derived as a by-product from this wastewater evaporation process at approximately 50,000 metric tons per year, which can be sold for additional revenue and profit.

Overall Business: The overall operating results of the coal business, which is a core business, and the ethanol business, regarded as a secondary core business, are expected to be profitable in year 2019 and enable the Company to proceed with regular dividend payments to shareholders according to the established policy.

AGENDA NO. 4

TO CONSIDER AND APPROVE THE APPROPRIATION OF EARNINGS

Background and Rationale

According to Section 116 of the Public Limited Companies Act B.E. 2535, “The Company is required to set aside a statutory reserve at least five percent of its net profit after deducting accumulated deficit brought forward (if any) until the reserve reaches ten percent of the registered share capital, except that the statutory reserve level set in the Company’s Articles of Association or in other regulations is required to be higher.”, the Company may appropriate the net profit as other reserve.

Dividend Payment Policy

In the case that no additional investments are required and that there are no outstanding loans, the Company’s dividend payment policy is not less than 60 percent of its yearly net profit of the separate financial statements for each financial period after the deductions of statutory reserve and the net loss carried forward (if any).

Board of Directors’ Opinion

According to the operating results of the Company in year 2018, the net profit based on separate financial statements was Baht 601,703,175.70 or a net profit of Baht 1.15 per share, calculated from the issued and paid-up shares of 524,999,679 shares at a share value of Baht 1.00 per share. The Board of Directors has considered that the Shareholders’ Meeting should approve of the appropriation of earnings for the operating results of year 2018, having the following details.

Details of the Appropriation	Amount (Baht)
Retained Earnings remaining from Last Year’s Appropriation	72,767.88
<u>Plus</u> Net Profit Year 2018	601,703,175.70
Retained Earnings before Adjustment	601,775,943.58
<u>Less</u> Adjusted Item on Employee Benefits for Year 2015-2017	1,852,592.00
Retained Earnings for Appropriation for Year 2018	599,923,351.58
<u>Less</u>	
• Appropriation for General Reserve	206,100,000.00
• Appropriation for Interim Dividend Payment at Baht 0.45 per share, already approved by the Board of Directors and paid to the shareholders on October 16, 2018	236,245,855.55
• Appropriation for Dividend Payment to be approved for this period at Baht 0.30 per share	157,499,903.70
Earnings Carried Forward	77,592.33

(1) To appropriate the earnings for general reserve at Baht 206,100,000 and;

(2) To appropriate the earnings for dividend payment to shareholders at Baht 0.75 per share, totaling Baht 393,749,759.25 The Board of Directors already approved the interim dividend payment to the shareholders on October 16, 2018 at Baht 0.45 per share, totaling Baht 236,245,855.55; therefore, the remaining dividend payment for shareholders is at Baht 0.30 per share, totaling Baht 157,499,903.70 The record date for the name list of shareholders entitled to receive dividend payment for this period will be determined on March 19, 2019 and the dividend will be paid on May 15, 2019. Accordingly, shareholders shall be required to pay income tax for such dividend according to the Revenue Code.

Comparison of Dividend Payment to Net Profit

The Shareholders will receive the dividend payment appropriated from the net profit derived from the separate financial statements in year 2018 at Baht 0.75 per share or 65.44 percent of the net earnings.

Comparison of Dividend Payment with the Past Year

Details of the Dividend Payment	Year 2018	Year 2017
Net Profit	Baht 601,703,175.70	Baht 754,000,376.47
Number of Shares of Interim and Annual Dividend Payment	524,999,679 shares	524,999,679 shares
Total Dividend Payment per Share	0.75 Baht per share	0.87 Baht per share
• Interim Dividend	0.45 Baht per share	0.40 Baht per share
• Annual Dividend	0.30 Baht per share	0.47 Baht per share
Total Dividend Payment	Baht 393,749,759.25	Baht 456,749,720.73
Dividend Payment Ratio	65.44 percent	60.58 percent

The Board of Directors has proposed for the dividend payment from the operating results of the Company in year 2018 at 65.44 percent of the net profit, which is higher than the established dividend payment policy and the dividend payment ratio is higher than the previous year by 8.02 percent.

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

AGENDA NO. 5

TO CONSIDER THE APPOINTMENT OF DIRECTORS RETIRED BY ROTATION

Background and Rationale

According to the Article 11 of the Company's Articles of Association, corresponding to the Section 71 of the Public Limited Company Act B.E. 2535, stating that "at every Annual General Meeting of Shareholders, one-third (1/3) of the directors shall be retired by rotation and if the number of directors are not divisible by one-third, the number of directors to be retired shall be nearest to one-third (1/3).

The number of directors to be retired in the first year and second year after the Company's registration shall be done by lottery selection. For subsequent years, the directors in position for the longest time shall be retired first."

At the Annual General Meeting of Shareholders for Year 2019, five directors shall be retired by rotation, according to the Company's Articles of Association, namely, (1) Mr. Adul Tantharatana (2) Mr. Siva Mahasandana (3) Mr. Tanon Tantisunthorn (4) Mr. Akasit Jirayuwanon and (5) Mr. Srihasak Arirachakaran.

