





eastwater

Use
water
wisely

Develop water usage plans

to reduce costs and achieve a sustainable
balance in water resources across all sectors



The COVID-19 pandemic has changed how humans live in many ways. We have become accustomed to the new word “New Normal” where we learn to work and do activities from home. As our home becomes our office, we continue to see growing levels of water use. Changing our behavior of using water will help us save water and contribute to our secure water future.



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Investors can study information of additionally issued securities from the Annual Registration Statements (56-1 Form) of the Company as shown in www.sec.or.th or www.eastwater.com.



BUSINESS OVERVIEW

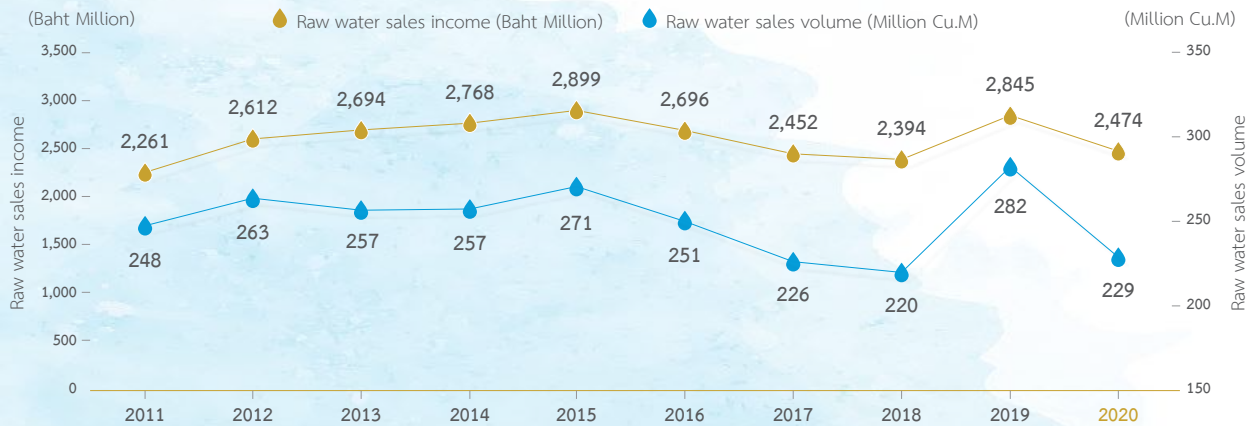
Financial Highlights

	2016	2017	2018	2019	2020
Statement of Comprehensive Income (Baht Million)					
Sales - raw water	2,696.43	2,452.05	2,393.82	2,844.70	2,473.57
Sales - tap water	1,392.87	1,422.75	1,438.40	1,503.16	1,467.89
Total sales	4,295.73 ¹	4,080.98 ¹	4,022.75 ¹	4,526.15 ¹	4,130.13 ¹
EBITDA	2,404.24	2,347.33	2,280.92	2,309.08	2,051.43
Net profit (loss)	1,318.61	1,232.02	1,129.77	1,055.91	776.43
Profit attributable to owners of the parent	1,309.23	1,221.18	1,117.52	1,044.79	764.15
Statement of Financial Position (Baht Million)					
Total assets	19,860.40	19,482.62	20,140.90	21,180.88	22,853.78
Total liabilities	9,812.09	9,052.71	9,335.75	10,167.06	11,784.58
Equity	10,048.30	10,429.91	10,805.15	11,013.82	11,069.20
Equity attributable to owners of the parent	9,854.47	10,242.56	10,624.66	10,839.60	10,901.61
Financial Ratios					
Book value per share	5.92	6.16	6.39	6.52	6.55
Earnings per share	0.79	0.73	0.67	0.63	0.46
Dividend per share	0.47	0.47	0.47	0.47	0.16 ²
Net profit margin	30.96	30.55	28.33	23.59	19.09
Return on equity (ROE)	13.67	12.15	10.71	9.74	7.03
Return on assets (ROA)	6.63	6.21	5.64	5.06	3.47
Debt to equity ratio (D/E)	1.00	0.88	0.88	0.94	1.08

Remarks : ¹ This excluded the construction revenue under concession agreement according to TFRIC 12
Re: Service Concession Arrangements (revision 2014).

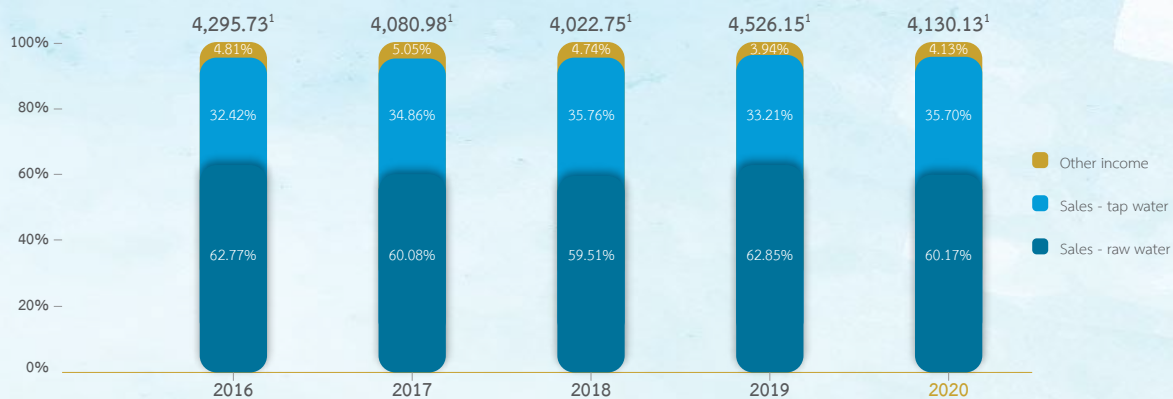
² In 2020, the Board of Directors' meeting No. 13/2563 held on 20 August 2020
resolved to pay an interim dividend at Baht 0.16 per share.

Raw water sales volume and raw water sales income of the business group



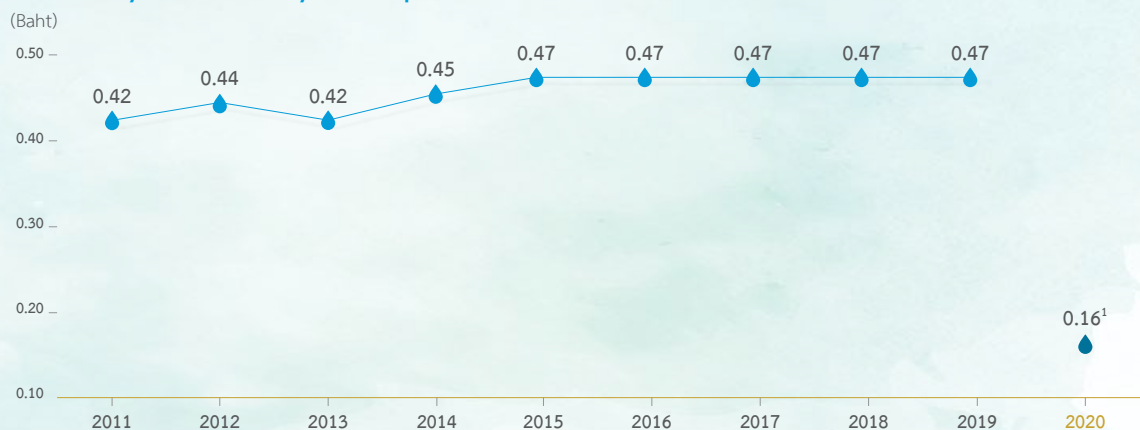
Remark : This excluded the volume of raw water supplied to the waterworks business of the Company and its subsidiaries.

Sources of income (Baht Million)



Remark : ¹ This excluded the construction revenue under concession agreement according to TFRIC 12 Re: Service Concession Arrangements (revision 2014).

Dividend Payment History (Baht per Share)



Remark : ¹ The interim dividend payment from the operating results for the first-half of 2020 was announced at Baht 0.16 per share, according to the resolution of the Board of Directors' meeting No. 13/2563 held on 20 August 2020. The Board of Directors shall propose the 2020 annual dividend payment to the 2021 Annual General Meeting of Shareholders on 26 April 2021.



MESSAGE FROM THE BOARD OF DIRECTORS



To Shareholders,

In 2020, Thailand and countries worldwide experienced a number of factors that dragged down the economies, including the unprecedented COVID-19 pandemic that unexpectedly transformed the world. Moreover, at the beginning of the year Thailand was hit by the most severe drought crisis, in 14 years.

This was in line with the Global Risks Report 2020 which highlights environment as one of the top risks the global community has been facing since 2017. Environmental issues, especially extreme weather, continued to deteriorate, and will inevitably affect water management.



The above situation made 2020 a very challenging year, but the Company remained strongly committed to maintaining the quality of services to gain confidence from all stakeholders according to its vision and missions. In so doing, the Company reviewed its 2020-2021 strategies as well as relevant action plans and budgets to be aligned with operations under unusual circumstances. The Company implemented various measures to mitigate the COVID-19 impact such as giving water bill discounts as an economic relief effort to water users, announcing a Work From Home (WFH) policy, developing IT systems to support e-operations, and formulating long-term IT system development plans to embrace the new normal society. Regarding measures to address droughts, the Company, as the administrator of the pipeline-based pumping system, collaborated with all parties, including the government and private sectors, such as the Office of the National Water Resources (ONWR), the Eastern Economic Corridor Office (EECO), the Royal Irrigation Department (RID), the Federation of Thai Industries (FTI), industrial consumers, and households, in reducing and controlling levels of water use. The Company also managed its key projects to ensure that the levels of water pumped met the demand; purchased water from private soil ponds; and diverted water from different locations to successfully weather the drought.

Despite the effects of the above factors, the Company continued to live up to its vision of “To be the leader in total water solutions of the country” by setting clearer business targets. Such targets included enhancing water supply and stability for customers, creating total water solution systems with modern technologies, using non-fossil power, and incorporating society, environment, and governance in its goals.

Mr. Veerasak Kositpaisal

Chairman of the Board of Directors

With its strong determination to constant development and fulfilling its obligations in all aspects, the Company earned ratings, recognitions, and awards for its achievements from several organizations, including supervisory bodies and well-known institutes, for example:

- The ASEAN Asset Class PLCs (Thailand) award (first year),
- An “Excellent” rating according to the Corporate Governance Reporting of Thai Listed Company (CGR) assessment by the Thai Institute of Directors (IOD) for the sixth consecutive year,
- The Sustainability Disclosure award from Thaipat Institute, and
- Selected as 1 of the 124 companies in the Stock Exchange of Thailand (SET)’s sustainable stock list with outstanding achievements in environmental, social, and governance (ESG) sustainability for the sixth consecutive year.

Additionally, in terms of financial credibility, the Company and its debentures were assigned a credit rating of “A+/Stable” by leading credit rating agencies.

On behalf of the Board of Directors, we would like to thank all stakeholders, including shareholders, customers, trading partners, relevant agencies, business alliances, and each and every executive and employee, for the unwavering support throughout all these years. We look forward to future opportunities with all parties in driving the Company towards stability and sustainability across all fronts while upholding the good corporate governance and sustainable development principles for regional, economic, and national advancement.

Mr. Jirayut Rungsrihong

President and Chief Executive Officer



REPORT OF THE AUDIT COMMITTEE FOR 2020



To Shareholders

The Audit Committee consists of three members who are independent directors and exercise duties with knowledge, abilities, and experiences in auditing financial reports, internal control systems, and relevant reviews. They also possess business knowledge and insights, and qualities as specified in the Notification of the Capital Market Supervisory Board and the Notification of the Stock Exchange of Thailand Re: Qualifications and Scope of Work of the Audit Committee B.E. 2558 (A.D. 2015). The Audit Committee's composition is as follows:

1. Mrs. Asvini	Tailanga	Chairman
2. Mrs. Tatchada	Jitmahawong	Member
3. Admiral Sucheep	Whoungmaitree	Member
4. General Trairat	Rungaratna	Advisor
5. Mrs. Thidarut	Kraiprasit	Executive Vice President, Internal Audit Office Secretary

In 2020, the Audit Committee held a total of 19 meetings. The key operations can be summarized as follows:

1. Review of Financial Reports

The Audit Committee performed reviews of the quarterly and annual financial reports of the Company and the consolidated financial statements. The Committee conducted meetings with the external and internal auditors and learned of clarifications from the management. The Committee agreed with the auditors that the Company's financial reports were correct and reliable in all material respects according to Thailand's generally accepted accounting principles, and disclosed sufficient and timely information. The Committee also provided comments beneficial to the Company regarding the disclosure of necessary and appropriate information. Moreover,

the Committee held two meetings with the auditors and without the management's presence so as to communicate and learn of key audit issues including the independence and audit scope of the auditors.

2. Review of Internal Control System Effectiveness

The Audit Committee gave importance to the principles of good corporate governance, risk management, and internal control by promoting a corporate culture with a focus on a good internal control. The Committee also reviewed the Internal Audit Office's assessment results of the internal control system efficiency and effectiveness for the group-wide work processes based on international standards on a quarterly basis. The Committee provided additional recommendations to enhance the Company's operational efficiency. Furthermore, the Committee consistently monitored the management to ensure that corrective actions were undertaken as recommended and asked that reports on corrective actions be presented to the Committee's meeting on a monthly basis. The Committee opined that the Company's internal control system was adequate and appropriate. In 2020, there were no material problems or weaknesses found and consistent improvements were made to ensure that the operations were in line and appropriate with the current business circumstance.

3. Review of Compliance with Applicable Laws, Rules, Regulations, Directives, and Ethics

The Audit Committee reviewed the Company's compliance with laws relating to the business, the Securities and Exchange Act, and the requirements of the Stock Exchange of Thailand. The Committee required that the management report results of the compliance with applicable laws, rules, and regulations every year. The Committee was assigned by the Board of Directors to consider and give opinions about the revision of the Company's key operating rules and regulations before submission thereof to the Board for consideration and approval. Last year, the Committee assigned the Internal Audit Office and the relevant compliance functions to supervise and review the operations to manage and mitigate the compliance risk and to push forward the efficient management based on the Three Lines of Defense concept where the works of the operating functions (1st line of defense), the compliance functions (2nd line of defense), and the audit functions (3rd line of defense) shall be



linked together. Moreover, the Committee reviewed and approved its Charter to be in line with East Water Group's Code of Conduct. According to the Charter, it is required that the Committee's chairman or member or secretary receive any complaints; that the secretary collect and screen any complaints submitted through the Company's website or internal web; and that the chairman and the secretary participate in the investigation process as specified in East Water Group's Code of Conduct.

4. Supervision of Internal Audit

The Audit Committee considered the 2020 risk-based internal audit plan and scope of audit, taking into consideration the existing controls implemented internally, past audit results, the corporate risk assessment results, and management interviews to identify any needs or concerns. The Committee also considered and approved the Internal Audit Office's annual action plans, budgets, and manpower limits while supporting and promoting the independent work of the Internal Audit Office. To ensure enhanced operational efficiency, the Committee gave recommendations on the improvement of internal audit in terms of processes and trainings with a focus on performance audit; and supported the adoption of technologies in audit operations.

The Committee considered the Internal Audit Office's Manual and Charter to ensure alignment with international standards and the changing circumstance, and the criteria for the Internal Audit Office's annual performance measurement and evaluation. The Committee opined that the Internal Audit Office achieved specific targets and plans.

5. Consideration of Related Party Transactions

The Audit Committee reviewed a number of related party transactions across East Water Group to ensure that the transactions met the SET's and the Securities and Exchange Commission (SEC)'s requirements based on reasonableness and interests of the Company, and were approved by those free of a conflict of interest. The Company has policies regarding conflict of interest and management of subsidiaries' operations in place.

6. Review of Audit Operations, and Selection and Appointment of Auditors

The Audit Committee considered the requirements for hiring auditors to select and nominate East Water Group's auditors for 2021. In so doing, the Committee

reviewed the auditors' qualifications and found them to be correct and complete. Thus, the Committee resolved to propose the matter to the Board of Directors for consideration and endorsement before further submission thereof to the 2021 annual general meeting of shareholders for approval.

Based on due consideration of the nature of the non-audit services which the functions of the Company and its subsidiaries hired the auditors to provide, the Committee opined that such services did not affect the independence of the auditors in reviewing the Company's financial reports.

7. Self-Assessment and Review of Audit Committee's Charter and Manual

The Audit Committee conducted an annual performance assessment by using a self-assessment form according to the principles of good corporate governance and reported the results to the Board of Directors for consideration. The self-assessment rating was "very good." The Committee reviewed and revised its Charter and Manual to keep up with the changing situation and to ensure that the Committee performed duties for the whole year as assigned and in line with the SET's best practices. The results were then presented to the Board of Directors' meeting for approval.

In conclusion, the Audit Committee performed its duties in full compliance with the Charter's requirements as approved by the Board of Directors and in line with the SEC's and the SET's requirements. The Committee agreed with the auditors that the Company's financial reports were presented fairly in all material respects in accordance with Thailand's generally accepted accounting standards; and that the Company provided appropriate and effective internal controls and audits while strictly complying with applicable laws, rules, regulations, and directives. In 2020, there were no material problems or weaknesses found in the operations. In addition, the Company constantly improved its operations to ensure alignment and appropriateness with the current business environment.

อัสวีนิ ไทลंगा

Mrs. Asvini Tailanga

Chairman of the Audit Committee



REPORT OF THE INVESTMENT COMMITTEE FOR 2020



To Shareholders

The Investment Committee consists of 4 members as follows:

- | | |
|---------------------------------------|---|
| 1. Mr. Surachai Kanasa | Chairman |
| 2. Mr. Surachai Chauphaeng | Member |
| 3. Mr. Virgilio Cervantes Rivera, Jr. | Member |
| 4. Mr. Jirayut Rungsritthong | Member |
| 5. Mr. Vicha Nilpetploy | Advisor |
| 6. Mr. Pisit Hongvanishkul | Advisor |
| 7. Mr. Charin Sony | Senior Executive Vice President and Chief Strategy and Business Development Officer Secretary |

In 2020, the Investment Committee considered and reviewed the progress of a number of projects to ensure achievements. The Committee realized that the global and national economies were hit hard by the COVID-19 pandemic, resulting in a slowdown in the water usage of the industrial and household consumption sectors. In 2020, the Investment Committee held a total of 12 meetings and its work results can be summarized as follows:

1. With raw water being regarded as a key business driver, the Company is committed to improving its water pumping system efficiency. The Committee therefore considered and approved a budget of Baht 185 million (exclusive of VAT) for the Smart Water project aimed at improving water pumping system management and decision making as well as supporting new water pricing structures and efficient data analysis.
2. The Committee considered and approved a budget of Baht 52,660,000 (exclusive of VAT) for the project to produce and supply tap water to the Wangchan Valley to support the Eastern Economic Corridor of

Innovation (EECI) in Rayong. The EECi is part of the government's EEC development plan and also the national strategic plan. This tap water production and supply project is located within the Company's water service area with sufficient capacity and readiness to provide services as planned.

3. The Committee considered and approved a budget of Baht 72,250,000 (exclusive of VAT) for the project to build an industrial water production system for Carabao Group PCL. This pilot project is the company's first industrial water service project in Chachoengsao, and is projected to be followed by other projects in the future and expected to generate higher revenues throughout the life of the project.
4. The Committee was assigned by the Board of Directors to monitor the progress of a number of key construction projects, namely (1) Thap Ma Raw Water Reserve Pond Development and (2) Khlong Luang Reservoir-Chonburi Raw Water Pipeline Construction, so as to keep track of their status on a continuous basis. This would help ensure the Company's ability to secure water supplies for sale and earn income as planned, as well as, prevent and solve any operational difficulties with prudence.
5. The Committee reviewed the investment criteria to ensure clarity and considered the overall budget limit of the Company. The Committee also monitored the progress of the key investment projects as assigned by the Board of Directors to achieve investment goals.

The Investment Committee performed duties as assigned by the Board of Directors and according to the Charter. At its meetings, the Committee raised questions, exchanged ideas, and provided recommendations independently with prudence and caution. The Committee placed interests of the Company and its shareholders as a priority. The Committee also complied with relevant laws, rules, and regulations under good governance practices for stable and sustainable business operations.

Mr. Surachai Kanasa

Chairman of the Investment Committee



REPORT OF THE RISK MANAGEMENT COMMITTEE FOR 2020



To Shareholders

The Risk Management Committee consists of 4 members as follows:

1. Mrs. Tatchada Jitmahawong	Chairman
2. Mrs. Asvini Tailanga	Member
3. Mr. Eakachai Attakanna	Member
4. Mr. Jirayut Rungsrithong	Member
5. Mr. Siwa Sangmanee	Advisor
6. Mr. Charin Sony	Senior Executive Vice President and Chief Strategy and Business Development Officer Secretary

Realizing that managing risks is key to ensuring that targets under business plans are met, the Board of Directors set up the Risk Management Committee to consider the Company's context and key risk factors, determine risk management policies, consider enterprise risks, assess risks affecting the business, propose recommended guidelines for determining measures to prevent and solve possible impacts, and impose requirements for regular risk reviews and updates on control effectiveness.

In 2020, the Committee held a total of four meetings with the highlights as follows:

1. Reviewed and delivered the organization-wide risk management policy and monitored the results of the compliance with the risk management policy.

2. Supported revisions of the enterprise risk management (ERM) handbook according to the Committee of Sponsoring Organizations of the Treadway Commission (COSO)-ERM guiding principles serving as risk management universal standards.
3. Considered risk management criteria and determined key risk indicators (KRIs).
4. Considered and endorsed enterprise risk issues so that risk owners could prepare respective risk management plans and develop preventive control measures or solutions to contain impacts to acceptable levels.
5. Monitored and reviewed risk issues on a consistent basis; and required that performance assessments be conducted to ensure effective risk management and strategic plan achievement.
6. Reviewed the Committee's Charter to be aligned with relevant legal provisions or requirements according to good corporate governance principles.

The Committee is committed to ensuring that the Company's ERM practice reflects its efficient management and good corporate governance policies, hence the Company's ability to effectively operate business according to its business plans, vision, and missions. The Committee also performs annual self-assessments, of which the results are used to improve the ERM performance as appropriate.

T. Jitmahawong.

Mrs. Tatchada Jitmahawong

Chairman of the Risk Management Committee



REPORT OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE FOR 2020



To Shareholders

The Corporate Governance and Sustainable Development Committee consists of 4 members who are independent directors as follows:

- | | |
|----------------------------------|--|
| 1. Mr. Surachai Kanasa | Chairman |
| 2. Mrs. Asvini Tailanga | Member |
| 3. Admiral Sucheep Whoungmaitree | Member |
| 4. Admiral Pichet Tanaset | Member |
| 5. Miss Kanyanart Viraphandu | Vice President,
Company Secretary Office
Secretary |

In 2020, the Committee consistently performed its duties in relation to sustainability. The Company's key sustainability focus areas included the approval for the 2020 sustainable development action plan, the revision of the Committee's Charter to be aligned with sustainable development activities, the acknowledgement of key sustainability issues and topics published in the 2020 Sustainability Report, the acknowledgement of the 2020 sustainability stock assessment, and the proposal of recommendations to the management on the revision of the 2019 Sustainability Report before disclosure thereof to be consistent with the Sustainable Development Plan for Listed Companies of the Office of Securities and Exchange Commission (SEC).

Moreover, the Committee viewed that corporate governance and sustainability-related operations were equally important. Through a total of six meetings, the Committee reviewed and screened a number of issues according to its scope of authority specified in the Charter as well as relevant laws and regulations before submission thereof to the Board of Directors for consideration. The highlights of the Committee's operations are as follows:

1. Revised the complaint monitoring and verifying process in East Water Group's Code of Conduct, and implemented the ISO 9001 and the IT systems

for its complaint management. The Committee also renamed the Complaint Investigation Panel to the "Complaint and Disciplinary Investigation Panel" as this panel would consider any disciplinary actions to be imposed before proposing them to the management and human resources. Furthermore, the Committee assigned the management to revise East Water Group's Code of Conduct to reflect the revised complaint monitoring and verifying process.

2. Reviewed the internal anti-corruption policy.
3. Assigned the Committee's secretary to coordinate with relevant functions to incorporate the statement regarding the internal anti-corruption policy practice into the terms and conditions on contract termination with the trading partners.
4. Reviewed the independence of the independent directors being proxies at the 2020 annual general meeting of shareholders. The Committee proposed that all Audit Committee members be proxies as they were independent directors according to the SEC's requirements and represented the shareholders in performing checks and balances.
5. Monitored summary reports of complaint handling cases from the Committee's secretary on a quarterly basis.
6. Proposed that the Board of Directors assign the Committee's secretary to coordinate revisions of all committee charters to ensure that the uniform standards were met.
7. Acknowledged action plans related to the Student Loan Fund and had the management examine applicable laws before taking relevant actions according to the Student Loan Fund Act B.E. 2560 (A.D. 2017).

On behalf of the Committee, I am strongly committed to supporting and encouraging personnel of all levels at East Water Group to perform duties according to the values of sustainable development, the principles of corporate governance, the group-wide code of conduct, the internal anti-corruption policy, and rules and regulations concerned to ensure good governance and sustainable business growth for the organization.

Mr. Surachai Kanasa

Chairman of the Corporate Governance and Sustainable Development Committee



REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE FOR 2020



To Shareholders

The Board of Directors of Eastern Water Resources Development and Management Public Company Limited set up the Nomination and Remuneration Committee consisting of the following members:

- | | |
|----------------------------------|--|
| 1. Admiral Sucheep Whoungmaitree | Chairman |
| 2. Mr. Surachai Kanasa | Member |
| 3. Miss Somchint Pilouk | Member |
| 4. Mr. Bamrungsak Chingwangtakor | Member |
| 5. Miss Chinda Mahaisawariya | Senior Executive Vice President and Chief Supporting Officer Secretary |

In 2020, the Nomination and Remuneration Committee performed its duties in full compliance with its Charter. The Committee held a total of eight meetings to deliberate over various matters before further submission thereof to the Board of Directors for consideration and approval. The highlights of the Committee's work results are as follows:

1. Nominated qualified candidates according to the criteria and processes specified by the supervisory bodies to replace the directors retiring by rotation or the vacant positions. The board skill matrix shall be used as a reference in terms of qualifications, skills and experiences of directors. The Committee also nominated and proposed subcommittee member candidates to the Board of Directors and then to the shareholders' meeting.
2. Nominated qualified and experienced professionals with expertise in a variety of fields beneficial to the Company's operations as advisors to the Board of Directors.

3. Proposed East Water Group's directors' remuneration to the shareholders' meeting for consideration and approval. The rates of remuneration were compared with those as per the Thai Institute of Directors Association (IOD)'s Thai Directors Compensation Survey and those offered by similar businesses in order to motivate and retain quality directors.
4. Determined 2020 and 2021 corporate key performance indicators (KPIs); monitored and evaluated the performances against the corporate KPIs; and proposed recommendations and guidelines to improve operational efficiency and achieve specific objectives and goals to the Board of Directors for consideration and approval.
5. Reviewed the corporate KPIs handbook in line with the corporate vision and missions for use as a basis for performance evaluation by the management and employees.
6. Set out and submitted the President and CEO's KPIs to the Board of Directors for consideration and approval; and monitored and reported his work results against the KPIs to the Board for consideration and approval and for supporting wage, compensation, and bonus payments.
7. Considered and reviewed payment criteria for wages, compensation, and bonuses of East Water Group employees to be appropriate and aligned with operating results, and to be competitive as compared to similar businesses so as to foster a target-oriented work environment.
8. Reviewed the Committee's Charter to ensure that it is up-to-date and in line with the current situation.

