

CENTRALRETAIL

Charter of the Audit Committee

Central Retail Corporation Public Company Limited

(18 December 2024)

Charter of the Audit Committee

1. Purpose

The Audit Committee is a sub-committee established to support the Board of Directors in governance and screening of management, internal control and the related law compliance, as well as preparation of financial reports for the transparency and reliability of Central Retail Corporation Public Company Limited (CRC)'s information disclosure.

2. Composition

The Audit Committee consists of at least three (3) independent directors with at least one (1) of the Audit Committee members should have adequate knowledge and experience in accounting or finance to review the reliability of financial statements.

The Audit Committee shall appoint a secretary to the Audit Committee to assist the operation of the Audit Committee regarding meeting appointments, meeting agenda preparation, meeting supporting document submission and minute taking.

3. Qualification of the Audit Committee

The Audit Committee members must possess the following qualifications:

(1) CRC's directors who are fully qualified as independent directors according to principles and conditions set by SEC, Thai Capital Market Supervisory Board and SET.

(2) Not be the director to whom the Board of Directors grants authority to decide in the operation of CRC, its parent company, subsidiary, associated company, a same-level subsidiary, major shareholder or controlling person.

(3) Not being a director of the registered parent company, subsidiary or a same-level subsidiary.

(4) Having adequate knowledge and experience in duties as a member of the Audit Committee. At least one (1) Audit Committee should have knowledge or experience in accounting and finance to review the reliability of the financial statements. Constantly gain knowledge regarding CRC's operation to improve the efficiency of the Audit Committee.

4. Term of Office and Selection of the Audit Committee

The Board of Directors appoints CRC's independent directors as members of the Audit Committee, with the same term of office as that of the directors. Also, the Audit Committee members who are expired from their terms may be reappointed. Members who wish to resign before the end of their terms must inform and submit their resignation letters with a reason to CRC within a proper time prior.

In case that any Audit Committee members are expired from their terms or unable to hold the positions until the end of their terms, resulting in CRC having less than three (3) members of the Audit Committee; the Board of Directors should propose a resolution to appoint a new Audit Committee member in order to complete the Committee immediately or no later than three (3) months from the date of incompleteness to ensure continuity in operation.

5. Authorities, Duties and Responsibilities

(1) Review the financial reports for accuracy, completeness, credibility, and timely information disclosure by coordinating with the external auditor and executives responsible for preparing quarterly and annual financial reports including review the consistency of the information in the financial report with other information, such as Management Discussion & Analysis, annual report, and company information etc.

(2) Review the significant non-ordinary transactions (if any) by considering the transactions' reasonableness and the impact to the financial position and performance of CRC as well as the accuracy and completeness of information disclosure.

(3) Review CRC's and its subsidiaries' internal control and internal audit systems both domestic and abroad continuously and regularly to ensure they are suitable and effective to keep up with changes and business expansion and able to detect irregularities and prevent frauds that may occur in transactions of overseas companies.

(4) Review CRC's measure and risk management system.

(5) Oversee the independence of the Internal Audit Department, with the following key actions:

- Establish a direct reporting line of the Head of Internal Audit and the Internal Audit Department and require that the Head of Internal Audit be positioned at a level in the organization that enables internal audit services and responsibilities to be performed without interference from management.
- Consider the appointment and removal of the Head of Internal Audit by reviewing the requirements necessary for the Head of Internal Audit to manage the Internal Audit Department and approve the Head of Internal Audit's roles and responsibilities and identify the necessary qualifications, experience, and competencies.
- Provide input to senior management to support the performance evaluation and remuneration of the Head of Internal Audit.
- Provide the Head of Internal Audit with opportunities to discuss significant and sensitive matters with the board, including meetings without senior management present.
- Engage with senior management and the Head of Internal Audit to establish appropriate safeguards.
- Engage with senior management to ensure that the internal audit function is free from interference.

(6) Consider and give consent on the annual budget, headcount and resources necessary for the Internal Audit Department by collaborating with senior management to provide the Internal Audit Department with sufficient resources, approve the annual audit plan and its significant revision, ensure the performance of the Internal Audit Department is in accordance with the approved annual audit plan and the international professional auditing standards, conduct the annual evaluation of the internal audit work and engage the external independent agency to assess the internal audit work at least every five (5) years that at least one person holds an active Certified Internal Auditor® designation (CIA). Moreover, the Audit Committee shall meet with the Head of Internal Audit, without the presence of management, at least once a year to discuss on significant matters.

