

**FIRETRADE ENGINEERING PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARY**

Financial Statements

For the Year Ended December 31, 2017

and Report of Certified Public Accountant

M.R. & ASSOCIATES CO., LTD.

Certified Public Accountants

REPORT OF CERTIFIED PUBLIC ACCOUNTANT

To the Shareholders and the Board of Directors of Firetrade Engineering Public Company Limited

Opinion

I have audited the consolidated financial statements of Firetrade Engineering Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. I have also audited the separate financial statements of Firetrade Engineering Public Company Limited, which comprise the separate statement of financial position as at December 31, 2017, and the separate statement of comprehensive income, the separate statement of changes in shareholders' equity and the separate statement of cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Firetrade Engineering Public Company Limited and its subsidiary as at December 31, 2017, and their consolidated financial performance and their consolidated cash flows for the year then ended, and the accompanying separate financial statements present fairly, in all material respects, the financial position of Firetrade Engineering Public Company Limited as at December 31, 2017, and its financial performance and its 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 the Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and the separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with this requirement. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is the matter that, in my professional judgment, was of most significance in my audit of the consolidated and the separate financial statements of the current period. This matter was addressed in the context of my audit of the consolidated and the separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Recognition of revenue from project works

The Group recognized revenues from project works based on the percentage of completion of project works which is estimated by reference to the projection of project work cost incurred for work performed up to date and estimate of total project work cost and compared with the percentage of completion of project works which estimated by engineers. The Group's management shall use their significant judgments to estimate the percentage of completion of project works and the estimate of total project work cost. Because revenues from project works recognized in the statement of comprehensive income is significant, I identified revenues recognition from project works to be significantly areas impact the financial statements.

Significant accounting policies and other information relating to revenue recognition, estimation of project work costs and provision for loss on project works are disclosed in notes 3 and 13 to the financial statements.

Key audit procedures included:

- Gain understanding and performing test of design and implementation of the relevant controls over recognize project work cost process and examine costs of project works.
- Inquiring the management and project engineer, gain understanding the Group's process to assess the percentage of completion and estimate the project work costs and determine the reasonable of these processes.
- Analytical review the percentage of completion estimated by engineers and the percentage of completion determined through a comparison of project work costs incurred throughout the period to the total estimated project work costs.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated and the separate financial statements as well as my auditor's report thereon. The aforesaid other information is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and the 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 the 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 the separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the aforesaid other information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to audit committee in order that they shall acknowledge and arrange the correction on such misstatement as appropriate.

Responsibilities of Management and Audit Committee for the Consolidated and the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and the 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 the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and the separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, the 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.

Audit committee is responsible for overseeing the Group's financial reporting process.

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

My objectives are to obtain reasonable assurance about whether the consolidated and the 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 consolidated and separate financial statements.

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 the 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 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 financial statements and the 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 the separate financial statements, including the disclosures, and whether the consolidated and the separate 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 and the separate financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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 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, related safeguards.

From the matters communicated with audit committee, I determine those matters that were of most significance in the audit of the consolidated and the 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.

(Mr. Methee Ratanasrimetha)
Certified Public Accountant
Registration No. 3425

M.R. & ASSOCIATES CO., LTD.
Bangkok
February 20, 2018