The Committee performed its duties by taking into consideration interests of the Company and its stakeholders and the corporate performance while ensuring that the Company recruited a high caliber workforce with appropriate and fair rates of payments as incentives for achievement of business goals as specified by the Board of Directors and for sustainable business growth.

Admiral Sucheep Whoungmaitree

Chairman of the Nomination and Remuneration Committee



BOARD OF DIRECTORS

01.

Mr. Veerasak Kositpaisal

- Independent Director
- Chairman

02.

Mrs. Asvini Tailanga

- Independent Director
- Chairman of the Audit Committee
- Member of the Risk Management Committee
- Member of the Corporate Governance and Sustainable Development Committee

03.

Mr. Surachai Kanasa

- Independent Director
- Chairman of the Investment Committee
- Chairman of the Corporate Governance and Sustainable Development Committee
- Member of the Nomination and Remuneration Committee

04.

Mrs. Tatchada Jitmahawong

- Independent Director
- Chairman of the Risk Management Committee
- Member of the Audit Committee

05.

Adm. Sucheeep Whoungmaitree

- Independent Director
- Chairman of the Nomination and Remuneration Committee
- Member of the Audit Committee
- Member of the Corporate Governance and Sustainable Development Committee

06.

Adm. Pichet Tanaset

- Independent Director
- Member of the Corporate Governance and Sustainable Development Committee



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**07.****Mr. Bumrungsak Chingwangtakor**

- Director
- Member of the Nomination and Remuneration Committee

08.**Mr. Eakachai Attakanna**

- Director
- Member of the Risk Management Committee

09.**Mr. Surachai Chauphaeng**

- Director
- Member of the Investment Committee

10.**Mr. Virgilio Cervantes Rivera, Jr.**

- Director
- Member of the Investment Committee

11.**Miss Somchint Pilouk**

- Director
- Member of the Nomination and Remuneration Committee

12.**Mr. Jirayut Rungsrihong**

- Director and President & CEO
- Member of the Investment Committee
- Member of the Risk Management Committee



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PROFILES OF BOARD OF DIRECTORS

Mr. Veerasak Kositpaisal

- Independent Director
 - Chairman
- Age 66 years



Date appointed as Director on 23 April 2018

Education

- Master of Science (Mechanical Engineering), Texas A&I University, USA
- Bachelor of Engineering (Mechanical), Chulalongkorn University

Training

- Director Certification Program (DCP) 82/2006, Thai Institute of Directors (IOD)
- Finance for Non-Finance Director (FND) 30/2006, Thai Institute of Directors (IOD)
- Certificate in Top Executives in the Energy Education Program Class 5, Thailand Energy Academy (TEA)
- Leadership Development Program "Enhancing Competitiveness", International Institute for Management Development (IMD)
- Top Executive Program in Commerce and Trade (TEPCoT) 2/2009, Commerce Academy, University of the Thai Chamber of Commerce
- Capital Market Academy Leadership Program Class 11, Capital Market Academy (CMA)

Company Shareholding (%) : None

Family Relationship among Directors and Executives : None

Work Experience

Position in Other Listed Company

- 2019 - Present Glow Energy PCL.
- 2017 - Present Director / Chairman of Nomination and Remuneration Committee / Member of the Audit Committee, TOA Paint (Thailand) PCL.
- 2015 - 2019 Vice Chairman / Chairman of the Corporate Governance Committee / Member of the Risk Management Committee, MCOT PCL.
- 2012 - 2014 President / CEO, Thai Oil PCL.
- 2011 - 2012 Chief Executive Officer, PTT Global Chemical PCL.
- 2008 - 2011 Chief Executive Officer, PTT Chemical PCL.

Position in Other Non-Listed Company / Other Organization

- 2020 - Present Director / Chairman of the Audit Committee, Civil Engineering PCL.
- 2019 - Present Member of Sub-committee / Evaluation and Development of State Enterprises
- 2017 - Present Director / Member of the Audit Committee, Sapthip Company Limited
- 2018 - 2019 Director, Tobacco Authority of Thailand
- 2014 - 2018 Chairman of the Board of Directors, HMC Polymers Company Limited

Mrs. Asvini Tailanga

- Independent Director
 - Chairman of the Audit Committee
 - Member of the Risk Management Committee
 - Member of the Corporate Governance and Sustainable Development Committee
- Age 67 years



Date appointed as Director on 23 April 2018

Education

- Bachelor Degree, Faculty of Commerce & Accountancy, Chulalongkorn University

Training

- Program for Management Development Graduate School of Business Administration, Harvard University (PMD 61)
- Program for Families in Business From Generation to Generation, Harvard Business School, Harvard University
- Corporate Governance for Capital Market Intermediaries (CGI) 11/2016, Thai Institute of Directors (IOD)
- Audit Committee Program (ACP) 18/2007, Thai Institute of Directors (IOD)
- Audit Committee Program (ACP) 15/2006, Thai Institute of Directors (IOD)
- Director Certification Program (DCP) 18/2002, Thai Institute of Directors (IOD)
- Capital Market Academy Leadership Program Class 1, Capital Market Academy (CMA)

Company Shareholding (%) : None

Family Relationship among Directors and Executives : None

Work Experience

Position in Other Listed Company

- 2016 - Present Director / Executive Director / Member of the Risk Oversight Committee, Thanachart Securities PCL.
- 2013 - 2019 Member, Product & Marketing Steering
- 2000 - 2015 Managing Director, Thanachart Securities PCL.
- 2009 - 2013 Chairman of Executive Board, Thanachart Securities PCL.

Position in Other Non-Listed Company / Other Organization

- 2017 - 2018 Member, Appeal Committee, Thailand Futures Exchange PCL. (TFEX)
- 2013 - 2016 Director, Association of Thai Securities Companies (ASCO)



Mr. Surachai Kanasa

- Independent Director
- Chairman of the Investment Committee
- Chairman of the Corporate Governance and Sustainable Development Committee
- Member of the Nomination and Remuneration Committee

Age 63 years



Date appointed as Director on 20 July 2017

Education

- Master of Public Administration (Honors), Public Policy and Project Management, National Institute of Development Administration
- Bachelor of Political Science Program (First-class honors), Politics and Government, Thammasat University

Training

- IT Governance a Cyber Resilience Program (ITG) 8/2018, Thai Institute of Directors (IOD)
- Director Certification Program (DCP) 250/2017, Thai Institute of Directors (IOD)
- Ethical Leadership Program (ELP) 10/2017, Thai Institute of Directors (IOD)
- The National Defence Course (NDC) Class 49, Thailand National Defence College
- Capital Market Academy Leadership Program Class 13, Capital Market Academy (CMA)
- Executive Development Program Class 39, Ministry of Interior
- Institute of Administration Development (IAD) Class 37

Company Shareholding (%) : None

Family Relationship among Directors and Executives : None

Work Experience

Position in Other Listed Company : None

Position in Other Non-listed Company / Other Organization

- 2015 - 2017 Provincial Governor of Pathum Thani, Office of the Permanent Secretary for Interior
- 2013 - 2015 Provincial Governor of Phichit, Office of the Permanent Secretary for Interior
- 2012 - 2013 Provincial Governor of Chanthaburi, Office of the Permanent Secretary for Interior
- 2011 - 2012 Provincial Governor of Lamphun, Office of the Permanent Secretary for Interior
- 2010 - 2011 Director - General of Community Development Department, Community Development Department, Ministry of Interior
- 2010 Acting in Position of Director - General of Department of Promotion of Local Administration, Department of Promotion of Local Administration, Ministry of Interior
- 2009 - 2010 Provincial Governor of Samut Prakan, Office of the Permanent Secretary for Interior

Mrs. Tatchada Jitmahawong

- Independent Director
- Chairman of the Risk Management Committee
- Member of the Audit Committee

Age 63 years



Date appointed as Director on 24 December 2014

Education

- Master of Business Administration, Kasetsart University
- Bachelor of Arts (Accounting) (Second-class Honors), Chiang Mai University

Training

- Board Nomination & Compensation Program (BNCP) 7/2019, Thai Institute of Directors (IOD)
- How to Development a Risk Management Plan (HRP) 22/2019, Thai Institute of Directors (IOD)
- IT Governance a Cyber Resilience Program (ITG) 7/2018, Thai Institute of Directors (IOD)
- Boards that Make a Difference (BMD) 8/2018, Thai Institute of Directors (IOD)
- Ethical Leadership Program (ELP) 10/2017, Thai Institute of Directors (IOD)
- Successful Formulation & Execution the Strategy (SFE) 30/2017, Thai Institute of Directors (IOD)
- Risk Management Program for Corporate Leaders (RCL) 4/2016, Thai Institute of Directors (IOD)
- Advanced Audit Committee Program (AAPC) 18/2015, Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP) 114/2015, Thai Institute of Directors (IOD)
- Director Certification Program (DCP) 208/2015, Thai Institute of Directors (IOD)
- Financial Statements for Directors (FSD) 27/2015, Thai Institute of Director (IOD)

Company Shareholding (%) : None

Family Relationship among Directors and Executives : None

Work Experience

Position in Other Listed Company : None

Position in Other Non-listed Company / Other Organization

- 2020 - Present Chairman of the Audit Committee, Designated Areas for Sustainable Tourism Administration (Public Organization)
- 2020 - Present Qualified Committee, Designated Areas for Sustainable Tourism Administration (Public Organization)
- 2016 - 2017 Director of Public Sector Receipt and Disbursement Administration Division, The Comptroller General's Department, Ministry of Finance
- 2011 - 2016 Director of Office of Government Fiscal Management Information System, The Comptroller General's Department, Ministry of Finance
- 2007 - 2011 Specialist of Development Fiscal Management System, The Comptroller General's Department, Ministry of Finance
- 2005 - 2007 Head of Office of Secretary, The Comptroller General's Department, Ministry of Finance
- 1999 - 2005 Provincial Treasury, The Comptroller General's Department, Ministry of Finance
- 1997 - 1998 Head of Planning Division, The Comptroller General's Department, Ministry of Finance
- 1996 - 1997 Head of Internal Audit Group, The Comptroller General's Department, Ministry of Finance

**Adm. Sucheep Whoungmaitree**

- Independent Director
- Chairman of the Nomination and Remuneration Committee
- Member of the Audit Committee
- Member of the Corporate Governance and Sustainable Development Committee

Age 63 years

Date appointed as Director on 21 June 2019

Education

- The National Defence Course Class 53
- Naval War College Class 34
- Naval Command and Staff College Class 52
- Royal Thai Naval Academy Class 74
- Armed Forces Academies Preparatory School Class 17

Training

- Ethical Leadership Program (ELP) 20/2020, Thai Institute of Directors (IOD)
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Class 22, King Prajadhipok's Institute
- Director Certification Program (DCP) 221/2016, Thai Institute of Directors (IOD)

Company Shareholding (%) : None**Family Relationship among Directors and Executives : None****Work Experience****Position in Other Listed Company**

- 2015 - Present Director, Bangchak Corporation PCL.

Position in Other Non-Listed Company / Other Organization

- 2016 - 2019 Member of the National Legislative Assembly
- 2016 - 2017 Executive Board of U-Tapao Airport
- 2016 - 2017 Commander-in-Chief, Royal Thai Fleet
- 2015 - 2016 Director, Bangkok Dock Co., (1957) Ltd.
- 2015 Deputy Chief of Staff, Royal Thai Navy
- 2014 Commander, First Naval Area Command

Adm. Pichet Tanaset

- Independent Director
- Member of the Corporate Governance and Sustainable Development Committee

Age 62 years

Date appointed as Director on 17 December 2020

Education

- The National Defence Course Class 55
- Naval War College Class 35
- Naval Command and Staff College Class 53
- Master of Public Administration, Kasem Bundit University
- Bachelor of Science (Electrical Engineering), Royal Thai Naval Academy Class 75
- Armed Forces Academies Preparatory Class 18

Training

- Rule of Law for Democracy Class 4, College of the Constitutional Court
- Capital Market Academy Leadership Program Class 28, Capital Market Academy (CMA)
- Director Accreditation Program (DAP) 175/2020, Thai Institute of Directors

Company Shareholding (%) : None**Family Relationship among Directors and Executives : None****Work Experience****Position in Other Listed Company : None****Position in Other Non-Listed Company / Other Organization**

- 2019 - Present Working Group to the Deputy Prime Minister
- 2019 - Present Chief of working group in supervising and monitoring the performance of government services of supervisory district 16
- 2019 - Present Chairman of the subcommittee to study water management guidelines in the Eastern Thailand
- 2019 - Present The Extraordinary Commission considered and studied the entire watershed management Thailand
- 2017 - 2018 Chairman, The Bangkok Dock Co., (1957) Ltd.
- 2017 - 2018 Member of the Board of Directors, Defence Technology Institute

**Mr. Bumrungsak Chingwangtakor**

- Director
- Member of the Nomination and Remuneration Committee

Age 57 years



Date appointed as Director on 23 April 2019

Education

- Master of Public Administration, Ramkhamhaeng University
- Bachelor of Laws, Sukhothai Thammathirat Open University
- Bachelor of Political Science, Ramkhamhaeng University

Training

- Director Certification Program (DCP) 299/2020, Thai Institute of Directors (IOD)
- Middle Executive of the Ministry of Interior, Class 20, Damrong Rajanupab Institute Ministry of the Interior
- Financial Management for Executives
- Review of Corporate Action Plan and Strategic Plan
- Advance Certificate Course in Promotion of a Peaceful Society, King Prajadhipok's Institute
- Corporate governance in accordance with ITA (Integrity and Transparency Assessment) standards
- Corporate strategic plan formulation
- Provincial Waterworks Authority's tap water production and distribution" technical tour
- Preparation for Procurement Act

Company Shareholding (%) : 0.00000120212

Family Relationship among Directors and Executives : None

Work Experience

Position in Other Listed Company : None

Position in Other Non-Listed Company / Other Organization

- 2018 - Present Deputy Governor (Administration), Provincial Waterworks Authority
- 2014 Assistant Governor (Office of Governor), Provincial Waterworks Authority
- 2009 Director of Human Resources Department, Provincial Waterworks Authority
- 2005 Director of Human Resources Division, Provincial Waterworks Authority
- 2000 Head of Section, Provincial Waterworks Authority

Mr. Eakachai Attakanna

- Director
- Member of the Risk Management Committee

Age 59 years



Date appointed as Director on 5 August 2020

Education

- Master of Public Administration, National Institute of Development Administration
- Bachelor of Engineering (Civil Engineering), Chiang Mai University

Training

- Advance Certificate Course in Public Administration and Law for Executives Class 17, King Prajadhipok's Institute

Company Shareholding (%) : None

Family Relationship among Directors and Executives : None

Work Experience**Position in Other Listed Company**

- 2015 - 2017 Director, Eastern Water Resources Development and Management PCL.

Position in Other Non-Listed Company / Other Organization

- 2015 - Present Deputy Governor (Operation 3), Provincial Waterworks Authority
- 2013 - 2015 Director Regional 1, Provincial Waterworks Authority
- 2011 - 2013 Director Regional 3, Provincial Waterworks Authority

**Mr. Surachai Chauphaeng**

- Director
- Member of the Investment Committee

Age 58 years

Date appointed as Director on 17 December 2020

Education

- Bachelor of Engineering (Mechanical Engineering), Chiang Mai University
- Bachelor of Arts (Political Science), Ramkhamhaeng University

Training

- Advance Certificate Course in Public Administration and Law for Executives, King Prajadhipok's Institute
- Budgeting Management Course for Executive, Bureau of the Budget

Company Shareholding (%) : None**Family Relationship among Directors and Executives : None****Work Experience****Position in Other Listed Company : None****Position in Other Non-Listed Company / Other Organization**

- 2020 - Present Deputy Governor (Corporate Strategy) / Acting in position Deputy Governor (Operation 5), Provincial Waterworks Authority
- 2020 - Present Deputy Governor (Corporate Strategy), Provincial Waterworks Authority
- 2015 - 2020 Director Regional Office 1, Provincial Waterworks Authority

Mr. Virgilio Cervantes Rivera, Jr.

- Director
- Member of the Investment Committee

Age 59 years

Date appointed as Director on 14 March 2018

Education

- Master of Economics, De La Salle University, the Philippines
- Bachelor of Commerce (Major in Economics), University of Santo Tomas, the Philippines
- Bachelor of Behavioral Science, University of Santo Tomas, the Philippines
- Advanced Management Program, Harvard Business School

Training

- Director Accreditation Program (DAP) 158/2019 (English Program), Thai Institute of Directors (IOD)

Company Shareholding (%) : None**Family Relationship among Directors and Executives : None****Work Experience****Position in Other Listed Company : None****Position in Other Non-Listed Company / Other Organization**

- Present Director / Board Member, various subsidiaries of Manila Water Asia Pacific, Pte., Ltd.
- 2018 - Present Fellow / Board Member, International Water Association (IWA)
- 2015 - Present Chief Operating Officer (COO), New Business Operations, Manila Water Company, Inc.
- 2015 - Present President / CEO, Manila Water Philippine Ventures, Inc.
- 2015 - Present President / CEO, Manila Water Asia Pacific, Pte., Ltd.
- 2005 - Present Managing Director (Secondment to Manila Water Company, Inc.), Ayala Corporation.
- 1999 - 2015 Group Director, Corporate Strategy and Development, Manila Water Company, Inc.



Miss Somchint Pilouk

- Director
 - Member of the Nomination and Remuneration Committee
- Age 59 years



Date appointed as Director on 11 December 2018

Education

- Doctor of Philosophy (Environmental Engineering and Management), Asian Institute of Technology (AIT)
- Master of Engineering (Executive), Asian Institute of Technology (AIT)
- Master of Engineering (Environmental Engineering), Kasetsart University
- Bachelor of Science (Occupational Health), Mahidol University

Training

- The Executive Program in Energy Literacy for a Sustainable Future, TEA (Thailand Energy Academy - TEA)
- Director Certification Program (DCP) 283/2019 Thai Institute of Directors (IOD)
- Metropolitan Development Program
- Executive Management with Business Development and Investment (Institute of Business and Industrial Development)
- A senior executive of the ruling Justice (The office of Administrative courts of Thailand)
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (College of Politics and Governance King Prajadhipok's Institute)
- Advanced Certificate Course in Public Economics Management for Executives (College of Politics and Governance King Prajadhipok's Institute)

Company Shareholding (%) : None

Family Relationship among Directors and Executives : None

Work Experience

Position in Other Listed Company : None

Position in Other Non-Listed Company / Other Organization

- 2018 - Present Governor, Industrial Estate Authority of Thailand
- 2018 - Present Director, Global Utilities Services Co., Ltd.
- 2017 - 2018 Director, Gem Environmental Management Co., Ltd.
- 2016 - 2018 Deputy Governor (Special Affairs), Industrial Estate Authority of Thailand
- 2013 - 2016 Deputy Governor (Service and Environment), Industrial Estate Authority of Thailand
- 2012 - 2013 Assistant to Governor (Industrial Port), Industrial Estate Authority of Thailand

Mr. Jirayut Rungsritthong

- Director and President & CEO
 - Member of the Investment Committee
 - Member of the Risk Management Committee
- Age 54 years



Date appointed as Director on 1 April 2016

Education

- M.S. in Operations Research, George Washington University, USA
- Bachelor of Engineering (Computer), King Mongkut's Institute of Technology Ladkrabang

Training

- Director Certification Program (DCP) 60/2005, Thai Institute of Directors (IOD)
- Financial Institutions Governance Program (FGP) 4/2012, Thai Institute of Directors (IOD)
- Corporate Governance for Public Director Class 10, Thailand National Defence College
- The National Defence Course (NDC) Class 61, Thailand National Defence College
- Capital Market Academy Leadership Program Class 10, Capital Market Academy (CMA)
- Bangkok Metropolitan Administration (BMA) Class 1, Institute of Metropolitan Development
- Business Revolution and Innovation Network (BRAIN) 1/2017, The Federation of Thai Industries

Company Shareholding (%) : None

Family Relationship among Directors and Executives : None

Work Experience

Position in Other Listed Company

- 2018 - Present Independent Director / Chairman of the Audit Committee, Index Living Mall PCL.
- 2013 - 2015 Independent Director/Audit Committee Member, Christiani & Nielsen (Thai) PCL.
- 2005 - 2006 Director / Managing Director, Bualuang Securities PCL.
- 2004 - 2005 Director / Managing Director, United Securities PCL.

Position in Other Non-Listed Company / Other Organization

- 2017 - Present Director, Universal Utilities PCL.
- 2015 Advisor to Deputy Minister of Transport
- 2015 Chairman of the Board, Bangkok Metropolitan Administration's Pawnshop Office
- 2011 - 2014 Board Director, SME Development Bank of Thailand
- 2009 - 2011 Director / Chief Executive Officer, CAT Telecom PCL.
- 2009 - 2011 Vice President, The Telecommunications Association of Thailand under the Royal Patronage
- 2006 - 2009 Chief Financial Officer, CAT Telecom PCL.



ADVISORS TO THE BOARD OF DIRECTORS

Mr. Vicha Nilpetploy

- Advisor to the Board
- Advisor to the Investment Committee

Age 71 years



Date appointed as the Advisor to the Board on 16 January 2016

Education

- Master of Political Science, Chulalongkorn University
- Bachelor of Laws, Ramkhamhaeng University

Company Shareholding (%) : None

Family Relationship among Advisor to the Board and Executives : None

Work Experience

Position in Other Listed Company : None

Position in Other Non-Listed Company / Other Organization

- Present Commission to the Minister of Interior
- 2014 - 2019 Commission to the Deputy Ministry of Interior
- 2008 - 2009 Deputy Director, Department of Lands
- 2006 Chief of Bangkok Metropolitan Land Office
- 2004 Inspector General, Department of Lands

Gen. Trairat Rangaratna

- Advisor to the Board
- Advisor to the Audit Committee

Age 69 years



Date appointed as the Advisor to the Board on 29 June 2017

Education

- Bachelor of Science Program, Chulachomklao Royal Military Academy (batch 22)
- Armed Forces Academies Preparatory School (batch 11)

Training

- Institute of Security Psychology (ISP) Class 79, National Defence Studies Institute Royal Thai Armed Forces Headquarters
- Advanced Security Management Program (ASMP) Class 3, National Defence College of Thailand
- Capital Market Academy Leadership Program Class 20, Capital Market Academy (CMA)
- The National Defence Course (NDC) Class 48, Thailand National Defence College
- Certificate in Top Executives in the Energy Education Program Class 10, Thailand Energy Academy (TEA)

Company Shareholding (%) : None

Family Relationship among Advisor to the Board and Executives : None

Work Experience

Position in Other Listed Company

- Present Chairman of the Board, Pattar House & Property Public Company Limited

Position in Other Non-Listed Company / Other Organization

- Present Sub-Commission of religion, moral ethics, arts and culture. House of Senate.
- Present Working Group of Deputy Minister for Ministry of Interior
- 2012 - Present Chairman of the Advisor, Thailand Equestrian Federation
- 2014 - 2019 Member of the National Legislative Assembly / The Energy Commission / The Local Government Commission, The National Legislative Assembly
- 2016 - 2018 Town and Country Planning Committee, Department of Public Works and Town & Country Planning
- 2014 - 2016 Director / Chairman of the Audit Committee / Chairman of the Following to Policy Sub-Committee, Provincial Waterworks Authority
- 2008 - 2009 Deputy Director Royal Thai Army Radio&Television
- 1985 - 2012 Special Royal Guard, Royal Thai Aide-De-Camp Department



Mr. Siwa Sangmanee

- Advisor to the Board
 - Advisor to the Risk Management Committee
- Age 75 years



Date appointed as the Advisor to the Board on 19 October 2017

Education

- Master of Public Administration, National Institute of Development Administration
- Bachelor of Arts (Political Science), Chulalongkorn University

Training

- Advanced Audit Committee Program (AACP) 18/2015, Thai Institute of Directors (IOD)
- Director Certification Program (DCP) 97/2007, Thai Institute of Directors (IOD)
- Executive Development Program class 20, Ministry of Interior
- The National Defence Course (NDC) Class 37, Thailand National Defence College
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives Class 6
- Capital Market Academy Leadership Program Class 12, Capital Market Academy (CMA)

Company Shareholding (%) : None

Family Relationship among Advisor to the Board and Executives : None

Work Experience

Position in Other Listed Company

- 2017 - Present Chairman of the Audit Committee / Independent Director, International Research Corporation PCL.
- 2013 - Present Chairman of the Audit Committee / Independent Director, SEAFCO PCL.
- 2011 - Present Chairman of the Audit Committee / Independent Director, Ubon Bio Ethanol PCL.

Position in Other Non-listed Company / Other Organization

- Present Committee Member, King Mongkut's Institute of Technology Ladkrabang
- 2019 Advisor to the Deputy Ministry of Interior
- 2009 - 2010 Chairman, Thailand Post Co., Ltd.
- 2008 - 2009 Director, Thailand Post Co., Ltd.
- 2006 - 2008 Chairman of Labor Relation Committee, Provincial Electricity Authority
- 2006 - 2008 Director, Provincial Electricity Authority
- 2007 Member of Constitution Drafting Assembly
- 2006 - 2007 Chairman, State Railway of Thailand

Mr. Pisit Hongvanishkul

- Advisor to the Investment Committee
- Age 62 years



Date appointed as the Advisor to the Investment Committee on 5 August 2020

Education

- Master of Science (Business Economics), Kasetsart University
- Bachelor of Engineering (Civil Engineering), Chiang Mai University
- Post Graduated Diploma (Sanitary Engineering), International Institute for Hydraulic and Environmental Engineering (IHE), Delft, the Netherlands

Training

- Director Certification Program (DCP) 277/2019 Thai Institute of Directors (IOD)
- Financial Management for Executives
- Water Management for Domestic Usage
- Review of Corporate Action Plan and Strategic Plan
- Corporate governance in accordance with ITA (Integrity and Transparency Assessment) standards
- Corporate strategic plan formulation
- Nation-wide meeting of waterworks manager
- World Irrigation Forum
- Internal control plan formulation
- Provincial Waterworks Authority's water basin working group network
- Regional workshop urban water service

Company Shareholding (%) : None

Family Relationship among Advisor to the Board and Executives : None

Work Experience

Position in Other Listed Company

- 2019 - 2020 Director, Member of the Risk Management Committee, Eastern Water Resources Development and Management Public Company Limited

Position in Other Non-listed Company / Other Organization

- 2018 - 2019 Deputy Governor (Corporate Strategy), Provincial Waterworks Authority
- 2015 Assistant Governor (Corporate Strategy), Provincial Waterworks Authority
- 2009 Director of Corporate Strategy Department, Provincial Waterworks Authority
- 2008 Director of Planning Department, Provincial Waterworks Authority
- 2005 Director of Plan & Strategy Division, Provincial Waterworks Authority
- 2002 Director of Division, Provincial Waterworks Authority
- 1995 Head of Section, Provincial Waterworks Authority

Reaching

30 Years

of Commitment towards
Endless Possibilities





EXECUTIVES' PROFILES

Mr. Jirayut Rungsritthong

- Director and President & CEO
- Member of the Investment Committee
- Member of the Risk Management Committee

Age 54 years



Education

- M.S. in Operations Research, George Washington University, USA
- Bachelor of Engineering (Computer), King Mongkut's Institute of Technology Ladkrabang

Training

- Director Certification Program (DCP) 60/2005, Thai Institute of Directors (IOD)
- Financial Institutions Governance Program (FGP) 4/2012, Thai Institute of Directors (IOD)
- Corporate Governance for Public Director Class 10, Thailand National Defence College
- The National Defence Course (NDC) Class 61, Thailand National Defence College
- Capital Market Academy Leadership Program Class 10, Capital Market Academy (CMA)
- Bangkok Metropolitan Administration (BMA) Class 1, Institute of Metropolitan Development
- Business Revolution and Innovation Network (BRAIN) 1/2017, The Federation of Thai Industries

Work Experience

Position in Other Listed Company

- 2018 - Present Independent Director / Chairman of the Audit Committee, Index Living Mall PCL.
- 2013 - 2015 Independent Director / Audit Committee Member, Christiani & Nielsen (Thai) PCL.
- 2005 - 2006 Director / Managing Director, Bualuang Securities PCL.
- 2004 - 2005 Director/Managing Director, United Securities PCL.

