*(Translation)*

*(Note: This document is an English translation of the original Thai version. In the event of any discrepancy or conflict between the English translation and the Thai original, the Thai version shall prevail in all respects.)*

# Lease IT Public Company Limited

## Audit Committee Charter

| | |
|---|---|
| …………………………………………… | …………………………………………… |
| (Mr. Pongsak Chewcharat) | (Police General Jate Mongkolhutthi) |
| Chairman of the Audit Committee | Chairman of the Board of Directors |
| Lease IT Public Company Limited | Lease IT Public Company Limited |

Prepared by
Secretary of Audit Committee
Effective Date February 20, 2023

# Audit Committee Charter

To ensure that the management system of Lease IT Public Company Limited is efficient, transparent, and accountable, in alignment with Good Corporate Governance Policies, and to build confidence among shareholders, stakeholders, and the general public, as well as to support the Company's sustainable growth and development. The Board of Directors has appointed the Audit Committee to serve as a key governance mechanism. The operations, scope of work and duties, and responsibilities of the Audit Committee are explicitly defined.

**Definition**

| | | |
|---|---|---|
| "the Audit Committee" | mean | The Audit Committee of Lease IT Public Company Limited |
| "Audit Committee Member" | mean | Member of the Audit Committee |
| "Review" | mean | the process of reviewing, examining, or evaluating operations, methods, conditions, events, or various transactions. |
| "Conflict of Interest" | mean | Any relationship that prevents the organization from receiving its maximum expected benefits. Such conflicts of interest may create bias and compromise the personnel's ability to perform their duties with objectivity. |

The Audit Committee Charter has been established to provide the Audit Committee with a clear understanding of its objectives, composition, qualifications, authorities, and responsibilities in supporting good corporate governance, financial reporting processes, internal control systems, internal audits, risk management systems, and the Company's compliance with relevant laws. To ultimate goal is to ensure that the Company possesses an efficient system of good corporate governance, free from conflicts of interest, and maintains adequate internal control and risk management systems for the equitable benefits of all stakeholders. Furthermore, it ensure that financial statements are prepared in accordance with Financial Reporting Standards with adequate disclosures and guarantees compliance, with the Securities and Exchange Act, the regulations of the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), as well as other laws related to the Company's business. Therefore, the Audit Committee should thoroughly study and strictly adhere to the provisions of this Charter to ensure that its operations achieve the specified objectives. This Charter has been duly reviewed by the Audit Committee.

## 1. Objectives

The Audit Committee is a sub-committee of the Board of Directors, serving as a key tool or mechanism to ensure that the Company possesses a strong good corporate governance system. The Audit Committee, consisting entirely of independent directors, helps relieve the Board of Directors' responsibilities and promotes management flexibility. It also provides an opportunity for management and the auditors to consult with each other to manage potential risks, ensuring that financial reports are fully and accurately disclosed in compliance with relevant standards and regulations. The establishment of the Audit Committee aims to enhance operational efficiency and add value to the Company in the following areas:

1.1. To enhance the confidence, credibility, and transparency in financial reports.

1.2. To foster greater care and diligence in the Board of Directors' execution of duties, whereby the Board of Directors will be highly mindful of their governance responsibilities, ensuring alignment with business strategies and policies; compliance with relevant regulations and laws; business risk management and control; preparation of financial reports and selection of appropriate accounting policies; internal control and internal audit; as well as transactions with related parties.

1.3. To relieve the duties of the Board of Directors by delegating authority related to financial reporting, internal control, and internal audit to the Audit Committee. This enables the Board of Directors to consider other matters in greater depth, thereby increasing managerial efficiency in other areas.

1.4. To improve the roles and processes of both internal and external audits, and to enhance communication among the Board of Directors, the internal audit function, and the auditors.

1.5. To strengthen the independence of internal auditors and the internal audit function, enabling them to express their opinions straightforwardly, resulting in higher operational efficiency.

