

Millennium Group Corporation (Asia) Plc.

บริษัท มิลเลนเนียม กรุ๊ป คอร์ปอเรชั่น (เอเชีย) จำกัด (มหาชน)

Audit Committee Charter

กฎบัตรคณะกรรมการตรวจสอบ



Version : 2.0

Effective from : 11 May 2023

Audit Committee Charter

Objectives

The Audit Committee Charter has been established to ensure that the Audit Committee of Millennium Group Corporation (Asia) Public Company Limited (the “Company”) performs its duties as assigned by the Board of Directors effectively and in accordance with the principles of good corporate governance. The Audit Committee plays a crucial role in assisting the Board of Directors in overseeing the Company’s operations and management to ensure that business activities are conducted properly, transparently, and in compliance with applicable laws and regulations. It also ensures that the Company maintains a reliable financial reporting system, effective internal controls, and a sound governance structure — all of which promote confidence among investors and stakeholders, and support the Company’s sustainable growth. In alignment with the policies and guidelines of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), the Board of Directors has therefore adopted this Audit Committee Charter to define the composition, qualifications, term of office, authority, duties and responsibilities, and meeting procedures of the Audit Committee as follows.

Composition

The Audit Committee shall consist of at least three (3) members, all of whom must be Independent Directors capable of exercising their judgment freely and independently. At least one (1) member of the Audit Committee must possess knowledge and experience in accounting or finance sufficient to enable a reliable review of the Company’s financial statements. The Audit Committee shall have direct communication and coordination with the external auditor, internal auditor, and management of the Company and its subsidiaries. The Board of Directors or the Audit Committee shall appoint one (1) member to serve as the Chairman of the Audit Committee. The Audit Committee shall also appoint a Secretary to the Audit Committee to assist with administrative matters including the arrangement of meetings, preparation of meeting agendas, distribution of relevant documents, and recording of meeting minutes. The Secretary shall be a person with appropriate knowledge, competence, and experience and may be the Head of the Internal Audit Department of the Company.

Term of Office

Each Audit Committee member shall hold office for a term of three (3) years from the date of appointment or for the same duration as his/her directorship term in the Company. A retiring member may be reappointed as deemed appropriate by the Board of Directors or the shareholders’ meeting. In the event of a vacancy on the Audit Committee for reasons other than the expiration of term, the Board of Directors or the shareholders’ meeting shall appoint a qualified and eligible person, who does not possess any prohibited characteristics, to fill the vacancy so that the number of Audit Committee members complies with the applicable laws and regulations. Such appointment shall be made immediately or within three (3) months from the date on which the number of Audit Committee members becomes incomplete. The replacement member shall serve for the remainder of the term of the member whom he/she replaces.

A member of the Audit Committee shall vacate office upon any of the following events:

- Termination of directorship in the Company;
- Completion of the term of office;
- Death;

- Resignation; or
- Removal from office by resolution of the Board of Directors or the shareholders' meeting.

In the case where an Audit Committee member resigns prior to the end of his/her term, the resigning member shall submit a written notice to the Company at least one (1) month in advance, stating the reason for resignation. The Board of Directors or the shareholders' meeting shall consider appointing a qualified replacement in a timely manner.

Meeting

- **Meeting Invitations**

The Chairman of the Audit Committee or the Secretary to the Audit Committee, acting under the Chairman's instruction, shall issue a written notice of meeting to all Audit Committee members at least seven (7) days prior to the meeting date, except in urgent cases where notification may be made by other appropriate means or the meeting may be scheduled earlier as deemed necessary.

- **Meeting Agenda**

The Audit Committee should establish a clear meeting agenda in advance and distribute all relevant supporting documents to members and participants well before the meeting to allow sufficient time for review, deliberation, and requests for additional information if required. In the case of an electronic meeting, all meeting documents may be distributed via electronic mail or other secure digital means.

- **Frequency of Meetings**

- 1) The Audit Committee shall meet regularly at least four (4) times a year to review and discuss matters within its scope of responsibility.
- 2) The Chairman of the Audit Committee may call a special meeting at any time upon request by an Audit Committee member, the Internal Auditor, the External Auditor, or the Chairman of the Board, if there are urgent or significant matters requiring joint consideration.

