

Report of the Audit Committee

The Audit Committee has been appointed under a resolution of the Board of Directors and comprises 4 committee members which are independent directors. In 2018, the Audit Committee held joint meetings with the Management, the Internal Audit Office, and the auditor, altogether 5 times.

All 4 committee members have possessed excellent expertise and experience in accounting, finance, law and business. Moreover, Mr. Sitti Leelakasameeruk and Ms. Anchalee Pipatanasern have extensive knowledge and experience in financial accounting and are suitable to perform their duties in reviewing the reliability of the financial statements according to the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Audit Committee has duly performed its duties according to the Charter of the Audit Committee and as assigned by the Board of Directors, by attaching importance to the reviewing of financial reports, related transactions, and internal auditing works, and also promoted and encouraged the Company to comply with the best practices of listed companies so that the Company may have good corporate governance, good risk management, and effective internal control. The issues which were considered by the Audit Committee in the past year can be summarized as follows:

1. Review of Financial Reports

The Audit Committee had duly reviewed the quarterly financial statements and the annual financial statements of 2018 of the Company and of its subsidiaries, by holding meetings to discuss viewpoints jointly with the auditor, the Management, and the Internal Audit Office, to ensure that the preparation of financial reports was done accurately and completely according to the standards of financial reporting, which included the disclosure of financial reports sufficiently and in time for the interests of the investors and the users of financial statements. Besides, the Audit Committee also held meetings with the auditor without the presence of the Management so as to ensure that the auditor performed his duties and expressed his opinions freely and independently.

2. Review of Good Corporate Governance, Compliance with Related Laws and Regulations

The Audit Committee had duly reviewed the compliance under the policy on corporate governance and ethics of the Company, including the compliance with related laws and regulations, and it was found that the directors, the executives, and the staff did comply therewith in all respects. As for the related transactions or transactions which may have conflict of interests, it was specified that the concerned persons must file reports of such transactions to the Audit Committee regularly every quarter. Further, the Audit Committee assigned the Internal Audit Office to review the compliance with the policy on anti-corruption and propose same to the Audit Committee and the Board of Directors for due consideration.

3. Review of Risk Management

The Audit Committee had also considered and reviewed the criteria on assessment of risk at organization level according to the COSO-ERM Guidelines of the Risk Management Office for use in assessing risk factors which may send impacts to the business operation of the Company both in the short term and long term periods.

4. Sufficiency of Internal Control System

The Audit Committee had supervised the internal auditing works to ensure that the internal auditing be conducted freely and efficiently, by approving the annual auditing plan duly prepared based on important risks of the Company, and also monitored the progress of the performance of the Internal Auditing Office quarterly to review its operations and quality and to ensure that the internal control of the Company was sufficient, efficient, and in line with the internal control standards.

5. Suitability of Auditor

In the past accounting period, the Audit Committee is of opinion that the auditor of the Deloitte Touche Tohmatsu Jaiyos Audit Company Limited had performed the duties according to the auditing professional standards and performed his duties independently and had good understanding of the business of the Company, while also having possessed suitable qualifications, knowledge, and experience.

(Mr. Sitti Leelakasemlurk)
The Chairman of the Committee