1.6. To reinforce the auditor's independence and provide a framework for them to express their opinions with complete candor, particularly in the event of potential conflicts with management.

1.7. To improve the quality of internal audit reports.

1.8. To strengthen the role and authority of external directors.

1.9. To enhance the directors' understanding regarding the defined scope of the audit.

**2. <u>Composition of the Audit Committee</u>**

2.1. The Audit Committee shall consist of at least three (3) independent directors, with at least one (1) member possessing adequate knowledge, understanding, and experience in accounting and/or finance to effectively review the reliability of financial reports.

2.2. The Board of Directors shall appoint the Chairman of the Audit Committee, or otherwise, the appointed Audit Committee members shall elect one of their members to serve as the Chairman of the Audit Committee.

2.3. Audit Committee members must be able to dedicate sufficient time to the operation of the Audit Committee. In the event that a member completes their term of office, or is unable to serve until the expiration of their term for any reason, resulting in the total number of members falling below the minimum requirement, the Board of Directors and/or the shareholders' meeting shall appoint a new member to fill the vacancy immediately, or no later than three (3) months from the date the vacancy arises, to ensure the continuity of the Audit Committee's operations.

2.4. The Audit Committee shall appoint the Head of the Internal Audit Department to serve as the Secretary to the Audit Committee. The Secretary shall assist the Audit Committee in its operations concerning meeting scheduling, agenda preparation, document distribution, and minutes recording, as well as coordinating with various departments, to ensure the Audit Committee discharges its duties effectively. The Secretary to the Audit Committee is required to attend the meetings but shall have no voting rights.

**3. <u>Term of Office</u>**

The term of office of the Audit Committee members shall be equal to that of their tenure as member of the Board of Directors, Consecutive, a member should not serve more than three (3) terms. In the event that there is a necessary reason to extend the tenure beyond three (3) terms, such a necessity and its justification must be explicit provided and specify the necessity.

**4. <u>Termination of Office</u>**

Termination of office of the Audit Committee member shall include the termination of membership of the Board of Directors expiration of the specified term of office, resignation, or removal. In the event that an Audit Committee member resigns prior to the expiration of their term, they must notify the Company at least one (1) month in advance with reasons, allowing the Board of Directors to consider appointing another fully qualified director to replace the resigning member. The replacement member shall serve only for the remaining term of the director whom they replace. The Company shall notify the Stock Exchange of the resignation and submit a copy of the resignation letter. Furthermore, the Board of Directors must appoint a replacement to complete the Audit Committee within ninety (90) days from the date of the member's resignation.

**5. Qualifications**

5.1. Members of the Audit Committee must be appointed by the Board of Directors and/or the Shareholders' Meeting.

5.2. All members of the Audit Committee must be independent directors who possess all the required qualifications in accordance with the Notification of the Securities and Exchange Commission (SEC), as follows:

5.2.1 General Qualifications: Members of the Audit Committee must qualify as independent directors, as follows:

1) Holds not more than one (1) percent of the total voting shares of the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person of the Company, including the shares held by related persons of such an independent director.
2) Is not or has not been an executive director, employee, staff member, advisor who receives a regular salary, or controlling person of the Company, its parent company, subsidiary, associate company, same-tier subsidiary, major shareholder, or controlling person of the Company, unless having retired from such a position for not less than two (2) years prior to being appointed as a director
3) Is not a person related by blood or legal registration as a father, mother, spouse, sibling, child, including the spouse of a child, of an executive, major shareholder, controlling person, or person to be nominated as an executive or controlling person of the Company.
4) Does not have or has not had a business relationship with the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person of the Company, in a manner that may obstruct their independent judgment; and is not or has not been a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person of the Company, unless having retired from such a position for not less than two (2) years prior to being appointed as a director.
5) Is not or has not been an auditor of the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person of the Company, and is not a significant shareholder, controlling person, or partner of the audit firm which employs the auditors of the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person of the Company, unless having retired from such a position for not less than two (2) years prior to being appointed as a director.
6) Is not or has not been a professional service provider, including legal or financial advisory services, who receives service fees exceeding two (2) million Baht per year from the Company, its parent company, subsidiary, associate company, major shareholder, or controlling person of the Company, and is not a significant shareholder, controlling person, or partner of such professional service provider, unless having retired from such a position for not less than two (2) years prior to being appointed as a director.
7) Is not a director appointed as a representative of the Company's directors, major shareholders, or any shareholder who is a related person of a major shareholder of the Company.
8) Does not operate any business of the same nature and in significant competition with the business of the Company or its subsidiary, and is not a partner in a partnership, or an executive director, employee, staff member, advisor who

