

## NOTIFICATION OF THE STOCK EXCHANGE OF THAILAND

### Re: Qualifications and Scope of Work of the Audit Committee, 2008

By virtue of clause 5(7)(a) of the Regulations of the Stock Exchange of Thailand Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities, 2001, dated 22 January 2001, the Stock Exchange of Thailand hereby issues the following regulations:

1. This Notification shall come into force on 1 July 2008. **Effectiveness**
  2. The Notification of the Stock Exchange of Thailand Re: Qualifications and Scope of Work of the Audit Committee (No.1), 1999, dated 28 June 1999, shall be repealed. **Repealing provision**
  3. In this Notification:  
  
“Company” means an applicant or a listed company; and  
  
“Connected Transaction” means a connected transaction according to the regulations of the Exchange, or a transaction between the Company or its subsidiary, and its director, management member or related person according to the law on securities and exchange. **Definitions**
  4. The composition and qualifications of a Company’s audit committee must be in accordance with the rules prescribed under the Notification of the SEC. **Composition and qualifications**
  5. The Company shall report on a resolution to appoint an audit committee, and prepare a list and scope of work of its audit committee in the form as prescribed by the Exchange. Such list and scope of work must be submitted to the Exchange in accordance with the procedures under the Exchange’s regulations relating to reporting via an electronic media. **Notification of names and scope of work**
- If a member of its audit committee vacates the office prior to the expiry of his term, the Company shall notify the Exchange of their vacation from office, and the reason thereof, without delay. Such notification shall be given to the Exchange in accordance with the procedures under the preceding paragraph.
6. The Company shall submit the representation letters and curriculum vitae of the members of its audit committee to the Exchange within 3 (three) business days from the date on which its board of directors meeting or shareholders meeting passes a resolution to appoint those committee members. **Submission of representation letters and curriculum vitae of audit committee members**
  7. An audit committee has the duties as delegated by the Company’s board of directors, as follows:
    - (1) to review the Company’s financial reporting process to ensure that it is accurate and adequate;
    - (2) to review the Company’s internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit’s independence, as well as to approve the appointment, transfer and**Duties and responsibilities**

dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit;

(3) to review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business;

(4) to consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year;

(5) to review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company;

(6) to prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:

(a) an opinion on the accuracy, completeness and creditability of the Company's financial report,

(b) an opinion on the adequacy of the Company's internal control system,

(c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,

(d) an opinion on the suitability of an auditor,

(e) an opinion on the transactions that may lead to conflicts of interests,

(f) the number of the audit committee meetings, and the attendance of such meetings by each committee member,

(g) an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and

(h) other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and

(7) to perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

In its performance of duties under the first paragraph, the audit committee must be directly responsible to the Company's board of directors, while the

Company's board of directors shall remain responsible to third parties for the operations of the Company.

In the case that the audit committee's duties are changed, the Company shall report on a resolution to change its duties, and shall prepare a list and scope of work of the audit committee according to such change in the form as prescribed by the Exchange. Such list and scope of work must be submitted to the Exchange within 3 (three) business days from the date on which the change is made in accordance with the procedures under the Exchange's regulations relating to reporting via an electronic media.

8. In its performance of duties, if it is found or suspected that there is a transaction or any of the following acts which may materially affect the Company's financial condition and operating results, the audit committee shall report it to the board of directors for rectification within the period of time that the audit committee thinks fit:

**Reporting to the board of directors or relevant authorities**

- (1) a transaction which causes a conflict of interest;
- (2) any fraud, irregularity, or material defect in an internal control system; or
- (3) an infringement of the law on securities and exchange, the Exchange's regulations, or any law relating to the Company's business.

If the Company's board of directors or management fails to make a rectification within the period of time under the first paragraph, any audit committee member may report on the transaction or act under the first paragraph to the Office of the Securities and Exchange Commission or the Exchange.

9. The audit committee members of a listed company that files an application for listing the ordinary shares or the offer for sale of its newly issued shares with the Office before 1 July 2008, who is appointed by its annual general meeting of shareholders held in 2009 onwards, and is appointed by board of directors meeting or shareholders meeting as a member of the audit committee must possess the composition and qualifications of the audit committee members according to the Notifications of the SEC, except for the qualifications of the audit committee members which are determined based upon the past period according to clause 19(2)(a) and (b) of the Notifications of the SEC applicable to a member of the audit committee of the listed company who is appointed by its annual general meeting of shareholders held in or after 2010 and is appointed by board of directors meeting or shareholders meeting as a member of the audit committee.

**Transitory provision**

The audit committee members of a listed company that files an application for the offer for sale of its newly issued shares with the Office on or after 1 July 2008, who is appointed by its annual general meeting of shareholders held in or after 2010, must possess the qualifications which are determined based upon the past period according to clause 19(2)(a) and (b) of the Notification of the SEC.

The provisions regarding the composition and qualifications of the audit committee members under the Notification of the Stock Exchange of Thailand Re: Qualifications and Scope of Work of the Audit Committee (No. 1), 1999, dated 28

June 1999, shall remain applicable to the audit committee members who are appointed before the Company's annual general meeting of shareholders held in 2009 or 2010, as the case may be, according to the first or second paragraph, until they vacate from office upon the expiry of their term.

**10.** The audit committee members of a listed company that files an application for listing the ordinary shares or the offer for sale of its newly issued shares with the Office before 1 July 2008 has the duties as prescribed in this notification from the date of annual general meeting of shareholders held in 2009 onwards.

The provisions regarding the duties of the audit committee members under the Notification of the Stock Exchange of Thailand Re: Qualifications and Scope of Work of the Audit Committee (No. 1), 1999, dated 28 June 1999, shall remain applicable until the audit committee members of a listed company under the first paragraph shall have the duties according to this notification.