(7) Ensure CRC's compliance to the laws on securities and exchange, regulations and announcements of the Stock Exchange of Thailand and the related laws applicable to CRC and/or its businesses. Regularly acknowledge the progress of the significant issues regarding to the compliance of the related regulations and laws.

In the case an External Auditor reports any suspicious behavior of directors, managers, or any person responsible for the operations of the company, the Audit Committee must consider at least the following matters:

- (a) consider the significance and risk of the matter to the company and investors, such as the impact on the financial position, operating results, and reliability of the company's financial report preparation, etc. If the Audit Committee considers that it may significantly affect the rights of shareholders or have the issues that shareholders shall be informed immediately. The Audit Committee shall expedite the company to disclose preliminary information to investors as soon as possible.
- (b) consider the person who may be involved in suspicious behavior. If the Company found that the directors and executives may be involved in the above activities. The Audit Committee must take action to ensure that the investigation process is independent and not under the control of those involved in suspicious behavior.
- (c) consider measures or guidelines to restrain suspicious behavior to mitigate the impact that may occur on both the company and shareholders.
- (d) consider measures to leverage the company's internal control system to prevent suspicious behavior in the future.

Moreover, the Audit Committee shall report the progress to the SEC and the external auditor periodically until completed. The content of the report should reflect the above considerations.

(8) Consider, nominate, and propose the independent person as CRC's external auditor, suggest the compensation of the auditors by considering the scope of engagement and the service period of

external auditor and attend meetings with auditors without the presence of management at least once (1) a year and propose to discharge of the auditors.

(9) Review the Connected Transactions or transactions with possible conflict of interests and review the significant Material transactions (MT) that are approved by the Board of Directors' meeting or the shareholders' meeting to be in line with the laws regarding securities and exchange, regulations and announcements of the Stock Exchange of Thailand and the related laws applicable to CRC and/or its businesses at least the following items:

- (a) reasonableness of the transaction
- (b) detail and existence of any parties
- (c) rewards and related risk especially the legal risk
- (d) impact on financial position and operating result
- (e) entering into the Material transactions & Connected transactions frequently
- (f) entering into the transaction on abroad
- (g) changing the main business and new business expansion significantly

Including additional consideration on the appropriateness of policies related to business, and investment and liquidity plans, etc.

In this regard, the connected transactions, or transactions with possible conflict of interest and material transactions (MT) which the Management is authorized to approve. The Audit Committee shall consider having a system or process for management to report such transactions, along with continuously considering the reasonableness of transactions.

In addition, after the connected transactions, or transactions that may have conflicts of interest and MT transactions are approved, the Audit Committee shall follow up and inquire about the progress of the transactions from the Management, along with following up on investment and disclose and report the progress to shareholders regularly and appropriately, at least in the following matters.

- (a) progress of entering the transaction by considering in accordance with the plan that requests approval from the Board of Directors or shareholders.
- (b) if the Company cannot proceed with the plan, it shall disclose factors or incidents that affect it, including assessing risks that may arise.
- (c) if the funding is raised by issuing and offering securities (stocks or bonds) to invest in MT & RPT transactions, the Company shall report the purpose of spending money to investors acknowledge.
- (d) in case the actual operations are not performed to the plans, or the estimated financial projections are significantly different from those previously disclosed to shareholders.

The Audit Committee shall monitor progress by considering various information to oversee abnormalities in the overall and to avoid the case where the company disclosed the information to create the company's stock price for the benefit of any group of people.

(10) Prepare the Audit Committee report to present to the Board of Directors, which will be included in its annual reports, signed by the Chairman of the Audit Committee, and consists of at least the following information:

- (a) opinions on the accuracy, completeness, and reliability of CRC's financial reports
- (b) opinions on the adequacy of CRC's internal control system
- (c) opinions on the compliance of the laws regarding securities and exchange, regulations and announcements of the Stock Exchange of Thailand and the related laws applicable to CRC and/or its businesses
- (d) opinions on the suitability of the auditors
- (e) opinions on the transactions with possible conflict of interest
- (f) number of Audit Committee meetings and the attendance rate of each Audit Committee members
- (g) overall opinions or suggestions from Audit Committee on its duties in accordance with its charter
- (h) other transactions which, according to the Audit Committee's opinion, should be known to shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors.

(11) Inspect or question any relevant personnel and hire or bring in specialists to assist with the auditing process with the expenses borne by CRC.