receives a regular salary, or holds more than one (1) percent of the total voting shares of any other company operating a business of the same nature and in significant competition with the business of the Company or its subsidiary.

9) Does not possess any other characteristics that would prevent them from expressing independent opinions regarding the Company's operations.

5.2.2 Specific Qualifications: Members of the Audit Committee must possess specific qualifications, as follows:

1) Members of the Audit Committee must be appointed by the Board of Directors and/or the Shareholders' Meeting.
2) All members of the Audit Committee must be independent directors who possess all the required qualifications in accordance with the Notification of the Securities and Exchange Commission (SEC).
3) Is not a director assigned by the Board of Directors to make decisions on the business operations of the Company, its parent company, subsidiary, associate company, same-tier subsidiary, major shareholder, or controlling person of the Company.
4) Is not a director of the parent company, subsidiary, or same-tier subsidiary, specifically those that are listed companies.
5) Possessing sufficient knowledge and experience to perform duties as an Audit Committee member in accordance with the assigned mission, and being able to devote adequate time to the operations of the Audit Committee.
6) At least one (1) member of the Audit Committee must possess sufficient knowledge and experience to review the reliability of the financial statements, maintain continuous knowledge regarding factors influencing changes in financial reporting, and be capable of asking targeted questions, as well as interpreting and evaluating the responses received

## 6. <u>Duties and Responsibilities</u>

6.1. Authority of the Audit Committee

6.1.1 In performing its duties, the Audit Committee shall have access to information and receive cooperation from the management, as well as hold the authority to inspect and investigate relevant persons to obtain clearer and additional information within its scope of authority and duties.

6.1.2 The Audit Committee may engage independent specialists, such as accounting or financial experts, to provide opinions for consideration or assist with the audit work as the Committee deems necessary, with the Company being responsible for all incurred expenses.

6.2. Duties of the Audit Committee

6.2.1 To review and ensure that the Company's financial reports are accurate and fairly presented in accordance with the accounting standards and financial reporting standards prescribed by law, and that adequate disclosure of information is provided.

1) Review the Company's significant accounting policies and any changes thereto, in order to consider their appropriateness, the impact on the Company, and compliance with generally accepted accounting standards.
2) Review the reasonableness and assess the impacts of significant items in the financial reports, non-ordinary but significant transactions, as well as the assumptions used by management in preparing estimates.

3) Review other information related to financial reporting, such as the auditor's report, internal audit report, risk management report, and corporate governance report etc.
4) Review disclosures of information in quarterly financial reports, annual reports and other related reports, such as the Management Discussion and Analysis (MD&A), as well as pending litigation, and contingent liabilities.
5) Review management's processes regarding the provision of information to analysts and the media, ensuring that such information aligns with publicly disclosed data.

6.2.2 Review and ensure that the Company has appropriate and effective internal control and internal audit systems, evaluate the independence of the internal audit unit, and approve the appointment, transfer, and dismissal of the head of the internal audit unit or any other unit responsible for internal audit.

