**SIAMRAJ PUBLIC COMPANY LIMITED**

**AND SUBSIDIARIES**

**AUDITOR’S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2024**

**INDEPENDENT AUDITOR’S REPORT**

**To The Shareholders of SIAMRAJ PUBLIC COMPANY LIMITED**

***Opinion***

I have audited the accompanying consolidated and separate financial statements of SIAMRAJ PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of SIAMRAJ PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2024, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders’ equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of SIAMRAJ PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of SIAMRAJ PUBLIC COMPANY LIMITED as at December 31, 2024, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

***Basis for Opinion***

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

***Key Audit Matters***

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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**Key Audit Matter and Significant Audit Procedures**

1. **Recognition of revenues from services in part of construction contract**

The recognition of revenues from services under contract in the consolidated and separate financial statements as stated in notes 3.2 to financial statements, those revenues are recognised by the percentage of completion of each services contract. The Group recognises revenue and costs of construction and engineering services by using the percentage of completion method. The stage of completion is measured based on the proportion of contract costs incurred for work performed to date compared to the estimated total cost of the project, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. The recognition of revenues from services contracts on a percentage of completion had to make significant judgment by calculating on the total costs of services incurred up to the reporting date compared with the estimated costs of completed services rendering. The accuracy, completeness of total estimated costs of services depends upon the use of significant judgment of the Management in taking the consideration in other factors and any variation such as increase or decrease, delays of sub-contractors. The results of deviation have material impact on the estimated costs until completion and recognised revenues based on the stage of completion including an expected loss. Accordingly, I have addressed as key audit matter.

I have obtained an assurance in respect of revenue recognition on a percentage of completion, by included;

* Obtained an understanding of the significant internal control system in respect of the completeness and accuracy of costs of services recognition and estimated costs of services until completion.
* Inquired the Management involving the reason and any assumptions used in estimated costs preparation in all issues for which drawn me attention to the assumptions.
* Tested the internal control system in respect of work acceptance and total estimated costs preparation under contracts.
* Selected the contracts in order to observe the services work on the field site by checking the volume of reported work which compare with the existing work, inquire the controller engineering about the project situation and the proceeding and trouble of operation for considering the factors which may have the impact on the estimates of cost of completed services.
* Performed sample test cost of services transactions for checking with evidences involved the amounts of transactions and relationship of work under services contracts.
* Tested the calculation of step of completion from the actual costs and comparative analysis the rate of gross profit of services work.
* Compared the percentage of completion works and report of results of services approved by the consultancy engineering and considered the reasonable of discrepancy.
* Evaluated the appropriation and the other external factors which have impacts on the estimated cost of completed services rendering.

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1. **Impairment of property, plant and equipment, right-of-use assets and investment in subsidiaries**

As stated in note 3.12 to financial statements, impairment of assets, the property, plant and equipment, right-of-use assets and investment in subsidiaries which contains cash-generating units (“CGU”) which consistently underperforming than expected and impact to the valuation of such property, plant and equipment, right-of-use assets and the investment in subsidiaries. Management considered this event is an indicator of impairment in assets and reviewed recoverable amount by preparing future cash flows projection discounted to the net present value. The management is required to use numerous judgements for determining significant assumptions on estimated the recoverable amount. I have addressed that such matter is a key audit matter due to the estimation of cash flow projection are complicated and there were the significant judgments using by the management.

I have obtained an assurance in respect of impairment of right-of-use assets and investment in subsidiaries, by included;

* Assessed the knowledge, competence, independence and fairness of external independent experts.
* Evaluated and obtained an understanding by making inquiry the external independent experts in

relation to the significant data, principles and assumptions used to assess the future cash flows projection discounted.

* Obtained an understanding and evaluating of the management’s process for assessment indicators of impairment, impairment testing and assessment recoverable amount of assets;
* Evaluated the significant assumptions used in management’s future cash flows projection discounted to the net present value by inquiring and comparing with the Group’s historical data, operational future plan as well as industry data;
* Performed sensitivity analysis for the key assumptions in estimation of future cash flows projection discounted to the net present value, for considering impact to the calculation of net recoverable amount of assets;
* Tested calculation for the future cash flows projection discounted to the net present value;
* Evaluated the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.

***Other Information***

Management is responsible for the other information. The other information comprises information in the annual report of the Group, but does not include the consolidated and separate financial statements and my auditor’s report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor’s report.

My opinion on the consolidated and separate financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

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In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement appropriately.

***Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

***Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements***

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

* Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
* Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s and the Company’s ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
* Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
* Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with the Code of Ethics for Professional Accountants regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

D I A International Audit Co., Ltd.

(Mr. Nopparoek Pissanuwong)

C.P.A. (Thailand)

Registration No. 7764

February 20, 2025