EASTERN WATER RESOURCES DEVELOPMENT AND

MANAGEMENT PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

**31 DECEMBER 2025**

**Independent Auditor’s Report**

To the Shareholders and the Board of Directors of Eastern Water Resources Development and Management Public Company Limited

**My opinion**

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Eastern Water Resources Development and Management Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2025, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

**What I have audited**

The consolidated financial statements and the separate financial statements comprise:

* the consolidated and separate statements of financial position as at 31 December 2025;
* the consolidated and separate statements of comprehensive income for the year then ended;
* the consolidated and separate statements of changes in equity for the year then ended;
* the consolidated and separate statements of cash flows for the year then ended; and
* the notes to the consolidated and separate financial statements, which include material accounting policies and other explanatory information.

**Basis for opinion**

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) 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 TFAC Code. 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matter 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 this matter.

| **Key audit matter** | **How my audit addressed the key audit matter** |
| --- | --- |
| **Assessment of the recoverable amount of goodwill** |  |
| As at 31 December 2025, the Group has recognised goodwill in the consolidated financial statements in the amount of Baht 103 million. The goodwill relates to an acquired equity interest in a private company by a subsidiary of the Company in 2015.  The goodwill is primarily attributed to the operating agreement of the acquired company in achieving its operating results. Therefore, future operating results and the remaining agreement period have a direct impact on the impairment of the goodwill. The Group is required to assess goodwill for impairment annually according to the relevant financial reporting standard.  The management assesses the recoverable amount of goodwill by calculating the value in use which involves an estimation of future cash flows.  The assessment of the recoverable amount of goodwill is determined as a key audit matter because the amount of goodwill is material to the financial statements. The recoverable amount depends on assumptions which involve significant management judgement, such as an estimate of the future cash flows the Group expects to derive from the asset, expectations about possible variations in the amount or timing of future cash flows, the time value of money, and the appropriate discount rates. The key assumptions of the estimate of future cash flows are the selling price, sales volumes and discount rates as disclosed in Note 20, Goodwill. | I tested the calculation of value in use prepared by the management. I inquired with the management about the future operation plans and tested the reasonableness of the estimate of future cash flows by testing the assumptions as follows:   * compared the forecast of operating results against actual historical data. * compared the selling price and sales volumes with information specified in the operating agreement and checked the reasonableness of the future selling price adjustment. * analysed whether related costs and expenses were in line with sales and consistent with actual historical amounts. * used my firm’s valuation expert to evaluate the discount rate applied in the cash flows model. * performed a sensitivity analysis on key assumptions.   Based on the procedures above, I found that the assumptions used by the management in the assessment of the recoverable amount of goodwill were reasonable. |
|  |  |

| **Key audit matter** | **How my audit addressed the key audit matter** |
| --- | --- |
| **Assessment of the recoverable amount of property, plant and equipment**  As at 31 December 2025, the Group has presented property, plant and equipment - net in the consolidated and separate financial statements in the amount of Baht 23,052 million and Baht 22,915 million, respectively. Property, plant and equipment used in the raw water business with a net book value of Baht 21,036 million had indications of impairment, as the actual operating performance of the raw water business differed from the forecast budget for investment projects of assets used in the raw water business as disclosed in Note 18, Property, plant and equipment - net.  Accordingly, the management performed an impairment test of the assets used in the raw water business by assessing the recoverable amount by calculating the value‑in‑use, which involves an estimation of future cash flows.  The assessment of the recoverable amount of property, plant and equipment is determined as a key audit matter due to the significance of the carrying amounts to the financial statements and because the value‑in‑use calculation depends on assumptions which involve significant management judgement such as the identification of cash‑generating units, the estimation of future cash flows expected to be derived from the assets, and the determination of an appropriate discount rate. Key assumptions used in the cash flow projections include selling prices, sales volumes, and related costs and expenses.  The management concluded that the recoverable amount of the assets exceeded their carrying amount and, accordingly, no impairment loss on property, plant and equipment was recognised. | I tested the calculation of value in use prepared by the management. I inquired with the management about the future operation plans and tested the reasonableness of the estimate of future cash flows by testing the assumptions as follows:   * assessment of the appropriateness of the identification of cash‑generating units relating to property, plant and equipment used in the raw water business. * compared the forecast of operating results against actual historical data. * compared the selling price with the approved selling price rates and sales volumes with the quantities agreed with customers and evaluated the reasonableness of the future forecasted selling price and sales volumes. * analysed whether related costs and expenses were in line with sales and consistent with actual historical amounts. * used my firm’s valuation expert to evaluate the discount rate applied in the cash flows model. * performed a sensitivity analysis on key assumptions.   Based on the procedures above, I found that the assumptions used by the management in the assessment of the recoverable amount of property, plant and equipment were reasonable. |

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor’s report thereon. The annual report 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 will not express any form of assurance conclusion thereon.

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

**Responsibilities of the directors for the consolidated and separate financial statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of 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, the directors are responsible for assessing the Group’s and the Company’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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group’s and the Company’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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism 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 and the Company’s internal control.
* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
* Conclude on the appropriateness of the directors’ 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 and the Company 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 consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
* Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. I am responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee 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 the audit committee with a statement that I have complied with relevant ethical requirements 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.

**Varaporn Vorathitikul**

Certified Public Accountant (Thailand) No. 4474

Bangkok

25 February 2026