Position in Other Non-Listed Company / Other Organization

- 2017 - Present Director, Universal Utilities PCL.
- 2015 Advisor to Deputy Minister of Transport
- 2015 Chairman of the Board, Bangkok Metropolitan Administration's Pawnshop Office
- 2011 - 2014 Board Director, SME Development Bank of Thailand
- 2009 - 2011 Director / Chief Executive Officer, CAT Telecom PCL.
- 2009 - 2011 Vice President, The Telecommunications Association of Thailand under the Royal Patronage
- 2006 - 2009 Chief Financial Officer, CAT Telecom PCL.

Mr. Cherdchai Pitiwacharakul

- Senior Executive Vice President, assigned to serve as Managing Director of Universal Utilities Public Company Limited

Age 56 years



Education

- Master of Science (Information Technology), King Mongkut's Institute of Technology Ladkrabang
- Bachelor of Engineering, Khon Kaen University

Training

- Personal Data Protection Act (2020)
- Top Executive Program in Commerce and Trade (TEPCoT), Commerce Academy (2019)
- The 4 Essential Roles of Leadership by PacRim (2018)
- Anti-Corruption: The Practical Guide, Thai Institute of Directors Association (IOD) (2017)
- DSTART UP, Sripatum University (2017)
- Strategic Marketing, Brand Building and Customer Relationship Management for Public & Private Enterprise Executives (Smart Marketing) by Institute of Research and Development for Public Enterprises (IRDPE) (2015)
- Leadership Development Workshop by Executive Coaching Institute (Module 2), Berkeley USA (2013)
- Leadership Development Workshop by Executive Coaching Institute (Module 1), Berkeley USA (2012)
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD) (2010)
- Executive Development Program (EDP), Thai Listed Companies Association (TLCA) (2009)
- Thai Waterworks Association (TWWA)
- Mini MBA, Kasetsart University (2002)
- Mini MIS, Kasetsart University (1997)

Work Experience

Eastern Water Resources Development and Management PCL.

- 2019 - Present Senior Executive Vice President, assigned to serve as Managing Director of Universal Utilities PCL.
- 2015 - 2019 Executive (assigned to supervise the subsidiaries) / Managing Director of Universal Utilities PCL.
- 2013 - 2015 Senior Vice President, Operations and Customer Services Department
- 2010 - 2013 Vice President, Operations and Customer Services Department / Acting Managing Director, Universal Utilities PCL.
- 2009 - 2010 Vice President, Business Development Department
- 2008 - 2009 Acting Managing Director, Universal Utilities PCL.
- 2007 - 2009 Vice President, Special Projects Department
- 2001 - 2007 Vice President of Chachoengsao Operational Center / Acting vice President of Rayong Operational Center

**Mr. Charin Sony**

- Senior Executive
Vice President
and Chief Strategy
and Business Development
Officer (CSTBDO)

Age 40 years**Education**

- Master of Commerce (Finance and International Business), The University of Sydney
- Bachelor of Economics (English Program) in Finance, Thammasat University

Training

- The Story 4 (2020)
- TCLA Executive Development Program (EDP) (2020)
- Storytelling for Innovative Leader, John Robert Power (2019)
- Business Revolution and Innovation Network (Brain), Federation of Thai Industries (FTI) (2019)
- Director Certificate Program (DCP), Thai Institute of Directors Association (IOD) (2017)
- Water Management Leadership Program, Federation of Thai Industries (FTI) (2017)
- Non-Financial Disclosure and GRI Reporting for Executives (2017)

Work Experience**Eastern Water Resources Development and Management PCL.**

- 2019 - Present Senior Executive Vice President and Chief Strategy and Business Development Officer (CSTBDO)
- 2017 - 2019 Executive Vice President and Chief Business Development Officer (CBDO)
- 2017 Acting Executive Vice President, Corporate Strategy Office / Vice President, Corporate Strategy Department

Mr. Bordin Udol

- Senior Executive
Vice President
and Chief Operating
Officer (COO)

Age 51 years**Education**

- Master of Business Administration, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Master of Science in Environmental Management, Houston University, USA
- Bachelor of Engineering, Chulalongkorn University

Training

- Personal Data Protection Act (2020)
- Public-Private Partnerships for Executives Program (PEP), Institute of Research and Development for Public Enterprises (IRDP) (2019)
- Public Administration for Sustainable Development for Executives, Institute for Good Governance Promotion (IGP), Office of the Public Sector Development Commission (OPDC) (2019)
- Executive Development Program (EDP), Thai Listed Companies Association (TLCA) (2019)
- New Era of Governance & Internal Controls, Ernst & Young (EY) (2018)
- Emergency Response Planning (2018)
- Safety and Occupational Health Committee (2018)
- Safety Officers at Executive Levels (2018)

Work Experience**Eastern Water Resources Development and Management PCL.**

- 2019 - Present Senior Executive Vice President and Chief Operating Officer (COO)
- 2017 - 2019 Executive Vice President and Chief Operating Officer (COO)
- 2016 - 2017 Senior Vice President, Team Consulting Engineering and Management PCL.
- 2014 - 2016 Deputy CEO, GMM One Digital TV, GMM Grammy PCL. Managing Director, GMM One TV Co., Ltd.
- 2001 - 2014 Managing Director, Utilities Business Alliance Co., Ltd. (UBA)
- 1996 - 2001 Project Manager, Nawarat Patanakarn PCL.

**Miss Chinda Mahaisawariya**

- Senior Executive Vice President and Chief Operating Officer (CSO)

Age 58 years

**Education**

- Master of Development Administration (Social Development), National Institution of Development Administration (NIDA)
- Bachelor of Arts (General Management), Suan Dusit Rajabhat University

Training

- Executive Program for Metropolitan Development (Class 8) (2020)
- Personal Data Protection Act (2020)
- Work From Home and Post-COVID-19 HR Strategies (2020)
- The 4 Essential Roles of Leadership, PacRim (2018)
- Board Nomination & Compensation Program (BNCP), Thai Institute of Directors Association (IOD) (2018)
- Director Certificate Program (DCP), Thai Institute of Directors Association (IOD) (2018)
- Fundamentals for Corporate Secretaries, Thai Listed Companies Association (TLCA) (2018)
- New Era of Governance & Internal Controls, Ernst & Young (EY) (2018)
- Sustainability Strategy: Key Blueprint for Business Growth, Stock Exchange of Thailand (SET) (2017)
- Challenges of Administration Management Leadership, Ideal Forum (2017)
- Supervisory Grid, GRID Business Solutions Co., Ltd. (2016)
- Modern Executive Micro MBA (2015)
- Train the Trainers
- Anti-Corruption: The Practical Guide (ACPG), Thai Institute of Directors Association (IOD) (2014)
- Leadership Development Workshop by Executive Coaching Institute (Module 2), Berkeley USA (2013)
- Leadership Development Workshop by Executive Coaching Institute (Module 1), Berkeley USA (2012)
- Executive Development Program (EDP), Thai Listed Companies Association (TLCA) (2011)

Work Experience**Eastern Water Resources Development and Management PCL.**

- 2019 - Present Senior Executive Vice President and Chief Supporting Officer (CSO)
- 2017 - 2019 Executive Vice President and Chief Supporting Officer (CSO)
- 2015 - 2017 Vice President, Corporate Affairs Department
- 2015 Acting Vice President, Corporate Affairs Department
- 2011 - 2015 Assistant Vice President, Corporate Affairs Department
- 2009 - 2011 Manager, Procurement Division, Corporate Affairs Department
- 2006 - 2009 Manager, Corporate Relations Division, Corporate Communication Department
- 2004 - 2006 Manager, Procurement Division, Corporate Affairs Department

Mr. Sombat Yusamart

- Senior Executive Vice President and Chief Financial Officer (CFO)

Age 50 years

**Education**

- Master of Business Administration, Kasetsart University
- Bachelor of Accounting, Kasetsart University
- Certified Public Accountant (CPA)

Training

- Transformative Accounting with Technologies in Digital Era (2020)
- Audit Techniques for Accounting and Financial Transactions to Prevent and Handle Corruption in Organizations (2020)
- Accounting for Transfer Pricing (2020)
- Personal Data Protection Act (2020)
- Business Transformation and Innovation Network Building (BRAIN) (2020)
- Director Certificate Program (DCP), Thai Institute of Directors Association (IOD) (2019)
- The 4 Essential Roles of Leadership, PacRim (2018)
- Techniques on Use of Accounting and Financial Information for Executives, Dharmniti Seminar and Training Co., Ltd. (2018)
- New Era of Governance & Internal Controls, Ernst & Young (EY) (2018)
- Water Management Leadership Program, Water Institute for Sustainability, Federation of Thai Industries (FTI) (2017)
- Anti-Corruption: The Practical Guide (ACPG), Thai Institute of Directors Association (IOD) (2014)
- Chief Financial Officer Certification Program (CFO), Thailand Federation of Accounting Professions (TFAP) (2012)
- Leadership Development Workshop by Executive Coaching Institute (Module 1), Berkeley USA (2012)
- Executive Development Program (EDP), Thai Listed Companies Association (TLCA) (2010)

Work Experience**Eastern Water Resources Development and Management PCL.**

- 2019 - Present Senior Executive Vice President and Chief Financial Officer (CFO) / Deputy Managing Director, Administration, Universal Utilities PCL.
- 2017 - 2019 Executive Vice President / Chief Financial Officer (CFO) / Deputy Managing Director, Administration, Universal Utilities PCL.
- 2017 Vice President, Finance / Accounting Department and Deputy Managing Director, Administration, Universal Utilities PCL.
- 2015 - 2017 Deputy Managing Director, Administration, Universal Utilities PCL.
- 2011 - 2015 Vice President, Finance and Accounting Department
- 2009 - 2011 Assistant Vice President, Finance and Accounting Department
- 2009 Acting Assistant Vice President, Finance and Accounting Department
- 2009 - 2011 Manager of Finance and Accounting (Secondment), Universal Utilities PCL.
- 2007 - 2009 Manager of Accounting Division, Finance and Accounting Department
- 2005 - 2007 Manager of Administration and Accounting Department (Secondment), Global Water System Co., Ltd.
- 2003 - 2005 Manager of Budget and Finance Department



Mrs. Thidarut Kraiprasit

• Executive Vice President,
Internal Audit Office

Age 57 years



Education

- Master of Business Administration (MBA), Kasetsart University
- Bachelor of Accounting, Thammasat University
- Certified Public Accountant (CPA)

Training

- Compliance Audit (2020)
- Withholding Tax System and E-Withholding Tax (2020)
- Review of Strategic Plan Preparation and Implementation Tracking Processes (2020)
- Insights into Financial Statement Preparation and Filing through Department of Business Development (DBD)'s DBD e-Filing (2020)
- Personal Data Protection Act (2020)
- Teammate Analytics Program Usage (2020)
- Provident Fund Committee Member, "Kasien Sook" Company Retirement Program (2019)
- Board Reporting Program (BRP), Thai Institute of Directors Association (IOD) (2017)
- Strategic CFO in Capital Markets Program, Stock Exchange of Thailand (SET) (2015)
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD) (2014)
- Leadership Development Workshop by Executive Coaching Institute (Module 2), Berkeley USA (2013)
- Leadership Development Workshop by Executive Coaching Institute (Module 1), Berkeley USA (2012)
- Audit Committee Program (ACP), Thai Institute of Directors Association (IOD) (2009)
- Executive Development Program (EDP), Thai Listed Companies Association (TLCA)
- Advanced Certificate Course for Public Economics Management for Executives, King Prajadhipok's Institute (KPI)

Work Experience

Eastern Water Resources Development and Management PCL.

- 2017 - Present Executive Vice President, Internal Audit Office
- 2015 - 2017 Senior Vice President, Finance and Accounting Department
- 2009 - 2015 Senior Vice President, Internal Audit Department
- 2007 - 2008 Senior Vice President, Finance and Accounting Department
- 2004 - 2007 Senior Vice President, Finance and Human Resources Department

Miss Kanyanart Viraphandu

• Vice President, Company
Secretary Office and Acting
Vice President, Legal Affairs
and Corporate Governance Office

Age 51 years



Education

- Bachelor of Business Administration in Accounting, Assumption University

Training

- Transparency and Sustainable Development (2020)
- Board Reporting Program (BRP) (2020)
- Director Certificate Program (DCP) (2020)
- Personal Data Protection Act (2020)
- Company Secretary Program (CSP) (2020)
- The 4 Essential Roles of Leadership (PacRim) (2018)
- Executive Management Development Program, Thailand Management Association (TMA) (2018)
- Risk Management for ISO Standards (2018)
- Global Reporting Initiative (GRI) Certified Training Course (G4), Thaipat Institute (2017)
- Social Return on Investment (SROI), Social Value Thailand (2017)
- Certified CSR Training Course, Thaipat Institute (2017)
- Anti-Corruption: The Practical Guide (ACPG) 27/2016, Thai Institute of Directors Association (IOD)
- Leadership Development Workshop by Executive Coaching Institute (Module 2), Berkeley USA (2013)
- Leadership Development Workshop by Executive Coaching Institute (Module 1), Berkeley USA (2012)
- Executive Development Program (EDP) (5/2010), Thai Institute of Directors Association (IOD)

Work Experience

Eastern Water Resources Development and Management PCL.

- 2020 - Present Vice President, Company Secretary Office / Acting Vice President, Legal Affairs and Corporate Governance Office
- 2018 - 2020 Vice President, Corporate Strategy Department
- 2011 - 2018 Vice President, Corporate Communication Department
- 2007 - 2011 Assistant Vice President, Corporate Communication Department
- 2006 - 2007 Public Relations Manager, President and CEO Office
- 2002 - 2006 Manager of General Administration and Coordination Department (Secondment), EHP
- 2001 - 2002 Manager of Relations Affairs Division, Business Administration Department
- 2001 Manager of Relations Affairs Division, President and CEO Office



EXECUTIVES' PROFILES

01.

Mrs. Namphon Rassadanukul

- Executive Vice President, President & CEO Office

02.

Mr. Sokul Chuepakdee

- Vice President, President & CEO Office and Assigned to temporary work at Universal Utilities Public Company Limited

03.

Mrs. Bongkod Meonsorn

- Vice President, Business Development Department and Acting Business Development Division Manager

04.

Mr. Wiwat Charoensukrungruang

- Vice President, Engineering Department

05.

Mr. Chokchai Tawisuwan

- Project Planning Division Manager and Acting Vice President, Corporate Strategy Department

06.

Mr. Suphatat Sabimarn

- Vice President, Operations & Customer Service Department



01

02

03

04

05

06

**07.****Mr. Jakrapong Boonrasri**

- Vice President, Facility & Maintenance Department

08.**Miss Doungrat Pitak**

- Vice President, Human Resources Department and Acting Employee Relations Division Manager

09.**Miss Tharntip Photisorn**

- Vice President, Information Technology Department

10.**Miss Araya Ponvichai**

- Vice President, Business Administration Department

11.**Miss Chatkaew Poomarin**

- Vice President, Corporate Communication Department

12.**Miss Suwanna Korcharoenrat**

- Vice President, Finance Department

13.**Mr. Phanumart Preebua**

- Vice President, Accounting Department



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1 BUSINESS STRUCTURE AND OPERATIONS

1.1 Business Policy and Overview

Eastern Water Resources Development and Management Public Company Limited or East Water is listed on the Stock Exchange of Thailand with its abbreviation of EASTW. The Company is engaged in the business of total water solutions encompassing raw water, industrial water, tap water, wastewater treatment, and recycled water. The clients include both industry and household consumption sectors. The Company's main focus is to support national development plans through investing in water stability and creating the country's most comprehensive water grid stretching over a distance of 491.8 kilometers and linking key water resources in the eastern region. The Company also utilizes modern technologies in enhancing its system capability to ensure maximum efficiency. Currently, the non-revenue water (NRW) volume remains at less than 3%. The companies under East Water Group providing total water solutions are:

- 1) Universal Utilities Public Company Limited,
- 2) Chachoengsao Water Supply Company Limited,
- 3) Nakornsawan Water Supply Company Limited,
- 4) Bangpakong Water Supply Company Limited, and
- 5) Egcom Tara Company Limited.

They also provide tap water, wastewater treatment and recycled water services under East Water Group's vision of

“
**To be the leader
 in total water solutions
 of the country**
 ”

to ensure sustainable business growth based on transparent management and good governance.

The corporate missions are as follows:

1. To develop the security and maintain stability of water resources in response to the long-term water demand.
2. To expand the investment in water related business for continuous and sustainable growth.
3. To increase competitive advantages through technologies and innovations.
4. To develop human resources and improve management efficiency.
5. To be socially and environmentally responsible and establish good relationships with all stakeholders in accordance with corporate governance principles.

The Company's short- and long-term goals cover all dimensions of its operations including economics, society, good governance, environment, and occupational health and safety, linking all corporate functions together and serving as guidelines to operate business with good governance, ethics, corporate social responsibility, and international standards. East Water Group attained ISO 9001, ISO 14001, OHSAS 18001, and ISO 45001 certificates. The Company conducted business risk assessments so as to revise its action plans to accommodate ever-changing situations such as droughts, COVID-19, etc.; and to stay vigilant, identify any preventive measures, and mitigate any possible impacts on the corporate operations.





Key Changes and Developments in 2020



In June 2020:

TRIS Rating maintained the Company's rating and the ratings on the senior unsecured debentures at "A+/Stable." This reflected the Company's solid financial status as the business operator with the most comprehensive water grid in the eastern seaboard area of Thailand, the increasing water demand driven by the Eastern Economic Corridor project development, and the high profitability rates and steady cash flows.



In August 2020:

The Board of Directors resolved to approve an interim dividend payment from the profits for the first half of 2020 ended 30 June 2020 at the rate of Baht 0.16 per share or a total of Baht 266.20 million. The record date for the purpose of determining which shareholders are entitled to receiving a dividend was 3 September 2020 and the dividend payment date was 18 September 2020.



In September 2020:

The Company received 97 out of 100 scores according to Thai Investors Association (TIA)'s quality assessment of the 2020 Annual General Meeting of Shareholders.



In November 2020:

- The Company received a score of 96% or an excellent rating according to the Thai Institute of Directors (IOD)'s 2020 Corporate Governance Report of Thai Listed Companies (CGR).
- The Company was selected as one of the 124 listed companies on the Stock Exchange of Thailand (SET)'s 2020 Thailand Sustainability Investment or Sustainable Stock list. This reflected the Company's sustainable operations based on environmental,

social and governance (ESG) performances. The awards were given to listed companies with sustainable business directions, good corporate governance, and concerns for stakeholders to ensure a balance between economic growth and social and environmental development.

- The Company signed a contract to sell industrial water with Carabao Tawandang Co., Ltd. with the maximum production capacity of 4,000 cubic meters per day.



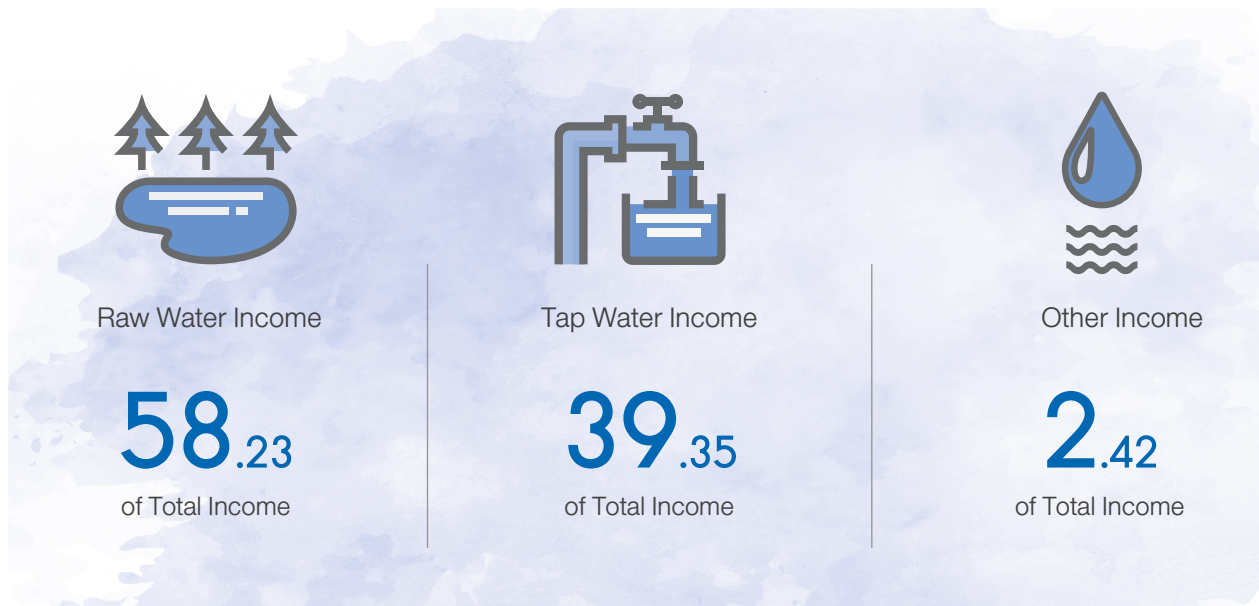
In December 2020:

- The Company won the ASEAN Asset Class PLCs (Thailand) award from the ASEAN CG Scorecard award event of 2019. Supported by the ASEAN Capital Markets Forum (ACMF) and the Asian Development Bank (ADB), the event was aimed at recognizing and honoring ASEAN listed companies operating business based on good corporate governance practices.
- The Company achieved the Sustainability Disclosure award of 2020 hosted by the Thaipat Institute for the disclosure of not only its financial information but also its sustainability information covering economic, social, and environmental operations as well as ESG issues through a sustainability report. This was beneficial to the Company's stakeholders and sustainable business growth.
- The Company signed a lease for a Royal property to support its tap water system and wastewater treatment operations as part of the U-TAPAO Airport and Eastern Airport City Development project.
- The Company signed a memorandum of agreement to expand water service area, and signed a water contract sales with Thai Oil PCL. This is to support the Clean Fuel Project (CFP) and other subsequent projects under Thai Oil Group to ensure comprehensive services and better serve the increasing water demand.



1.2 Nature of Business

The Company's main income was from the sale of raw water, accounting for 58.23% of its total income. Its income from the sale of tap water and other income accounted for 39.35% and 2.42%, respectively. Details are as shown in Table below.



1.2.1 Income Structure³

Table of Breakdown of Income by Business for 2018-2020

Unit: Baht Million

Products/Services	Company's Shareholding (Percent)	Operated by	2018	Percent	2019	Percent	2020	Percent
1. Raw water income	-	EW ¹	2,393.82	56.25	2,844.70	60.15	2,473.57	58.23
2. Tap water income	100.00	UU ²	1,742.36	40.95	1,776.80	37.57	1,671.53	39.35
3. Other rental income	-	EW ¹	84.81	1.99	58.58	1.24	59.20	1.39
4. Other income	-	EW ¹	34.33	0.81	49.19	1.04	44.00	1.03
Total income			4,255.32	100.00	4,729.27	100.00	4,248.30	100.00

Remarks : ¹ EW: Eastern Water Resources Development and Management Public Company Limited

² UU: Universal Utilities Public Company Limited

³ Income structure is available in Page 131-132 of Note 10 to the Financial Statements.



1.2.2 Product and Service Information

1. Raw water supply

The Company is engaged in the business of providing water utility services through the management and development of the Trunk Transmission Main system in order to serve communities' water demand and household consumption and industrial activities and to support the development of the eastern seaboard to become the country's main industrial hub. Currently, the Company supplies raw water in three provinces, namely Rayong, Chonburi, and Chachoengsao through the Trunk Transmission Main system.

At present, the Company's interconnected main transmission pipelines form the most modern and comprehensive water grid in Thailand with a total length of 491.8 kilometers as shown in Diagram. The water grid connects state major water reservoirs, major rivers, and private water sources with the customers in the service areas of the three provinces. The Company has invested over Baht 10 billion

in the development of large-scale water transmission pipelines and pump stations under the Trunk Transmission Main system to support the continuously rising water demand at present and in the future and to ensure that the customers receive sufficient amounts of raw water with quality according to standards.

In supplying raw water to the customers in the three provinces, the Company serves as a wholesaler by entering into raw water trading contracts with three groups of customers, namely industrial estates¹, general industrial factories, and household consumers.

The pumping of raw water is done mainly from state major water sources (reservoirs) throughout the year. During the raining season, part of the water is pumped from major rivers for use in the raining season and as a reserved water supply in the drought season. The Company also buys additional raw water from private water sources during the drought season as a measure to manage climate change risks.

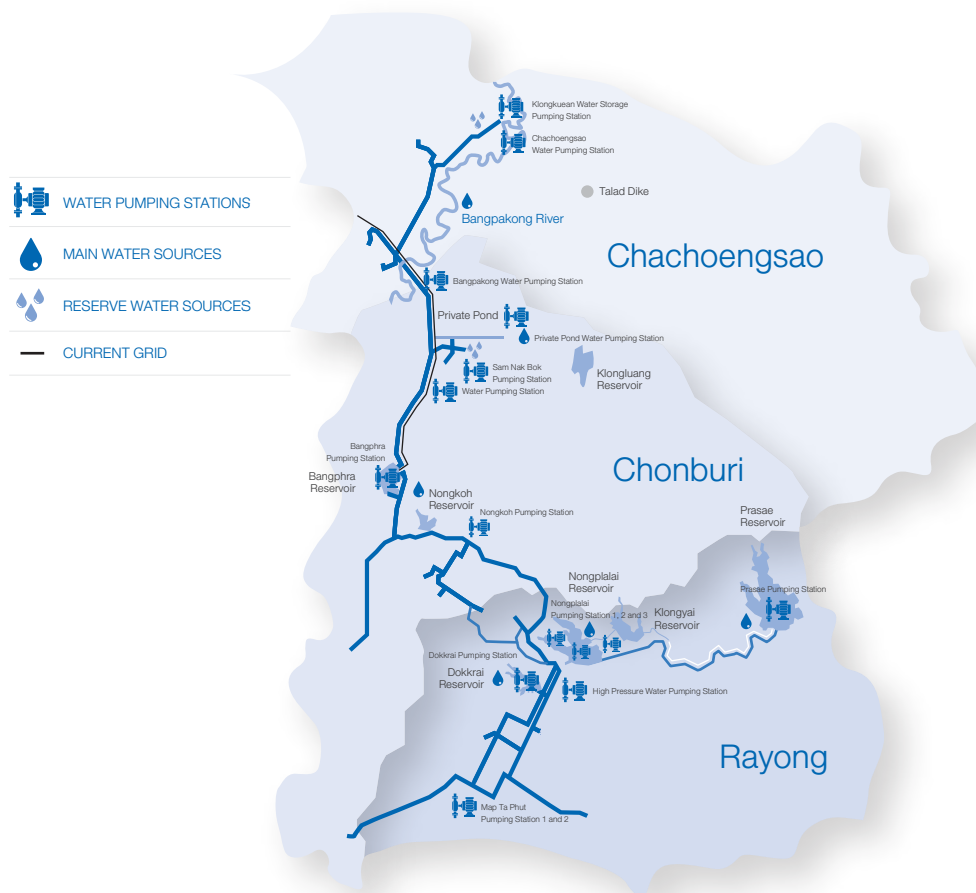


Diagram: Map of water grid in Rayong, Chonburi, and Chachoengsao

Remark : ¹ Industrial estates refer to those owned or jointly invested by the Industrial Estate Authority of Thailand (IEAT) as well as industrial parks/areas of the private sector.



