

Report of the Audit Committee

Dear Shareholders of Global Green Chemical Public Company Limited

The Audit Committee of Global Green Chemical Public Company Limited (GGC) is comprised of three independent Directors with experiences in the field of law, accounting and financial management, economics and agricultural industry. The Directors' expertise has been driven our committee with sufficient knowledge and effectiveness. The current Audit Committee consists of the following three members:

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| 1. Prof. Dr. Kumchai | Jongakapan | Chairman of the Audit Committee |
| 2. Ms. Kannika | Ngamsopee | Director to the Audit Committee |
| 3. Mr. Apichart | Jongsul | Director to the Audit Committee |

Our Three Directors fulfill the composition and qualifications are applicable with the announcements of the Stock Exchange of Thailand (SET). During the year, the committee underwent personal change after the Board of Director No 10/2017 of December 20, 2017 to approve the appointment of Prof. Dr. Kumchai Jongakapan as Chairman of Audit Committee to replace Mr. Permsak Shewawattnanon, who resigned from Independent Director. The new appointment for Prof. Dr. Kumchai Jongakapan shall be effective on January 1st 2018.

Due to the Audit Committee Meeting No. 8/2017 on December 21, 2017, the committee appointed Ms. Kunakorn Witthayapaisarn as Vice President, Internal Audit, served as committee secretary and this appointment shall be effective on January 1st, 2018.

The Committee has performed its duties as assigned by the Board of Director's and the duties of committee has been complied with Audit Committee Charter which aligned with the announcement of the Stock Exchange of Thailand and the Securities and Exchange Commission's Audit Handbook. Our Audit Committee Charter Policy keep in good faith on corporate governance code of conducts, business ethic besides corporate compliance with laws and regulations both domestic and internal operation. We have also underlined the adequacy and effectiveness of GGC 's Internal Control and Internal Audit System, as well as the performance of all business units and major investment.

In 2018, the Audit Committee held a total of 11 meetings. All of our directors were present at all of these meetings. We performed our duties with independence. The following is a summary of opinions and key activities that we undertook :

Review of Financial Report

The Audit Committee reviewed GGC's annual financial report for 2017 and 2018 quarterly financial statement. The committee considered from company's performance report, analytical report on consolidated Financial Statement, and any significant adjusted entries that affected the financial statement especially The Inventory Issue which directly impact to sensibility of the notes to the Financial Statement. The relevant members of management and the auditors attended these review session to provide explanations and respond to questions pertinent to the statements' accuracy and completeness, any significant adjusted entries that affected the financial statement, the sufficiency of information disclosure and the auditor's notes or key audit matter.

It is our opinion that GGC's financial reporting are correctly and credibly and sufficiently illustrate the financial status of the company which complied with Financial Accounting Standard. In additional, a meeting between the Audit Committee and the auditors without the presence of management was arranged to allow for an independent discussion on the financial statement preparation process and reporting namely

the auditors' annual audit plan and framework, risks, internal control, internal audit, allegations, fraud and other related issues that the auditors had not raised elsewhere. It is our opinion that the auditors received a good cooperation and well-supported from management, as well as independently performed their duties with sufficient knowledge, well-experienced and handle with appropriate audit method.

Review of Risk Management

The Board of Directors, the Risk Management Committee and the management have given priority to Risk Management by assessing Internal and External Risk Factors for their impact and likelihood, as well as developing risk mitigation measurement to prevent or to maintain those risks within the boundaries of the company's tolerance levels

In 2018, the Audit Committee has monitored and acknowledged GGC's risk management performance from Strategy, Corporate Risk, Internal Control and Portfolio Management. Moreover, the committee has reviewed the effectiveness of risk management based on individual business unit's risk profile and mitigation plan report which the management is keeping risk under control.

Review of Internal Control Systems' Effectiveness

The management has given priority to the development and improvement of internal control. Regarding to internal audit recommendation, the management agreed to support Internal Control System and raising the level of control process to their risk activities. With the incident on The Inventory Issue, the committee noted that it caused by an override control system from some of company staffs who conspired with several suppliers. The committee has given precedence to review and give highly suggestion to make an adjustment on company's internal control system especially Feedstock Sourcing and Inventory Management Process. Moreover, the committee also recommended management to prepare a long term preventive plan for improving Internal Control System aligned with company new organization structure for an effectiveness of control system.

The Audit Committee reviewed GGC's Internal Control System from the result of SEC Internal Control Assessment assessed by management as well as the internal audit reports and the auditors report. The committee discovered no irregularities that could significantly impact to GGC control system. Furthermore, the management has continuously improved GGC's Internal Control System based on Internal Audit's recommendation and the Audit Committee's suggestion. Those actions were sensibly ensured that GGC managed an adequate and effective internal control system, together with an adjustment of Feedstock Sourcing and Marketing and Sales Control Process for a higher effectiveness preventive system.