Notified on this 9<sup>th</sup> day of June 2008.

(Mrs. Patareeya Benjapolchai)  
President

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Rationale of the Notification: The Exchange deems it appropriate to revoke the stipulations regarding the audit committees' composition and qualifications in order to eliminate their repetition with the rules of the Office of the Securities and Exchange Commission. Furthermore, in order to strengthen the roles and clarify the functions of the audit committees, the Exchange has added the audit committees' duty to determine the independence of an internal audit unit, and prescribed the details of the audit committees. Hence, it is expedient to issue this Notification.

**Form to Report on Names of Members and Scope of Work of the Audit Committee**

The Board of Directors meeting/shareholders meeting of .....(company's name).....  
 No. .... held on .....(date)..... resolved the meeting's resolutions in the following  
 manners:

- Appointment of the audit committee/Renewal for the term of audit committee:  
 Chairman of the audit committee       Member of the audit committee

As follows:

- (1) .....
- (2) .....
- (3) .....
- (4) .....

, the appointment/renewal of which shall take an effect as of .....(date).....

Determination/Change in the scope of duties and responsibilities of the audit committee with the  
 following details:

.....  
 .....  
 .....

, the determination/change of which shall take an effect as of .....(date).....

The audit committee is consisted of:

- 1. Chairman of the audit committee ..... remaining term in office ..... year(s)
- 2. Member of the audit committee ..... remaining term in office ..... year(s)
- 3. Member of the audit committee ..... remaining term in office ..... year(s)
- 4. Member of the audit committee ..... remaining term in office ..... year(s)

Secretary of the audit committee .....

Enclosed hereto is ..... copies of the certificate and biography of the audit committee. The  
 audit committee number(s) ..... has/have adequate expertise and experience to review creditability of  
 the financial reports.

The audit committee of the company has the scope of duties and responsibilities to the Board of Director on the following matters:

1. ....
2. ....
3. ....
4. ....
5. ....
6. ....
7. ....
8. ....

The company hereby certifies that

1. The qualifications of the aforementioned members meet all the requirements of the Stock Exchange of Thailand; and
2. The scope of duties and responsibilities of the audit committee as stated above meet all the requirements of the Stock Exchange of Thailand

Signed ..... Director

( )

(Seal)

Signed ..... Director

( )

**Certificate and Biography of  
Director/the Audit Committee Member**

Whereas I, .....(name-surname)..... (former name-surname, if any)....., have been appointed to be .....(position)..... of the .....(company's name)..... effective from .....(date) ....., my background and personal information is as follows:

1. Personal Information

1.1 Citizen ID number or passport number .....

1.2 Nationality (current) ..... Former nationality (if any) .....

1.3 Date of birth ..... age ..... year(s)

1.4 Current address .....

1.5 Present occupation / Place of work .....

1.6 Education

.....

.....

1.7 Work experience in the past 5 years (please identify company's name, job title, and relevant

B.E. year )

.....

.....

1.8 Offence record subject to or pending action or punishment pursuant to the law in relation to securities and exchange, or derivatives contract, or the law in relation to financial system (please identify B.E. year of incident, accusation, and the trial verdict/punishment).....

.....

1.9. Number of shareholding(s) in the company

	Number of shares (Shares)	Percentage of total shares with voting right
I		
Spouse Name-surname .....		
Former name and surname (if any) .....		
Minor Children (Name - Surname / Age)		
1. Name..... age..... year(s)		
2. Name..... age..... year(s)		
3. Name..... age..... year(s)		

Juristic Person(s) as the related persons according to the Notification of the SEC  1. .... 2. .... 3. ....		
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1.10 Number of shares held in the company, its parent company, subsidiary, affiliated company, and other juristic person(s) with potential of conflict of interest of the applicant company or the listed company as of .....(date) ..... (please specify details pursuant to the rules of SEC)

1.10.1 Name of company ..... Number of holding shares ..... representing ..... % of total shares with voting right of the company

1.10.2 Name of company ..... Number of holding shares ..... representing ..... % of total shares with voting right of the company

1.10.3 Name of company ..... Number of holding shares ..... representing ..... % of total shares with voting right of the company

(Shareholding stated above shall include those shareholdings of related persons under section 258 of the Securities and Exchange Act)

2. I hereby certify to the Stock Exchange of Thailand that I possess qualifications of management or person who has controlling power in accordance with requirements of the Office of Securities and Exchange Commission Re: Permission Application and Permission for Issuance of Newly Issued Shares, and possess all qualifications as prescribed by the Stock Exchange of Thailand.

3. I, holding an office as, (for audit committee only)

- Chairman of the audit committee
- Member of the audit committee

by the appointment made by the Company's board of directors/shareholders meeting No. .... , held on .....(date) ....., hereby certify further to the Stock Exchange of Thailand as follows:

3.1 I possess all the qualifications of the audit committee as prescribed by the Stock Exchange of Thailand;

3.2 I fully understand the scope of duties and responsibilities in performing duties as and audit committee's member as appointed and stipulated by the Board of Directors of .....(company's name) .....

3.3 I fully understand the scope of duties and responsibilities as prescribed by the Stock Exchange of Thailand;

3.4 I

- have no adequate expertise and experience to audit creditability of the financial reports.
- have (please specify details in 1.6 and 1.7)

I hereby certify that any of the aforementioned information provided to the Stock Exchange of Thailand is correct, complete, and represent the truth in all aspects.

This certificate and my biography are provided on .....(date).....

Signed .....

(.....)

Title .....