The Company's raw water distribution process is shown in Diagram. At the pump station, raw water is pumped from its source and transported to the head tank located at a higher level than the customers' water receiving station. The head tank controls the pressure of water flows being transmitted via pipelines to the water receiving station of the customer. Raw water is also stored in a reserved pond and is pumped intermittently to the head tank to increase the water pressure. Customers are responsible for installing their water receiving stations and linking pipelines to

the Company's main water pipeline system for the transmission of raw water for production and sale of tap water or industrial water. The Company monitors raw water quality by running real-time tests on its major water sources and using the Supervisory Control and Data Acquisition (SCADA) system. The Company collects water samples from its major water sources for monthly detailed analysis conducted at a laboratory facility registered with the Department of Industrial Works in order to monitor changes in water quality and inform water users of any findings on a regular basis.

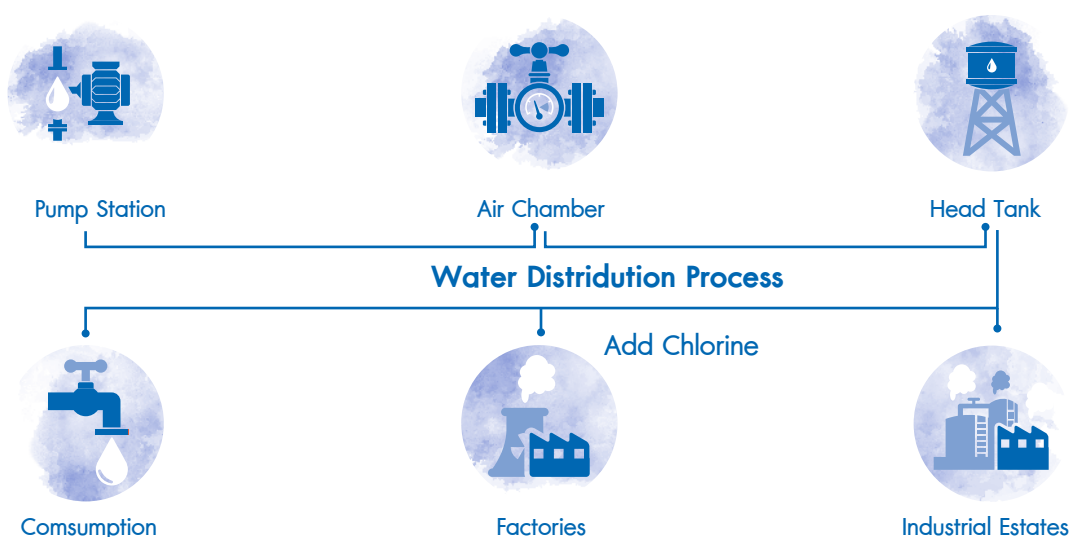


Diagram: Distribution of raw water from water sources to customers

2. Tap water services

Universal Utilities PCL. (UU) is engaged in managing the tap water business. The tap water production process is as shown in Diagram. The pump station will draw raw water from a water source where vegetation and suspended

impurities will be removed before proceeding to the tap water production process, where chemical substances are added to the water to adjust the pH value and speed up sedimentation. The water then will be filtered and sterilization by chlorination before tap water quality check and distribution.

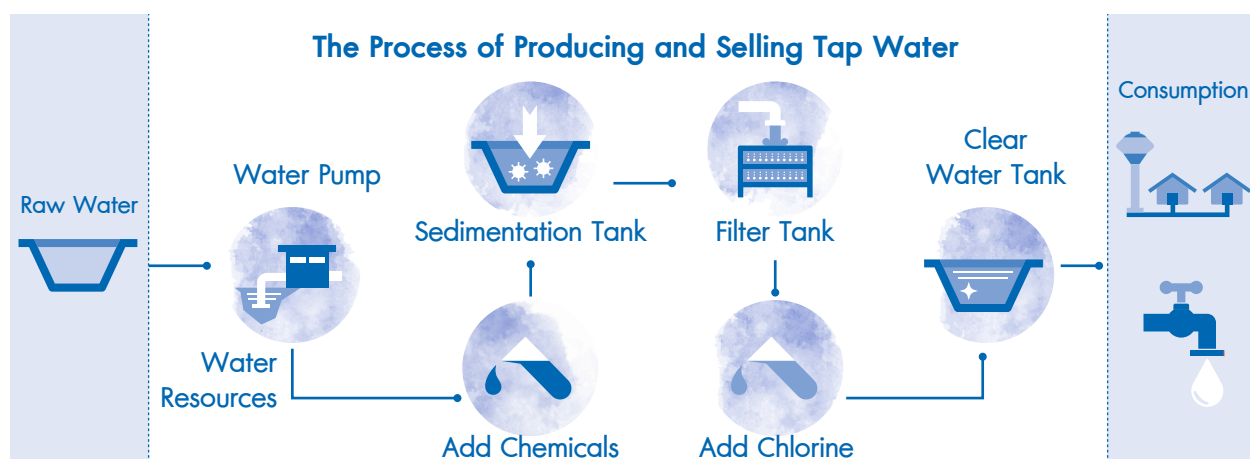


Diagram: Tap water production and distribution through filtering system



1.2.3 Marketing and Competition

1. Raw water business

The Company is the largest business operator in developing water pipeline systems and supplying raw water to industry and household water users in the eastern seaboard of Thailand. The Company is equipped with the comprehensive, modern, and efficient water grid and pumping system that links a number of key water sources in eastern Thailand, covering the eastern coastal areas in the three provinces. The Company has the sustainable raw water supply capacity to meet the current and future demand of the local business operators, while other business entrepreneurs still have limitations in terms of service areas, water supply volumes, water source stability, and water distribution systems.

Service areas, customer groups, and raw water sales channels

The Company's customers are divided into industrial and household sectors and classified by service areas. This is to support water management plans to most appropriately and efficiently serve present and future water usage needs in respective areas. The service areas are : 1) Map Ta Phut, 2) Ban Chang and Sattahip, 3) Borwin-Pluak Daeng, 4) Chonburi, and 5) Chachoengsao.

The Company, as a wholesaler, sells and distributes raw water to the customers above. The customers will then deliver the raw water through the pipelines directly to both industrial and household water users.

In 2020, the Company's raw water sales volume totaled 255.89 million Cu.M. The overall volume decreased 18.35% year-on-year. The Company's decrease in its sales volume was caused by the COVID-19 pandemic that also directly affected the overall industrial sector, resulting in a reduction in the industrial production of 20-50%. Nevertheless, the industrial sector saw an improving trend as the COVID-19 situation had started to improve from the third quarter. The raw water service business in the eastern seaboard continued to grow thanks to the expanding industrial sector in the area and the government policy to support and drive the three provinces, Rayong, Chonburi, and

Chachoengsao, to become Thailand's high-technology industrial hub with improved competitiveness through the Eastern Economic Corridor development. The Company has maintained competitive advantages in terms of investments, water source stability, and the comprehensive water grid mentioned earlier.

Customer satisfaction levels in 2020

According to customer satisfaction survey performed by an external agency (conducted through direct and indirect means), the Company's 2020 overall customer satisfaction score stood at 80.3%. The top ranking areas included employee services, repair and maintenance service quality, and news and information communications.

Realizing the importance of maintaining customer satisfaction, the Company was committed to constantly improving its customer services. As such, the Company's customer relation officers were tasked with closely monitoring and coordinating with the customers in all service areas; and a control center was established to provide 24-hour services to respond to water distribution service requests. The Company improved its other services including the installation services for its water users by expanding the scope of services to reduce investment costs and maintenance expenses of the water distribution pipeline systems for the customers. The Company also developed new types of information and news services by, for example, launching a mobile application enabling water users to conveniently monitor received water levels in a consistent and timely manner.

2. Tap water business

Universal Utilities PCL. (UU)'s business development direction is to manage its tap water business to ensure continued and sustainable growth. In so doing, UU regularly conducts market surveys in its service areas, comprehensively providing clean tap water to people and developing services and communications channels to maximize water users' satisfaction of the products and services.

Currently, UU has in place a number of social media/online channels such as its Line Official "@prapa.uugroup,"



the corporate website, and the Facebook page, to post its tap water business information to communicate with the water users. UU also has its Call Center hotline number of 1141 with the extension number of 5555, which operates 24 hours. Moreover, UU has plans to improve efficiency of its communications by conducting focus group activities with the water users.

Customer groups and tap water distribution channels

UU's only customers are government agencies, such as the Provincial Waterworks Authority (PWA), subdistrict administrative organizations, and municipal authorities. In the future, UU will enter bids for tap water production and distribution projects of the PWA, local administrative organizations, and private businesses.

Regarding tap water business contracts, there are two types of tap water sales contracts entered into by UU and its contract parties, i.e. bulk sales and retail sales. Bulk sales contract parties include Sattahip Waterworks, Chonburi Waterworks, Huaro Waterworks, and Ratchaburi-Samut Songkram Waterworks, while retail sales contract parties include Sattahip Waterworks, Borwin Waterworks, Rayong Waterworks, Nongkham Waterworks, Chachoengsao Waterworks, Bangpakong Waterworks, and Nakhonsawan Waterworks.

Tap water business projected to see a rise in competition, with the chance of more direct rivals in the Company's existing concession areas in the future. The Company and UU have tap water business contracts with government agencies such as PWA, subdistrict administrative organizations, and municipal authorities. Those contracts give the Company and/or UU the exclusive rights to operate tap water business in the respective areas, with a range of contract periods from 15-30 years. However, with each project being implemented for more than half of the contract period, the Company and UU have to prepare to renew the contracts that will expire soon. Also, there are new areas that are open to competition from all sides. Thus, the Company and UU may have to face more tap water business rivals when bidding for a new tap water project to expand the business.

1.2.4 Procurement of Products and Services

The Company currently manages its main water pipelines in the eastern seaboard areas of Thailand with a total pipeline length of 491.8 kilometers and an average water supply capacity of 675 million Cu.M. per year as per details shown in Table.

Table of details of the Company's water pipeline system network

Water Pipeline System	Water Pipeline Diameter (mm.)	Water Pipeline Length (km.)	Average Water Supply Capacity (million Cu.M. per year)
Prasae-Nong Plalai-Dok Krai- Map Ta Phut-Sattahip	700-1,600	202.68	316
Nong Kor-Laem Chabang- Pattaya-Bang Phra	600-1,200	74.70	110
Nong Plalai-Nong Kor	700-1,350	73.61	134
Chachoengsao-Bang Pakong	600-1,500	60.10	65
Bang Pakong-Chonburi	700-1,400	80.71	50
Total		491.8	675



1.2.5 Assets Used in Business Operations

1) Assets used in business operations of the Company and its subsidiaries according to the Company's consolidated financial statements consisted of land, buildings, pump stations, and water pipelines with the total value of Baht 11,553.39 million and Baht 100.35 million, respectively. Details can be summarized as per the tables.

Table of the Company's land, buildings, and equipment-net as at 31 December 2020

Types/ nature of assets	Owned by	Value (Baht Million)	Obligations
1. 69 plots of land (Area: 729-0-51.5 rai)	The Company	538.94	None
2. Buildings (Bangkok, Rayong, Chonburi, and Chachoengsao) 2.1 26-storied Office Building in Bangkok 2.2 Map Ta Phut Office Building in Rayong	The Company	378.87	None
3. 18 pump stations	The Company	1,064.18	None
4. 81 water pumps	The Company	969.22	None
5. Water pipelines in Rayong, Chonburi, and Chachoengsao	The Company	8,602.18	None

Table of Universal Utilities PCL.'s land as at 31 December 2020

Types/ nature of assets	Owned by	Value (Baht Million)	Obligations
1. Koh Samui Waterworks - Bo Phut Subdistrict, Koh Samui District, Surat Thani (Area: 5 rai, 1 ngan, and 60.2 square wah)	The subsidiary	42.56	None
2. Sattahip Waterworks - Na Chomtien Subdistrict, Sattahip District, Chonburi (Area: 3 ngan)	The subsidiary	8.09	None
3. Ratchaburi Waterworks - Phong Sawai Subdistrict, Mueang Ratchaburi District, Ratchaburi (Area: 8 rai and 26 square wah) - Pangpouy Subdistrict, Mueang Ratchaburi District, Ratchaburi (Area: 13 rai, 2 ngan, and 70 square wah)	The subsidiary	49.70	None



The subsidiaries also received core assets from the Provincial Waterworks Authority (PWA) through concessions to operate 5 tap water entities, namely Sattahip Waterworks, Bangpakong Waterworks, Chachoengsao Waterworks, Nakornsawan Waterworks, and Rayong Waterworks in order to conduct business according to the concession contracts. The subsidiaries shall return these core assets upon the end of the concession contracts as per Note 38 to the Financial Statements. The core assets received through the concession contracts from the PWA included water pipeline systems, pump stations (buildings and pumps), tap water filtration and production systems, clear water tanks and water towers, and booster stations. Other assets included electricity control systems, pumps of intake pump stations, high voltage transformers, pumping machines, chemicals, and chlorine-dosing pumps.

2) Royalty fees and costs of obtaining concession contracts. The PWA granted the East Water Group the concessions to produce and sell tap water ranging from 15-30 years. The net royalty fees and costs of obtaining the concession contracts of Universal Utilities PCL. and the four subsidiaries, namely Bangpakong Water Supply Co., Ltd., Chachoengsao Water Supply Co., Ltd., Nakhonsawan Water Supply Co., Ltd., and Egcom Tara Co., Ltd., as of 31 December 2020, totaled Baht 3,478.76 million. The value was measured based on TFRIC 12 Re: Service Concession Arrangements, and purchase price allocation.

1.2.6 Ongoing Projects

1. The Thap Ma Raw Water Reserve Pond Development Project is aimed at increasing water supply levels and accommodating future water needs in Rayong. The pond has the water storage capacity of 12 million Cu.M. and will help to divert over 40 million Cu.M. of water in the flooding season. After a pause of the project operations from 2016 to 2018, due to negotiation with the contractor, the project has resumed its operations since December 2018 under the trilateral agreement between the Company, the contractor, and the supporting financial institution. Because of the global COVID-19 pandemic, the project completion deadline is postponed from October 2020 to February 2021.

2. The Nong Plalai-Nong Kho Raw Water Pipeline Construction Project-Route 2 (Pump Station Works) is to upgrade the pump system of the Nong Plalai pump

station to have the capacity to distribute water to users in the Pluak Daeng-Bowin area and accommodate water needs of independent power producers (IPPs). Because of the global COVID-19 pandemic, the project completion deadline is delayed from 2020 to May 2021.

3. The Industrial Water Production System Construction Project has a water production capacity of 100,000 Cu.M. per day and is based on the Centralized Clarified Water concept. It is divided into two phases as follows:

3.1 The Industrial Water Production System Construction Project-Phase 1 (Amata City Industrial Estate) aims to provide industrial water services to the Amata City Industrial Estate. Rayong as well as, increase the services capacity for industrial estate customers, enhance water sources stability, and increase customer confidence in the long run. The industrial water distribution capacity is 25,000 Cu.M. per day. Because of the global COVID-19 pandemic, the system is being tested before water delivery begins and the completion is scheduled for January 2021.

3.2 The Industrial Water Production System Construction Project-Phase 2 (Gulf Power Plant) is to provide industrial water services to the Gulf Power Plant, Pluak Daeng District, Rayong. The plant is owned by Gulf Group and is located in the Rojana Industrial Park Rayong 2. The project is aimed at improving water utility system security and stability as a key driver in advancing the electricity production and distribution business. The industrial water distribution capacity is 75,000 Cu.M. per day. The construction is still in progress and is set to be completed within 2021.

4. The Khlong Luang-Chonburi Reservoir Raw Water Pipeline System Construction Project is to install raw water pipelines together with a pump system and a supporting buildings. The project is aimed at adding the Khlong Luang-Chonburi reservoir to the Company's list of water supply sources and supporting future water demand in Chonburi and Pluak Daeng-Bowin. With the water distribution capacity of at least 20 million Cu.M. per year, the project will help support the government's Eastern Economic Corridor (EEC) development plan. The project is currently under construction and is set to be completed within 2021.

1.3 Shareholding Structure of East Water Group

1.3.1 Policy on Division of Operations of Business Group Companies

The Company is mainly engaged in the business of supplying raw water to the industrial and consumer sectors, while Universal Utilities PCL. (UU) is focused on the tap water business. In the case where the Company needs to conduct a business or related-party transaction with UU, the boards of directors of both parties will consider the necessity and reasonableness of the transaction. The Company will ensure that such

transaction is taken on an arm's length basis and in the ordinary course of business using the cost-plus pricing approach. Both the Company and UU will strictly comply with applicable rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Company currently holds 510 million shares (100%) in UU with the right to one vote per share. The shareholding structure of the business group can be summarized in Diagram.

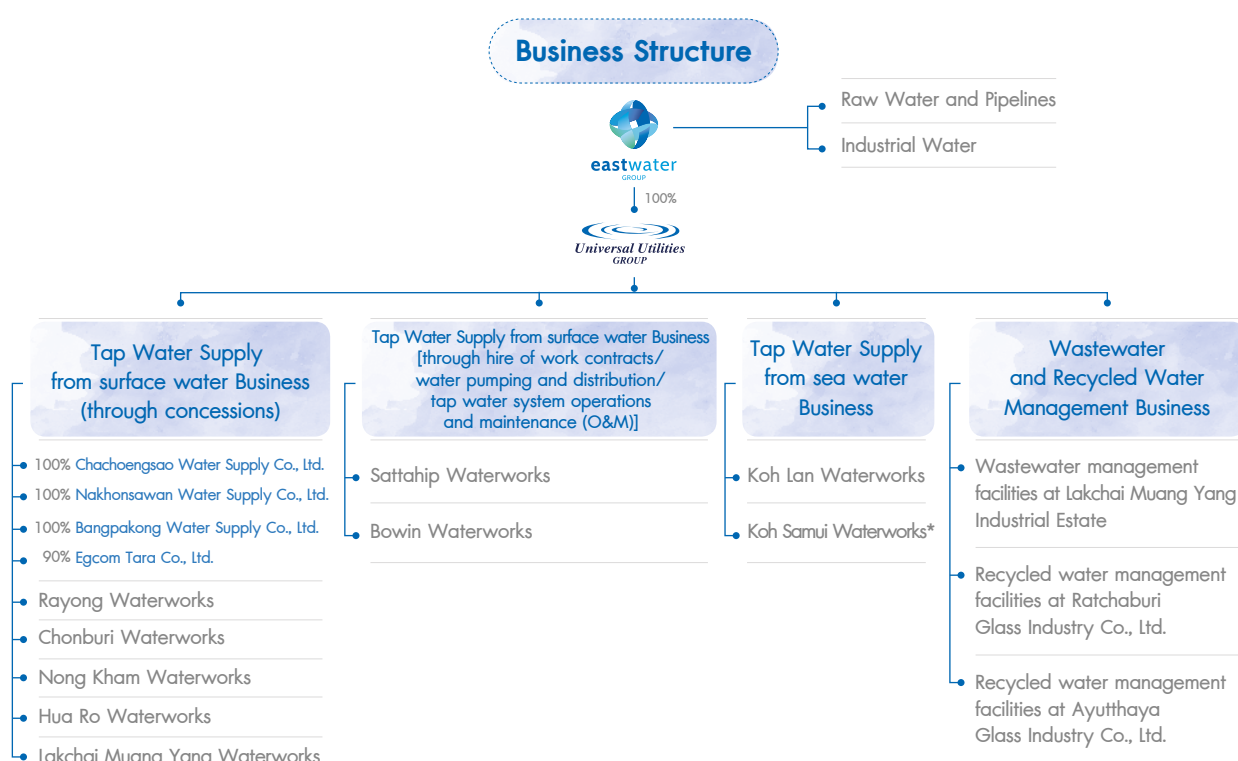


Diagram: Shareholding Structure of the Business Group

Remark : * The contract of the Koh Samui Waterworks (engaged in the tap water production from seawater business) ended on 11 May 2020.

UU provides waterworks management services through concessions with government agencies and local administrative organizations. The company has four subsidiaries as per details in Table.

Table of Registered Capital and Shareholding Proportion of UU

Company Name	Registered Capital (Baht Million)	Shareholding Proportion (%)
1. Nakhonsawan Water Supply Co., Ltd.	40	100.00
2. Bangpakong Water Supply Co., Ltd.	40	100.00
3. Chachoengsao Water Supply Co., Ltd.	100	100.00
4. Egcom Tara Co., Ltd.	345	90.07



1.3.2 Relationships with Business Groups of Major Shareholders

The Provincial Waterworks Authority (PWA) is a major shareholder of the Company with the largest shareholding proportion of 40.20%. It is also one of the major customers purchasing approximately 24% of the Company's total raw water sales. Three representatives from the PWA are members

of the Board of Directors. At board meetings, for any agenda item that may involve a conflict of interest or a related-party transaction; the Company will comply with relevant regulations of the SET for the benefit of the Company and its shareholders as a whole. Any director with a conflict of interest on a particular agenda item will not be allowed to jointly make decisions for that agenda item.

1.4 Registered and Paid-Up Capital

The Company's registered and paid-up capital totaled Baht 1,663.73 million, comprising 1,663.73 million ordinary shares with the par value of Baht one each

The company's top 10 major shareholders as at the book-closing date, 30 December 2020, were as follows.

Rank	Shareholders' Name	Number of Shares	Proportion (%)
1	Provincial Waterworks Authority	668,800,000	40.20
2	Manila Water (Thailand) Company Limited	311,443,190	18.72
3	Industrial Estate Authority of Thailand	76,000,000	4.57
4	Thai NVDR Company Limited (NVDR)	43,162,700	2.59
5	Mr. Min Tieworn	34,460,100	2.07
6	Aberdeen Long Term Equity Fund	22,275,000	1.34
7	AIA Company Limited-EQDP-D Fund 1	13,501,600	0.81
8	Aberdeen Small Cap Fund	13,141,500	0.79
9	Aberdeen Growth Fund	11,159,800	0.67
10	Thanachart Low Beta	10,537,200	0.63
	Other	459,244,059	27.61
		1,663,725,149	100.00

Source : Thailand Securities Depository Company Limited

Remark : The first and the third shareholders were the major shareholders from the government sector, while the second shareholder was a juristic person. All these three shareholders had a role in determining management policies and their representatives were proposed for appointment as directors at the Company's shareholders' meeting.

1.5 Issuance of Other Securities

As at 31 December 2020, the Company's total value of unredeemed debentures (two series) was Baht 2,400 million. The debenture issue history is as follows:

Table of Debenture Issue History

Series No.	Type of Debenture	Value (Baht Million)	Tenure (Years)	Maturity Date	Interest Rate (% p.a.)	Balance as at 31 Dec. 2020 (Baht Million)	Credit Rating
1/2015 Series 1	Unsubordinated and unsecured debentures without a debenture holder's representative in the name-registered certificate	1,200	7	16 Jun. 2022	3.84	1,200	A+/Stable
1/2015 Series 2	Unsubordinated and unsecured debentures without a debenture holder's representative in the name-registered certificate	1,200	10	16 Jun. 2025	4.18	1,200	A+/Stable

1.6 Dividend Policy

The Board of Directors set out the Company's shareholder dividend policy which must be proposed to the shareholders' meeting for consideration. According to the policy, the dividend payout ratio shall not be less than 30% of the Group's consolidated net profit after deductions of statutory reserves. Dividends shall be paid based on necessity and other considerations as deemed appropriate by the Company.





2 ENTERPRISE RISK MANAGEMENT (ERM)

2.1 ERM Policy and Plan

The Company consistently manages enterprise risks, realizing that risk management is a key element in all interconnected business processes at all levels. The organization-wide Enterprise Risk Management (ERM) policy is therefore put in place, involving the management at all levels according to the Company's organizational structure. Also, departments' risk management working groups are established to supervise, support, and develop efficient risk management operations, and to cultivate a risk management culture.

The Company determines a framework and steps to manage risks that are aligned with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Enterprise Risk Management (ERM) principles and ISO 31000 risk management standards. This is to ensure that people of the entire organization understand and apply the risk management guidelines properly. Enterprise-level risks are managed through the Risk Management Committee.

Due to uncertainty from constant change caused by external and internal factors affecting the business context, the Company faces challenges in achieving its goals. In the past, unexpected crises, natural disasters, and different forms of threats had affected the Company's business performance and might lead to a disruption to some key business processes. According to the Company's internal control assessment in respect of business continuity management in crisis situations, it was found that the Company is required to develop a business continuity management system, as outlined in the ISO 22301 and relevant standards.

ERM Plan

The Company's 2020 risk management plan was designed to address the following 6 strategic objectives:

1. Managing water sources and the impact of increasing costs,
2. Managing business continuity,

3. Complying with applicable laws and regulations, and imposing appropriate internal control measures,
4. Maintaining desirable levels and improving scores of sustainability performance,
5. Preparing personnel capacity for artificial intelligence (AI), and
6. Managing total water solution business investment projects.

2.2 Business Risk Factors

1. Key enterprise risks and risk management measures

Risks under uncertainty come from unforeseen events and require management decision making with unpredictable outcomes. Such events include global economic fluctuations, political situations, and natural disasters. In 2020, the COVID-19 outbreak took place, affecting the Thai economy and the Company's business operations. The key risk factors are as follows:

Risk from Droughts

The drought situation had worsened since 2019 with Thailand's accumulated rainfall measured at 1,200 millimeters in 2020, 20% lower than the average level of 1,500 millimeters from 1981-2010. In 2020, the El Nino phenomenon and the delayed rainy season led to the low levels of rainfall and the dry spell, respectively. Thailand had faced the drought situation until at least June 2020, which was the second-worst on record in 40 years since 1979.

According to the updates on the water situation, the levels of water inflow into the reservoirs, the water demand, and the permitted levels of usable water by the Royal Irrigation Department; the overall water supply fell short of the demand in Chonburi and Chachoengsao. The Company held meetings with relevant parties to consider water management plans and define measures to address water shortages for 2020. The key measures under the Company's responsibility are as follows:

**Water Pumping and Diversion**

1. To connect the water diversion pipelines of the Prasae reservoir-the Khlongyai reservoir to the water diversion pipelines of the Prasae reservoir-the Nong Plalai reservoir to enable the water flow to the Nong Plalai reservoir
2. To allocate water from the Prakaet reservoir to the Wang Tanot canal and pump water from the Wang Tanot canal to the Prasae reservoir to increase water supply during April 2020
3. To install pipe in the Nam Daeng canal linked to the last section of the diversion pipelines of the Prasae reservoir Khlongyai reservoir to increase levels of water pumped and diverted from the Prasae reservoir

Private-Sector Water Sources

4. To negotiate purchases of water from the private ponds as part of the water systems in Chonburi and Chachoengsao to ensure sufficient water supply in the reservoirs until the end of June 2020

Construction and Maintenance of Pump System**For use when rainfall occurs**

5. To construct a temporary pump system for the Khlong Saphan Canal to pump water from the Khlong Saphan Canal to the Prasae reservoir
6. To repair the back pumping system at Laharnrai Temple to the Nong Plalai reservoir to enable the pumping of water from Rayong river to the Nong Plalai reservoir to ensure sufficient water supply until the end of June 2020
7. To improve the performance of the pump station at Bangpakong river to support the pumping of water from Bangpakong river to the Bangphra reservoir when rainfall decreases the salinity to a level where the water can be pumped.

