

REPORT OF AUDIT COMMITTEE ON THE ADEQUACY ASSESSMENT FOR INTERNAL CONTROL SYSTEM

The Company is committed with a long-term strategy to achieve continuous growth while underlining the importance of fair trade and good corporate governance to benefit its shareholders and stakeholders. The Audit Committee and the Internal Audit Department, in line with this direction, were established to govern, oversee and review the Company's business processes and their conformity to the Corporate Governance Code and Anti-Corruption policy to ensure that Governance, Risk Management and Compliance Management remained effective and made in accordance with the changing business environment.

Composition of Audit Committee

The Audit Committee comprised three independent directors, all of whom were experts in their respective fields, which provided independence view over accuracy and reliability of financial statements. The particulars of the Audit Committee members are as follows:

No.	Name	Designation
1.	Abdul Khudus Bin Mohd Naa'im	Chairman
2.	Nuthavuth Chartletpipat	Member
3.	Apichat Suttisiltum	Member

Duties and Responsibilities of Audit Committee

1. Financial Statement

- Review of financial statements, significant accounting and reporting issues, including complex or unusual transactions and highly critical areas.
- Discuss with the INGRS Management and external auditor regarding audit results, relevant risks and management action to minimise the impact of the identified risks and review the effectiveness of internal control over the financial reporting process.

2. Internal Control

- Review the effectiveness and adequacy of the internal control system, including control over the information technology system and implementing recommendations on internal and external auditors' internal control.
- Review and approve the internal audit charter, annual audit plan, staffing and resources required for the internal audit, and review the internal audit's effectiveness that complies with the Professional Practices of Internal Auditing.

3. Risk Management

- Review and approve the compliance charter, annual plan, staffing and resources required of compliance and control function including to review the non-compliance issues raised by regulatory agencies and the rectification of those issues.
- Review the adequacy of the Company's risk management process, policies and the effectiveness of the implementation of the Company's risk management systems;

4. Policies and Procedures

- Ensure that the code of conduct and conflict of interest policy is in writing and arrangements are made for all Management and employees to be aware of it and promote the compliance with the code of conduct and conflicts of interest policy.

Audit Committee Meetings

In FY2020/21, the Committee had convened six (6) times, and the directors had attended all the meetings to discuss matters related to the Management and internal and external auditors. In FY2020/21, the Committee's had expressed their opinion, which can be summarised as follows;

1. The Review of Quarterly and Annual Financial Statements

- The Audit Committee reviewed quarterly and annual financial statements with the Management and the external auditor, to ensure accuracy, completeness, and compliance of financial reporting with all relevant laws and regulations.
- The Audit Committee also held a meeting with external auditor in the absence of the Management to discuss the auditors' independence and comments and the auditor's report and issues concerning the audit and review of financial statements.
- After the review, the Audit Committee considered that the financial statements for FY2020/21 were prepared according to the Thai Financial Reporting Standards (TFRS). They contained sufficient disclosure in the notes to financial statements, thereby approved the financial statements external auditor reviewed and audited without reservation.

2. The Review of The Effectiveness and Adequacy of Internal Control System and Internal Audit

- The Audit Committee reviewed and approved the internal audit report quarterly with Internal Auditor and the Management in assessing the level of the internal control system and compliance within the INGRS Group.
- This review also comprised an assessment questionnaire as required by the Securities and Exchange Commission of Thailand (SEC) carried out by the Internal Audit annually, which opined that the Company has incorporated a proper internal control system.
- The Audit Committee considered the Internal Auditor's report to ensure the appropriate and sufficient internal control system and concluded that the Group's internal control system is sound without significant deficiencies.
- The Audit Committee suggests the focus should be made on critical business risks and encourage a continuous implementation of the preventive controls that helped prevent or minimise the risks that may have an unfavourable impact on the Company.

3. The Review of Risk Management

- The Audit Committee identified that the Company has in place the risk management, executives who assess the Company's risk factors and evaluate risk management measures to reduce the impact to an acceptable level and report to the Audit Committee quarterly.
- The Audit Committee also noted that Company has the annual review of risk factors with consideration of the business nature and changes of business environment locally and globally and has appropriate and adequate risk management measures where the impact is mitigated within the acceptable level.

4. The Appointment of External Auditor

- The Audit Committee noted that the external auditor's appointment is based on knowledge, experience, ability, adequacy of resources, and level of independence and quality of their services.
- The remuneration of the auditor is considered on the scope of duties and responsibilities.
- Based on the satisfactory results and their widely recognised audit standard and experience, the Audit Committee recommended the reappointment of the auditor from EY Office Limited as the Company's external auditor for the financial year ending 31 January 2021 for another term which was concurred by the Board for submission to the Annual General Meeting of shareholders for approval.

5. The Review of the Compliance with Relevant Laws and Regulations

- The Audit Committee presented that the Group comply with SET's and SEC regulations, including other related laws, Thai laws, and the laws of other countries in which the INGRS operates or invests in.
- According to the Board's guidance, the Group has conducted its business according to acceptable governance practices, business ethics, the anti-corruption policy, and other policies.
- There was no reporting of any misconduct in FY2020/21.

6. The Review of Related Transactions and Transactions of Potential Conflict of Interest

- The Audit Committee had reviewed the connected transactions or transactions with potential conflicts of interest prior to the Board's consideration to ensure that they were reasonable and beneficial to the Company and the shareholders, particularly the minority shareholders.
- The Committee had also reviewed the disclosure of the transactions and viewed that details of the transactions that had been completely disclosed, that the prices and conditions were fair, and that the transactions had been appropriately approved by the Management or the Board of Directors prior to their commencement.

The Audit Committee reported the results of all meetings to the Board regularly. In FY2020/21, the Committee conducted its work thoroughly and strictly according to the Audit Committee Charter to enhance the Company's good corporate governance. This approach and its follow-through ensured that the Company could deliver the best possible performance than the industry peers. The Audit Committee is also confident in the Internal Audit Department's competency, which consists of personnel with qualifications, skills, and experiences, enabling them to perform their auditing duties to cover various aspects efficiently.

The Committee's opined that for FY2020/21, the Company's financial reports were accurate, in compliance with generally accepted accounting standards and International Financial Reporting Standards. The Company also conducted operations in compliance with the laws and all obligations by incorporating proper risk management systems, internal controls, internal audit, and corporate governance.

On behalf of the Committee



Mr. Abdul Khudus Bin Mohd Naaim
Chairman of Audit Committee