

No TTW/081/62

26 February 2019

Subject Explanation of the 2018 operating result as compared that of 2017

To The President
The Stock Exchange of Thailand

The operating results of TTW Public Company Limited (“the Company”) and its subsidiaries for the year ended 31 December 2018 and 2017 are Baht 2,841.9 million and Baht 2,663.2 million, respectively. As compared with the operating results for the same period of last year, the operating results of the Company and its subsidiaries increased by Baht 178.7 million or representing an increase of 6.7%. The Company hereby clarified the significant changes as follows:

1) Water sales increased by Baht 332.9 million or representing an increase of 6.1% from previous year because

a. The water sales of the Company increased by Baht 203.0 million or representing an increase of 5.4% because sale volume increased by 12.4 million m³ and selling price increased from the previous year. As the result, sale amount increased by Baht 197.8 million. In addition, the water sales in Industrial Estate increased by Baht 5.2 million.

b. The water sales of Pathum Thani Water Company Limited (“PTW”) increased by Baht 129.9 million or representing an increase of 7.6% from previous year mainly due to the increase in water sales of 10.1 million m³ or representing an increase of 7.5%.

2) Interest income and other incomes decreased by Baht 129.4 million or representing a decrease of 85.0% because the Company prepaid a part of long-terms in December 2017. As the result, the cash balances and return on cash balances decreased from last year.

3) Cost of goods sold and service increased by Baht 157.8 million or representing an increase of 10.1% mainly due to depreciation expenses increased by Baht 80.4 million, the electricity expenses increased by Baht 38.1 million, the maintenance expenses increased by Baht 23.1 million the employee expenses increased by Baht 8.9 million, the

chemical expenses increased by Baht 3.6 million and the other expenses increased by Baht 3.7 million.

4) Administrative expenses increased by Baht 23.0 million or representing an increase of 8.9% due to increase the written-off development expenses of water project in Myanmar.

5) Sharing of profit from investment in associated company increased by Baht 111.4 million or 277.1% because a subsidiary's revenue from electricity sales of associated company increased from the same period of last year.

6) Financial expenses decreased by Baht 35.3 million or representing a decrease of 8.7% due to partial loan prepayment by internal cash.

Please be informed accordingly.

Yours Faithfully,

(Mr. Somkiat Pattamamongkolchai)

Finance and Accounting Director