Board of Directors' Opinion

The Board of Directors has considered and resolved to propose to the Shareholders' Meeting for consideration and approval of the appointment of five directors in place of the directors who are retired by rotation. Accordingly, the Shareholder's Meeting shall be proposed for consideration for each appointment individually as follows:

Proposed Names for Appointment of Directors Replacing the Directors Retired by Rotation	Proposed Director's Positions
(1) Mr. Adul Tantharatana	Director and Independent Director
(2) Mr. Siva Mahasandana	Director
(3) Mr. Tanon Tantisunthorn	Director
(4) Mr. Akasit Jirayuwanon	Director and Independent Director
(5) Mr. Srihasak Arirachakaran	Director

Criteria and Nomination Procedure

Nomination process for the Company's directorship positions has been through the deliberation of the Nomination and Remuneration Committee ("NRC"). It was considered and concluded that all of the five directors above have been through deliberation from the Board of Directors, possess the knowledge, capabilities, experience and various expertise, which are deemed beneficial to the Company's business operation and also possess all the qualifications to take the directorship position of the listed company, according to the Company's Article of Association and governing laws. Past work experiences as the Company's directors have also been reviewed, as well as being endorsed by the relevant regulators.

According to the good corporate governance principles which stipulated that the tenure of an independent director should not exceed a cumulative term of 9 years. Although Mr. Adul Tantharatana has served as the independent director from June 21, 1993 until present for a total of 25 years and 10 months, Mr. Adul Tantharatana has always performed his duties appropriately, possessed good knowledge, capabilities and experience, and been able to express independent opinions in accordance with relevant laws, as well as having variety of expertise which are beneficial to the Company's business operation. Accordingly, the Board of Directors has thoroughly considered and therefore proposed to the Shareholders' Meeting to appoint Mr. Adul Tantharatana for the position of Independent Director for another term.

The Company provided the opportunity for the shareholders to propose meeting agenda items and appointment of new director according to the good corporate governance principles in writing by mail or facsimile (FAX) to the Company Secretary in advance during October 1, 2018 through December 31, 2018, for a period of 3 months. However, there were no shareholder proposing any meeting agenda item in advance or proposing any appointment for a new director.

Information of the Proposed Persons for Director Positions

Brief curricula vitae of all five persons being proposed for the directorship positions, including performance results as the Company's directors during the past year, have been attached herewith.

Voting Procedure

- The resolution for this meeting agenda will be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes by voting according to the following procedures:

- (1) The shareholder will have each share being counted as one vote.

- (2) Each shareholder must use all the votes according to (1) to appoint one person or several persons for the director position but cannot divide the votes into different number of votes for a particular person.

- (3) The persons receiving the highest number of votes in descending order will be appointed as the directors for the total number of director positions available at the time. In the case of a tie (same number of votes) for successive positions available, the Chairman of the Meeting shall have the casting vote.

- The Directors holding shares in the Company shall not use voting right for the re-appointment of oneself due to a direct interest even though there is no legal provision prohibiting such vote. The names and number of shares or votes of these Directors shall be announced upon the consideration of this agenda since such information shall be based on the record date to determine the right to attend the Annual General Meeting of Shareholders Year 2019.

INFORMATION OF THE PERSON PROPOSED FOR DIRECTOR AND INDEPENDENT DIRECTOR POSITION

Mr. Adul Tantharatana

Current Positions: Independent Director and Audit Committee Member

Proposed Director's Positions: Director and Independent Director

Nationality: Thai

Age: 78 years

Address: 178 Pibulwatana 2, Rama 6 Road, Samsennai, Phayathai, Bangkok 10400

Education: Bachelor of Engineering (Mechanical), Chulalongkorn University

Director Accreditation Program: Certificates: Thai Institute of Directors Association

- Director Accreditation Program (DAP) Class 3/2003
- Director Certification Program (DCP) Class 38/2003
- Finance for Non-Finance Director (FN) Class 7/2003
- Audit Committee Program (ACP) Class 4/2005
- DCP Refresher Course (RE DCP) Class 1/2008
- Monitoring the System of Internal Control and Risk Management (MIR) Class 14/2013

Other Courses: None

Date of Appointment: June 21, 1993

Period of Directorship: Holding Director Position since 1993 until present for total of 25 years and 10 months (if including this term of office, the period of directorship will be 28 years and 10 months).

: Holding the Audit Committee Member since October 18, 1999 until present for total of 19 years and 6 months.

Meeting attendance in the past year: Board of Directors' Meetings, attended 6 of 7 meetings

Audit Committee's Meetings, attended 10 of 10 meetings

Annual General Meeting of Shareholder, attend 1 of 1 meeting

Director Nomination Criteria: The Board of Directors considered based on opinions of the Nomination and Remuneration Committee ("NRC"), which stated that Mr. Adul Tantharatana has complete qualifications to be proposed as the independent director, who can provide independent opinion in accordance with the rules established by relevant laws, as well as having been endorsed by the relevant regulators.

: According to the good corporate governance principles which stipulated that the tenure of an independent director should not exceed a cumulative term of 9 years. Although Mr. Adul Tantharatana has served as the independent director from June 21, 1993 until present for a total of 25 years and 10 months, Mr. Adul Tantharatana has always performed his duties appropriately, possessed good knowledge, capabilities and experience, and been able to express independent opinions in accordance with relevant laws, as well as having variety of expertise which are beneficial to the Company's business operation. Accordingly, the Board of Directors has thoroughly considered and therefore proposed to the Shareholders' Meeting to appoint Mr. Adul Tantharatana for the position of Independent Director for another term.



