

Glow Energy Public Company Limited

Annex 5

Audit Committee Report

Audit Committee Report

**To: The Shareholders
Glow Energy Public Company Limited (“the Company”)**

The Audit Committee is composing of three independent directors:

- Mr. Vitthaya Vejajiva, Chairman;
- Ms. Supapun Ruttanaporn, Member; and
- Ms. Saowanee Kamolbutr, Member

VP - Internal Audit acts as the Audit Committee’s secretary.

During 1 January to 31 December 2016, the Audit Committee held six meetings and performed the duties under the Audit Committee Charter as follows:

1. Reviewed quarterly and annual financial statements based on the external audit’s report, and after suggesting some adjustments, agreed with the external auditor that the Company’s financial statements presented the Company’s financial position and results of operations fairly, in all material respects, with adequate disclosure in accordance with generally accepted accounting principle, and proposed them for the Board of Director’s approval.
2. Reviewed the adequacy and effectiveness of the internal control systems as reported by VP - Internal Audit, and found no material weaknesses in internal controls impacting the Company’s operation and the financial statements.
3. Reviewed compliance to the Securities and Exchange Act, Stock Exchange of Thailand’s regulations, and other relevant laws and regulations of Thailand. The Audit Committee deemed that the Company complied with all related laws and regulations.
4. Considered qualification and independence of the external auditor and proposed the appointment of the external auditors including the audit fee to the Board of Directors.
5. Reviewed and approved the annual internal audit plan, also acknowledged quarterly internal audit reports and evaluated the performance of the internal audit function.
6. Acknowledged internal audit reports: IT Change Management Review, HR and Payroll Management Review, Inventory and Warehouse Management Review, INCOME Business Process Review and Emergency Purchasing Process Follow-Up Review as per audit plan 2016, and no significant issues found.
7. Reviewed potential risks anticipated or identified by the VP - Internal Audit and management, and that appropriate risk management approaches were implemented.
8. Reviewed the potential conflicts of interest transactions including the disclosure on these transactions. The Audit Committee deemed that the transactions complied with the Stock Exchange of Thailand regulations, and were reasonable and beneficial to the Company.
9. Acknowledged the successfully acquired The Thailand’s Private Sector Collective Action Coalition Against Corruption (CAC) Certification.
10. Acknowledged the GLOW Enterprise Risk Assessment exercises with results on Coal and Financial Management, reported by Chief Procurement Officer and SVP Treasurer respectively.
11. Reviewed and approved the Glow Group Internal Audit Charter to ensure the effectiveness of managing the internal audit activity to achieve the corporate objectives.

The Audit Committee did not find any material weaknesses in the Company internal control system. Moreover, the Company is required to comply with the ENGIE's internal control requirements, as a subsidiary of ENGIE, a company publicly listed in France.

The Audit Committee agreed to propose Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., by appointing Dr. Suphamit Techamontrikul, CPA registration no. 3356 or Mr. Manoon Manusook, CPA registration no. 4292 or Mr. Choopong Surachutikarn, CPA registration no. 4325 as the external auditors of the Company for the year ending 31 December 2017, to the Board of Directors to consider and to further propose to the Annual General Meeting of Shareholders for approval, together with the audit fee of Bt. 1,719,763.- for only GE and Bt. 9,301,426.- for the whole group.



Mr. Vitthaya Vejajiva
Chairman of the Audit Committee
Glow Energy Public Company Limited