- **Quorum**

- 1) The Audit Committee should establish a clear meeting agenda in advance and distribute all relevant supporting documents to members and participants well before the meeting to allow sufficient time for review, deliberation, and requests for additional information if required. In the case of an electronic meeting, all meeting documents may be distributed via electronic mail or other secure digital means. Each meeting of the Audit Committee may be conducted in person or through electronic media as deemed necessary and appropriate by the Chairman of the Audit Committee or his/her designee. Electronic meetings shall be conducted through a secured system with appropriate information security measures, and audio or audiovisual recordings of all attending members shall be maintained throughout the meeting. Attendance via such approved electronic means shall be deemed equivalent to physical attendance and shall be counted toward the quorum. Meetings conducted through electronic media shall have the same legal effect as in-person meetings, in accordance with the procedures stipulated in this Audit Committee Charter. In the event that the Chairman of the Audit Committee is absent or unable to perform his/her duties or attend the meeting (whether in person or electronically), the attending Audit Committee members shall elect one (1) member among themselves to chair the meeting.

- 2) The Audit Committee may invite Directors, executives of the Company or its subsidiaries, the Internal Auditor, the External Auditor, legal counsel, or other subject matter experts to attend the meeting to provide opinions, clarifications, or relevant information as deemed necessary and appropriate.

- **Voting**

- 1) The meeting documents shall specify the names of all attendees. Any Audit Committee member having a conflict of interest in any matter under consideration shall not participate in the discussion or vote on that particular matter.
- 2) Whether the meeting is conducted in person or via electronic means, resolutions of the meeting shall be passed by a majority vote. Each Audit Committee member shall have one (1) vote. In the event of a tie, the Chairman of the Audit Committee, or the Chairman of the meeting, shall have a casting vote.
- 3) The Secretary to the Audit Committee shall have no voting rights in any resolution.

- **Minutes of Meeting**

The Secretary to the Audit Committee, or any person assigned by the Audit Committee, shall be responsible for recording the minutes of each meeting and submitting them to the Audit Committee for review and approval. The Chairman of the Audit Committee shall report the meeting results and significant activities of the Audit Committee to the Board of Directors at least once every quarter, to keep the Board informed of key matters under the Audit Committee's oversight.

Qualifications

Members of the Audit Committee shall possess the following qualifications:

- Comply with all legal requirements as prescribed under relevant laws and regulations, particularly the Public Limited Companies Act and the Securities and Exchange Act.
- Be directors and independent directors of the Company.
- Hold no more than 1% of the total voting shares of the Company, its parent company, subsidiary, associate, major shareholder, or controlling person, including shares held by persons related to such Audit Committee member.
- Not be or have been a director involved in management, an employee, a staff member, a salaried advisor, or a controlling person of the Company, its parent company, subsidiary, associate, same-level subsidiary, major shareholder, or controlling person — unless such relationship has ended for at least two (2) years prior to appointment. This restriction shall not apply to cases where the independent director was formerly a civil servant or advisor to a government agency that is a major shareholder or controlling person of the Company.
- Not have a relationship by blood or by legal registration as father, mother, spouse, sibling, child, or spouse of a child of any other director, executive, major shareholder, controlling person, or person nominated to be a director, executive, or controlling person of the Company or its subsidiary.
- Have no business relationship or past business relationship with the Company, its parent company, subsidiary, associate, major shareholder, or controlling person that may interfere with

independent judgment, and not be or have been a significant shareholder or controlling person of any entity having such a business relationship with the Company, unless such relationship has ended for at least two (2) years.

For the purpose of this definition, “business relationship” includes normal commercial transactions, rental or lease of real property, provision or receipt of services or assets, or financial assistance such as lending, borrowing, guarantees, or use of assets as collateral — or any similar arrangements that result in indebtedness between the Company and the counterparty of 3% or more of the Company’s net tangible assets or 20 million Baht, whichever is lower. The calculation of such indebtedness shall be based on the Notification of the Capital Market Supervisory Board on Connected Transactions, mutatis mutandis. In determining the value of indebtedness, any transactions occurring within one (1) year prior to the establishment of the business relationship with the same person shall also be included.

- Not be, or have been, an auditor of the Company, its parent company, subsidiary, associate, major shareholder, or controlling person, and not be a significant shareholder, controlling person, or partner of an audit firm that employs auditors of the Company, its parent company, subsidiary, associate, major shareholder, or controlling person — unless such relationship has ended for at least two (2) years prior to appointment.
- Not be, or have been, a provider of professional services, including legal advisory or financial advisory services, receiving service fees exceeding THB 2 million per year from the Company, its parent company, subsidiary, associate, major shareholder, or controlling person. In addition, such person must not be a significant shareholder, controlling person, or partner of the provider of such professional services — unless such relationship has ended for at least two (2) years prior to appointment.
- Not be a director appointed as a representative of the Company’s directors, major shareholders, or shareholders who are related to the Company’s major shareholders.
- Not engage in any business that is of the same nature as, or in material competition with, the Company or its subsidiaries, and not be a significant partner, executive director, employee, staff member, salaried advisor, or shareholder holding more than 1% of the total voting shares of another company conducting a similar or competing business with the Company or its subsidiaries.
- Have no other characteristics that may impair the ability to express independent judgment regarding the Company’s operations.
- Not be a director assigned by the Board of Directors to make decisions on the Company’s business operations, or those of its parent company, subsidiary, associate, same-level subsidiary, major shareholder, or controlling person.
- Not be a director of the Company’s parent company, subsidiary, or same-level subsidiary that is itself a listed company.
- Possess sufficient knowledge and experience to effectively perform the duties of an Audit Committee member.