Shareholding in the Company as at December 31, 2018: None

Direct and indirect interest in any of business with Company and its subsidiaries: None

Family Relationship with Executives: None

Number of Director/Executive positions in other listed companies: None

Number of Director/Executive positions in other companies (non-listed companies): None

Positions in other business in competition/related with Company's business that may create conflict of interest: None

Past 5-Year Work Experience:

2002-2005: Director, Siam Gypsum Industry Co., Ltd.

1997-2004: Director, Lafarge Prestia Co., Ltd.

1989-1999: Director, Sakdi Chaiyasit Co., Ltd.

1988-1996: President, Siam Industrial Corporation Ltd.

INFORMATION OF THE PERSON PROPOSED FOR DIRECTOR POSITION

Mr. Siva Mahasandana

Current Positions: Director

Proposed Director's Positions: Director

Nationality: Thai

Age: 57 years

Address: 1033 Krungthep-Nonthaburi Rd, Wongsawang, Bang-Sue, Bangkok

Education: MBA Finance and Investment, The George Washington University, USA

: Bachelor of Mechanical Engineering, Chulalongkorn University

: Advance Management Program, Harvard Business School, USA



Director Accreditation Program: Certificates: Thai Institute of Directors Association

- Role of the Chairman Program (RCP), 2018
- Director Certification Program (DCP), Class 206/2015
- Corporate Governance for Executive (CGE), 2015

Other Courses: Senior Management Program from Institute of Management Development (IMD), Switzerland, 2005

: Senior Leadership Program from Institute of Management Development (IMD), Switzerland, 2007

: Top Executive Program: Thailand Energy Academy, Class TEA7, 2015

Date of Appointment: April 25, 2016

Period of Directorship: Holding Director Position since 2016 until present for total of 3 years.

Meeting attendance in the past year: Board of Directors' Meetings, attended 6 of 7 meetings

Annual General Meeting of Shareholder, attend 1 of 1 meeting

Director Nomination Criteria: The Board of Directors considered based on opinions of the Nomination and Remuneration Committee ("NRC"), which stated that Mr. Siva Mahasandana has complete qualifications to be proposed as the director in accordance with the rules established by relevant laws, as well as having been endorsed by the relevant regulators.

Shareholding in the Company as at December 31, 2018: None

Direct and indirect interest in any of business with Company and its subsidiaries: None

Family Relationship with Executives: None

Number of Director/Executive positions in other listed companies: 1 company, which is

2016-Present: Director and Chief Executive Officer, Siam City Cement Public Co., Ltd.

Number of Director/Executive positions in other companies (non-listed companies): 11 companies

- (1) 2017-Present: Director, Nakorn Luang Concrete Co., Ltd.
- (2) 2017-Present: Director, Insee Digital Co., Ltd.
- (3) 2017-Present: Director, Siam City Cement (Vietnam) Limited
- (4) 2017-Present: Director, Siam City Cement Trading Co., Ltd.
- (5) 2016-Present: Director, Siam City Cement (Lanka) Limited
- (6) 2016-Present: Chairman, Siam City Cement (Bangladesh) Limited
- (7) 2016-Present: Chairman, Globe Cement Co., Ltd.
- (8) 2016-Present: Chairman, Insee Superblock Co., Ltd.
- (9) 2016-Present: Chairman, Insee Ecocycle Co., Ltd.
- (10) 2015-Present: Chairman, PT Conwood Indonesia Co., Ltd.
- (11) 2015-Present: President, Conwood Co., Ltd.

Positions in other business in competition/related with Company's business that may create conflict of interest: None

Past 5-Year Work Experience:

- 2016-2017: Chairman, Siam City Power Co., Ltd.
 - 2015-2017: Chairman, Insee Digital Co., Ltd.
 - 2015-2016: Chairman, Nakorn Luang Concrete Co., Ltd.
 - 2015-2016: Deputy Chief Executive Officer and Senior Vice President (Marketing and Sales), Siam City Cement Public Co., Ltd.
 - 2012-2015: Senior Vice President (Saraburi Operation), Siam City Cement Public Co., Ltd.
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INFORMATION OF THE PERSON PROPOSED FOR DIRECTOR POSITION

Mr. Tanon Tantisunthorn

Current Positions: Director

Proposed Director's Positions: Director

Nationality: Thai

Age: 46 years

Address: 3/27 Sukhothai Residence, Room 1801 South Sathorn Rd., Thungmahamek, Sathorn, Bangkok 10120



Education: Master of Science (Management), New York University
: MBA Finance, American University
: Bachelor of Engineering (Environmental), Chulalongkorn University

Director Accreditation Program: Certificates: Thai Institute of Directors Association
Director Certification Program (DCP) Class 56/2005

Other Courses: The 3rd Training Course on Administrative Justice for Executives, 2012
: Leadership Program Class 21, The Capital Market Academy, 2015

Date of Appointment: April 22, 2003

Period of Directorship: Holding Director Position since 2003 until present for total of 16 years.

