

Corporate Governance Report from Audit Committee

To: Shareholder

The Audit Committee of Rayong Wire Industries Public Company Limited consists of 3 independent qualified members whom qualified during the year 2018. There are 5 times of arranging the meeting of Audit Committee in the year. The name list of the Audit Committee and meeting attendance are as follows:

			Number of Time
Mr. Worawit	Siriwatwimol	Chairman of Audit Committee	5/5
Mr. Wichian	Sopanpanichkul	Audit Committee	5/5
Ass.Prof. Pison	Udomworarat	Audit Committee	5/5

The Audit Committee implement any missions freely under the boundary, duty and responsibility in accordance with approved charter from the Board in order to audit the company to have sufficiency governance and comply with the good rules and regulations of the Audit Committee of the Securities and Exchange Commission of Thailand. The committee arranged meeting for consideration and discussion on any crucial matters with the executive, auditors, internal auditors and report any implementations and suggestions to the Board in every quarter in order to perform any approved activities by the Board. There could be concluded as follows:

Financial Report

- The committee audited financial data quarterly and annual report of 2018 in which already audited by the auditor. Moreover, the committee invited the executive members and auditors to the meeting for discussion on completely and correctly auditing prior to approve a financial report, the list of modified account which could significantly affect to such financial report, sufficiency of disclosing data and observations of auditors, the committee are required to agree on report of the Board of Accounting and Financial of the company, on the ground of such report was made correctly in accordance with the laws and such financial report standard, using a policy with reliability and on time, reasonable policy including disclose crucial data with sufficient reasons in the remark of financial statement completely, and be useful for whom may use the financial statement. In addition, the committee had arranged a specific meeting once with auditors without attendance of the managing department, for discuss about auditing plan, independence of implementation and suggestion by auditors, and emphasize to present data correctly, complete and sufficiency data.

Internal control system and internal audit

Risk management and good governance

- The committee audited the company to have an effective and potential internal audit system by considering from the summary internal auditing report and follow up the report from the internal auditors in every quarters in accordance to an approved plan which covered all significant works of the company and gave useful advices for an internal audit system to be more potential, and considered and revised an internal audit system of the company according to the assessment of COSO in 2013 of the Securities and Exchange Commission of Thailand. Hence, any defects which could affect crucially to the company were not found. These could illustrate that the company emphasize on an internal audit system in which able to reasonably ensure that the company having sufficiency internal audit system with potential and effective.

- The committee had governed an internal audit implementation by checking on the boundary of works and duty, responsibility, independence and sufficiency personnel in the unit, to ensure that an internal audit implementation had done reasonably and potentially. Moreover, the committee considered and approved audit plan of internal auditors which issuing by level of crucial risk of the company, adjusted the audit plan to comply with the changing risk, and audited implementation by the internal audit plan and work unit evaluation index, internal audit, follow up for an update of the works on internal audit plan. The committee agree that an internal audit system of the company is independence, sufficiency, appropriate and effective. The implementation of internal audit unit was on the designated target, having a good co-operation with the executive department and auditors, and support the audit committee works as well.

- The committee audited the company to have an appropriate and effective risk management by revises on the crucial risk factors of the company which already presented in the annual report.

- Rayong Wire Industries Public Company Limited encourage all employees to have morality and ethical, aware of protection and anti-corruption in order to form a good culture and values of the company by using a policy on anti-corruption which able to point out the trace to the executive and all staffs, and intentionally join the anti-corruption protocol in order to increase effective for governance. The company submit assessment namely "self-evaluation on anti-corruption" for an approval from CAC.

Implementation by the rules

- The committee audit the company relating to performing in accordance with the law on securities and exchange, rules of the SEC, regulations of the Stock Exchange of Thailand, rules of the SEC and other relevant laws on the company business implementation, including any promises between the company and the third parties. The committee found that no any crucial issue contrary to such laws and regulations.

Related report

In-Out asset transaction list

- The committee considered the transaction between the company and person or related juristic person, or the transaction which it may contrary to benefit of the company in accordance and regulation of the SEC and SET, Capital Market Supervisory Commission and any other relevant organizations, in order to ensure that such transaction is reasonable and being utmost benefit for the company. The committee agreed that the report of the Board of accounting and finance line such as trading report or related report of money collaboration, the company proceed according to usual trading condition with reasonable, fair and being utmost benefit for the company, including the transaction carrying important matter and need to be disclosed which already present in the balance sheet with remarks correctly and completely.

- The committee considered on the in-out asset transaction list of the company which a large size and high value and may affect to the financial status and business implementation of the company, in accordance to rules and regulations of the SEC and SET, the Capital Market Supervisory Commission. The committee agreed with the report of the Board of account and finance line that in-out asset transaction, the company had done by designated rules correctly and completely.

Maintaining the audit committee quality

- The committee considered and reviewed the charter of the audit committee to comply with recent situation and approval by the Board every year. Such charter still remain completed and complied with designated duty, and agree that any mission which implemented under the charter were complete.

- The committee audited and evaluated any implementation by self-evaluate according to the charter and good governance policy. From the result could be illustrated that the committee audited effectively and with independent, complying with a good proceeding and the charter, which could be a part to encourage effectiveness to a good governance system.

- The committee issued the report of audit committee implementation and submit to the Board of the company in every quarters. In 2018, the reports were submitted for 4 times.

External auditors

- The committee considered and evaluated independency and works of auditors in 2018. The committee agree that overall works are satisfy, sufficiency independent, and compared auditor fee for the year 2019 which increasing along with the economic in present days. To consider an appropriate such remuneration, the committee agree that to submit for an approval from the shareholders meeting to appoint Mr. Suwatchai Mekamnuaychai, auditor licensing no. 6638, or Mr. Chawla Tianprasertkit, auditor licensing no.4301, or Mr. Kiatniyom kuntisuk, auditor licensing no. 4800, or Mr. Wallop Wilaiworawit, auditor licensing no. 6797 of the Deloitte company as the company auditors for the year

2019, and to approve the fee of balance sheet audit year 2019, fee of audit balance sheet quarterly and fee for overall balance sheet in amount 1,700,000 Bath.

Opinion and overall comment

Due to the implementation of the audit committee in 2018, entrust that the company having account system and financial statement correctly and reliable, having sufficiency and appropriate internal audit system, having effective risk management, having a good governance and having proceed in accordance to the laws and regulations relating to business implementation of the company. The committee used their knowledge, skills, awareness and independence without any limitation of receiving data, resources and co-operation from the executive, staffs and related person; and also giving advice and suggestions creatively and straightforward for fairly benefit to all of interested person.

On Behalf of Audit Committee

A handwritten signature in blue ink, appearing to be 'Worawit Siriwatwimon', is centered on the page.

(Mr. Worawit Siriwatwimon)

Chairman of Audit Committee