Oversight of Internal Auditing

- The committee approved an amendment of Audit Committee Charter, which we ensure that the charter would complied with Corporate Governance, Company's Code of Conducts, SEC Audit Committee Handbook, the announcement of Audit Committee Duties from SET and other Laws and Regulation based on Audit Committee roles and responsibility. Moreover, the charter also fulfilled with The International Professional Practices Framework (IPPF). Our Audit Committee Charter comprised with objective, scope of duties, responsibility, meeting and reporting which those activities would supported the audit committee to work with Internal Audit Department by effectiveness and followed with International Standards for the Professional Practice of Internal Auditing.
- The Audit Committee also approved the Risk Based Annual Audit Plan for significant control activities of GGC and its subsidiaries; its strategic plan focusing on the development of internal audit capabilities, alignment with company strategies and good relations with stakeholders; and the key performance

indicators (KPIs) for internal Audit major tasks. Moreover, the Committee shall discuss with management and Chief of Audit Executive (CAE) to hire the adequacy of staffing with variety of qualifications for supporting internal Audit activities to fulfill our audit achievement

- The Audit Committee has been monitoring and assessing the execution of established plan, we found that Internal Audit Department has succeeded in carrying out its tasks as described in the aforementioned plans and KPIs. The International Standards for the Professional Practice of Internal Auditing has been adapted along with other best practice. Internal Audit has emphasized its adherence to the code of conduct for internal audit and remained independent according to its organization. Moreover, the collaboration between the management and auditor would have given a well-supportive for the Audit Committee. That would show the company would have a dependent on Internal Audit Activity which complied with The International Standards for the Professional Practice of Internal Auditing.

Review of Good Corporate Governance

The Corporate Governance and Sustainable Development Committee (CG Committee) has supervised company compliance following with the Good Corporate Governance Principles including transparency, and fairness to GGC's stakeholders. The GC committee regularly reported company activities and performance to the Board of Directors. In 2018, GGC has granted a Certifications from Thailand's Private Sectors Collective Action Coalition Against Corruption (CAC). The Audit Committee reviewed and verified the accuracy and adequacy of CAC Self Assessment Form which it shows that GGC become a seriously organization to value corporate compliance with Good Corporate Governance and Anti-Corruption Measures.

Regarding to The Inventory Issue, The Corporate Governance and Sustainable Development Committee (CG Committee) revised the Whistleblower process to become more effectiveness by an expansion more channels on Whistleblower System which it given stakeholders to be trusted and more confident on Company's Whistleblower. Moreover, the collaboration between GC Committee, Audit Committee and the management created The Directors' Meet & Greet Staff Activity. The objective of this activity to narrow the gap between The Directors, Senior Executive Management and the management to have a chance to discuss together. It would help company staff level to trust on Whistleblower System.

Compliance with Securities and Stock Market Laws, Regulations of the Stock Exchange of Thailand and/or Other Applicable Laws

- The Audit Committee assigned Internal Audit to randomly reviewed Feedstock Purchased / Sales and Service Transaction with related parties. Internal Audit concluded that no connected transactions showed any signs of irregularities from the approved contracts that were processes in accordance with the announcements of Securities and Exchange Commission (SEC).

Moreover, the Audit committee reviewed the auditors' report on related parties transaction or conflicting interests transaction disclosure. The auditors reported that GGC complied with Securities and Exchange Commission (SEC)'s laws and regulations and there is NO irregularities were found.

The Appointment of External Auditors

The Audit Committee expressed their opinion on the nomination of an external auditors including Audit Fee for GGC and its Subsidiaries on 2018 consolidated financial statement. The committee considered with independent opinion on the qualification and experience of the Auditors as well as suitable fee according to their scope of work and proposed to the Board of Directors for the shareholders meeting approval.

Review of The Audit Committee Charter

The Audit Committee reviewed its charter to assure that the charter aligned with aligned with the announcement of the Stock Exchange of Thailand 2015 and the Securities and Exchange Commission's Audit Handbook. Moreover, the charter also compared with other organization including Government Agency, Banking Industry, Top Leading Listed Company and finally PTT Group which its fulfilled with The International Professional Practices Framework (IPPF). The Board of Directors approved a revised version of latest Audit Committee Charter which shall be effective on March 14th, 2018.

Audit Committee's Performance Appraisal

The Audit Committee evaluated their 2018 performance by a group and individual appraisal this year and they also reported its results to the Board of Directors, as shown in the annual report.

Based on the aforementioned activities throughout 2018, we believe that GGC posses good corporate governance, adequate internal control that suitable for business, effectiveness on risk management, accurate and accountable on financial and accounting system with Thai Financial Reporting Standard. Moreover, the company activities also complied with laws and regulation related their business activities.

The Audit Committee has been working carefully with independent opinion. The committee have received a cooperative from The Board of Directors, the management, the auditors and finally Internal Audit Department which its would help the committee supported GGC and The Board of Director's assignment especially The Inventory Issue which the Audit Committee would handle with care and also keep benefits and interests for GGC and its stakeholders

On behalf of the Audit Committee

(Signed) Kumchai Jongjakapan
(Prof. Dr. Kumchai Jongjakapan)
Chairman