Meeting attendance in the past year: Board of Directors' Meetings, attended 6 of 7 meetings
Annual General Meeting of Shareholder, attend 1 of 1 meeting

Director Nomination Criteria: The Board of Directors considered based on opinions of the Nomination and Remuneration Committee ("NRC"), which stated that Mr. Tanon Tantisunthorn has complete qualifications to be proposed as the director in accordance with the rules established by relevant laws, as well as having been endorsed by the relevant regulators.

Shareholding in the Company as at December 31, 2018: None

Direct and indirect interest in any of business with Company and its subsidiaries: None

Family Relationship with Executives:

- Cousin of Mr. Visit Tantisunthorn, Company's Director
- Younger Brother of Mr. Tanat Tantisunthorn, Company's Marketing Advisor to Chief Executive Officer

Number of Director/Executive positions in other listed companies: 1 company, which is

2016-Present: Executive Vice President, Gulf Energy Development Public Co., Ltd.

Number of Director/Executive positions in other companies (non-listed companies): None

Positions in other business in competition/related with Company's business that may create conflict of interest: None

Past 5-Year Work Experience:

2007-2018: First Senior Vice President-Asset Management, Gulf JP Co., Ltd.
2006-2007: Assistant secretary to Finance Minister, Ministry of Finance
2005-2006: Business Development Manager, Gulf Electric Public Co., Ltd.
2001-2005: Member of the House of Representative, Tak Province
1997-2000: Director, Fiscal Policy Office, Ministry of Finance

INFORMATION OF THE PERSON PROPOSED FOR DIRECTOR AND INDEPENDENT DIRECTOR POSITION

Mr. Akasit Jirayuwanon

Current Positions: Independent Director

Proposed Director's Positions: Director and Independent Director

Nationality: Thai

Age: 49 years

Address: 68/44 Moo 5 Sawaipracharat Road, Ladsawai, Lumlukka, Pathumthani 12150

Education: Master of Engineering (Structural Engineering),
King Mongkut's University of Technology Thonburi

: Bachelor of Engineering (Civil Engineering),
King Mongkut's University of Technology Thonburi



Director Accreditation Program: Certificates: Thai Institute of Directors Association

- Director Forum 2/2015 "Building Better Board Through Effective Independent Director"
- Director Accreditation Program (DAP) Class 137/2017

Other Courses: Certificates: The Stock Exchange of Thailand

- CG Forum 3/2013: Conflict of Interest: Fighting abusive RPT
- CG Forum 4/2013: The Update COSO's 2013 Integrated Internal Control: What the Board and Management Should Do
- CG Forum 1/2014: Effectiveness in Boardroom: Route to Success & Best Practices
- CG Forum 2/2014: Corporate Governance in the Perspective of Investors
- CG Forum 3/2014: Challenging as Expectations for Board Engagement on Strategic Risk Management Oversight

Date of Appointment: April 22, 2013

Period of Directorship: Holding Director Position since 2013 until present for total of 6 years (if including this term of office, the period of directorship will be 9 years).

Meeting attendance in the past year: Board of Directors' Meetings, attended 7 of 7 meetings
Annual General Meeting of Shareholder, attend 1 of 1 meeting

Director Nomination Criteria: The Board of Directors considered based on opinions of the Nomination and Remuneration Committee ("NRC"), which stated that Mr. Akasit Jirayuwanon has complete qualifications to be proposed as the independent director, who can provide independent opinion in accordance with the rules established by relevant laws, as well as having been endorsed by the relevant regulators.

Shareholding in the Company as at December 31, 2018: None

Direct and indirect interest in any of business with Company and its subsidiaries: None

Family Relationship with Executives: None

Number of Director/Executive positions in other listed companies: None

Number of Director/Executive positions in other companies (non-listed companies): None

Positions in other business in competition/related with Company's business that may create conflict of interest: None

Past 5-Year Work Experience:

2007-Present: Assistant Engineer, Eastern Star Real Estate Public Co., Ltd.
2003-Present: Project Engineer, Merit Holdings (1989) Co., Ltd. and Affiliates
1996-Present: Civil Engineer, BBTV Equity Co., Ltd.
2013-2018: Executive Director, Agriculture and Asset Co., Ltd.
2007-2018: Project Engineer, Tonson Property Co., Ltd.

INFORMATION OF THE PERSON PROPOSED FOR DIRECTOR POSITION

Mr. Srihasak Arirachakaran

Current Positions: Chief Executive Officer, Director, Authorized Director,
Corporate Governance Committee Chairman,
Risk Management Committee Deputy Chairman,
Nomination and Remuneration Committee Member



Proposed Director's Positions: Director

Nationality: Thai

Age: 59 years

Address: 171/1 Sukhumvit 55, Klongtonnuea, Wathana, Bangkok 10110

Education: Ph.D., Petroleum Engineering, University of Tulsa, Oklahoma, U.S.A

: M.Sc., Petroleum Engineering, University of Tulsa, Oklahoma, U.S.A

: B.Sc., Petroleum Engineering (with honor) University of Tulsa, Oklahoma, U.S.A

Director Accreditation Program: Certificates: Thai Institute of Directors Association

- Director Accreditation Program (DAP) Class 107/2014
- Director Certification Program (DCP) Class 198/2014
- How to Develop a Risk Management Plan (HRP) Class 6/2014
- Anti-Corruption Seminar Class 1/2015 "400 Companies Fighting Systemic Corruption"
- The Power of Culture: From Performance Culture to Winning Culture, 2016
- Board that Make a Difference (BMD), Class 5/2017
- Strategic Board Master Class (SBM) Class 4/2018

Other Courses: Operating Transparency Business in Asia Collective Action Coalition, CAC, 2016

: Visit the Hongsa Coal-Fired Power Plant Project, Lao Industrial Energy Institute, 2016

: CEO and IR Talk, Thai Listed Company Association, 2018

: Leadership Program Class 26, The Capital Market Academy, 2018

Date of Appointment: January 1, 2016

Period of Directorship: Holding Director Position since 2016 until present for total of 3 years and 4 months.

