

Audit Committee Report

The Audit Committee of STEEL INTERTECH PUBLIC COMPANY LIMITED consists of 3 independent directors namely Dr. Suradej Chantranuruk as Chairman, Mr. Numpon Nggunnumchoke and Mr. Lertchai Wongchaiyasit – as members of the Audit Committee. Moreover, BK Audit and Consultant is the company's internal auditor.

The Audit Committee is authorized and responsible for reviewing the company's financial statements including company's internal control system and internal audit in order to ensure that the company's operations are in compliance with regulations and legal requirements. In addition, to assure that the company is operating in good governance manner and follow the policies and other related rules and regulations, internal control and risk management within company will also be reviewed by audit committee.

In fiscal year 2009, the Audit Committee held 5 meetings, by inviting the concerned management and internal auditor to discuss and evaluate the following agenda during the meetings:

1. Reviewed quarterly financial reports (three months basis) and the annual financial statements of the year 2009 for its accuracy and adequacy.
2. Reviewed the company's internal control and specified the annual audit of the internal audit as well as considered quarter internal reports and recommended to the management to improve company's performance, enhancing with efficiency.
3. Reviewed the company's operations to ensure that it's complied with rules and regulations of Securities and Exchange Commission, Stock Exchange of Thailand in correlation with good governance.
4. Consider and choose S.K. and Accountant Services Co., Ltd. as the company's auditor for another year in 2009 and recommending on their fees to the board of directors. The Board of Director will then propose the same proposal to the Shareholders for approval.

During 2009, the slowdown in economy precipitated by the financial crisis in the United States at the end of year 2008, including amid uncertainty political situation which affect to the price volatility of raw materials that are difficult to predict. The fluctuation of Thai Baht was more likely to be uncertain due to the movement of foreign investors who were directly affected from our partner business such as, the slowdown in economy of the United State. The Audit Committee has emphasized in perform their duties carefully and independently, as well as express opinions and recommendations in the report. The Audit Committee believed that the Company has proper and adequate internal control systems with insignificant deficiencies. The Company has been in compliance with laws and regulations of the SET as well as maintain its good corporate governance.



Dr. Suradej Chantranuruk

Chairman of the Audit Committee