

CENTRALRETAIL

Charter of the Audit Committee

Central Retail Corporation Public Company Limited

(21 January 2021)

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 the Company'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) The Company'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 the Company, 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 the Company'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 the Company'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 the Company 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 the Company 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.

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

(3) Review the Company's internal control and internal audit systems to ensure they are suitable and effective.

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

(5) Consider the internal audit unit's independence as well as approve the appointment, transfer and dismissal of the Head of the Internal Audit Department or any other unit in charge of internal audit.

(6) Consider and give consent on the annual budget, headcount and resources necessary for the Internal Audit Department, 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. 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 the Company's compliance to the laws on securities and exchange, regulations and announcements of the Stock Exchange of Thailand and the related laws applicable to the Company and/or its businesses. Regularly acknowledge the progress of the significant issues regarding to the compliance of the related regulations and laws.

(8) Consider, nominate, and propose the independent person as the Company's external auditor, suggest the compensation of the auditors 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 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 the Company and/or its businesses to ensure the reasonableness of the transactions and the utmost benefits of the Company.

(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 the Company's financial reports;
- (b) opinions on the adequacy of the Company'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 the Company 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 the Company.

(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 the Company 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 and give consent on the policy and report on the good corporate governance, the social responsibility and the anti-corruption.

(14) Consider commenting the exercise of rights or denial the rights regarding the investment opportunities in the domestic and international retail businesses similar to the Company's business and may be competing against the Company's business, including the partial investment in such business opportunities with Flagship Company Letter of Undertakings between the Company and Harn Central Department Store Limited, the Company'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) Request additional information from various units of the Company and its subsidiaries for considerations.

(16) 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.

(17) 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.

(18) 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 the Company's auditor, 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 the Company, the meetings may be called by other methods or designated on earlier date.

7. Quorum and Voting

(1) The quorum of the Audit Committee' 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.

This charter of the Audit Committee is effective from 21 January 2021 onwards.

- Signed -

(Dr. Prasarn Trairatvorakul)

Chairman of the Board of Directors

Central Retail Corporation Public Company Limited