Meeting attendance in the past year: Board of Directors' Meetings, attended 7 of 7 meetings
Corporate Governance Committee's Meetings, attended 3 of 3 meetings
Risk Management Committee's Meetings, attended 7 of 7 meetings
Nomination and Remuneration Committee's Meetings, attended 2 of 2 meetings
Annual General Meeting of Shareholder, attend 1 of 1 meeting

Director Nomination Criteria: The Board of Directors considered based on opinions of the Nomination and Remuneration Committee ("NRC"), which stated that Mr. Srihasak Arirachakaran has complete qualifications to be proposed as the director in accordance with the rules established by relevant laws, as well as having been endorsed by the relevant regulators.

Shareholding in the Company as at December 31, 2018: 508,010 shares or 0.10 percent of all shares with voting rights

Direct and indirect interest in any of business with Company and its subsidiaries: None

Family Relationship with Executives: None

Number of Director/Executive positions in other listed companies: 1 company, which is

2003-Present: Director and Authorized Director, Thai Agro Energy Public Co., Ltd. (Subsidiary)

Number of Director/Executive positions in other companies (non-listed companies): 5 companies as follows

- (1) 2016-Present: Director and Acting Managing Director, Lanna Power Generation Co., Ltd.
- (2) 2015-Present: Director, United Bulk Shipping Pte Ltd. (Associated Company)
- (3) 2008-Present: President Director, PT. Singlurus Pratama (Subsidiary)
- (4) 2006-Present: President Director, PT. Lanna Mining Services (Subsidiary)
- (5) 2002-Present: President Director, PT. Lanna Harita Indonesia (Subsidiary)

Positions in other business in competition/related with Company's business that may create conflict of interest: None

Past 5-Year Work Experience:

2004-2015: Commissioner, PT. Citra Harita Mineral (business closed) (Subsidiary)

2001-2015: Business Development and Marketing Director, Lanna Resources Public Co., Ltd.

Definition of the Independent Director

Independent director has the following definition and qualifications:

(1) Holding shares not more than one percent of all shares with voting rights of the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, which shall be inclusive of the shares held by related persons of the particular Audit Committee Member.

(2) Not being or used to be the director who takes part in the management of the Company, employee, staff member, advisor who receives a regular salary, or a controlling person of the Company, holding company, subsidiary company, associated company, subsidiary company of the same level, major shareholder, or controlling person of the Company, except having been out of the above position for at least two years prior to the appointment. Nevertheless, such prohibited characteristic does not include the case where the independent director who used to be a civil servant or an advisor to the Government which is the major shareholder or controlling person of the Company.

(3) Not being a person who is related by blood or by law as a parent, spouse, sibling and child including a child's spouse, to any management member, major shareholder, controlling person or the person whom has been proposed to become the management member or controlling person of the company or subsidiary company.

(4) Not having or used to have business relationship with the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, in a way which may prevent independent judgment, as well as not being or used to be the significant shareholder or controlling person of the entity having business relationship with the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, except having been out of the above position for at least two years prior to the appointment.

(5) Not being or used to be the auditor of the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company, and not being significant shareholder, controlling person or managing partner of the audit firm with staff being the auditor of the Company, holding company, subsidiary company, associated company, major shareholder or controlling person of the Company in the firm, except having been out of the above position for at least two years prior to the appointment.

(6) Not being or used to be the service provider in any professions including legal advisor or financial advisor receiving the service fee exceeding Baht 2 million per year from the Company, holding company, subsidiary company, associated company, major shareholder, or controlling person of the Company, and not being significant shareholder, controlling person or partner of the such professional service provider, except having been out of the above position for at least two years prior to the appointment.

(7) Not being the director who has been appointed as the representative of the Company, major shareholder or shareholder whom is related to the major shareholder of the company.

(8) Not being an entrepreneur in any business similar to or material competing with the Company or its subsidiary company or not being the material partner in partnership, executive director, employee, staff, advisor who receives salary or holds no more than 1 percent of total number of shares with voting right of the company similar to or material competing with the Company or its subsidiary company.

(9) Having no other characteristic which may prevent from giving independent opinions concerning with the business operation of the Company.

The Independent Director with qualifications in (1) to (9), may be assigned by the Board of Directors to make decision in the business operation of the Company, holding company, subsidiary company, associated company, subsidiary of the same level, major shareholder or controlling person of the Company, based on the collective decision.