Ten Percent Reduction in Water Usage

8. To negotiate water usage control measures with all users by asking for their collaboration in reducing water usage by 10% to ensure sufficient water supply for consumption and industries

Overall, the measures to address water shortages in 2020 led to sufficient water supply until the middle of the year. In the third quarter, the rainwater levels increased as a result of the storms in the area, resulting in increasing water levels in the main reservoirs. The total rainfall in the eastern region at the end of the year was close to the normal value. The water levels in the key reservoirs in Chonburi and Rayong were at approximately 60% and 90% of the full capacity, respectively. At present, the Company is closely monitoring the water situation together with the Royal Irrigation Department to determine water management plans for 2021. The Company is expected to pump and distribute water from the completed projects to increase water supply.

The above measures inevitably affected the Company. For example, the measure to limit the use of water led to decreased raw water sales revenue, as compared to 2019. Also, the measure to acquire raw water from private-sector sources, the installation of pipelines, the repairs and maintenance of the raw water pump system, and the electricity charges as part of the water diversion plan led to rising raw water cost per unit and the reduction of gross profit margin. The Company's control measures in progress include:

1) Saving Electricity Costs through Development of Floating or Ground-Based Solar System:

In 2020, the Company installed rooftop solar panels at the Bangpakong pump station covering the total area of 664 square meters. The system has the power production capacity of 100 kW or 138,500 kWh/year with a useful life of 25 years. The system is being used to generate electricity and its performance is being monitored and evaluated. The system is planned to be installed in every pump station subject to readiness, approval, and area leasing fee assessments with government agencies.

2) Enhancing Water Pumping and Distribution Management Efficiency (Smart Water):

This project is set to be completed in 2022. The system is designed to help make decisions regarding the pumping of water from appropriate water sources while saving electricity costs.

**Risk from Newly Announced Water Pricing Structure**

The Company announced a new water pricing structure effective from 1 January 2020. However, during discussions with customers and based on the customers' feedback regarding the complicated pricing structure, the industrial estate operators and relevant authorities requested the Company to postpone the effective date to 1 January 2021 and conduct another review of the water pricing structure.

Subsequently, a temporary water pricing structure was applied to the customers who signed a memorandum of understanding (MOU) while entering into a water sales contract based on the newly announced water pricing structure. However, the MOU was not concluded within 2020 because of the effects of the pricing structure formula, the drought situation, and the COVID-19 outbreak on the customers' decisions. As a relief measure for the customers, the Company decided to give a discount at Baht one per cubic meter under the temporary water pricing structure from 1 January 2020 to 31 December 2020 and an exemption on interests on defaulted payments according to specific periods as specified in the sales contract and the MOU entered into with the Company.

The Company considered the customers' ideas and recommendations as well as other factors when reviewing the water pricing structure formula. The Board of Directors' Meeting No. 16 held on 17 November 2020 endorsed the adoption of the new water pricing structure (without affecting the existing contracts) and required that all the customers be explained about the amendments to the water sales contracts, serving as addendums to the original contracts.

Risk from COVID-19 Crisis

The COVID-19 pandemic coupled with the drought crisis affected the key strategic objectives as follows:

1. Raw Water and Tap Water Sales Incomes Falling Short of Targets

- By giving a discount of Baht one per cubic meter of water under the temporary water pricing structure from 1 January 2020 to 31 December 2020 to the customers entering into the buying/selling contracts and the MOUs as a relief measure, the Company lost the opportunity to drive a 3.5% increase in its raw water income and saw an 8% fall in its net profit.
- The Provincial Waterworks Authority (PWA)'s COVID-19 relief measures issued based on the cabinet's resolution had affected all the contracts entered into between PWA and the Company by giving a 20% discount on water bills to all water users and discounts on water bills to government agencies, the Company was subject to a financial impact of around Baht 9 million.

The drought situation and the COVID-19 crisis affected the Company's incomes, hence the need to review the 2020 action plan to reduce the non-revenue related expenses by 10%, where disbursements under plans as deemed necessary and appropriate amid these crises were allowed.

2. Employees' Health and Business Continuity Management amid COVID-19

Amid the COVID-19 pandemic, the employees' health is the Company's top priority. One infection could have a wide-scale impact, especially on the employees' performances against the action plan and the implementation of the 2020 water shortage mitigation measures. The Company's Work From Home (WFH) policy was launched where all departments were required



to determine contingency plans to ensure business continuity and to reduce risks from commuting to and from work. People were encouraged to work together through Microsoft Teams meetings. Resources to prevent infections were sufficiently allocated to personnel and customers during the outbreak. Relevant government control measures were strictly complied with.

The Company's overall control measures were effective and neither infections nor quarantine cases were found. As a result, the relevant operation plans were executed without any disruption. Relevant targets including the measures to address the water shortages in 2020 were achieved.

Risk from Relocation and deterioration of Pipelines

Relocation of pipelines was done based on the cabinet's resolution on 30 October 2018 to endorse the infrastructure development plan to support the Eastern Economic Corridor under the Eastern Economic Corridor development project. The infrastructure investments covered air, water, road, and rail modes in the three provinces, namely Chonburi, Rayong, and Chachoengsao.

The road and rail infrastructure development resulted in the relocation of the affected underground pipelines within the timeframes specified by the government agencies. Regarding the overall performance, the Company was able to achieve its plan without any disruption in its water distribution to the service users. The relocation of the pipelines led to increasing costs as compared to a regular operations. Thus, there was the need to impose additional measures to mitigate the impact by negotiating revisions to the construction design plans with the government and private sectors being impacted. The negotiations were successful, thereby decreasing the number of the relocated pipelines, resulting in the actual expenses being lower than the allocated budget amounts.

The risk from deteriorated pipelines led to a disruption to the water distribution, causing hardships to the communities along the pipelines, especially the pipelines of Bangpakong-Chonburi and the tap water distribution pipelines of Nongklangdong (Pattaya) with frequent pipeline breaks found. The Company incorporated emergency repairs measures in its annual action plan according to which at least three service providers were hired to provide emergency services and different parts of pipelines were gradually replaced with new ones. The Company also put in place measures to control and prevent any pause in the water distribution system by using the Hot Tapping/ Wet Tapping technology, hence the ability to repair, reroute or make separate routes to pump water to different locations without any disruption to the water flow to the users. The Company also set out additional measures regarding studies of dual pipeline installation suitability to be done in 2021.

Understanding the risk factors triggered by uncertain crises and their impacts on the business continuity, the Company has developed its Business Continuity Management (BCM) plan while revising and reviewing any areas not covered by the plan. The purpose is to strengthen its integrated business continuity management to ensure alignment with the targets, and the completion deadline is within 2021. The plan is focused on the prevention, response, support, and recovery.



3 DRIVING BUSINESS TOWARDS SUSTAINABILITY

Last year was a very challenging year for the Company as it faced a number of issues ranging from climate change, less amounts of rainfall, and water shortages in wider areas to the COVID-19 outbreak affecting the economies worldwide and causing disruptions to economic activities. The Company imposed various measures to respond to the said situation, including the systematic water management, measures to prevent and solve droughts to ensure enough water supplies across all sectors in the eastern region, and the adoption of “new normal” work practices deemed necessary for its employees. The Company’s information technology was available to support the Work From Home (WFH) policy, the promotion of learning, the changes in training methods, and the communications with its stakeholders using online or social media platforms for organizational management.

Highlights of the Company’s efforts to drive business towards sustainability are as follows:

1. Sustainable Development Policies and Goals

The Company is committed to leading its business according to the sustainable development guidelines. In so doing, the Company is focused on managing and sharing water resources with the communities and maintaining a balance in the ecosystem. The Company also builds stakeholder confidence through transparent and auditable operations according to the management framework to ensure alignment of practices and compliance with the Global Reporting Initiative (GRI) standards and the United Nations (UN)’s Sustainable Development Goals (SDG).

2. Management of Impacts on Business Value Chain Stakeholders

The Company’s main business is total water solutions covering raw water, industrial water, tap water, drinking water, wastewater treatment, and recycled water. The Company’s main focus is on the quality of its products and services and the commitment to build relationships with all stakeholders by working to meet their expectations as appropriate. The Company also manages its supply chain and develops operating guidelines based on its key aspects of sustainability.





3. Sustainability Management in Environmental Dimension

As the Company's business is related to water resources, the environmental dimension is at the cornerstone of its operations. The Company is strongly determined to developing water sources and managing water resources to ensure sustainability and consistent energy uses. Examples of its efforts include the control of non-revenue water (NRW), the management of energy and greenhouse gases, the treatment of garbage, waste, and pollution, as well as the measures to address climate change.

4. Sustainability Management in Social Dimension

It is the Company's policy to treat employees with equality and fairness and to support the hiring of local staff and those with disadvantages and disabilities regardless of race, religion, gender, age, education, etc. The Company also supports welfare benefits as well as occupational safety, health, and environment management. The Company strives to develop its personnel capacity to gain expertise in different functions and to foster awareness and participation in creative, efficient, and effective operations for the benefits of the organization, society and environment. The Company encourages its people to listen to the voice of its customers so as to ensure service satisfaction while taking care of its communities and society based on the understanding of, insights into, and the "King's Philosophy" for sustainable development.

The Company disclosed its performance information in terms of environmental, social, and corporate governance (ESG), including its issues of analysis and material aspects as well as stakeholder analysis in its 2020 Sustainability Report. The interests and expectations of the different groups of stakeholders were linked to the reports of ESG issues so as to showcase the Company's guidelines of business development towards sustainability. Further details of the Company's 2020 Sustainability Report are available at www.eastwater.com.





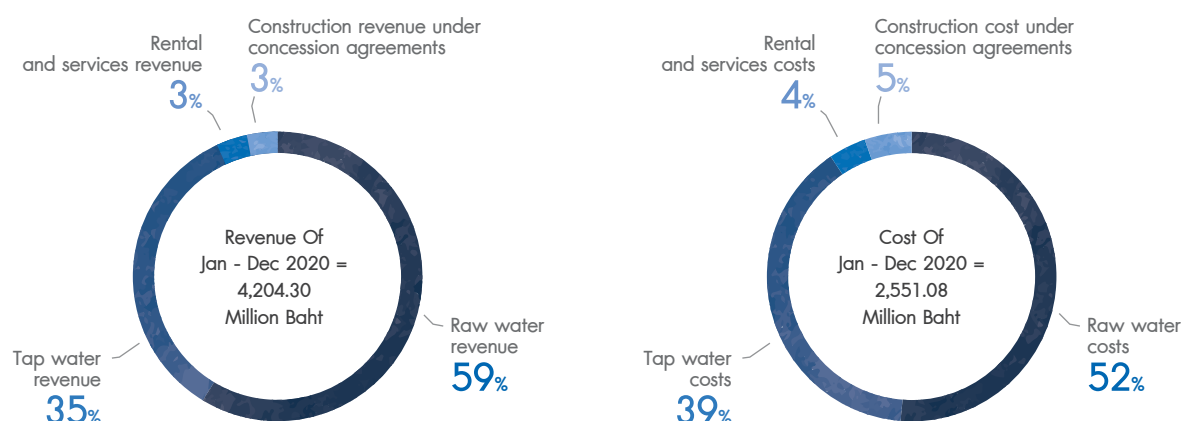
4 MANAGEMENT DISCUSSION AND ANALYSIS FOR 2020

4.1 Analysis of Financial Performance

For 2020, East Water Group had total consolidated sales and services income of 4,204.30 million baht, decreased by 475.78 million baht or -10.17%, primarily from reduced raw water sales volume, whilst costs

of sales and services totaled 2,551.08 million baht, decreased by 155.36 million baht or -5.74% compared to the same period of 2019. Net profit attributable to equity holders of the parent company of 764.15 million baht, decreased by 280.64 million baht or -26.86%.

Proportion of revenues and costs



Income statement (Million Baht)	For the 4 th quarter (three-month period)				For the year (12-month period cumulative)			
	Q4/2020	Q4/2019	YOY	%	2020	2019	YOY	%
Total Sales and Services revenue	1,050.80	1,159.83	(109.04)	(9.40)	4,204.30	4,680.08	(475.78)	(10.17)
Raw water revenue	620.85	707.12	(86.27)	(12.20)	2,473.57	2,844.70	(371.12)	(13.05)
Tap water revenue	361.53	372.74	(11.21)	(3.01)	1,467.89	1,503.16	(35.27)	(2.35)
Rental and services revenue	28.15	33.98	(5.83)	(17.15)	125.71	129.10	(3.39)	(2.63)
Construction revenue under Concession Agreements ¹⁾	40.27	46.00	(5.73)	(12.45)	137.14	203.13	(65.99)	(32.49)
Costs of Sales and Services	656.10	703.35	(47.25)	(6.72)	2,551.08	2,706.44	(155.36)	(5.74)
Raw water cost	341.69	387.91	(46.21)	(11.91)	1,318.68	1,396.16	(77.48)	(5.55)
Tap water cost	252.87	238.40	14.47	6.07	989.33	985.44	3.89	0.39
Rental and services cost	21.27	31.05	(9.78)	(31.50)	105.93	121.71	(15.78)	(12.97)
Construction cost under Concession Agreements ¹⁾	40.27	46.00	(5.73)	(12.45)	137.14	203.13	(65.99)	(32.49)
Gross profit	394.70	456.48	(61.78)	(13.53)	1,653.23	1,973.64	(320.42)	(16.23)

Note : ¹ Revenue and Cost that were recognized when there is construction under concession agreements for tap water according to accounting standard TFRIC12



Income statement (Million Baht)	For the 4 th quarter (three-month period)				For the Year (12-month period cumulative)			
	Q4/2020	Q4/2019	YOY	%	2020	2019	YOY	%
Other income	13.74	14.68	(0.94)	(6.40)	44.00	49.19	(5.19)	(10.56)
Selling and administrative expenses	171.21	169.04	2.17	1.28	542.39	538.52	3.87	0.72
Operating profit	237.23	302.12	(64.89)	(21.48)	1,154.83	1,484.32	(329.48)	(22.20)
Finance cost	41.67	42.08	(0.41)	(0.96)	170.53	166.05	4.47	2.69
Income tax expenses	34.00	51.07	(17.07)	(33.42)	207.88	262.36	(54.48)	(20.77)
Net profit	161.56	208.98	(47.42)	(22.69)	776.43	1,055.91	(279.47)	(26.47)
Net profit attributable to shareholders of the parent company	158.22	205.93	(47.72)	(23.17)	764.15	1,044.79	(280.64)	(26.86)
Earnings per share (EPS)	0.10	0.12	(0.02)	(23.17)	0.46	0.63	(0.17)	(26.86)

EBITDA (Million Baht)	For the 4 th quarter (three-month period)				For the Year (12-month period cumulative)			
	Q4/2020	Q4/2019	YOY	%	2020	2019	YOY	%
Operating profit	237.23	302.12	(64.89)	(21.48)	1,154.83	1,484.32	(329.48)	(22.20)
Depreciation	144.11	129.07	15.05	11.66	564.42	504.40	60.02	11.90
Amortization	83.55	81.31	2.24	2.75	332.17	320.36	11.82	3.69
EBITDA	464.89	512.50	(47.61)	(9.29)	2,051.43	2,309.08	(257.65)	(11.16)

4.2 Economic Situation

The Thai economic overview Q4/2020 in the Central and Eastern regions contracted compared to the same period of 2019 due to the COVID-19 pandemic. Nevertheless, compared to the previous quarters of 2020, the economy has begun to recover, especially for manufacturing which show clear signs of recovery from temporary governmental aids and shifting manufacturing from other countries under more severe lockdown to Thailand. In contrast, the tourism and hospitality industry still suffers significant contraction, with only 10-15% of all hotels having recovered, particularly the sector that caters to domestic tourists or tour groups that benefited from the government travel incentives. Investment across the business sector is significantly reduced compared to the same period last year, however there is still investment in long-term expenses reduction and efficiency increase, whilst controlling other expenses, such as in the labor section which has seen significant adjustments adding flexibility by shifting to outsourcing or daily wages. The sale price of goods are unlikely to increase, as consumer purchasing power is reduced and the market is highly competitive.

For the Q1/2021 business outlook, the economy is projected to still be contracting compared to the same period of the previous year, however, for the commercial sector, businesses are expected to have become better adapted to cope with COVID-19 pandemic than last year. Nevertheless, the latter waves of the pandemic are predicted have more significant impact that the first wave, especially for the tourism industry.

4.3 Water Situation

As of 31 January 2021, the water supply situation in Chonburi and Rayong were in the normal range. Water supply in several main reservoirs were higher than the 8-year average, due to the significant rainfall increase in the latter half of 2020 from several tropical storms that passed through Thailand causing the water volume in the reservoirs to quickly increase compared to the first half of 2020, which was in severe drought conditions. The Thai Meteorological Department predicts that the total rainfall in the Eastern Seaboard in the February - March 2021 period will be close to normal levels, whilst rainfall in April will be 20% higher than normal. The water in the reservoirs in Chonburi and Rayong were 59% and 77% of total capacity, respectively.



Water Volume (Million Cu.M.)	Chonburi		Rayong			
	Bangphra	Nongkho	Dokkrai	Nongplalai	Klongyai	Prasae
Water reserve	67.37	14.89	63.75	139.84	26.61	214.71
Percentage of total capacity	58%	70%	80%	85%	66%	73%
Average (2013-2020)	66.38	11.33	55.23	124.21	27.12	199.78
Above/(below) average (2013-2020)	0.98	3.56	8.51	15.63	(0.51)	14.93

4.4 Significant Events

On 30 June 2020, TRIS RATING announced the company rating on Eastern Water Resources Development and Management PLC (EASTW)'s credit and the ratings on its outstanding senior unsecured debentures at "A+" with a "Stable" outlook, which reflect the Company's strength as a key raw water provider with a comprehensive pipeline network in the Eastern Seaboard area, with projected continued growing water demands from the development of the Eastern Economic Corridor, its reliable cashflow, and strong profitability.

The Board of Directors' meeting 13/2020 on 20 August 2020, approved the payment of interim dividend from net profit for the 6-month period ending June 2020 of 0.16 Baht per share, with a total dividend payment of 266.20 million baht, with a list of shareholders entitled to receive dividend cut off on 3 September 2020, and dividend payout on 18 September 2020.

As for the impact of the COVID-19 pandemic, the East Water group of companies has not been significantly affected directly, nevertheless, the Company has implemented measures to assist the

public, supporting the government's policy to relieve the public's utilities burden through PWA, such as by reducing the tap water tariff and returning the water meter deposit to the public.

4.5 Raw Water Business

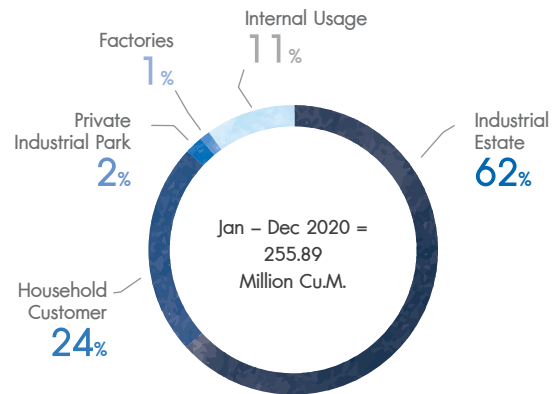
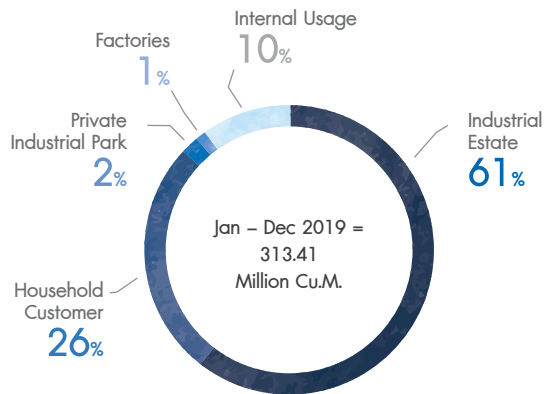
Raw water revenue for 2020 was 2,473.57 million baht, decreased by 371.12 million baht or -13.05% compared to 2019, mainly from total sales volume decreased by 53.19 million Cu.M. or -18.85% (excluding internal usage for tap water production of 26.85 million Cu.M.), mainly due to East Water group compliance to the Royal Irrigation Department's policy for water resources management during drought in 2020 combined with the impact of the COVID-19 pandemic at the beginning of 2020 continuing into 2021 which caused several industries to significantly reduce production and thus the volume of raw water distribution.

The average raw water tariff was 10.80 Baht per Cu.M., increased by 0.72 Baht per Cu.M. or 7.15% compared to the same period of 2019, as EASTW gave the discount for household customers in 2019, which was not renewed in 2020.

Raw Water Volume (Million Cu.M.)	For the 4 th quarter (three-month period)				For the Year (12-month period cumulative)			
	Q4/2020	Q4/2019	YOY	%	2020	2019	YOY	%
Total distribution volume	66.37	78.09	(11.72)	(15.01)	255.89	313.41	(57.52)	(18.35)
Internal usage for tap water	7.85	8.03	(0.18)	(2.27)	26.85	31.18	(4.33)	(13.88)
Net raw water sales volume	58.52	70.06	(11.54)	(16.47)	229.04	282.24	(53.19)	(18.85)



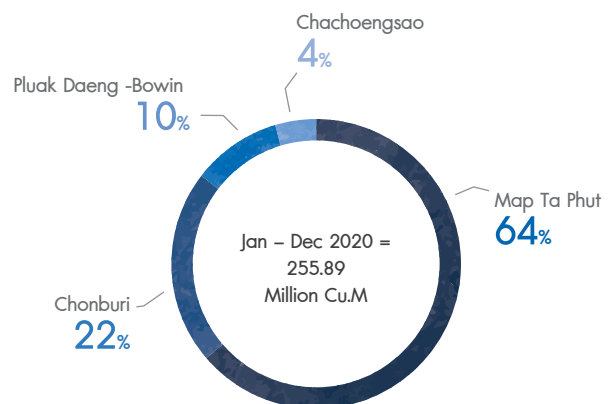
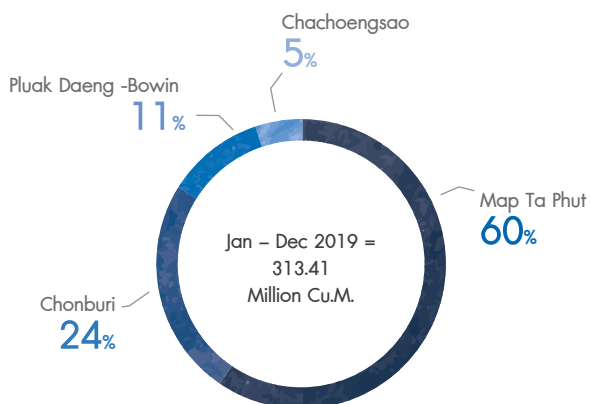
Raw Water Distribution by Customer Group (Internal usage for tap water production is included)



Considering the direction of the water supply industry, this business has an opportunity to grow with the principle of industrial expansion, coupled with the government policies to promote Rayong, Chonburi, and Chachoengsao Province to be an advanced production hub. To increase the competitive

advantage, the government, therefore; has established the Eastern Economic Corridor. The company has been considered as having potential in the raw water business both for investment in water source stability and for the raw water pipeline network system which classified by area as followed:

Raw Water Distribution by Area (Internal usage for tap water production is included)



Gross Profit of Raw Water Business for 2020 was 1,154.89 million baht, decreased by 293.65 million baht or -20.27% compared to the same period of 2019 following the drought situation, which decreased total sale volume, while cost of sales declined only slightly. The details are as follow:

1) Raw water revenue decreased because East Water group compliance to the Royal Irrigation Department's policy for water resources management during drought in 2020 and the economic impact from the COVID-19 pandemic. This caused East Water's raw water sales to customers to decrease significantly in the first 9 months of the year.

2) Costs of raw water slightly decreased as follows:

- Raw water cost decreased in-line with raw water sales volume, however East Water had to supplement

water supply in Chonburi and Chachoengsao area from private ponds which entails higher costs.

- Electricity costs reduced in-line with the raw water sales volume decline, East Water balanced electricity expenses by reducing water diversion from Prasae Reservoir as soon as the drought situation eased and used private ponds to supply water to Chonburi and Chachoengsao areas instead.
- Maintenance cost increased because of improvement and maintenance raw water distribution system to support distribution plan during the drought situation.

As a result, gross profit margin of raw water business dropped to 46.69% from 50.92%.



Major costs of raw water business (Million Baht)	For the 4 th quarter (three-month period)				For the Year (12-month period cumulative)			
	Q4/2020	Q4/2019	YOY	%	2020	2019	YOY	%
Raw Water Revenue	620.85	707.12	(86.27)	(12.20)	2,473.57	2,844.70	(371.12)	(13.05)
Costs of Raw Water	341.69	387.91	(46.21)	(11.91)	1,318.68	1,396.16	(77.48)	(5.55)
Raw Water	37.58	54.44	(16.86)	(30.98)	169.07	196.90	(27.83)	(14.13)
Electricity	101.86	132.09	(30.23)	(22.89)	403.42	515.54	(112.12)	(21.75)
Depreciation	107.40	101.44	5.96	5.88	429.54	397.28	32.26	8.12
Maintenance	53.62	56.92	(3.30)	(5.80)	155.61	114.00	41.61	36.50
Others	41.24	43.02	(1.78)	(4.14)	161.05	172.44	(11.39)	(6.61)
Gross Profit	279.16	319.21	(40.05)	(12.55)	1,154.89	1,448.54	(293.65)	(20.27)
Gross Profit Margin	44.96%	45.14%			46.69%	50.92%		

4.6 Tap Water Business

Tap water revenue for 2020 was 1,467.89 million baht, decreased by 35.27 million baht or -2.35% following tap water sales decline 2.13 million Cu.M. or -2.13% compared to 2019 as a response to several waterworks having to limit production during the drought period.

Tap water sales volume (Million Cu.M.)	For the 4 th quarter (three-month period)				For the Year (12-month period cumulative)			
	Q4/2020	Q4/2019	YOY	%	2020	2019	YOY	%
Tap water sales volume	5.21	5.27	(0.06)	(1.12)	21.62	22.36	(0.73)	(3.27)
Tap water sales volume of subsidiaries	19.08	19.30	(0.22)	(1.14)	76.09	77.49	(1.40)	(1.80)
Total tap water sales volume	24.29	24.57	(0.28)	(1.13)	97.72	99.84	(2.13)	(2.13)

Gross Profit of Tap Water Business for 2020 was 478.56 million baht, decreased by 39.16 million baht or -7.56% compared to 2019 with gross profit margin of 32.60% which is lower than in 2019.

