

THE REPORT OF THE AUDIT COMMITTEE

DEAR SHAREHOLDERS OF MBK PUBLIC COMPANY LIMITED

The Audit Committee of MBK Public Company Limited consists of three following independent directors with qualifications and expertise in accounting, finance, law, and management as follows:

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| 1. | Professor Paichitr Rojanavanich | Chairman of the Audit Committee |
| 2. | Mr. Pracha Jaidee | Member of the Audit Committee |
| 3. | Mr. Kasama Punyagupta | Member of the Audit Committee |

Ms. Yupapun Paritranun, Senior Executive Vice President, Internal Audit Division, acts as the Secretary of the Audit Committee.

The Audit Committee has performed its duties in accordance with terms of reference identified in the charter of the Audit Committee which is assigned by the Board of Directors. It also complies with good practice of the Stock Exchange of Thailand. In the accounting period of the year 2018, the Audit Committee convened a total of 16 meetings in order to consider issues. The relevant issues were discussed by the Audit Committee, with the Management Team, the Internal Audit Division, and auditors. Specific meetings with the Management Team and specific meetings with the auditors in the absence of the Management Team were also held. The report of the meeting was submitted to the Board of Directors for acknowledgement every time. The main points can be summarized as follows:

The Financial Statement Reports

The Audit Committee, together with the auditors, executives from the Finance and Administration Division, and the Internal Audit Division, reviewed the Company's quarterly and the yearly financial statements as well as the consolidated financial statements of the Company and its subsidiaries by verifying the accuracy and completeness of the financial statements, key adjusting entries, forecasting in accounting, the suitability of the accounting policy, auditors' opinions on the Key Audit Matters (KAMs), auditing standard, and Thailand's financial reporting standard which was changed, information disclosure in the financial statement which was sufficient, in-time, and useful for financial statements' users. The auditors gave unqualified opinions on the Company's financial statement that was accurate and trustworthy according to the financial reporting standard.

The Related Transactions or Potential Conflict of Interest Transactions

The Audit Committee considered and gave opinions about related transactions or transactions that might give rise to a conflict of interest with the Company and its subsidiaries, prior to report to the Board of Directors or shareholders as specified, with the principles of integrity, precautions, rationality, transparency and taking the interest of the Company and stakeholders into account. Information was sufficiently disclosed and consistent with the Good Governance policy and the regulations imposed by the Stock Exchange of Thailand.

The Internal Control and Risk Management

The Audit Committee verified the adequacy of the internal control system and risk management, as well as anti-corruption measures, whistle-blowing, and complaints regarding the Company and its subsidiaries by considering performance, asset management, prevention of damage or corruption, obedience to law, rules and regulations. The Audit Committee also reviewed significant reports provided by the Internal Audit Division and the auditors, amended the Key Audit Matters according to the audit reports, and acknowledged the organization's key risk management. The Audit Committee gave opinions on the assessment of the suitability and the efficiency of the Company's internal control system and its risk management.

The Compliance with Rules and Regulations

The Audit Committee verified the Company's performance in order to ensure that it was compliant with law and stipulations imposed by the regulatory authorities, as well as acknowledged changes of rules and regulations which had an impact on the Company's business operations.

The Good Corporate Governance

The Audit Committee verified the management, compliance with the policy and anti-corruption measures taken by the Company and its subsidiaries which participated in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

The Internal Audit

The Audit Committee reviewed the Charter of the Audit Committee and the Charter of the Internal Audit Division, considered the independence, the efficiency, and the effectiveness of the Internal Audit Division, its scope of responsibilities, annual audit plans and performance as planned. The Audit Committee also considered the audit reports, monitored solutions to significant issues mentioned in the audit reports, acknowledged complaints, whistleblowing, and results from investigations of such matters aforementioned, and giving advice on how to improve the audit performance to be more efficient according to international standards for internal auditing. The committee also considered the sufficiency and suitability of budgets, the personnel, training and personnel development. In addition, the committee considered Key Performance Index (KPI) and evaluated the annual performance of the Senior Executive Vice President and employees of the Internal Audit Division.

Considering the Selection of Auditors and Their Remuneration

The Audit Committee selected and considered the remuneration of the auditors of EY Office Company Limited by considering the auditors' qualifications, knowledge, capabilities, experiences, and independence which were in accordance with the regulations of the Stock Exchange of Thailand or other involving agencies, and the quality of auditing in the previous year. The Audit Committee approved that the auditors from EY Office Company Limited had good understanding of the Company's business and regularly delivered their work in a timely manner. Therefore, the Audit Committee proposed to the Board of Directors for approval given by the Annual General Meeting of Shareholders in order to appoint EY Office Company Limited as the Company's auditor for the year 2018.

The Audit Committee carried out its duties assigned by the Board of Directors, which conformed to the Charter of the Audit Committee, by exercising knowledge, abilities and precautions, prudence, independence, giving straightforward opinions according to principles of the Good Corporate Governance. The Audit Committee deemed that during the accounting period ended on 31st December 2018, the Company provided the accurate financial statement according to the financial reporting standard and sufficient information disclosure. For the business operations, the Company had the internal control system and appropriate risk management and complied with the stipulations and related laws.



Professor Paichitr Rojanavanich

Chairman of the Audit Committee

22nd February 2019