1) Review reports from the internal audit unit, the auditor, and other regulatory authorities (if any), as well as compliance with the recommendations in such reports regarding the evaluation of internal control system efficiency and risks in operations, information technology, and anti-corruption.
2) Approve the appointment, transfer, and dismissal of the head of the internal audit unit or any other unit responsible for internal audit to assess the independence of the internal audit unit and to hold a meeting with the head of the internal audit unit at least once a year without management's presence, in order to review any operational limitations that may impact its independence.
3) Annual review and evaluation of internal audit performance to align the audit plan with the company's risk profiles and levels.
4) Oversee and ensure that the Internal Audit Department carries out its duties in accordance with the audit plan approved by the Audit Committee.
5) Evaluate the overall performance of the Internal Audit Department.
6) Review the cooperation and coordination between the internal audit activity and the external auditor.

6.2.3 Review and ensure the Company's compliance with the Securities and Exchange Act, the regulations of the Securities and Exchange Commission (SEC), and all laws relevant to the Company's business.

6.2.4 Review related party transactions or transactions that may involve conflicts of interest to ensure compliance with laws and regulations of the Securities and Exchange Commission (SEC), thereby ensuring that such transactions are reasonable and in the best interests of the Company.

6.2.5 Consider, select, nominate, appoint and terminate the external auditor, as well as propose their remuneration to the Board of Directors for subsequent recommendation to the Annual General Meeting of Shareholders.

6.2.6 Review the independence of the external auditor, (particularly regarding any relationship between the Company or its subsidiaries and the audit firm, as well as the provision of non-audit services). and arrange for a meeting between the Audit Committee and the external auditor without management's attendance at least once a year.

6.2.7 Discuss and require the external auditor to place emphasis auditing and reporting to the Audit Committee regarding various matter during the meetings to consider the financial statements audit results and discuss with the external auditor the audit scope, methodology, and timeline, the impact of significant changes in the Company's accounting policies (if any, significant accounting adjustments proposed by the external auditor, and management's actions taken in response to the auditor's recommendations.

6.2.8 Review any irregularities identified by the external auditor, as well as the issues and recommendations contained in the Management Letter, and discuss with management the approaches and corrective actions to be taken.

6.2.9 Investigate any matters reported by the Company's external auditor incase where the external audited discovers suspicious circumstances indicating that the Managing Director or any person responsible for the Company's operations has committed an offense specified under the Securities and Exchange Act (No. 4) B.E. 2551 (2008), and submit a preliminary report of the investigation to the Securities and Exchange Commission (SEC) within 30 days from the date of receiving such notification from the external auditor.

6.2.10 Prepare the Audit Committee's report to be disclosed in the Company's annual report, which must contain at least the information required by the notifications of the Securities and Exchange Commission (SEC).

6.2.11 Review and ensure that the Company has an appropriate, systematic and effective risk management process, and assess the adequacy and a appropriateness of integrating risk management into strategic management to drive the Company toward sustainable growth.

6.2.12 Support the operations of the Risk Management Committee and the Board of Directors in overseeing the Company's overall risk management, to ensure that risk management practices are aligned with the Company's operations, and comprehensively consider the risks to all stakeholders and related parties.

6.2.13 Establish policies and development guidelines regarding corporate governance principles, and supervise management in continuously implementing and developing these policies and practices to ensure they are appropriate and aligned with the company's business and establish systems and develop guideline for integrating corporate governance Principle into corporate management practices to drive sustainable organizational growth.

6.2.14 Review the Company's operational processes to ensure compliance with the Anti-Corruption Policy and measures and review the Self-Assessment Form of the Thai Institute of Directors Association (IOD) to ensure that the anti-corruption measures are adequate and effective.

6.2.15 Review summaries of fraud investigation findings and establish preventive measures, as well as review internal processes regarding whistleblowing and complaint handling.

6.2.16 Review and update the Audit Committee Charter to ensure it remains current and appropriate for the Company's operating environment at least once a year.