(12) Report to the Board of Directors in order that remedial action can be taken within the timeframe which the Audit Committee deems appropriate in case the Audit Committee finds or suspects any misconducts as follows:

- (a) any transaction which causes a conflict of interest
- (b) any fraud, irregularity, or significant defect in an internal control system; or
- (c) any violation of the law on securities and exchange, the Stock Exchange of Thailand's rules and notifications and laws applicable for CRC and/ or its business.

If the Board of Directors fails to rectify the matter within the specified period, one of the Audit Committee shall disclose such transaction or act to the Securities and Exchange Commission or the Stock Exchange of Thailand.

(13) Review the Company's anti-corruption procedure in accordance with guidelines of the regulatory agencies e.g. Thai Private Sector Collective Action against Corruption (CAC), Thai institute of Directors (IOD) including review the CAC's self-checklist with anti-corruption measures that apply for certification or renew certification to CAC.

(14) Consider commenting the exercise of rights or denial the rights regarding the investment opportunities in the domestic and international retail businesses similar to CRC's business and may be competing against CRC's business, including the partial investment in such business opportunities with

Flagship Company Letter of Undertakings between CRC and Harg Central Department Store Limited, CRC's major shareholder. The suitability of the investment should be subject to consideration of related factors, such as risks, return on investment and rationale of the transactions, before proposing for approval to the Board of Directors.

(15) Consider details related to the fundraising, such as the possibility of investment, the suitability of value and funding channels, the Company's capital structure, the investment contract, the adequacy of the funds raised from fundraising used to invest in the project and ensure that the Company has a mechanism to oversee and monitor the fundraising correctly and appropriately according to the purpose that have been disclosed. If the fund is not used according to its purpose, the Company must expedite and define the measure to prevent. Moreover, conduct the company to report and disclose information of the spending from fundraising to shareholders appropriately, consistently, and according to the reporting period specified by the regulations, and report to the Company's Board of Directors.

(16) Request additional information from various units of CRC and its subsidiaries for considerations.

(17) Discuss with the Head of Internal Audit and senior management the appropriate authority, role, and responsibilities of the Internal Audit Department and other topics that should be included in the internal audit charter.

(18) Support the Internal Audit Department to enable it to fulfill the purpose of Internal Auditing and pursue its strategy and objectives.

(19) Communicate with the Head of Internal Audit to understand how the Internal Audit Department is fulfilling its mandate, including communicating the board's perspective on the organization's strategies, objectives, and risks to assist the Head of Internal Audit with determining internal audit priorities and set expectations with the Head of Internal Audit.

(20) Review and suggest the Board of Directors to consider revising the Audit Committee Charter to the current situations or at least once (1) a year.

(21) Assess and review the performance in the previous year in the performance report and submit the Board of Directors at least once (1) a year.

(22) Conduct other duties assigned by the Board of Directors, with the agreement of Audit Committee.

6. Meeting

(1) The Audit Committee shall meet at least four (4) times per year according to the financial reports. The Chairman of the Audit Committee may call special meetings, if requested by the Audit Committee members, the internal auditor, external auditor or the Chairman of the Board of Directors, to consider other urgent matters as deems appropriate.

(2) The Audit Committee shall meet with CRC's auditor and Head of Internal Audit, without the presence of management, at least once a year, either during the special or normal meeting.

(3) In order to call the Audit Committee's meetings, the Chairman of the Audit Committee or designated person shall send the meeting notice along with agenda items and relevant documents to all members of the Audit Committee via an electronic channel no less than seven (7) days prior to the meeting date so that the Audit Committee members have sufficient time to consider the meeting documents. Except in case of necessity and urgency to preserve the right and benefit of CRC, the meetings may be called by other methods or designated on earlier date.

7. Quorum and Voting

(1) The quorum of the Audit Committee's meetings must consist of no less than half of the Audit Committee members. In case the Chairman of the Audit Committee is not present at the meeting or unable to perform her duty, the Audit Committee members present at the meeting are required to select one member to become the Chairman of the meeting.

(2) The resolution of the meeting shall be passed by majority votes of the members present at the meeting.

(3) Each member has one (1) vote. Any member, who has a conflict of interest in any matter for consideration, has no right to vote on such matter. In the event that there are equal votes, the Chairman of the meeting has a casting vote.

(4) The Chairman of the Audit Committee or the person designated by the Chairman of the Audit Committee reports the meeting results to the next Board of Directors' meeting.

The Charter of the Audit Committee dated November 13, 2023, is no longer applicable and will be replaced by this charter, effective from December 18, 2024, onwards.

-Signed-

(Dr. Prasarn Trairatvorakul)
Chairman of the Board of Directors
Central Retail Corporation Public Company Limited