In addition, at least one (1) member of the Audit Committee who is an Independent Director must have adequate knowledge and experience in accounting or finance to enable the review and

verification of the Company's financial statements. The Company may also consider other desirable qualifications such as industry experience, specific expertise relevant to the Company's business, and high ethical standards.

Roles, Duties, and Responsibilities

The Audit Committee shall perform its duties with responsibility, due care, and integrity, in accordance with relevant laws, regulations, and good corporate governance principles. Its primary roles and responsibilities are as follows:

- Review and approve the Internal Audit Charter, and review its adequacy at least once a year to ensure it remains appropriate and relevant.
- Review the accuracy, completeness, and reliability of the Company's and subsidiaries' financial reporting, in compliance with applicable financial reporting standards, by coordinating with the external auditor and management responsible for quarterly and annual financial statements. The Audit Committee may recommend that the external auditor review or examine any transactions deemed significant or necessary during the audit process.
- Consider and review financial statements and related reports, accounting principles, and practices under generally accepted accounting standards, the Company's going concern assumption, and any changes in significant accounting policies, including management's rationale before submission to the Board of Directors for approval and disclosure to shareholders and investors.
- Ensure that the Company and its subsidiaries maintain an adequate and effective internal control and internal audit system, in line with international standards.
- Review the independence and effectiveness of the internal audit function, oversee the performance evaluation and development of the internal audit and risk management systems, and approve the appointment, transfer, or dismissal of the Head of Internal Audit or other units responsible for internal auditing.
- Review and evaluate the risk management system to ensure it is comprehensive, appropriate, and effective, particularly to safeguard against potential fraud or corruption risks.
- Have unrestricted access to all levels of information and personnel within the Company, and may invite management, department heads, employees, or relevant persons to provide clarification or information necessary for fulfilling its duties as assigned by the Board of Directors.
- Review and approve the annual audit budget, staffing, and resources necessary for the internal audit function to operate effectively, including the annual audit plan and any significant revisions thereof. The Audit Committee shall also monitor the internal audit's performance to ensure compliance with the approved plan and adherence to international standards for the professional practice of internal auditing, and conduct annual performance evaluations of the internal audit function.
- Ensure compliance with the Securities and Exchange Act, the rules and regulations of the Stock Exchange of Thailand (SET), the Capital Market Supervisory Board (CMSB), and other relevant laws related to the Company's business operations.
- Review, select, nominate, and propose the appointment or removal of an independent external auditor, and recommend the auditor's remuneration, taking into consideration the auditor's

qualifications, reliability, resource adequacy, workload, and experience of the personnel assigned to the audit engagement. The Audit Committee shall also meet with the external auditor at least once a year without management's presence.

- Consult with the internal auditor and external auditor to ensure the adequacy of controls over electronic data processing systems and to review the Company's cybersecurity and fraud prevention programs designed to prevent misuse of computer systems by employees or third parties.
- Review all related-party transactions, potential conflicts of interest, and acquisition or disposal of assets to ensure that such transactions are accurate, complete, reasonable, and in compliance with applicable laws and the regulations of the SET and the SEC, and that they are conducted for the best interest of the Company and its shareholders.
- Review and provide opinions on the internal audit plan and the performance of the Internal Audit Department, ensuring that the audit work aligns with the approved plan and is conducted effectively and independently.
- Review and monitor the Company's risk management performance, including the assessment of risk management activities performed by the Risk Management Policy and Oversight Committee, which shall comprise at least one (1) executive director. The Audit Committee shall review the risk management performance at least once every quarter and hold a joint meeting with the Risk Management Policy and Oversight Committee at least once a year.
- Meet with management at least once a year to discuss key operational issues, audit findings, and any other matters requiring the Committee's attention.
- Review, revise, and propose amendments to the Audit Committee Charter as deemed appropriate, at least once a year, and submit the revised charter to the Board of Directors for approval.
- Seek independent professional advice, at the Company's expense, from external advisors or experts as deemed appropriate and necessary to support the Committee in discharging its duties effectively and independently.
- In performing its duties under the assigned scope of authority, the Audit Committee has the power to summon management, executives, or employees to attend meetings, provide opinions, or deliver documents and information deemed relevant or necessary for the Committee's consideration.
- Review the Company's whistleblowing and complaint-handling processes, which are administered by management, to ensure transparency, fairness, and proper procedures for investigation and follow-up.
- Investigate and verify preliminary facts when notified by the external auditor of any suspected fraud, misconduct, or legal violation by any director or executive under Section 89/25 of the Securities and Exchange Act B.E. 2535 (1992), as amended, and report the results of such investigation to both the external auditor and the Securities and Exchange Commission (SEC) within the prescribed period.
- Perform any other duties as assigned by the Board of Directors, with the consent of the Audit Committee, within the scope of its responsibilities.