6.2.17 Perform any other duties as assigned by the Board of Directors.

6.3. Responsibilities of the Audit Committee, the Audit Committee is accountable to the Board of Directors for the duties assigned to it by the Board, while the responsibility for all corporate activities of the Company toward external third parties remains collectively with the entire Board of Directors.

## 7. <u>Meeting</u>

7.1. **Audit Committee Meeting Agenda**, the Secretary to the Audit Committee shall prepare the notice of the Audit Committee meeting, with the date, time, venue, and agenda clearly specified for each meeting. Meeting documents must be distributed to the Audit Committee members and attendees sufficiently in advance to allow adequate time for reviewing the matters or requesting additional supporting information regarding the assigned tasks, as follows:

7.1.1 Consider financial statements and related financial reports, accounting principles and practices, compliance with accounting standards, the going concern assumption, significant changes in accounting policies as well as management's rationale regarding the determination of accounting policies, prior to submission to the Board of Directors for dissemination to shareholders and general investors.

7.1.2 Consider the adequacy and appropriateness of the internal control and internal audit systems.

7.1.3 Review the annual internal audit plan of the Company and evaluate the audit results in collaboration with the internal auditors, ensuring that the audit plan enhances operational efficiency, which includes detecting fraud or identifying deficiencies within the internal control systems.

7.1.4 Discuss with internal auditors any problems or constraints encountered during the audit process, and evaluate the performance of the internal auditor.

7.1.5 Discuss with the external auditors any problems or constraints arising the audit and review of financial statements, as well as recommendation provided by the external auditors.

7.1.6 Discuss with the internal auditors and the external auditors to plan and review electronic data processing method and controls, as well as security measures, specifically aimed at preventing fraud or the misuse of electronic data systems by Company employees or external parties.

7.1.7 Consider transactions that may give rise conflicts of interest, such as related party transactions of the Company.

7.1.8 Consider the risk management reports submitted by the Risk Management Committee for presentation to the Board of Directors.

7.1.9 Consider and review the Company's compliance with the Securities and Exchange Law, the regulations of the Stock Exchange of Thailand (SET), and laws related to the Company's business.

7.1.10 Conduct a self- assessments regarding the performance of duties and responsibilities as assigned.

7.1.11 Review and propose, for the Board of Directors' approval, policies and development guidelines on corporate governance to align with international practices or standard , as well as the principles of the Stock Exchange of Thailand. This includes establishing systems and developing guideline for omplementing corporate governance in management to ensure sustainable organization growth.

7.1.12 Provide recommendations to the Board of Directors on matters concerning good corporate governance.

7.1.13 Oversee management's implementation corporate governance policies and practices for the continuous development of the Company, ensuring that such policies and practices are aligned and appropriated with the Company's business.

7.1.14 Perform any other duties as assigned by the Board of Directors.

7.2. Number of Meetings

7.2.1 The Audit Committee must hold at least four (4) meetings per year depending on the circumstances and necessity, to ensure that the operations of the Audit Committee achieve its established objectives.

7.2.2 The Audit Committee should hold a meeting specifically with the Company's external auditors without management's attendance at least once (1) a year.

7.3. Meeting Attendees

7.3.1 Audit Committee members should attend every meeting of the Audit Committee. A quorum shall consist of not less than one-half of the total number of committee members.

7.3.2 The Audit Committee should invite the external auditor and the internal auditors of the Company to present their work, and may invite relevant directors or executives to attend the meetings as necessary.

7.4. Voting

A resolutions of the Audit Committee shall be decided by a majority vote from the committee members present at the meeting, where each member shall have one (1) vote. Any Audit Committee member who has a conflict of interest in any matter under consideration must not participate in the deliberation or express opinions on that matter and shall refrain from voting. In the event of a tie vote, the Chairman of the meeting shall have a casting vote.