In the event that the person appointed by the Company as the independent director is the person whom has or used to have business relationship or is a provider of professional service with service fee exceeding the amount under (4) or (6), the Board of Directors may consider for the allowance if it is deemed that the appointment of such person has no impact on the performance of duties and independence of opinions, and the Company has disclosed the following information within the invitation to the shareholders' meeting in the agenda concerning the consideration of the appointment of independent director.

(A) Characteristics of the business relationship or professional service, which have made such person to have the qualification not conforming to the established criteria.

(B) Reason and necessity for maintaining or appointing such person as the independent director.

(C) Opinions of the board of directors for proposing for the appointment of such person as the independent director.

The Company has established the qualifications of the Independent Directors the same as the minimum requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand regarding the shareholding in the Company such that the Independent Director must not hold more than 1 percent of total shares with voting right of the Company. In addition, the individuals proposed for appointment of the Independent Director possess no other types of relationship as follows.

Type of Relationship	Proposed Independent Director	
	Mr. Adul Tantharatana	Mr. Akasit Jirayuanon
Shareholding in the Company <ul style="list-style-type: none"> Number of Shares Proportion of All Shares with Voting Right 	None None	None None
Being close relative with Executive/Major Shareholder of the Company/Subsidiary	No	No
Having the following relationship with Company/holding company/subsidiary/associated or juristic person with possible conflict of interest currently or during past 2 years		
(1) Being director who takes part in the management of the Company, employee, staff member, advisor who receives a regular salary	No	No
(2) Being professional service provider (such as auditor, legal advisor)	No	No
(3) Having business relationship (such as trading of raw material/service, lending or borrowing) with specified transaction size.	None	None

AGENDA NO. 6

TO CONSIDER THE DIRECTORS' REMUNERATION

Background and Rationale

According to the Public Limited Company Act B.E. 2535, Section 90, first paragraph, states that “to prohibit the company from offering payments or assets to the director except for remuneration compensation as stated by the company’s articles of association”.

The Company’s Articles of Association, Article 16, second paragraph, states that “the director is entitled to receive remuneration from the company; namely salaries, wages, rewards, meeting allowances, remunerations, bonuses, or other types of benefits in accordance with the articles or the shareholders’ meeting consideration, which can specify the amounts or establish the criteria and specify for each occasion, or be effective until any changes.”

Composition of the Remuneration

(1) The Board of Directors receives the following remunerations:

(1.1) Fixed monthly remuneration, with the Chairman receiving Baht 60,000 per month and the Directors receiving Baht 30,000 per month each, which were approved by the Extraordinary Meeting of Shareholders No. 2/1993 dated December 8, 1993 and have been used since December 1993 without any changes.

(1.2) Annual remuneration, which must be approved by the shareholders’ meeting each year, varied according to the Company’s operating results of each year. For the past year 2018, the Annual General Meeting of Shareholders Year 2018 resolved to approve the annual remuneration for fourteen directors, totaling Baht 6,852,000, using the same basis as every past year by which 2 parts were given to the Chairman of the Board at Baht 913,600; and 1 part to 13 Directors at Baht 456,800 each person.

(2) Sub-committees receive remunerations, in addition to (1), as follows:

(2.1) The Audit Committee members each receive fixed monthly remuneration. The Chairman of the Audit Committee receives Baht 20,000 per month, with the other Audit Committee Members receiving Baht 15,000 per month per person. The above remuneration rates have been used since May 2018 without any changes until present. The composition and scope of duties of the Audit Committee have been disclosed within the Annual Report Year 2018, Page 144 to 146 under the topic “Management Structure”, which has been disseminated on the Company website and forwarded to every shareholder along with the meeting invitation.

(2.2) The Nomination and Remuneration Committee members each receive fixed remuneration per meeting. The Chairman of the Nomination and Remuneration Committee receives Baht 15,000 per meeting, with the other Nomination and Remuneration Committee Members receiving Baht 10,000 per meeting per person. The above remuneration rates have been used since January 1, 2016 without any changes until present. The composition and scope of duties of the Nomination and Remuneration Committee have been disclosed within the Annual Report Year 2018, Page 152 to 153 under the topic “Management Structure”, which has been disseminated on the Company website and forwarded to every shareholder along with the meeting invitation.

(2.3) The Corporate Governance Committee and the Risk Management Committee, of which members are all executives whom already receive monthly salary and other benefits as the Company’s employees; therefore, there are no additional remunerations.

(3) The Company does not provide any other remuneration or offer any other privileges to the directors other than what mentioned in (1) and (2) above. The remunerations paid to each of the directors during year 2018 have been disclosed in the Annual Report Year 2018, Page 192 under the topic “Management Structure”, which has been disseminated on the Company website and forwarded to every shareholder along with the meeting invitation.

Board of Directors' Opinion on the Directors' Remuneration for 2019 and Comparison with the Past Year

The Board of Directors has considered and resolved to propose to the Shareholders' Meeting for approval of the Directors' remuneration for 2019, having details as follows:

(1) The Board of Directors shall receive remunerations as follows:

(1.1) Fixed monthly remuneration with the Chairman of the Board shall receive Baht 60,000 per month, and the Directors receive Baht 30,000 per month each, which is based on the same basis as of the remuneration paid in the previous year without any changes.

