

Audit Committee's Report

CAT Audit Committee is comprised of independent directors in the CAT committee of 3 members, who are highly qualified, experienced, legal, financial and administrative organization, was appointed to the Board of Directors. In 2013, there were 2 terms as following : 1) January-September 2013, Mr. Kasem Makarabhiromya as Chairman of Audit Committee, Mr. Kraisorn Barameeauychai and Mr. Montri Sotangkur as members of Audit Committee. During such time, the Board of Directors has appointed Colonel Assistant Professor Dr. Sanpachai Huvanandana as members of Audit Committee replace Mr. Kraisorn Barameeauychai who resigned on 18 July 2013. 2) October-December 2013, Mr. Kasem Makarabhiromya as Chairman of Audit Committee, Mr. Montri Sotangkur and Mr. Taweessin Hirunwatsiri as members of Audit Committee.

The Audit Committee has performed their duties and responsibilities as assigned by the CAT Board of Directors, in accordance with CAT Audit Committee Charter. In 2013, 13 meetings were held among the Audit Committee, the executives management, the auditor (Office of the Auditor General of Thailand) and the internal auditor. The relevant issues are as follows:

1. To verify the Company's financial report and annual financial statements in cooperation with the executives management, Internal Audit Bureau and the auditor concerning the auditing scope, discussed auditing methodology, findings and recommendations on financial statements' completeness, and information disclosure sufficiency. In order to ensure they are accurate and in compliance with generally accepted accounting principles. In addition, the Audit Committee met with the external auditors without management 2 times to determine the scope and approach of the annual audit of the auditor.
The Office of the Auditor General of Thailand (OAG) to be the auditor on Act with the Constitution, the Auditor General BE.2542
2. To verify the company's internal control system in order to ensure its suitability, sufficiency and efficiency for achieving designated goal as well as evaluate internal control system and compliance with the State Audit Commission Regulations on Establishment of internal Control Standard B.E.2544;
3. To verify the Company's risk management policies quarterly in order to ensure its adequacy and efficiency. The Audit Committee acknowledged the 2014 risk management plan and year 2013 performance record, which had been considered by CAT's Risk Management and Internal Control Committee. And provide feedback, to improve the regional FTTx project risks, and risk level of the organization.
4. To supervise internal audit operations in order to ensure its independence and efficiency by authorizing the revision of the 2012 annual auditing plan and authorize strategic auditing plan as well as the 2013 annual auditing plan which include financial and accounting auditing, and information and communication technology auditing in order to ensure that management division follow CAT and the concerning units' rules, regulations and practices. Also, this is to verify the report on conflicts of interest established under good

corporate governance policies, professional ethics, Together with recommend and monitor the follow-ups of every significant issue. The Audit Committee approved the Internal Audit Bureau's charter amendment, revision of internal auditing manual, management and personnel development plan. Furthermore, it hopes to support the internal auditor's skill sustainable development, assess the adequacy of resources, and evaluate the performance of the Internal Audit Bureau.

5. To discuss with the executive management about their operations, problems or obstacles, which may affect the company. Also, to provide them with advice on risk management, internal control approaches. Which affect the achievement of the objectives of the strategic plan to revive the financial position of CAT Year 2556 - 2560 in order to comply with the duties and responsibilities of the CAT Audit Committee.
6. To report on the Audit Committee's performance to CAT Board of Directors with comments and feedback.
7. To amend CAT's Audit Committee Charter in compliance with CAT's good corporate governance policies and evaluate the performance of the Audit Committee both of whole committee and individual to ensure its efficiency as established in the State Enterprise Audit Committee Guideline (prescribed by the Ministry of Finance). The results were reported to the CAT Board of Directors, which revealed that the whole committee performance was good with corporate code of conduct;

The Audit Committee suggests that the 2013 financial statements were prepared in compliance with generally accepted accounting principles and adequately information disclosure. The company has maintained an effective and adequate risk management policy, internal control system, and good corporate governance. All businesses have been undertaken in compliance with the laws, rules, regulations and key policies. The Audit Committee is independent and all recommendations submitted to the executive management are purely for the benefits of CAT.



(Mr.Kasem Makarabhiromya)
Chairman of the Audit Committee
CAT Telecom Public Company Limited