7.5. Minutes of the Meeting

The Secretary to the Audit Committee shall record the minutes of the meeting, which must be submitted to the Audit Committee. A summary of material matters approved by the Audit Committee shall be prepared and presented to the Board of Directors, Futhermore, any matters of concern or follow-up action required by Audit Committee shall be notified to all internal auditors staff for their acknowledgment.

**8. <u>Reporting</u>**

The Audit Committee is responsible for reporting its activities and any other duties assigned by the Board of Directors. The Audit Committee's report is of significant importance to the Board of Directors, shareholders, and general investors, as it reflects the independent and straightforward opinion of the Audit Committee. Furthermore, it reassures the Board of Directors that management operates the business with due care treats the interests of all shareholders equally and fairly.

8.1. Reporting to the Board of Directors

8.1.1 Regularly reports the Audit Committee's activities to keep the Board of Directors informed of the its operation, such as the following matters:

1) Minutes of the Audit Committee meetings, which clearly state the opinions of Audit Committee on various matters.
2) A Summary report of Activities conducted during the year.
3) Report on opinions regarding financial reports, Internal Audit and Internal Audit Processes
4) Any other reports that the Audit Committee deems necessary for the Board of Directors' acknowledgment.

8.1.2 Immediate reporting any findings so that the Board of Directors can seek timely corrective action, if the Audit Committee finds or suspects any transactions or actions which may materially affect the financial position and operating results of the Company, the Audit Committee shall report such matter to the Board of Directors for rectification within the timeframe deemed appropriate by the Audit Committee, such as the following matters:

1) Transactions involving conflict of interest.
2) Suspected or presumed fraud, irregularities, or material deficiencies in the internal control system.
3) Any other reports that Audit Committee deems necessary for the Board of Directors' acknowledgment.

8.2. Reporting to Regulator Authorities

If the Company's external auditor discovers suspicious circumstances indicating that the Managing Director or any person responsible for the Company's operations has committed an offense as specified under Section 89/25 of the Securities and Exchange Act, and has notified the Audit Committee of such circumstance, the Audit Committee must investigate and report the preliminary findings of such investigation to the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), as well as to external auditor within thirty (30) days from the date of receiving such notification. Furthermore, If the Audit Committee has reported to the Board of Directors regarding matters that materially affect the Company's financial position and operating results, and has joint consultation with the Board of Directors and management that corrective actions must be taken, but upon the expiration of the mutually agreed timeframe. the Audit Committee as a whole must report such finds that such corrective actions have been ignored without any reasonable cause, any one of the Audit Committee members or the Audit Committee as a whole must report such findings to the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand (SET)

8.3. Reporting to Shareholders and General Investors

A report on the activities conducted during the year in accordance with the duties and responsibilities assigned by the Board of Directors shall be prepared, This report must be signed by the Chairman of the Audit Committee and disclosed in the company's annual report (Form 56-1 One Report), which shall consist of the following information:

8.3.1 Opinions on the completeness, accuracy, and reliability of the preparation and disclosure of information in the Company's financial reports.

8.3.2 Opinions on the adequacy of the company's internal control system.

8.3.3 Opinions on the suitability of the external auditor.

8.3.4 Opinions on compliance with the Securities and Exchange Law, the regulations of the Stock Exchange, or laws related to the Company's business.

8.3.5 Opinions on transactions that may involve conflicts of interest.

8.3.6 The number of Audit Committee meetings and the attendance of each individual Audit Committee member.

8.3.7 Overall opinions or observations received by the Audit Committee from the performance of its duties under the Charter.

8.3.8 Any other reports that deems necessary for the information of shareholders and the general investors within the scope of duties and responsibilities assigned by the Board of Directors.

## 9. Performance Evaluation

The Audit Committee must arrange for an evaluation of the Audit Committee's performance by self-assessment or other appropriate methods, in order to utilize the evaluation results to further improve its operation for greater efficiency and to achieve the established objectives.