(1.2) Annual remuneration shall be paid once a year according to the Company's operating results of each year. For year 2019, the annual remuneration shall be paid to 14 Directors totaling Baht 5,904,000, which is lower than the past year 2018 by Baht 948,000 or 13.84 percent, to be paid on the same basis as in 2018, by which 2 parts are given to the Chairman of the Board at Baht 787,200 and 1 part to each of the 13 directors at Baht 393,600 per person.

(2) The Audit Committee members shall receive a monthly remuneration which is fixed every month, with the Audit Committee Chairman receiving Baht 20,000 per month and the other Audit Committee Members receiving Baht 15,000 per month per person, which is based on the same basis and remuneration paid in the previous year without any changes.

(3) The Nomination and Remuneration Committee shall receive a remuneration which is fixed per meeting, with the Nomination and Remuneration Committee Chairman receiving Baht 15,000 per meeting and the other Nomination and Remuneration Committee Members receiving Baht 10,000 per meeting per person, which is based on the same basis and remuneration paid in the previous year without any changes.

Criteria, Procedure, and Proposal of Remuneration

The above remuneration proposed above has been through deliberation from the Nomination and Remuneration Committee by considering and comparing with references from the same industrial sector, including the business size, business expansion and operating results of the Company such as revenue and profit. It was deemed appropriate to determine the directors' remuneration as proposed above. The tables below show the information of directors' remuneration of the listed companies for year 2018 as surveyed by the Thai Institute of Directors Association as follows.

(A) Comparison of Remuneration of Directors of the Company with 264 Listed Companies on 2018 Survey Report by the Thai Institute of Directors Association:

Description (Unit: Baht per person per month)	Chairman Fixed Compensation			Average Director Fixed Compensation		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Resources sector in 2018	55,112	16,667	180,000	37,694	10,000	145,000
Listed companies with revenue 10,000-50,000 million Baht in 2018	88,702	20,000	340,000	37,284	10,000	150,000
Lanna Resources Public Co., Ltd. • Remuneration year 2018	60,000			30,000		

Description (Unit: Baht per person per year)	Chairman Annual Remuneration			Average Director Annual Remuneration		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Resources sector in 2018	1,812,856	160,000	3,750,000	1,320,633	125,800	3,000,000
Listed companies with revenue 10,000-50,000 million Baht in 2018	1,010,671	50,000	3,000,000	744,843	45,000	2,425,500
Lanna Resources Public Co., Ltd. • Remuneration year 2018	913,600			456,800		

(B) Comparison of Compensation of the Audit Committee of the Company with 264 Listed Companies on 2018 Survey Report by Thai Institute of Directors Association:

Description (Unit: Baht per person per year)	Audit Committee Chairman Fixed Remuneration			Average Audit Committee Member Fixed Remuneration		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Resources sector in 2018	21,413	13,333	40,000	16,781	8,600	30,000
Listed companies with revenue exceeding 10,000 million Baht in 2018	34,004	11,000	70,000	23,571	6,667	50,000
Lanna Resources Public Co., Ltd. • Remuneration year 2018	20,000			15,000		

(C) Comparison of Compensation of the Nomination and Remuneration Committee of the Company with 264 Listed Companies on 2018 Survey Report by Thai Institute of Directors Association:

Description (Unit: Baht per person per meeting)	Nomination and Remuneration Committee Chairman Meeting Allowance			Nomination and Remuneration Committee Member Meeting Allowance		
	Average	Lowest	Highest	Average	Lowest	Highest
Listed companies in Resources sector in 2018	19,792	5,000	40,000	15,000	5,000	30,000
Listed companies with revenue exceeding 10,000 million Baht in 2018	31,428	6,250	90,000	27,821	6,000	90,000
Lanna Resources Public Co., Ltd. • Remuneration year 2018 (held 2 meetings)	15,000			10,000		
Remark: The Nomination and Remuneration Committee of Lanna Resources Public Co., Ltd. holds 2 to 3 meetings per year.						

Voting Procedure

- The resolution for this meeting agenda shall be based on two-third of all votes from shareholders attending the meeting with voting right.

- Directors who are the shareholders will not have the right to vote in this agenda due to direct interest. The names and number of shares or votes of these Directors shall be announced upon the consideration of this agenda since such information shall be based on the record date to determine the right to attend the Annual General Meeting of Shareholders Year 2019.

AGENDA NO. 7

TO CONSIDER THE APPOINTMENT OF THE AUDITOR AND DETERMINATION OF AUDIT FEE

Background and Rationale

According to the Company's Articles of Association concerning with the appointment of auditor and determination of the audit fees for the Company, stating that the matter should be carried out according to the governing law; by which the Public Limited Company Act B.E. 2535 states as follows:

Section 120: The Company's financial auditor must be chosen and fees are reviewed and approved by the Annual General Meeting of Shareholders where the meeting may vote for the same auditor to continue as the company's financial auditor.

Section 121: The financial auditor must not be a director, employee, or take any position in the company.

Auditor Appointment Policy

The Company shall contact various auditor offices, having financial auditors whom have been approved by the Securities and Exchange Commission (SEC) to audit the listed companies, to obtain their service proposals and audit fees for comparison and selection for the best and most suitable service terms and fees.