In performing the aforementioned duties, the Audit Committee shall be directly accountable to the Board of Directors, while the Board of Directors retains ultimate responsibility for the Company's operations towards external parties.

The Board of Directors reserves the right to amend, modify, or redefine the qualifications of Independent Directors and the Audit Committee Charter to ensure ongoing alignment with the responsibilities of the Audit Committee and in compliance with the rules and regulations of the SEC, the Stock Exchange of Thailand (SET), the Capital Market Supervisory Board (CMSB), and/or any other relevant laws and regulations.

Reporting of the Audit Committee

- The Audit Committee shall prepare an annual report on its performance and corporate governance oversight to be submitted to the Board of Directors. This report shall be signed by the Chairman of the Audit Committee and disclosed in the Company's Annual Report. The report shall include, at a minimum, the following information:
 - 1) The Audit Committee's opinion on the accuracy, completeness, and reliability of the Company's financial statements;
 - 2) The Audit Committee's opinion on the adequacy and effectiveness of the Company's internal control and risk management systems;
 - 3) The Audit Committee's opinion on the Company's compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, and other relevant laws applicable to the Company's business;
 - 4) The Audit Committee's opinion on the appropriateness and independence of the external auditor;
 - 5) The Audit Committee's opinion on transactions with potential conflicts of interest;
 - 6) The number of Audit Committee meetings held during the year and the attendance record of each Audit Committee member;
 - 7) The Audit Committee's overall observations and opinions arising from the performance of its duties under this Charter; and
 - 8) Any other matters that the Audit Committee deems necessary for shareholders and investors to be informed of, within the scope of its responsibilities as assigned by the Board of Directors.
 - The Audit Committee shall report its activities to the Board of Directors on a quarterly basis, to ensure that the Board is kept informed of the Committee's key oversight activities and findings.
 - In the course of performing its duties, if the Audit Committee discovers or suspects any of the following matters that may significantly affect the Company's financial position or operating performance, the Audit Committee shall promptly report such matters to the Board of Directors for corrective action within a reasonable period as deemed appropriate by the Committee:
 - 1) Transactions involving conflicts of interest;
 - 2) Fraud, irregularities, or material deficiencies in the internal control system;
 - 3) Violations of the Securities and Exchange Act, the rules of the Stock Exchange of Thailand, the Capital Market Supervisory Board, or other laws related to the Company's business.
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If the Audit Committee finds that the Board of Directors or management fails to take corrective action without reasonable justification, any Audit Committee member may report such findings directly to the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand (SET).

The Audit Committee shall also report to shareholders on its activities and responsibilities during the year, as assigned by the Board of Directors, such report to be signed by the Chairman of the Audit Committee and disclosed in the Company's Annual Report.

Performance Evaluation of the Audit Committee

The Audit Committee shall conduct an annual performance evaluation, which may be carried out through self-assessment, both collectively (as a committee) and individually (as members). The results of the evaluation shall be reported to the Board of Directors on an annual basis for acknowledgment and further consideration to enhance the Committee's effectiveness and alignment with good corporate governance practices.

Review and Amendment of the Charter

The Audit Committee Charter shall be reviewed and updated at least once a year, or more frequently as deemed necessary and appropriate, to ensure its continued relevance and alignment with applicable laws, regulations, and best practices. Any amendment or revision to the Charter shall be submitted to the Board of Directors for approval.

This Audit Committee Charter was endorsed by the Audit Committee at Meeting No. 4/2023 held on 18 April 2023, and subsequently approved by the Board of Directors at Meeting No. 4/2023 held on 11 May 2023 and has been effective since 11 May 2023.

- Signed -

(Mr. Pachara Yutidhammadamrong)
Chairman of the Board of Directors