Major Costs of Tap Water Business (Million Baht)	For the 4 th quarter (three-month period)				For the Year (12-month period cumulative)			
	Q4/2020	Q4/2019	YOY	%	2020	2019	YOY	%
Tap Water Revenue	361.53	372.74	(11.21)	(3.01)	1,467.89	1,503.16	(35.27)	(2.35)
Costs of Tap Water	252.87	238.40	14.47	6.07	989.33	985.44	3.89	0.39
Raw Water	56.01	53.56	2.45	4.58	210.20	196.61	13.59	6.91
Electricity	33.19	37.85	(4.66)	(12.30)	134.60	150.95	(16.35)	(10.83)
Chemical	10.74	11.27	(0.54)	(4.76)	52.24	43.49	8.75	20.11
Payroll, Outsource Expenses & Maintenance	56.44	47.29	9.15	19.34	210.16	229.97	(19.82)	(8.62)
Depreciation	89.04	81.34	7.71	9.47	352.93	321.52	31.41	9.77
Others	7.45	7.09	0.36	5.03	29.19	42.89	(13.70)	(31.93)
Gross Profit	108.66	134.34	(25.68)	(19.12)	478.56	517.72	(39.16)	(7.56)
Gross Profit Margin	30.05%	36.04%			32.60%	34.44%		

4.7 Financial Position Analysis

Financial Position (MB)	As of 31 Dec 2020	As of 31 Dec 2019	Increased (Decreased)	%
Total Assets	22,853.78	21,180.88	1,672.90	7.90
Total Liabilities	11,784.58	10,167.06	1,617.52	15.91
Equity	11,069.20	11,013.82	55.38	0.50
- Equity attributable to owners of the parent company	10,901.61	10,839.60	62.00	0.57

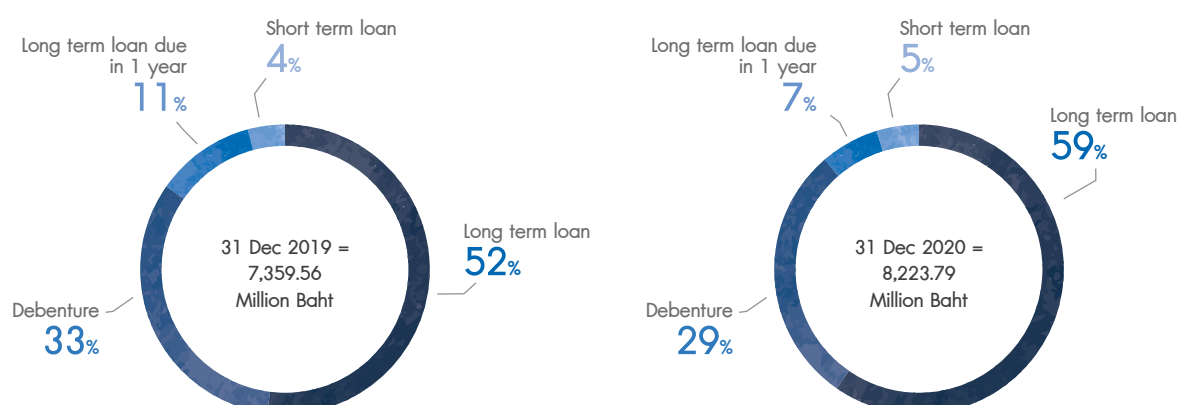
1) Assets As 31 December 2020, total assets were 22,853.78 million baht, increased by 1,672.90 million baht or +7.90% from the end of the 2019 due to the changes in the following items:

- Property, plant and equipment (net) were 16,697.49 million baht, increased by 1,436.54 million baht mainly from progress of construction including industrial water & total water solution projects, Bangpakong pump system upgrade project and Thap Ma Reservoir development project.
- Rights of assets usage (net) were 571.69 million baht from accounting adjustments according to new accounting standards in leasing agreement (TFRS 16).

2) Liabilities At the end of 31 December 2020, total liabilities were 11,784.58 million baht, increased by 1,617.52 million baht or +15.91% from the end of 2019 due to changes in the following items:

- Long-term loans from financial institutions were 5,440.00 million baht, increased by 783.80 million baht from drawdown for use in various construction projects.
- Lease liabilities were 569.24 million baht from accounting adjustments according to new accounting standards in leasing agreement (TFRS 16) implemented in 2020.

Proportion of Interest-Bearing Debt



Note : According to the debentures and long-term loan agreements, the company was required to maintain its D/E ratio of not higher than 2.00.

3) Shareholder's Equity At the end of 31 December 2020, Shareholders' equity attributable to owners of the parent company was 10,901.61 million baht, increased by 62.00 million baht or +0.57% from the end of the year 2019.



4.8 Liquidity Analysis and Funding Adequacy

For 2020, the company had cash and cash equivalents of 58.21 million baht, whereby during the financial period, net cash was increased by 7.48 million baht. This comprised of the following items:

1) **Net cash received from Operating Activities** totaling 1,681.12 million baht from the net income and the changes in assets and liabilities from operations.

2) **Net cash used in Investment Activities** amounted to 1,616.84 million baht. This was mainly due to cash investment in fixed assets, advance payment

for construction of 1,361.65 million baht and cash investment in intangible assets of 162.35 million baht.

3) **Net cash used in Financing Activities** amounted to 56.80 million baht, mainly due to the repayment of long-term loan of 826.20 million baht, dividend payment of 717.51 million baht and cash interest repayment of 168.81 million baht, net off with the drawdown of long-term loan in the amount of 1,610.00 million baht for use in construction of several projects.

4.9 Key Financial Ratios

Key Financial Ratios	2020	2019
Liquidity Ratio		
Current ratio (times)	0.37	0.37
A/R Collection Days ¹ (day)	27.50	25.23
Profitability Ratio²		
Gross profit / total sales and services revenue (%)	40.65%	44.08%
Net profit / total sales and services revenue (%)	19.09%	23.59%
Performance Ratio		
Return on Equity (ROE) (%)	7.03%	9.74%
Return on Assets (ROA) (%)	3.47%	5.06%
Capital Structure and Debt Ratio		
Debt to Equity ratio (time)	1.08	0.94
Debt Service Coverage ratio (DSCR) (time)	2.56	2.20

Note : ¹ Account receivable collection days, not including unbilled trade accounts receivable

² Gross profit and Net profit do not include construction revenue under concession agreement and other income.

In 2020, East Water Group reported a decline in net profit and profit margin compared to the same period of 2019 because of the rate of reduction of the cost of sales and services was less than the rate of raw water and tap water revenue reduction from impact of the severe nationwide drought increasing the difficulty and cost in sourcing water. Therefore, gross profit margin and net profit margin decreased to 40.65% and 19.09% respectively.

Return on Equity (ROE) and Return on Asset (ROA) decreased to 7.03% and 3.47%, respectively compared to the same period in 2019 due to reduced

net profit while total assets and the shareholder's equity increased.

As for the liquidity analysis of 2020, the Current Ratio was 0.38 times and Debt to Equity ratio increased to 1.08 times due to the drawdown of short-term loans for temporary liquidity management and the drawdown of long-term loan for construction projects during 2020. The Debt Service Coverage Ratio (DSCR) remained strong at 2.56 times, increased from 2019 as debt long term loan repayment within the year decreased from 826.20 million baht to 548.00 million baht.



4.10 Credit Term Policy

The Company has established trade credit terms for raw water customer, tap water customer, and building tenants. The estimated trade credit is 30 days. For trading partners, the company will negotiate the trade credit term approximately 30 days as well.

The company has appropriate policies and procedures to control credit risk from transactions with customers. As the majority of the group's customers are either governmental agencies or large private companies, Management assessed credit risk as "low".

4.11 Capital Expenditure Commitment

Capital expenditure commitments that have not yet been recognized in the financial statement are as follows:

Capital Expenditure	2020	2019
Land, buildings and equipment	1,814.75	3,161.24
Intangible assets	204.24	88.65
Total	2,018.99	3,249.89

The Capital expenditure in the category of Land, buildings, and equipment mainly consisted of the construction projects such as the pipeline system of Klongluang-Chonburi project and the total water solution project for U-Tapao international airport.

4.12 Goodwill Impairment

The goodwill of 103 million baht shown in the financial statement comes from the purchase of interest in EGCOM Tara Company Limited on 31 August 2015. The group of companies has performed goodwill impairment tests in which the return on cash generating assets is evaluated from usage value referring to the cashflow projection based on the remaining length of the purchased tap water production concession.

From the test, it has been founded that the projected return on equity were 351 million baht higher than the book value. If the discount rate was increased to 15.57 percent per year (from the assumption at 11.10 percent per year), or the tariff escalation rate was reduced to -2.04 percent per year (from the assumption at 1.50 percent per year based on the average CPI of the past 10 years), the projected return would be exactly equal to the book value.

4.13 Related Parties Transactions

The company has the related parties transactions that might cause the conflict of interest, of which the auditor had mentioned including:

1) Provincial Waterworks Authority who is the first major shareholder owning 40.20 percent of the company's share and has representative in the Company's board of directors.

2) Industrial Estate Authority of Thailand owns 4.57 percent of the Company's share and has representative in the company's board of directors.

The detail of the transactions incurred with the related parties were disclosed in the note to financial statement No.41.



5 GENERAL AND OTHER IMPORTANT INFORMATION

5.1 General Information

Company name:	Eastern Water Resources Development and Management PCL.
Business type:	Development and management of raw water pipeline systems in the eastern coast areas of Thailand
Head office address:	1, East Water Building, 23 rd -26 th Floors, Soi Vibhavadi Rangsit 5, Vibhavadi Rangsit Road, Chom Phon Subdistrict, Chatuchak District, Bangkok 10900
Registration number:	0107539000316 (formerly, BorMorJor.632)
Website:	www.eastwater.com
Telephone:	(662) 272-1600
Facsimile:	(662) 272-1601-3, (662) 272-1692
Registered capital:	Baht 1,663,725,149 divided into 1,663,725,149 ordinary shares, each with a par value of Baht one (As at 31 December 2020)
Paid-up capital:	Baht 1,663,725,149 divided into 1,663,725,149 ordinary shares, each with a par value of Baht one (As at 31 December 2020)

List of companies in which the Company holds 10% or more of shares:

Company name:	Universal Utilities PCL.
Business type:	Management of tap water supply and wastewater treatment systems through concession, management service, and rental management contracts
Head office address:	1, East Water Building, 18 th Floor, Soi Vibhavadi Rangsit 5, Chom Phon Subdistrict, Chatuchak District, Bangkok 10900
Telephone:	(662) 272-1688
Facsimile:	(662) 272-1691
Registered capital:	Baht 930,000,000 divided into 930,000,000 ordinary shares, each with a par value of Baht one (As at 31 December 2020)
Paid-up capital:	Baht 510,000,000 divided into 510,000,000 ordinary shares, each with a par value of Baht one (As at 31 December 2020)

References:

Securities Registrar:	Thailand Securities Depository Co., Ltd.
(Ordinary Shares)	93 Ratchadaphisek Road, Dindaeng Subdistrict, Dindaeng District, Bangkok 10400
Telephone:	(662) 009-9383
Facsimile:	(662) 009-9001 ต่อ 9383
Auditors:	PricewaterhouseCoopers ABAS Co., Ltd.
	179/74-80, Bangkok City Tower, 15 th Floor, South Sathorn Road, Tungmahamek Subdistrict, Sathorn District, Bangkok 10120
Telephone:	(662) 844-1000
Facsimile:	(662) 286-0500

Other Important Information: None



5.2 Legal Disputes

As at 30 December 2020, the Company had no legal disputes with potential impact on the assets of more than five percent of the Company's shareholders' equity; and had no legal disputes with significant impact on the business operations of the Company or its subsidiaries.





6 CORPORATE GOVERNANCE POLICY

The Board of Directors formulated the Corporate Governance (CG) policy in writing on 1 August 2003 and, later in 2018, revised the CG policy according to the Office of the Securities and Exchange Commission (SEC)'s Corporate Governance (CG) Code for Listed Companies 2017. The Board of Directors assigned the Corporate Governance and Sustainable Development Committee to screen this group-wide CG policy and implementation guidelines to ensure compliance with changing laws, regulations, and rules as well as recommendations by applicable institutions and international standards. The CG policy was published in the Company's website at www.eastwater.com and its internal web. The document was also distributed to the directors and employees for further compliance therewith.

6.1 Overview of CG Policy and Guidelines

The Company's CG Code contains eight principles as follows:

Principle 1: To realize the role and responsibilities of the Board of Directors as a leader to create long-term value for the organization

The Board of Directors shall ensure that all directors and executives perform duties with responsibility, prudence, honesty, and integrity for the Company. Also, the board shall ensure the compliance with laws, rules, and resolutions of shareholders' meetings. In addition, the board shall supervise any instruction, approval, and formulation of strategies and operational policies as well as allocation of key resources to achieve specific objectives and goals. The board shall monitor and supervise risk mitigation and financial security control. The Company has established its board structure in terms of size, composition, and proportion of independent directors as appropriate and with qualifications necessary to bring the Company towards achievement of its objectives and goals under the good corporate governance principles. The details of scope, authority, duties and responsibilities of the board are available in the Corporate Governance Structure section, Page 68.

Principle 2: To identify key objectives and goals in support of business sustainability

The Board of Directors shall oversee and ensure that the management prepares a corporate vision and strategies subject to annual reviews. In October 2020, the executives of the business group participated in a workshop to review the corporate vision and missions, and to prepare a strategic plan

for 2021-2023 for submission thereof to the Board of Directors for approval at its meeting No.15/2563 held on 22 October 2020. The Company still kept its vision, missions, and strategies unchanged; and incorporated four corporate objectives, for 2021-2023; namely 1) economic, 2) environment, 3) social and governance, and 4) occupational safety and health, while focusing its business on total water solutions, development of water sources to meet water needs, and prevention of draughts.

Then, the management prepared annual actions and budget plans for submission thereof to the Board of Directors for approval. In monitoring the implementation of the said strategies and plans, the Corporate Strategy Department shall oversee and monitor reports of operating results for submission thereof to the management on a monthly basis.

Principle 3: To enhance effectiveness of the Board of Directors

The Company's Board of Directors structure was based on requirements of the SEC and the SET, especially in terms of size, composition and proportion of independent directors. The independent directors shall have no role in management and shall not be the Company's shareholders. The chairman of the Board of Directors shall be an independent director and shall not be a chairman or a member of any subcommittee, with the duties to supervise, monitor, and consider and stipulate meeting agenda items of the Board of Directors together with the President and CEO. This is to ensure that the Board of Directors and the management perform duties efficiently to achieve the Company's main objectives and goals.

The Company laid down a set of practices to enhance effectiveness of the Board of Directors. To this end, each director shall assume a position in no more than 5 listed companies; the Board of Directors' meeting schedule shall be determined in advance for the entire year so that all directors can arrange their schedule to attend meetings altogether; and there shall be at least two-thirds of the total directors present at the meeting to constitute a quorum according to the Company's Articles of Association.

The COVID-19 outbreak in 2020 led to some directors unable to attend the meetings in person. Thus, the Company amended Item 23 of its Articles of Association regarding electronic meetings of the Board of Directors to be in line with the National Council for Peace and Order (NCPO)'s



Notification No.74/2557 and the Department of Business Development (DBD)'s Clarification to facilitate directors' presence at meetings through electronic means.

Principle 4: To recruit and develop high-level executives and manage human resources

The Board of Directors assigned the Nomination and Remuneration Committee (NRC) to determine criteria and methods for nominating persons with suitable qualifications as President and Chief Executive Officer, top executives of the business group, and chief officers of different divisions. This is to ensure that the high-level executives have knowledge, skills, experiences, and characteristics required for driving the organization towards its goals. Also, the NRC shall determine forms and criteria for remuneration payments, and consider criteria for evaluating performance of the President and CEO according to his responsibilities in order to motivate him to lead the organization to achieve specific targets. The NRC shall supervise succession plans for the President and CEO and the high-level executives. The results of implementation of the said plans shall be reported to the Board of Directors at least once per year. The Company also promotes and supports the President and CEO and the high-level executives to attend trainings to gain more knowledge and experiences beneficial to the operations.

Principle 5: To promote innovation and responsible business conduct practices

One of the Company's priorities is to increase its competitiveness in terms of technology and innovation. In so doing, the Company uses technology to reduce the rate of electricity consumption for pumping and distributing water, which is the Company's main cost, and to reduce the rate of water loss in the pipeline system. In addition, the Company promotes an atmosphere where employees are encouraged to discover innovations related to their work. The Company operates business with responsibility for its communities, society, and environment, and with the commitment to establishing good relationships with the stakeholders, based on transparency and the good corporate governance principles. The Company's sustainability management policy is as follows:

1. Good corporate governance

The Company shall operate business according to the good corporate governance principles, laws, and best practices at organizational, national, and international levels, with the commitment to transparency, auditability, and anti-corruption, taking into account the benefits of all stakeholders in a fair manner.

2. Responsibility for changes in water source quality

The Company shall control its business operations to mitigate impacts throughout the value chain. It shall maintain and preserve upstream areas as well as planning and managing water sources. It shall also control risks of possible impacts from climate change. It shall provide collaboration with local organizations in managing environmental problems to conserve natural resources. The Company used the ISO9001 standard system for quality management, the ISO14001 environmental management standard system, and the ISO45001 occupational health and safety management system, as mechanisms to support operational planning and integrated problem solutions.

3. Innovation management

The Company shall consistently develop business strategies and processes, and promote development of innovations for water resource and energy management for maximum benefits to create added value for the Company's products and long-term growth, while taking into account customer and stakeholder satisfaction for economic, social and environmental sustainability.

4. Human rights and employment to drive sustainable economy

The Company shall treat its employees equally and fairly, and shall promote the hiring of local workforce, the disadvantaged, and the disabled, regardless of race, religion, gender, age, education, etc. The Company shall provide welfare and benefits as well as occupational safety, health, and environment. The Company shall support the building of capacity and expertise in different fields, and raise employees' awareness and participation in the creation of good works with efficiency and effectiveness for the organization, society, and environment.

5. Participation in community and social development, and learning advocacy

The Company shall promote sustainable water management based on shared uses of water resources with communities and maintenance of a balance in the eco-system through adopting the "King's Philosophy of Understanding, Reaching, and Development" for community sustainable development.

Principle 6: To ensure appropriate risk management systems and internal controls

The Board of Directors assigned the Risk Management Committee (RMC) to determine and review the risk



management policy once per year to ensure alignment with the corporate objectives, goals, strategies, and acceptable risk levels. The RMC shall supervise and consider risk management plans and provide recommendations to risk management functions under the Corporate Strategy Department. The RMC shall work with the Internal Audit Office, who independently performs work, in developing and reviewing efficiency and adequacy of risk management systems and internal controls; submitting review reports to the Audit Committee; and disclosing review reports in annual reports. Further details are available in Page 10.

According to East Water Group's Code of Conduct regarding the practice of securities trading and internal information use, "Directors, executives, and permanent employees of the Company as well as their spouses and minor children shall be prohibited from using the Company's significant non-public information to trade securities for personal gain or for gaining advantage for a particular person or group of persons. In addition, they shall refrain from buying, selling, or transferring the Company's shares during the one-month period prior to the disclosure of the financial statements to the SET, and during the three-day period after the disclosure of the financial statements to the SET." The directors and high-level executives must report their trading of the Company's shares at least one day ahead of the trading transaction to the Board of Directors or its designated person. The directors must report all of their purchases-sales of the Company's shares to the Board of Directors' meetings. Besides, the directors, the high-level executives or the first four executives next to the top executives, and the holders of the positions equivalent to the fourth-ranking executive positions shall report their and the related parties' shareholding status at the time of assuming the positions to the SEC within 30 days from the dates of assuming the positions. They shall also report any change to the shareholding status within three days from the date of such change.

Principle 7: To maintain reliability of financial information and disclosure

The boards of directors of the Company and its business group shall ensure that the management disseminates the Company's key information in a comprehensive, correct, sufficient, and timely manner, and according to applicable rules, regulations, standards, and practices. Such key information includes financial reports and management discussion and analysis (MD&A) to support the disclosure of quarterly financial statements, published through the SET's system, the Company's website www.eastwater.com, and www.uu.co.th in both Thai and English. The management shall

always present the most up-to-date information and provide contents to the Company's investor relations function. The Company published its first sustainability report according to the Global Reporting Initiative (GRI) in 2011, and has continued such practice since then.

Principle 8: To support engagement and communication with shareholders

The Company realizes its shareholders' basic rights and always facilitates their exercising of rights, for example, the right to buy, sell or transfer shares, the right to receive dividend payments, the right to receive sufficient news and information through channels and at times as appropriate, the right to attend and vote at shareholders' meetings, the right to elect or remove directors, and the right to receive updates on the Company's changes to support decision making.

It is the Company's policy to encourage all shareholders to attend shareholders' meetings to equally exercise their rights at the meetings. The Company requires that an annual general meeting of shareholders be held once per year within 4 months from the last day of its accounting year. In case of an urgent need to propose a special meeting agenda item, which is affecting or relevant to the shareholders' interests or is required by a condition or rule or regulation or law to seek approval from the shareholders, the Company shall convene an extraordinary general meeting of shareholders on a case by case basis.

In 2020, due to the COVID-19 outbreak, the Company's annual general meeting of shareholders was postponed from 22 April 2020 to 4 August 2020 at Centara Grand at Central Plaza Ladprao. The Company had not convened any extraordinary general meeting of shareholders. The Company placed importance on its AGM and complied with the SEC's CG principles, and the guidelines for holding meetings according to the order of the Center for COVID-19 Situation Administration (CCSA). The Company engaged in a number of activities to facilitate the shareholders prior to the meeting date, for example:

- 1) Allowing the shareholders to propose AGM's agenda items and candidates for election as directors 3 months in advance from 1 October to 31 December 2020 through the SET's information system and the Company's website.
- 2) Notifying the shareholders of the 2020 AGM date and agenda items through the SET's information system and the Company's website at least 30 days prior to the meeting date.



- 3) Submitting the English and Thai versions of the AGM invitation letters and agenda details to the shareholders together with proxy forms; asking the shareholders to assign independent directors or other persons as their proxies and to send questions in advance to the Company; notifying the shareholders of the dissemination of the meeting documents at least 28 days prior to the meeting date; publishing meeting information in newspapers for 3 consecutive days at least 3 days before the meeting date; and disclosing the AGM invitation letter and supporting documents in the corporate website 30 days before the meeting date.
- 4) Informing the shareholders about the measures and practices for attending the 2020 AGM amid the COVID-19 outbreak situation, and asking the shareholders to fill out a health screening questionnaire before joining the meeting.
- 5) Having surface areas cleaned and the meeting room sanitized one day prior to the meeting date, maintaining a distance of 1.5 meters between seats, and limiting the number of seats for shareholders to 100.

On the 2020 AGM date, the Company pursued the following measures:

- 1) A health screening checkpoint was set up with hospital officers conducting temperature checks, and the shareholders were asked to register on the Thai Chana application before entering the meeting room.
- 2) It was requested that all participants wear masks all the time while at the meeting, and refrain from consuming food in the meeting room.
- 3) The shareholders, not present at the meeting, were allowed to view the live streaming of the meeting through the link in the Company's website.
- 4) The e-voting program and the barcode system were adopted for the vote counting process.
- 5) Three persons were assigned to inspect the vote counting process, with one representative from the legal firm, and two representatives from the shareholders present at the meeting.
- 6) Prior to the start of the meeting, the chairman of the meeting informed about the voting and counting procedures for each agenda item. Before passing a resolution for any agenda item, the chairman granted all shareholders the right to examine the Company's operations through asking questions or giving opinions within an appropriate time frame. The chairman also granted the shareholders the

equal right to provide suggestions. The directors and executives gave clear answers to all questions before the voting process began. Regarding the agenda item on the election of directors, the Chairman asked the shareholders to cast votes in a separate ballot for each individual director.

- 7) The chairman informed the meeting of the voting results for each agenda item before proceeding with the next agenda item and before the end of the meeting. The chairman conducted the meeting according to the Company's Articles of Association and in order of the agenda items specified in the invitation letter. An exception applied in the case where the meeting resolved to change the order of the agenda items with a vote of not less than two-thirds of the number of the shareholders present at the meeting. There was no change to the order of the agenda items specified in the AGM invitation letter. After the meeting considered all agenda items, the Chairman informed the shareholders that the shareholders representing at least one-third of the total shares issued can ask the meeting to consider other business matters.

After the end of the 2020 AGM, the Company published the AGM resolutions through the SET's information system on the same day of the meeting. The Company also prepared the AGM minutes with all significant contents, including the clearly specified resolutions of the meeting and the voting results in the categories of approval, disapproval and abstention. The said AGM minutes were posted in the Company's website, and submitted to the SET within 14 days from the meeting date.

The Company's financial analyst and investor relations function was established to disseminate corporate financial and general information to the shareholders, investors, securities analysts, and investment credit rating agencies, in the section of "Investor Relations Information" in the Company's website to facilitate interested persons. For any inquiries, they can contact the financial analysis and investor relations function through Tel. 0-2272-1600, Ext. 2438 or 2411; or email at IR@eastwater.com; or the Company's website.

Due to the COVID-19 outbreak in 2020, the Company was required to comply with the measures stipulated by the Department of Disease Control, and refrain from all gathering activities to curb the COVID-19 transmission. However, the Company still ran a number of activities to disseminate information and communicate with the investors and shareholders as follows:



Types of Activities	Times
Credit rating review	1
Company visits to meet up with executives and ask about management guidelines and progress updates on different projects	3
Tele-conference calls	10

6.2 East Water Group's Code of Conduct

Since its launch in 2003, the Company's group-wide Code of Conduct has been reviewed every year and posted in the Company's website at www.eastwater.com. The Code of Conduct contains 14 topics as follows:

- 1) Human rights and labour
- 2) Occupational health, environment, and safety
- 3) Anti-Corruption
- 4) Giving or receiving gifts or assets or other kinds of benefits
- 5) Ethics on procurement and treatment of trading partners
- 6) Conflicts of interest
- 7) Related party transactions
- 8) Political actions
- 9) Treatment of information and properties
- 10) Disclosure of information and communication
- 11) East Water Group (EWG)'s transactions
- 12) Operating business overseas
- 13) Trading competition
- 14) Prevention of money laundering

6.3 Significant Changes and Developments in CG Policies, Practices, and Systems in 2020

1. The group-wide CG Code's review was approved at the Board of Directors' meeting No.7/2563 held on 22 April 2020. The topic of Board of Directors' composition and qualifications was revised to exclude advisors to the Board of Directors in line with the Public Limited Companies Act and the Securities and Exchange Act where only directors are included as part of the Board of Directors' composition and qualifications.

2. The group-wide Code of Conduct's review was approved at the Board of Directors' meeting No.13/2563 held on 20 August 2020. The topic of handling complaints

was revised to ensure that the complaint management system follows the ISO 9001 requirements and covers the following topics: 1) Quality of products and services, 2) Work processes, and 3) Sound internal controls. This is to supervise compliance with laws, organizational rules and regulations, and requirements concerned, such as governance principles, anti-corruption measures of the SEC and the SET, etc. In addition, channels for filing tips or complaints were adjusted.

3. The Corporate Governance and Sustainable Development (CGSD) Committee's charter's review was approved at the Board of Directors' meeting No.14/2563 held on 24 September 2020, the summary of which is as follows:

- 1) The company secretary shall be ex officio secretary to the CGSD Committee, who shall take notes and keep records of meeting minutes and submit meeting minutes to the CGSD Committee within 7 days from the meeting date, while keeping original documents, meeting agenda, and certified meeting minutes in the capacity of company secretary.
- 2) The CGSD Committee members' office term shall be the same as that of the directors, or as approved by the Board of Directors.
- 3) The CGSD Committee shall have authority, duties, and responsibilities to determine sustainability policies in alignment with economic, social, and environmental aspects of business operations of the Company.