Audit Committee's Opinion

The Audit Committee has considered the selection of the Company' auditor by reviewing the auditor's qualifications, working quality and standard, expertise and independence, performance results, in comparison with the volume of work and the audit fees; and therefore has recommended to the Board of Directors to propose to the Shareholders' Meeting to consider appointing Ms. Siriwan Suratepin, certified public accountant no. 4604, and/or Ms. Kamontip Lertwitworatep, certified public accountant no. 4377, and/or Ms. Satida Ratananurak, certified public accountant no. 4753 of EY Office Limited, one or the other, whom is qualified to be the financial auditor of the listed companies as established by the SEC, to be the Company's financial auditor for the year 2019, and for the approval of the audit fee for year 2018 at Baht 1,350,000, an increase from the previous year of Baht 150,000 or 12.50 percent, which is deemed appropriate.

Board of Directors' Opinion

In compliance with the Public Limited Company Act B.E. 2535 which stipulates that the Shareholders' Meeting appoints the auditor and determines the audit fee regularly every year. The Board of Directors has considered proposing to the Shareholders' Meeting to consider appointing any one of the auditors from EY Office Limited from the following name list to be the financial auditor for the year 2019 with the yearly audit fee of Baht 765,000 and the three quarterly reviews at Baht 195,000 each quarter, for a total of Baht 1,350,000, an increase from the previous year of Baht 150,000 or 12.50 percent, as proposed by the Audit Committee above.

(1) Ms. Siriwan Suratepin, certified public accountant no. 4604 (used to be the auditor signing in the Company's financial statements for 2017) and/or,

(2) Ms. Kamontip Lertwitworatep, certified public accountant no. 4377 (used to be the auditor signing in the Company's financial statements from 2008 to 2012) and/or,

(3) Ms. Satida Ratananurak, certified public accountant no. 4753 (used to be the auditor signing in the Company's financial statements for 2018).

Supporting Information

(1) The proposed audit fee of the Company for year 2019 at Baht 1,350,000 above is an increase from the previous year of Baht 150,000 or 12.50 percent, having details as follows:

Descriptions	Unit : Baht			%
	2018	2019	Increased	
Yearly Audit Fee	630,000	765,000	135,000	21.43
Interim Financial Statement Audit Fee	570,000	585,000	15,000	2.63
Total	1,200,000	1,350,000	150,000	12.50

(1) The subsidiary and associated companies also have engaged the auditor under the same audit office during year 2019, having details as follows:

Subsidiary/Affiliated Company	Auditor/Auditing Office
(1) Thai Agro Energy Public Co., Ltd. (Subsidiary company in Thailand)	Ms. Kamontip Lertwitworatep EY Office Limited
(2) Lanna Power Generation Co., Ltd. (Subsidiary company in Thailand)	Ms. Patcharawan Koonarangsri EY Office Limited
(3) PT. Lanna Harita Indonesia (Subsidiary company in Indonesia)	Mr. Benediktio Salim Purwantonono, Sungkoro & Surja (A member firm of Ernst & Young Global Limited)
(4) PT. Singlurus Pratama (Subsidiary company in Indonesia)	Mr. Benediktio Salim Purwantonono, Sungkoro & Surja (A member firm of Ernst & Young Global Limited)
(5) PT. Lanna Mining Services (Subsidiary company in Indonesia)	Mr. Benediktio Salim Purwantonono, Sungkoro & Surja (A member firm of Ernst & Young Global Limited)
(6) United Bulk Shipping Pte. Ltd. (Associated company in Singapore)	Ms. Low Yen Mei Ernst & Young LLP

(3) During the past year 2018, in addition the above audit services, the Company and the subsidiary company also used non-audit services from the audit company employing the auditor and related person or business with the auditor or the audit company employing the auditor, having details as follows:

Company and Subsidiary Company	Service Fee	Purpose of Use
(1) Lanna Resources Public Co., Ltd.	Baht 26,000	Evaluate Anti-Corruption strategy that it is concise and appropriate.
(2) PT. Lanna Harita Indonesia	IDR 165,000,000 (Approximately Baht 390,209)	To investigate coal selling price between the companies in the same group that it is established on an arm's length basis.

Remark: The Company and subsidiary company have used non-audit services from the audit company as mentioned above in year 2018, prior to that, no non-audit services were used.

(4) The financial auditors proposed above have independence in the audit and opinions to the Company's financial statements, without having any relationship or other stakes or interests whatsoever with the Company/subsidiary companies/executives/major shareholders or relevant persons to the above parties.

(5) The financial auditors proposed above are endorsed by the SEC to audit the listed companies, with the shareholders' meeting having appointed EY Office Limited (Formerly Ernst and Young Office Limited) as the Company's financial auditor for the past 20 years from 1999 to 2018. Accordingly, the Company has strictly complied with the regulation regarding the Auditor Rotation as stipulated by the SEC, i.e., by changing the financial auditor every five accounting years.

Voting Procedure

The resolution for this meeting agenda shall be based on the majority votes from all the votes of shareholders attending the meeting and casting their votes. If the vote counts are even, the Chairman of the Meeting shall have the right for a casting vote.

AGENDA NO. 8

TO CONSIDER OTHER MATTER (IF ANY)

If there was no any other matter for consideration, Shareholders shall be provided with opportunity to make inquiries or give suggestions to the Board of Directors concerning business operations of the Company (if any).
