



Message from Chairman of the Audit Committee



In 2016, the Audit Committee has performed its duties independently according to the scope, duties and responsibilities assigned by the Board of Directors, in alignment with the requirements and the best practice guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand. In 2016, the Audit Committee has held 5 meetings with the executives, the external auditor and the internal auditor, in which all members of the Audit Committee attended every meeting in order to consider issues/problems, to exchange the opinions, to listen to a clarification and to provide useful suggestions to the Company's management. The summarized main points are as follows:

1. To review the quarterly financial report and the financial report for the year 2016, by making an inquiry on issue/problems and listening to a clarification from the external auditor regarding completeness, accuracy, reliability of the Company's financial statement as well as adequacy disclosure of sensitive information and changes in key accounting policies/practices. The auditor report for the year 2016 was changed to be a new form in compliance with Federation of Accounting Professions especially in writing about the important findings from the audit for the highest benefits of the financial reports users. The Committee and the external auditor held a meeting in the absence of the Management to discuss independently regarding any material matters. The Committee findings determined that the Company's financial statements present fairly, in all material aspects, in accordance with generally accepted accounting principle, and the external auditor expressed an unqualified opinion.

2. To consider the report of internal audit findings and the evaluation results of internal control system as well as risk evaluation and analysis on various key systems, and the Committee concluded that the Company's internal audit system was adequate, appropriate, and effective. In case the Audit Committee considers that there was a point that can improve or enhance the internal control system to be more efficient or more effective, the recommendations from the Committee were given to the Company's Management which providing the cooperation very well. Also, the Committee considered that the Company's internal audit operations were in line with internal audit guidelines prescribed by the Stock Exchange of Thailand and Standards for the Professional Practice of Internal Auditing, which aim at independence, fairness and neutrality. In 2016, the Audit Committee assigned additional work for an internal auditor to examine information technology system to ensure its security according to international standard.

3. To consider the report on compliance with the laws governing securities and exchange market, regulations of the Stock Exchange of Thailand and other laws related to the Company's businesses as well as compliance with the Company's rules and regulations, including the system on connected and conflict of interest transactions (if any) to be operated correctly and in line with the requirement of relevant organizations.



4. To consider the operations on risk management in which the Company formulated the Risk Management Policy and set up the Risk Management Committee, by considering and providing opinions on the Charter of Risk Management Committee and the operational plan as well as a focus on building the understanding of risk management to key related parties, which are the Board of Directors, executives and persons who are responsible for risk management of each business unit and also reviewed the evaluation of risk management committee that the Company selected to perform risk management task.

5. The Audit Committee has considered the performance of an external auditor from PricewaterhouseCoopers ABAS Co., Ltd. and concluded that such external auditor is an expert in the profession, independent and has performed his duty well and effectively. Then, the Committee proposed the appointment of Mr.Chanchai Chaiprasit, CPA No. 3760/ or Mr.Pisit Thangtanakul CPA No. 4095 /or Miss Napanuch Apichartsatian CPA No. 5266 from PricewaterhouseCoopers ABAS Co., Ltd., any of the above auditor as the Company's external auditor for the year 2017 and express the opinion on the financial reports for the year 2017 to the Board of Directors, which will in turn submit it for the approval at the shareholder annual general meeting. If the auditor in the above list cannot perform the work, PricewaterhouseCoopers ABAS Co., Ltd. shall find other auditor to replace the auditors listed above.

6. To consider and approve the internal audit plan for the year 2016, by focusing on preparing internal audit plan both for the Company and its subsidiaries to be consistent with the evaluation result of internal control system, the assessment and analysis on various key activities as well as the evaluation on risk management of the organization and audit the anti-corruption.

Apart from the above report, in 2016 the Company expanded its investment in property development business by acquiring shares of V Brilliant Group Holding Co., Ltd., a property developer who owns several potential projects in Bangkok and vacant land plots in the provinces. Such investment enabled the Company to have additional 5 subsidiary companies. In addition, the Company owned 1 office building for rent which is Bangkok Business Center building and 1 serviced apartment namely "Somerset Ekamai Bangkok". The share purchase of V Brilliant Group Holding Co., Ltd. was a connected transaction. The Audit Committee reviewed and did not have opinion in conflict with the Board of Director and Independent Financial Advisor.

The Audit Committee performed their duty prudently and independently and was able to express the opinion for the benefit of the Company with the co-operation from the executives and employees of the Company for the access of information. The Audit Committee concluded that the Company has prepared the financial reports with adequate disclosure according to financial reporting standard as well as has implemented effective risk management system and internal control system as well as good corporate governance system.

(Mr. Yarnsak Manomaiphiboon)
Chairman of the Audit Committee
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