4. The internal anti-corruption policy's review was approved at the Board of Directors' meeting No. 14/2563 held on 24 September 2020. The policy was revised to be more concise while still including all significant contents and in compliance with the Organic Act on Anti-Corruption B.E.2561 (A.D. 2018) and the Collective Action Coalition (CAC)'s assessment guidelines.

Business Code

of Conduct



1. Human rights and labour



2. Occupational health, environment, and safety



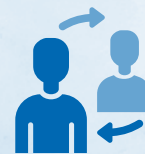
3. Anti-Corruption



4. Giving or receiving gifts or assets or other kinds of benefits



5. Ethics on procurement and treatment of trading partners



6. Conflicts of interest



8. Political actions



7. Related party transactions



9. Treatment of information and properties



10. Disclosure of information and communication



12. Operating business overseas



11. East Water Group (EWG)'s transactions



13. Trading competition



14. Prevention of money laundering

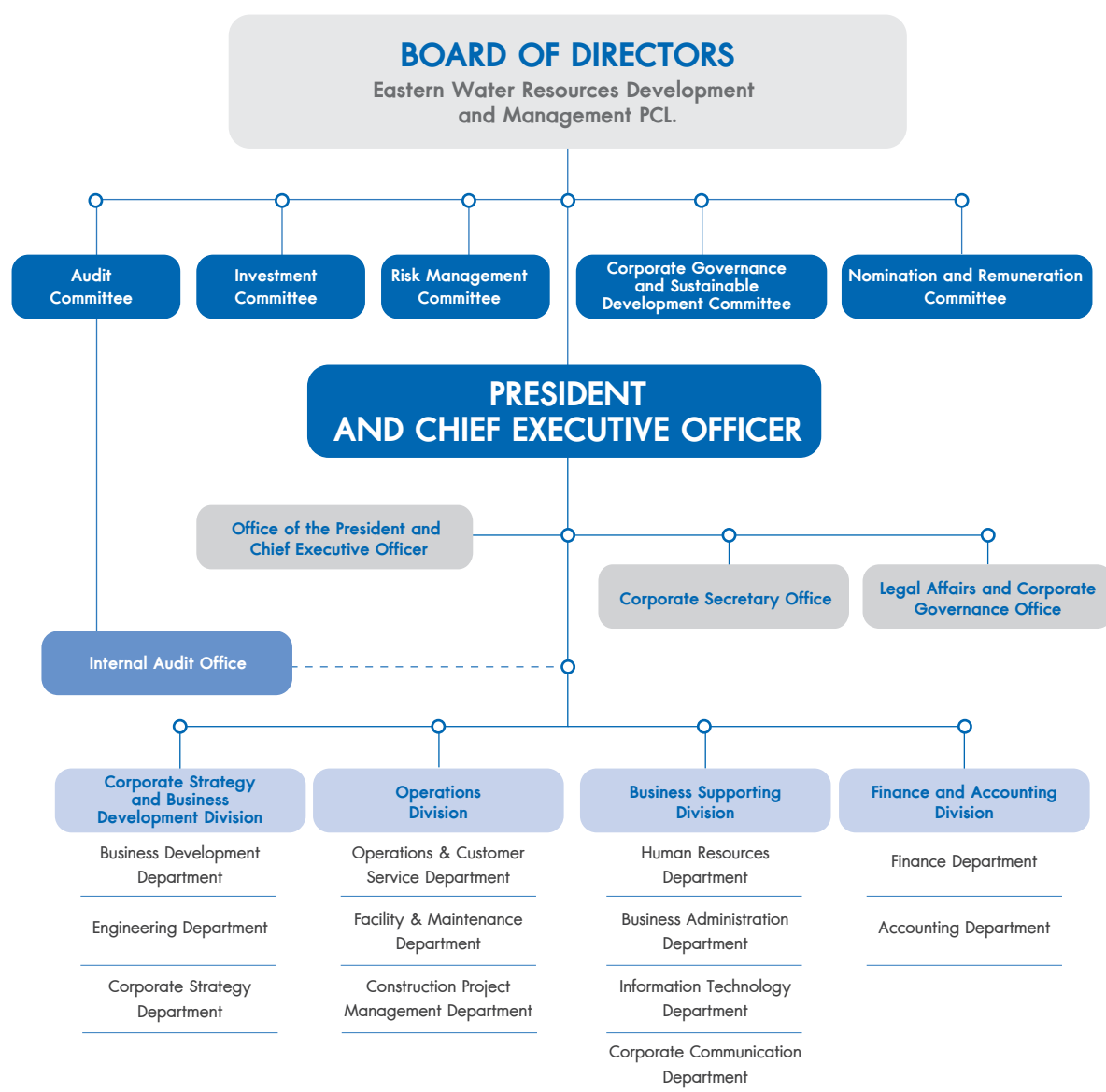


7 CORPORATE GOVERNANCE STRUCTURE AND IMPORTANT INFORMATION ON THE BOARD OF DIRECTORS, SUBCOMMITTEES, MANAGEMENT, EMPLOYEES, AND OTHERS

7.1 Corporate Governance Structure

As at 31 December 2020, the corporate governance structure consisted of the Company's Board of Directors which shall comply with laws, the Company's objectives and Articles of Associations, and resolutions of shareholders' meetings. The Board of Directors shall have authority to take actions as prescribed in the Company's Memorandum of Association and applicable laws. The Board of Directors set up five subcommittees to deliberate on key focus areas, namely 1) The Audit Committee, 2) The Investment Committee, 3) The Risk

Management Committee, 4) The Corporate Governance and Sustainable Development Committee, and 5) The Nomination and Remuneration Committee. The President and CEO shall act as the Company's top executive, supervising four divisions, namely 1) The Corporate Strategy and Business Development Division, 2) The Operations Division, 3) The Business Supporting Division, and 4) The Finance and Accounting Division, with 12 departments and four offices. Details of the Company's management structure are as follows:





7.2 The Board of Directors' Information

The Board of Directors' Composition

According to the Articles of Association and the CG Code of the business group, the Board of Directors' composition shall consist of at least 5 but not more than 12 members. Appointments or removals of directors shall be approved by shareholders' meetings. The Board of Directors must have members with diversified qualifications in terms of skills, experiences,

abilities, characteristics, genders, and ages, that are important to the achievement of the Company's key objectives and goals. There must be at least one non-executive director with business experience or knowledge in water resources or relevant fields of business. Also, there must be at least one director with knowledge and expertise in accounting and finance. Details of the board skills matrix are as follows:

List of Directors		Management in Private Sector	Management in Government Sector	Water Management	Engineering	Economics/Finance/Accounting	Laws	Audit	Public Policies, Corporate Governance and CSR	Information Technology
1. Mr. Veerasak	Kositpaisal	✓			✓			✓	✓	✓
2. Mrs. Asvini	Tailanga	✓				✓		✓		
3. Mr. Surachai	Kanasa		✓						✓	
4. Mrs. Tatchada	Jitmahawong		✓			✓		✓		
5. Admiral Sucheep	Whoungmaitree	✓	✓					✓		
6. Admiral Pichet	Tanaset		✓	✓	✓					
7. Mr. Bumrungsak	Chingwangtakor		✓	✓		✓	✓			
8. Mr. Eakachai	Attakanna		✓	✓	✓					
9. Mr. Surachai	Chauphaeng		✓	✓	✓					
10. Mr. Virgilio Cervantes Rivera, Jr.		✓	✓	✓		✓				
11. Miss Somchint	Pilouk		✓		✓					
12. Mr. Jirayut	Rungsrithong	✓	✓	✓	✓	✓		✓		✓
Advisors to the Board of Directors										
1. Mr. Vicha	Nilpetploy		✓				✓			
2. General Trairat	Rangaratna		✓					✓		
3. Mr. Siwa	Sangmanee	✓	✓					✓		

As at 31 December 2020, there were 12 directors, with 11 non-executive directors and one executive director. Of this, six were independent directors, representing half of the total directors. Also, three of the directors were female.

All three members of the Audit Committee were independent directors. Of this, two were Mrs. Asvini Tailanga and Mrs. Tatchada Jitmahawong, who had knowledge and experience in accounting and finance and were able to review creditability of financial statements. Each director's profile is as shown in Pages 18-25.



The list of the 12 directors serving in the Board of Directors and respective subcommittees as at 31 December 2020 was as follows:

Name-Surname		Position
1. Mr. Veerasak	Kositpaisal	Independent Director / Chairman of the Board of Directors
2. Mrs. Asvini	Tailanga	Independent Director / Chairman of the Audit Committee / Member of the Risk Management Committee / Member of the Corporate Governance and Sustainable Development Committee
3. Mr. Surachai	Kanasa	Independent Director / Chairman of the Investment Committee / Chairman of the Corporate Governance and Sustainable Development Committee / Member of the Nomination and Remuneration Committee
4. Mrs. Tatchada	Jitmahawong	Independent Director / Chairman of the Risk Management Committee / Member of the Audit Committee
5. Admiral Sucheep	Whoungmaitree	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Member of the Corporate Governance and Sustainable Development Committee
6. Admiral Pichet	Tanaset	Independent Director / Member of the Corporate Governance and Sustainable Development Committee
7. Mr. Bumrungsak	Chingwangtakor	Director / Member of the Nomination and Remuneration Committee
8. Mr. Eakachai	Attakanna	Director / Member of the Risk Management Committee
9. Mr. Surachai	Chauphaeng	Director / Member of the Investment Committee
10. Mr. Virgilio Cervantes Rivera, Jr.		Director / Member of the Investment Committee
11. Miss Somchint	Pilouk	Director / Member of the Nomination and Remuneration Committee
12. Mr. Jirayut	Rungsrithong	Director and President & CEO / Member of the Investment Committee / Member of the Risk Management Committee

Remarks : Newly appointed directors in replacement of the directors resigning in 2020 were as follows:

- Item 6: Admiral Pichet Tanaset assumed the position of director, effective from 17 December 2020, replacing Mr. Amorn Laohamontri who resigned on 1 April 2020.
- Item 8: Mr. Eakachai Attakanna assumed the position of director, effective from 5 August 2020, replacing Mr. Pisit Hongvanishkul who resigned on 4 August 2020.
- Item 9: Mr. Surachai Chauphaeng assumed the position of director, effective from 17 December 2020, replacing Mr. Kritsada Sunkhamani who resigned on 30 November 2020.

The list of the directors resigning/completing office term in 2020 was as follows:

Name-Surname		Position	Date of Resigning/Completing Office Term
1. Mr. Amorn	Laohamontri	Independent Director	1 April 2020
2. Mr. Pisit	Hongvanishkul	Director	4 August 2020
3. Mr. Kritsada	Sunkhamani	Director	30 November 2020

Remarks : • Mr. Amorn Laohamontri resigned as director, effective from 1 April 2020.

- Mr. Pisit Hongvanishkul resigned as director, effective from 4 August 2020.
- Mr. Kritsada Sunkhamani resigned as director, effective from 30 November 2020.

Authorized Signatory Directors

Two authorized signatory directors, Mr. Jirayut Rungsrithong and another director as per the Company's certificate of corporation, are required to jointly affix signatures with the Company's seal so as to be binding on the Company. In the case where the President

and CEO are unable to affix one's signature, another two directors as per the Company's certificate of corporation, are required to jointly affix signatures with the Company's seal so as to be binding on the Company.



Directors' Qualifications and Term of Office

According to the Company's CG Code, the directors shall meet legal age requirements and shall not be older than 70 years. They shall exhibit proper qualifications, not possessing prohibited characteristics as per the requirements of the Board of Directors, the securities and exchange law, the public limited companies law, the anti-corruption law, and other concerned laws. The term of office of a director shall be as follows:

1. At every annual general meeting of shareholders, at least one-third of the directors shall retire. If the number of the directors is not a multiple of three, the number nearest to one-third shall retire from office. A retiring director may be nominated to the meeting for re-election.
2. Each independent director may hold office for no more than a maximum of nine consecutive years from the date of the first appointment to the position. In the case where that independent director will be re-appointed for another term, the Board of Directors shall consider reasons and necessities for such matter.
3. If there is a vacancy on the Board of Directors for any reason other than a retirement by rotation, the Board of Directors shall select a person with suitable qualifications and without prohibited characteristics under the law as a substitute director, unless the remaining term of office of the vacating director is less than two months. The newly appointed director shall hold office only for the remaining term of office of the director whom he or she replaces. Such appointment must be approved by a vote of not less than three-fourths of the number of the subsisting directors.

Any director wishing to resign from office shall submit a resignation letter to the Company. The resignation shall be effective from the date on which the resignation letter reaches the Company.

The shareholders' meeting may pass a resolution to remove a particular director from office prior to him/her retiring by rotation with at least three-fourths of the total votes of the shareholders present at the meeting and having the right to vote, provided that the combined number of the shares shall not be less than one-half of the total shares held by the shareholders present at the meeting and having the right to vote.

The Board of Directors' Role and Duties as per the Group-Wide CG Code

1. Segregation of Duties between the Board of Directors and the Management

The duties of the Board of Directors and the management are clearly separated from each other. The Board of Directors shall not be involved in the management's duties to create checks and balances between management and supervision; and shall monitor the performance of the management to ensure that appropriate policies and processes are implemented in an effective manner.

Also, the Board of Directors must fully understand and consider **"Matters that require proper implementation,"** or matters which shall, under full responsibility of the Board of Directors, be implemented appropriately as follows:

- 1) To determine the Company's main objectives and goals
- 2) To cultivate a corporate culture of adhering to professional ethics and leading by example
- 3) To ensure that the structure and performance of the Board of Directors are appropriate and enable the efficient achievement of the Company's main objectives and goals
- 4) To nominate, develop, determine remuneration for, and evaluate performance of the President and CEO
- 5) To determine a compensation structure that encourages employees to perform work in alignment with the organization's objectives and goals

In considering and implementing such matters, the Board of Directors may assign the management to propose relevant information to the board for consideration.

"Matters that are jointly conducted with management" shall refer to matters to be jointly considered by the Board of Directors, the President and CEO, and the management. The management shall present relevant information to the Board of Directors for endorsement. The Board of Directors shall supervise and ensure that the overall policy is in alignment with the main business objectives and goals. The management shall be assigned to take relevant actions and their work shall be monitored by the Board of Directors. The management shall report the results of operations to the Board of Directors on a regular basis as appropriate.

- 1) To determine and review annual strategies, goals, and action plans
- 2) To ensure appropriateness and sufficiency of risk management systems and internal controls
- 3) To determine authority to take actions as commensurate with management's responsibilities
- 4) To determine limits of resources allocation, development schemes, and budgets, such as personnel management plans and policies as well as information technology policies
- 5) To follow up and evaluate the results of operations
- 6) To ensure reliable financial and non-financial disclosure



“Matters that should not be conducted by the Board of Directors” shall refer to matters to be supervised by the Board of Directors at the policy level. The President and CEO and the management shall be assigned to be mainly responsible for implementing such matters as follows:

- 1) To implement strategies, policies, and action plans as approved by the Board of Directors
- 2) Matters subject to prohibitions such as granting approval for transactions that involve directors’ conflicts of interest.

2. The Board of Directors’ Scope of Authority and Duties

The Company’s Corporate Governance (CG) Code based on the Securities and Exchange Commission (SEC)’s CG Code contains eight principles for the Board of Directors as follows:

- 1) To realize the role and responsibilities of the Board of Directors as a leader who creates long-term value for the organization,
- 2) To identify key objectives and goals in support of business sustainability,
- 3) To enhance effectiveness of the Board of Directors,
- 4) To recruit and develop high-level executives and manage human resources,
- 5) To promote innovation and responsible business conduct practices,
- 6) To ensure appropriate risk management systems and internal controls,
- 7) To maintain reliability of financial information and disclosure, and
- 8) To support engagement and communication with shareholders.

3. Segregation of Duties between the Chairman of the Board of Directors and the President and CEO

The Chairman of the Board of Directors and the President and CEO shall have appropriate knowledge, capabilities, experiences, and appropriate qualifications. They shall not be the same person in order to secure checks and balances. Their respective duties of supervision and management shall be separated from each other.

4. The Chairman of the Board of Directors’ Role and Duties

- 1) To supervise, monitor, and ensure that the performance of duties of the Board of Directors is efficient and meets the Company’s main objectives and goals
- 2) To ensure that all directors contribute to the promotion of a corporate culture of ethics and good corporate governance

- 3) To convene and chair meetings of the Board of Directors; to determine meeting agenda through discussions with the President and CEO; to have measures to ensure that important matters are incorporated into the meeting agenda; to require that directors attend e-meetings according to information security and safety standards under the law; and to cast a decisive vote in case of equal voting
- 4) To allocate enough time for the management to conduct presentations and for the directors to discuss key issues in a prudent and comprehensive manner; and to encourage the directors to exercise discretion prudently and express opinions independently
- 5) To promote good relationships between the executive and the non-executive directors, and between the Board of Directors and the management

5. The President and CEO’s Role and Duties

The President and CEO was empowered by the Board of Directors to manage internal affairs of the Company, and affairs between the Company and external parties, including individuals, juristic persons, government officials, public authorities, and/or general government agencies; while ensuring compliance with relevant laws, the Company’s Articles of Association and objectives, resolutions of shareholders’ meetings and the Board of Directors’ meetings, and corporate strategies and action plans. The President and CEO’s scope of work shall include the following matters or affairs.

- 1) To determine and prepare a corporate vision, missions, strategies, budgets, and key performance indicators (KPIs) annually for further submission thereof to the Board of Directors for consideration and approval; to monitor progress updates compared to strategies and budget plans; and to report work results to the Board of Directors regularly
- 2) To implement policies, strategies, and budget plans as approved by the Board of Directors
- 3) To manage and supervise internal affairs, and to report progress updates on approved action plans and budgets to the Board of Directors
- 4) To seek new business opportunities in alignment with the Company’s missions and strategies
- 5) To act as a coordinator between the management and the Board of Directors
- 6) To promote the employees’ ethics and ensure the operations based on transparency, integrity, and social and environmental responsibility



6. The Board of Directors' Meetings

The Company shall determine the Board of Directors' meeting dates and times for the whole year in advance. In 2020, the Board of Directors' meeting was held once a month, either on the third or fourth Thursday of each month. This was to ensure that the directors could allocate their time to attend the meetings. The Company used relevant software and laptops at meetings to support less use of paper. The corporate secretary sent meeting invitation letters, meeting agenda, and supporting documents via emails to the directors at least five days in advance of each meeting so that the directors would have enough time to study the relevant information. An exception applied to urgent cases in which the Chairman of the Board of Directors endorsed a particular matter as part of the meeting agenda to facilitate operations. Any director with a potential interest or conflict of interest in any agenda item would abstain from providing opinions and voting, or depart the meeting. At every meeting, the Chairman of the Board of Directors allowed all directors to express their opinions extensively.

7. Meetings of Non-Executive Directors

In 2020, there were two meetings between non-executive directors to allow them to discuss issues relating to the Company's operations, exchange ideas

and opinions, and consider matters that were of their interest, such as company operations in various matters, recommendations for management's improvement, and the company secretary's appointment to ensure the Company Secretary Office's operational orderliness and efficiency.

7.3 Subcommittees' Information

The Board of Directors resolved to appoint the following five subcommittees: 1) Audit Committee, 2) Investment Committee, 3) Risk Management Committee, 4) Corporate Governance and Sustainable Development Committee, and 5) Nomination and Remuneration Committee. Details are as follows:

The Audit Committee consists of three independent directors with independence, knowledge, and abilities and experiences in reviewing financial reports, internal controls, and auditing. They also have insights into the Company's business, and possess qualifications according to the Capital Market Supervisory Board's Notification and the Stock Exchange of Thailand (SET)'s Notification Re: Qualifications and Scope of Operations of the Audit Committee B.E. 2558 (A.D. 2015). The list of the committee members and their meeting attendance in 2020 were as follows:

Name-Surname		Position	Attended Meetings/Total Meetings (Times)
1.	Mrs. Asvini Tailanga	Chairman	19/19
2.	Mrs. Tatchada Jitmahawong	Member	19/19
3.	Admiral Sucheep Whoungmaitree	Member	19/19

Mrs. Thidarat Kraiprasit, Executive Vice President of the Internal Audit Office, acts as secretary to the Audit Committee.

Duties and Responsibilities of the Audit Committee

The Audit Committee shall review financial reports of the Company, adequacy of its internal controls, risk management systems, compliance with laws, rules, regulations, and procedures relating to securities and exchange, as well as related party transactions or transactions that may involve a conflict of interest, to ensure correctness, completeness, and transparency. Furthermore, the Audit Committee shall review its anti-corruption process to ensure alignment with guidelines of relevant supervisory bodies; its internal process

regarding receiving and supervising the receiving of tips, and handling of complaints; and consideration and selection of auditors and fixing of audit fees. Further details are as shown in the Audit Committee's Charter in the Company's website and the Report of the Audit Committee for 2020 in Page 10.

The Investment Committee consists of four directors with knowledge, capabilities, and experiences in investment, water management, project management, and economics and finance. The list of the committee members and their meeting attendance in 2020 were as follows:



Name-Surname		Position	Attended Meetings/Total Meetings (Times)
1.	Mr. Surachai Kanasa	Chairman	12/12
2.	Mr. Surachai Chauphaeng	Member	0/0
3.	Mr. Virgilio Cervantes Rivera, Jr.	Member	4/12
4.	Mr. Jirayut Rungsithong	Member	12/12

Mr. Charin Sony, Senior Executive Vice President and Chief Strategy and Business Development Officer, acts as secretary to the Investment Committee.

Duties and Responsibilities of the Investment Committee

The Investment Committee shall consider the Company's investment policy, determining clear investment criteria, providing investment-related advice or recommendations to the management and the Board of Directors, and considering and screening investment issues and providing opinions to the Board of Directors as well as monitoring progress updates on key investment projects. In addition, the Investment Committee has authority to approve procurement requests

for investment projects according to the procurement procedures of the Company and within specified limits. Further details are as shown in the Investment Committee's Charter in the Company's website and the Report of the Investment Committee for 2020 in Page 12.

The Risk Management Committee consists of four directors with knowledge, capabilities, experiences, and understanding in the Company's business as well as expertise in the water business, finance, engineering, technology, and information, which are key drivers of the Company's achievement of its objectives. The list of the committee members and their meeting attendance in 2020 were as follows:

Name-Surname		Position	Attended Meetings/Total Meetings (Times)
1.	Mrs. Tatchada Jitmahawong	Chairman	3/3
2.	Mrs. Asvini Tailanga	Member	4/4
3.	Mr. Eakachai Attakanna	Member	2/3
4.	Mr. Jirayut Rungsithong	Member	4/4

Mr. Charin Sony, Senior Executive Vice President and Chief Strategy and Business Development Officer, acts as secretary to the Risk Management Committee.

Duties and Responsibilities of the Risk Management Committee

The Risk Management Committee shall determine and review the risk management policy to ensure alignment with the objectives, goals and strategies as well as risk appetites. The Risk Management Committee shall supervise and support risk management operations that are in line with the risk management policy; provide recommendations, and consider and endorse risk management plans; monitor and review risk factors; and

communicate and provide advice on risk management to ensure consistent practices organization-wide. Further details are as shown in the Risk Management Committee's Charter in the Company's website and the Report of the Risk Management Committee for 2020 in Page 13.

The Corporate Governance and Sustainable Development Committee consists of four independent directors with knowledge, capabilities, experiences, and understanding in the Company's business as well as knowledge about compliance supervision, corporate governance, and sustainable development. The list of the committee members and their meeting attendance in 2020 were as follows:

Name-Surname		Position	Attended Meetings/Total Meetings (Times)
1.	Mr. Surachai Kanasa	Chairman	4/4
2.	Mrs. Asvini Tailanga	Member	6/6
3.	Admiral Sucheep Whoungmaitree	Member	2/2
4.	Admiral Pichet Tanaset	Member	0/0



Miss Kanyanart Viraphandu, Vice President, Company Secretary Office, acts as secretary to the Corporate Governance and Sustainable Development Committee.

Duties and Responsibilities of the Corporate Governance and Sustainable Development Committee

The Corporate Governance and Sustainability Development Committee shall have two main duties as follows:

1) Corporate Governance: To consider policies and practices regarding good corporate governance, anti-corruption, and the group-wide Code of Conduct to ensure alignment with requirements of the Stock Exchange of Thailand (SET) and the SEC; and to review such policies and practices at least once per year as well as monitor the implementation thereof.

2) Sustainable Development: To determine sustainability policies in alignment with economic, social, and environmental aspects of business operations; to supervise and monitor work progress; and to promote and support activities to achieve sustainable development goals. Further details are as shown in the Corporate Governance and Sustainable Development Committee's Charter in the Company's website and the Report of the Corporate Governance and Sustainable Development Committee for 2020 in Page 14.

The Nomination and Remuneration Committee consists of four directors with knowledge, capabilities, and experiences in nomination and consideration of appropriate candidates for directors. The list of the committee members and their meeting attendance in 2020 were as follows:

Name-Surname	Position	Attended Meetings/Total Meetings (Times)
1. Admiral Sucheep Whoungmaitree	Chairman	8/8
2. Mr. Surachai Kanasa	Member	8/8
3. Mr. Bumrungsak Chingwangtakor	Member	8/8
4. Miss Somchint Pilouk	Member	8/8

Miss Chinda Mahaisawariya, Senior Executive Vice President and Chief Supporting Officer, acts as secretary to the Nomination and Remuneration Committee.

Duties and Responsibilities of the Nomination and Remuneration

The Nomination and Remuneration Committee shall have 3 main duties as follows:

1) Nomination: The Committee shall consider structures and compositions of the boards of directors of the business group, and consider qualifications of directors with a mix of qualities unique to the Company. The Committee shall prepare the board skills matrix, and determine criteria and methods for nominating candidates for directors of the business group, subcommittee members of the Company, advisors to the Board of Directors, the President and CEO, and top executives of the business group. Also, the Committee shall supervise and ensure preparations and reviews of individual development plans of high-level executives of the Company for continued succession planning.

2) Corporate Performance Evaluation: The Committee shall consider criteria for evaluating the Company's annual performance to ensure alignment with policies and missions assigned by the Board of Directors; monitor and evaluate the performance comparable to evaluation criteria; recommend guidelines and measures to improve operational efficiency; and consider performance evaluation criteria of the President and CEO.

3) Remuneration: The Committee shall determine forms and criteria for remuneration payments of the boards of directors of the business group, the respective subcommittees, and the President and CEO; consider policy frameworks for remuneration and other benefits, financial and non-financial; and consider limits of bonus rates and annual salary increase rates of employees of the business group. Further details are as shown in the Nomination and Remuneration Committee's Charter in the Company's website and the Report of the Nomination and Remuneration Committee for 2020 in Page 15.



7.4 Executive Information

As at 31 December 2020, the Company had a total of six executives according to the definition in the Notification of the Capital Market Supervisory Board No. TorChor.23/2551.

Name		Position
1. Mr. Jirayut	Rungsritthong	President and CEO
2. Mr. Cherdchai	Pitiwacharakul	Senior Executive Vice President and Managing Director of Universal Utilities PCL.
3. Mr. Charin	Sony	Senior Executive Vice President and Chief Corporate Strategy and Business Development Officer (CSTBDO)
4. Mr. Bordin	Udol	Senior Executive Vice President and Chief Operating Officer (COO)
5. Miss Chinda	Mahaisawariya	Senior Executive Vice President and Chief Supporting Officer (CSO)
6. Mr. Sombat	Yusamart	Senior Executive Vice President and Chief Financial Officer (CFO)

The executives of the Company and its subsidiaries are knowledgeable and experienced. Further details are as shown in their profiles in Page 28, and the Company's management structure in the Page 68, of the 2020 Annual Report.

Remuneration for Executives and Employees

According to the Company's remuneration policy, short- and long-term forms of remuneration are paid to employees at all levels based on each year's business performance and remuneration rates of industry peers. The Company has conducted surveys on wages and remuneration paid to employees of outside organizations to ensure that its own remuneration structure is appropriate and competitive. Consumer price indexes (CPIs) of government agencies such as the Ministry of Commerce and the Bank of Thailand are used to support the Company's payments of wages and remunerations to its executives and employees.

The Company focuses on performance-based remuneration. It uses key performance indicators (KPIs) to support the performance evaluation of its employees at all levels. KPIs at organizational, functional, and individual levels are aligned with each other to ensure that work goals are consistent with the corporate vision and missions. Thus, executive remuneration is based directly on the performance and the achievement of the Company's strategic goals.

Executive Remuneration Structure

The remuneration paid to the President and CEO and the first five executives consists of the following elements:

1. Fixed remuneration and benefits: The Company focuses on long-term payments to encourage its executives to create its sustainable growth as follows:

- **Salary:** The salary is paid based on the scope of duties, responsibilities, experiences, skills, and expertise. It is paid on a monthly basis and is subject to a review every year. Salary increments are considered based on performance ratings and salary adjustment rates of the labour market.
- **Other forms of benefits** are paid for guaranteed security for employees and for assistance to senior employees facing health problems, disabilities, or deaths. Such benefits include provident funds, health insurances, and other fringe benefits which are in line with the general practice of the labour market and at levels higher than legally required.

2. Performance-based remuneration: This comes as a reward which is varied according to a short-term success as compared to a specific annual plan, such as an annual bonus which is paid based on annual corporate KPIs as approved by the Board of Directors. The performance is driven by a combination of many factors, including financial causes, process management, stakeholders, and organizational learning and development. Weights are given to those factors according to their levels of importance each year.



In 2020, the Company paid remuneration to the President and CEO, and other executives¹ as follows:

Remuneration	Amount (Baht)
Total salary	24,069,192.00
Total bonus paid from 2019 business performance	7,536,593.00
Provident funds (contributions) and others	2,707,967.32
Total	34,313,752.32

Remarks : ¹ This was based on the total 6 executives, namely 1) President and CEO, 2) SEVP assigned to supervise the operations of the subsidiaries, 3) SEVP and Chief Corporate Strategy and Business Development Officer, 4) SEVP and Chief Operating Officer, 5) SEVP and Chief Supporting Officer, and 6) SEVP and Chief Financial Officer.

Shareholding by Directors as at 31 December 2020

No.	Name	Position	Number of Shares		
			31 Dec. 2019	31 Dec. 2020	Increase/ Decrease in 2020
1.	Mr. Veerasak Kositpaisal	Chairman of the Board of Directors Independent Director	-	-	-
	Spouse and minor child		-	-	-
2.	Mrs. Asvani Tailanga	Independent Director	-	-	-
	Spouse and minor child		-	-	-
3.	Mr. Surachai Kanasa	Independent Director	-	-	-
	Spouse and minor child		-	-	-
4.	Mrs. Tatchada Jitmahawong	Independent Director	-	-	-
	Spouse and minor child		-	-	-
5.	Admiral Sucheep Whoungmaitree	Independent Director	-	-	-
	Spouse and minor child		-	-	-
6.	Admiral Pichet Tanaset ¹	Independent Director	N/A	-	-
	Spouse and minor child		N/A	-	-
7.	Mr. Bumrungsak Chingwangtakor	Director	20	20	-
	Spouse and minor child		-	-	-
8.	Mr. Eakachai Attakanna ²	Director	N/A	-	-
	Spouse and minor child		N/A	-	-
9.	Mr. Surachai Chauphaeng ³	Director	N/A	-	-
	Spouse and minor child		N/A	-	-
10.	Mr. Virgilio Cervantes Rivera, Jr.	Director	-	-	-
	Spouse and minor child		-	-	-
11.	Miss Somchint Pilouk	Director	-	-	-
	Spouse and minor child		-	-	-
12.	Mr. Jirayut Rungsritthong	Director	-	-	-
	Spouse and minor child		-	-	-

Remarks : N/A refers to “no information available” as the particular director was appointed in 2020.

¹ Admiral Pichet Tanaset was appointed as director on 17 December 2020.

² Mr. Eakachai Attakanna was appointed as director on 5 August 2020.

³ Mr. Surachai Chauphaeng was appointed as director on 17 December 2020.



Shareholding by Directors Leaving the Board in 2020

No.	Name	Position	Number of Shares			Effective Date of Resignation
			31 Dec. 2019	31 Dec. 2020	Increase/Decrease	
1.	Mr. Amorn Laohamontri	Independent Director	-	-	-	1 Apr. 2020
	Spouse and minor child		-	-	-	
2.	Mr. Pisit Hongvanishkul	Director	-	-	-	4 Aug. 2020
	Spouse and minor child		-	-	-	
3.	Mr. Kritsada Sunkhamani	Director	-	-	-	30 Nov. 2020
	Spouse and minor child		-	-	-	

Management's Shareholding Information as at 31 December 2020

No.	Name	Position	Name of Shares		
			31 Dec. 2019	31 Dec. 2020	Increase/Decrease
1.	Mr. Jirayut Rungsrihong	President and Chief Executive Officer (CEO)	-	-	-
	Spouse and minor child		-	-	-
2.	Mr. Cherdchai Pitiwacharakul	Senior Executive Vice President (Assigned to serve as Managing Director of Universal Utilities PCL.)	-	-	-
	Spouse and minor child		-	-	-
3.	Mr. Charin Sony	Senior Executive Vice President and Chief Strategy and Business Development Officer (CSTBDO)	-	-	-
	Spouse and minor child		-	-	-
4.	Mr. Bordin Udol	Senior Executive Vice President and Chief Operating Officer (COO) and Acting Vice President, Construction Project Management Department	-	-	-
	Spouse and minor child		-	-	-
5.	Miss Chinda Mahaisawariya	Senior Executive Vice President and Chief Supporting Officer (CSO)	-	-	-
	Spouse and minor child		-	-	-
6.	Mr. Sombat Yusamart	Senior Executive Vice President and Chief Financial Officer (CFO)	-	-	-
	Spouse and minor child		-	-	-
7.	Miss Kanyanart Viraphandu	Vice President, Company Secretary Office and Acting Vice President, Legal Affairs and Corporate Governance Office	220,000	220,000	0
	Spouse and minor child		-	-	-



7.5 Personnel Information

As at 31 December 2020, the Company had a total of 236 employees. Of this, 232 were permanent and four were contract-based employees. Details can be summarized as follows:

Office/Division	Number (Person)
President and CEO Office	6
Company Secretary Office	5
Internal Audit Office	8
Legal Affairs and Corporate Governance Office	7
Corporate Strategy and Business Development Division	32
Operations Division	91
Business Supporting Division	45
Finance and Accounting Division	42
Total	236

Employees' Welfare

The Company's Workplace Welfare Committee was established, with the term of office of two years, according to Section 97 of the Labour Protection Act B.E. 2541 (A.D. 1998). The aim of the Workplace Welfare Committee is to take part in the Company's management of employees' welfare in the workplace to meet the employees' actual needs, allowing the employer and the employees to jointly discuss matters and provide recommendations, and exchange opinions regarding employment conditions, work status, and employees' life quality improvement for enhanced morale support. This is another way to help improve operational efficiency and performance of the Company. Currently, the Company has two workplace welfare committees:

- Bangkok Office Workplace Welfare Committee
- Rayong Operational Center Workplace Welfare Committee

There are a total of 10 committee members, representing 4.2% of the total employees.

The Company's Workplace Welfare Committee acts as a center of information communications to build mutual understanding and good relationships between the employer and the employees. In 2020, the committee provided opinions on a number of welfare schemes and activities for employees' life quality improvement, such as the selection of employees who were eligible to the housing loan interest allowance or car loan interest allowance scheme, the creation of a happy workplace

through shared opinions and activities, the promotion of a happy health, and the revision to the existing flexible welfare scheme to be suitable for different employees with the launching of the revised scheme in 2021.

The Company's Provident Fund was established for its employees, and is currently joined by 208 employees or 88% of the total employees. The employees who passed the probationary period can apply for a membership of the Provident Fund, and can choose to contribute to the fund at the rates of 2-15 percent of the salary. This is to encourage savings and a secure future. Apart from the employees' savings, the Company shall pay contributions to the fund at specific rates based on the employees' lengths of service as follows:

- For the length of service of less than five years, the Company's contribution rate shall match that of the employee, but not exceeding eight percent.
- For the length of service of at least five years, the Company's contribution rate shall match that of the employee, but not exceeding 10 percent.

The employees' savings and the Company's contributions shall be managed by an asset management company to earn returns on investments in the Provident Fund. The employees can choose different investment policies that match their risk appetites. The fund manager shall be a company with the investment governance code of "I Code" and shall manage assets with environmental, social and



governance (ESG) responsibility. The fund manager shall fully comply with the investment government code, and the members of the Company's fund shall have participation in the selection of the fund manager based

on transparency, taking into account the maximum benefits of the fund members.

Summary of all kinds of remuneration for the employees in 2020:

Remuneration	Amount (Baht)
Total salary	160,624,931.67
Total bonus paid from 2019 business performance	44,678,593.00
Provident funds (contributions) and others	36,032,531.59
Total	241,336,056.26

7.6 Other Important Information

The following persons were assigned to be directly responsible for supervising accounting practices; or to hold positions of head of internal audit, corporate secretary, or head of compliance.

1. **Mr. Sombat Yusamart**, Senior Executive Vice President and Chief Financial Officer (CFO), was appointed as the top executive of the finance and accounting function, responsible for controlling and supervising accounting activities. The details are as per the profile in Page 30 of the Annual Report.
2. **Mrs. Thidarut Kraiprasit**, Executive Vice President, Internal Audit Office, was appointed as head of internal audit by the Audit Committee at its meeting No. 18/2017 held on 28 September 2017. The Committee opinioned that she was knowledgeable, capable, experienced, and able to perform managerial duties with satisfactory achievements; and that she was qualified for the position of head of internal audit. The details are as per the profile in Page 31 of the Annual Report.
3. **Miss Kanyanart Viraphandu**, Vice President, Company Secretary Office, was appointed as company secretary by the Board of Directors at its meeting No. 3/2020 held on 27 February 2020, responsible for holding the board's meetings and the shareholders' meetings, providing advice regarding regulatory compliance to the directors, and following up on and coordinating the implementation of the board's resolutions. Her responsibilities also cover the retention of important documents of the Company according to legal requirements such as directors' registers, annual reports, stakeholders' reports, and reports of securities holding by

directors or executives. She is also responsible for supporting the board's activities to ensure efficient and effective performances; and disclosing data and information to relevant supervisory bodies within specific time periods. Furthermore, she serves as head of compliance, supervising the compliance with regulatory bodies' rules and regulations governing the Company's business. The details are as per the profile in Page 31 of the Annual Report.

The Company's Financial Analyst and Investor Relations Manager is Miss Buntarika Ketsiri. The manager is responsible for disseminating corporate information, both financial and non-financial, to the shareholders, investors, securities analysts, and investment credit rating organizations, through the Company's website, in the topic of "Investor Relations Information", for ease of access by interested persons. For any inquiries, shareholders, investors, and relevant parties can contact the Financial Analyst and Investor Relations Division at Tel. 0-2272-1600, Ext. 2438, 2420, and 2411, or Email: IR@eastwater.com, or the Company's website.

Auditors' Fees

1. Audit Fees

The Company and its subsidiaries paid a total of Baht 3,142,000 to the auditors in the past accounting year. The audit fees for the Company only totaled Baht 1,150,000 and the out of package expenses for the auditors of the Company and its subsidiaries were up to 2% of the audit fees.

2. Non-Audit Fees

The Company and its subsidiaries had no non-audit fees.



8 REPORT OF KEY OPERATING RESULTS CORPORATE GOVERNANCE

8.1 Summary of the Board of Directors' Work Results in 2020

In 2020, the Board of Directors held a total of 17 meetings to consider key matters which can be classified as follows:

1. Drought Management

The drought situation at the beginning of 2020 heavily affected the Company, setting a record high in 14 years. The Board of Directors therefore granted a budget to solve the drought problem based on the Company's and the government's measures. Such measures included the diversion of water flow from the Prakaet reservoir and the Wang Tanot canal to the Prasae reservoir, and the diversion of water flow from the Khlong Saphan to the Prasae reservoir. In addition, the Company kept monitoring the progress of the key projects to meet the deadline obligations, and was informed of the water situation through monthly meeting reports.

2. COVID-19 Pandemic Impact Relief Measures

As the Board of Directors considered that the customers were also affected by the COVID-19 situation, it decided to extend the deadline in the memorandum of agreement (MOA) for entering into a water buying/selling contract using the newly announced water pricing structure, and give a water fee discount at Baht one per cubic meter under the temporary water pricing structure scheme, effective from 1 January to 31 December 2020. The Board of Directors also approved a 20% discount, for a period of 3 months, on water utility bills for the contracts entered into with the Provincial Waterworks Authority (PWA) and the concession contracts with the Department of Water Resources (DWR). Furthermore, the Board of Directors approved discounts on water utility bills to local administrative organization contract parties at rates not exceeding 50% of the discounts given to the public members; and the return of security deposits for water use to Class-1 water users (residential) according to the PWA's measures.

For the safety of the shareholders, the 2020 annual general meeting of shareholders (AGM) was postponed

from April 2020 to August 2020. Despite the foregoing, in 2020 the Board of Directors approved an interim dividend payment, in replacement of the 2019 annual dividend payment, at the rate originally proposed to the 2020 AGM for consideration and approval. Subsequently, the Board of Directors proposed to the 2020 AGM to approve additional amendments to Articles 23 and 33 of the Company's Articles of Association to enable the Company to organize electronic AGMs.

3. Policies and Strategies

With the COVID-19 pandemic, the drought situation, and the economic slowdown, in May 2020 the Company revised its action plans and budgets with new estimates of operating results, and reviewed criteria for corporate performance evaluation for 2020 to reflect the current situation.

Moreover, the Company approved a number of projects to reflect its vision of "To be the leader in total water solutions of the country" as well as its missions and strategies for 2021-2023. These projects included the production and supply of tap water to the Wangchan Valley to support the Eastern Economic Corridor of Innovation (EECI) in Rayong, the construction of an industrial water production system for Carabao Group PCL., the Smart Water solution to improve efficiency of water pumping system management and decision making, the recycled water production system for Ayutthaya Glass Industry Co., Ltd., and the construction of an electricity sub-station with the capacity of 115/22-3.3 kV for industrial water production. The Company also acknowledged and focused on preparing the 2020 plan (revised version) to develop water sources and water transmission pipeline systems in the eastern coastal areas.

4. Corporate Governance

The Board of Directors approved an annual review of the group-wide good corporate governance principles, code of conduct, anti-corruption policy as well as the subcommittee charters to comply with the good corporate governance principles, laws, and regulations



concerned. The Board of Directors also amended the Company's regulations on procurement and relevant authority to better reflect the current work processes.

5. Adequacy of Internal Controls and Risk Management

The Board of Directors approves its risk management policy on an annual basis, using the Committee Sponsoring Organization of the Treadway Commission (COSO)'s standards as guidelines. The Board of Directors also acknowledges enterprise risk management (ERM) reports twice per year as well as risk factors to support respective risk management plans.

8.1.1 Nomination, Development, and Performance Evaluation of the Board of Directors

Nomination and Appointment of Directors

In selecting and nominating appropriate candidates for the business group's directors, the Nomination and Remuneration Committee shall consider and screen those with appropriate qualifications according to the Company's Articles of Association, details of which can be summarized as follows:

1. To consider the candidates' qualifications, expertise, professionalism, leadership, forward-looking vision, morals and ethics, transparent career record, and ability to express independent opinions

2. To consider the board skill matrix in terms of skills, experience, ability, and diversified fields of expertise significant to the business, regardless of gender, race, or other differences to secure the most comprehensive and productive board of directors

3. To check the proposed candidates' qualifications with the Securities and Exchange Commission (SEC) and verify their conflicts of interest with the Company

4. To select independent directors based on criteria and qualifications for independent directors. The Company set out the definition of an independent director based on the SEC's 9 requirements as follows:

- 1) Hold no more than one percent of the total voting shares of the Company, including shares held by

persons related to that independent director.

- 2) Not be or have been an executive director, worker, employee, advisor earning regular monthly salary, or controlling person of the Company, unless the foregoing status has ended for at least two years prior.
- 3) Not be a person who is related by blood or legal registration of another director, executive, major shareholder, controlling person or person to be nominated as director, executive, or controlling person of Company or its subsidiaries.
- 4) Not have or have had a business relationship with the Company that may interfere with independent discretion, which includes not being or having been a significant shareholder or controlling person of any person having a business relationship with the Company, unless such foregoing relationships have ended for at least two years prior.
- 5) Not be or have been an auditor of the Company; and not being a significant shareholder, controlling person, or partner of the audit firm which employs the auditor of the Company, unless the foregoing relationship has ended for at least two years prior.
- 6) Not be or have been a provider of professional services, which includes serving as a legal or financial advisor being paid a service fee of more than Baht two million per year by the Company; and not being a significant shareholder, controlling person, or a partner of such provider of professional services, unless the foregoing relationship has ended for at least two years prior.
- 7) Not be a director who is appointed as the representative of directors of the Company, major shareholder, or shareholder who is a connected person of a major shareholder.
- 8) Not undertake any business of the same nature and in significant competition with the business of the Company or its subsidiaries, or not being a significant partner in a partnership, or an executive director, worker, employee, advisor earning regular monthly salary, or holding more than



one percent of the total voting shares of other company that undertakes a business of the same nature and in significant competition with the business of the Company or its subsidiaries.

- 9) Not have any other characteristics that cause the inability to express independent opinions on the business operation of the Company.

5. In case of any vacancies in the Board of Directors due to the directors retiring by rotation, the Company shall allow its minority shareholders to submit a list of nominated candidates to the respective annual general meeting of shareholders in advance from October to December of each year. At the shareholders' meeting, the election of each director shall be voted separately. Each shareholder shall have the right to elect the nominated candidates as directors, but not exceeding the number of directors to be elected at that particular meeting. Vote splitting is not allowed. The shareholders shall exercise all their votes for each nominated candidate for director separately. The candidate with the highest number of votes shall be elected. However, the number of elected candidates must not exceed the number of directors to be elected at that particular meeting. In the case where the two lower ranking candidates get a tie vote, causing the number of the elected candidates to exceed the number of directors to be elected at that particular meeting; the chairman of the meeting shall cast an additional vote to break the tie.

6. In the case where a director resigns or there is a vacancy in the Board of Directors for other reason than retiring by rotation, the Nomination and Remuneration Committee shall nominate a new candidate with appropriate qualifications mentioned above to the Board of Directors' meeting for consideration and approval. The resolution for this matter shall be passed by votes of no less than three-fourths of the remaining directors.

Nomination of Top Executives

The Nomination and Remuneration Committee stipulated criteria for nominating candidates for the Company's President and Chief Executive Officer. The Company can select and appoint a person, either from inside or outside of the organization, as the top executive.

The Committee shall consider qualifications, knowledge, ability, skills, and experience beneficial to the Company's operations, and endorse these qualities in principle before submission thereof to the Board of Directors for consideration and approval. In addition, the Committee shall nominate candidates for the top executives of the business group companies based on the Company's pool of executives who have knowledge, capabilities, and experiences beneficial to the business group's operations before proposing the matter to the Company's and the business group's boards of directors for consideration and approval.

Director Development

Newly hired directors shall attend orientation programs organized by the Company for them to understand the business nature, directions, and relevant information including shareholding structure, management structure, past performance records, key construction projects, and good corporate governance guidelines, laws, and regulations concerned. This will benefit their performance of duties. The President and CEO and senior executive vice presidents shall provide a summary of such information, while the corporate secretary shall prepare relevant documents including the Company's Articles of Association, rules, group-wide good corporate governance principles, subcommittee charters, past minutes of meetings of the Company's Board of Directors, and corporate annual reports. The directors shall visit the operational centers in Rayong and Chonburi, as well as the reservoirs, pump stations, and projects in progress.

The Company also realizes the importance of the directors' participation in the training courses that are necessary to the Board of Directors' performance of duties, and other courses that help promote knowledge and capability for the directors. These courses also help the directors understand the nature of business, and perform duties and supervise the business with efficiency. The training topics include corporate governance, risk management, internal control, water technology, and laws concerning the Company's businesses. The majority of the directors (more than 80%) passed the trainings offered by the Thai Institute of Directors (IOD) as shown in the directors' profiles.



The Company supports and applies for IOD membership for all of its directors as a channel to receive news and information to support the directors'

performance of duties. In 2020, the directors who attended additional trainings/seminars were as follows:

Name		Training Course	Institute
Admiral Sucheep	Whoungmaitree	Ethical Leadership Program (ELP) (Class 20/2020)	IOD
Mr. Bamrungsak	Chingwangtakor	Director Certification Program (DCP) (Class 299/2020)	IOD

Performance Evaluation of the Board of Directors/ Subcommittees

The Company conducts performance evaluation for the entire Board of Directors and for individual directors once per year. In this regard, the directors will jointly consider their achievements, problems, and challenges they experienced throughout the year. There are 3 different performance evaluation forms:

- 1) Self-evaluation form for the Board of Directors,
- 2) Self-evaluation form for each respective subcommittee, and
- 3) Self-evaluation form for an individual director.

Moreover, according to all subcommittee charters, subcommittee members shall report their performances and problems or challenges leading to the failure to fulfill the guided authority and duties to the Board of Directors for acknowledgement once per year. After that, the Board of Directors shall analyze the performance evaluation results summarized for analysis and improvement of operational efficiency to ensure appropriateness and alignment with the good corporate governance principles.

The self-evaluation form for the Board of Directors contains the following 6 questions:

- 1) Board of Directors' structure and qualifications
- 2) Board of Directors' role, duties, and responsibilities
- 3) Board of Directors' meetings
- 4) Directors' performance of duties
- 5) Relationships with management
- 6) Directors' and management's self-development

In conclusion, the average performance rating of the Board of Directors was **95.89%**.

The self-evaluation form for each respective subcommittee contains the following 3 questions:

- 1) Subcommittee's structure and qualifications
- 2) Subcommittee's meetings
- 3) Compliance with the scope of authority, duties, and responsibilities

The performance ratings of the respective subcommittees can be summarized as follows:

Subcommittees	Ratings (percent)
1. Audit Committee	94.13
2. Investment Committee	94.05
3. Risk Management Committee	95.96
4. Corporate Governance and Sustainable Development Committee	98.26
5. Nomination and Remuneration Committee	99.40

The self-evaluation form for an individual director contains the following 3 questions:

- 1) Board of Directors' structure and qualifications
- 2) Board of Directors' meetings
- 3) Board of Directors' role, duties, and responsibilities

In conclusion, the average performance rating of all individual directors was **94.83%**.



8.1.2 Directors' Meeting Attendance and Remuneration

Directors' meeting attendance as at 31 December 2020 can be summarized as follows:

List of Directors	Positions	Meetings	
		Board's Meeting (Meeting Attendance/ Meeting Entitlement)	Shareholders' Meeting (Meeting Attendance/ Meeting Entitlement)
1. Mr. Veerasak Kositpaisal	Independent Director / Chairman of the Board of Directors	17/17	1/1
2. Mrs. Asvini Tailanga	Independent Director / Chairman of the Audit Committee / Member of the Risk Management Committee / Member of the Corporate Governance and Sustainable Development Committee	17/17	1/1
3. Mr. Surachai Kanasa	Independent Director / Chairman of the Investment Committee / Chairman of the Corporate Governance and Sustainable Development Committee / Member of the Nomination and Remuneration Committee	17/17	1/1
4. Mrs. Tatchada Jitmahawong	Independent Director / Chairman of the Risk Management Committee / Member of the Audit Committee	17/17	1/1
5. Admiral Sucheep Whoungmaitree	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee / Member of the Corporate Governance and Sustainable Development Committee	16/17	1/1
6. Admiral Pichet Tanaset ¹	Independent Director / Member of the Corporate Governance and Sustainable Development Committee	17/17	1/1
7. Mr. Bumrungsak Chingwangtakor	Director / Member of the Nomination and Remuneration Committee	5/5	0/0
8. Mr. Eakachai Attakanna ²	Director / Member of the Risk Management Committee	10/17	1/1
9. Mr. Surachai Chauphaeng ³	Director / Member of the Investment Committee	15/17	1/1
10. Mr. Virgilio Cervantes Rivera, Jr. ⁴	Director / Member of the Investment Committee	0/0	0/0
11. Miss Somchint Pilouk	Director / Member of the Nomination and Remuneration Committee	0/0	0/0
12. Mr. Jirayut Rungsrithong	Director and President & CEO / Member of the Investment Committee / Member of the Risk Management Committee	17/17	1/1

Remarks : ¹ The Board of Directors, at its meeting No. 17/2020 held on 17 December 2020, resolved to appoint Admiral Pichet Tanaset as director, effective from 17 August 2020, in replacement of Mr. Amorn Laohamontri who resigned on 1 April 2020.

² The Board of Directors, at its meeting No. 12/2020 held on 4 August 2020, resolved to appoint Mr. Eakachai Attakanna as director, effective from 5 August 2020, in replacement of Mr. Pisit Hongvanishkul who resigned on 4 August 2020.

³ The Board of Directors, at its meeting No. 17/2020 held on 17 December 2020, resolved to appoint Mr. Surachai Kanasa as director, effective from 17 December 2020, in replacement of Mr. Kritsada Sunkhamani who resigned on 30 November 2020.

⁴ Mr. Virgilio Cervantes Rivera, Jr., a Filipino director, at the beginning of the year had to comply with the COVID-19 pandemic control measures of the Philippines and the travel measures of Manila Water, Inc. Hence, he was unable to join some of the Company's Board of Directors meetings. However, the Company arranged video conference sessions for the particular meetings for Mr. Virgilio according to the Electronic Meetings Act B.E. 2563 (A.D. 2020) starting from May 2020 onwards. But, according to the Company's Articles of Association, before its amendments at the shareholders' meeting in August 2020, to constitute a quorum of an e-meeting, directors must be present in Thailand at a time of the meeting. Thus, at the beginning of the year, Mr. Virgilio could not be counted as part of a quorum.



Directors' Remuneration

The Nomination and Remuneration Committee shall be responsible for considering remuneration for the Board of Directors and respective subcommittees at the initial stage before submission thereof to the Board of Directors for consideration and endorsement and to the shareholders' meeting for approval. The Company specified rates of remuneration for directors and respective subcommittee members in monetary forms, including monthly remuneration, meeting allowance, and corporate performance-based remuneration, such as bonuses which were linked to the values created for the shareholders. However, the Company had no other non-monetary forms of remuneration.

In determining the criteria for paying remuneration, other appropriate considerations and factors were also taken into account, i.e. 1) Industrial practice, 2) Operating results and business size, 3) Directors' knowledge, capabilities, and experiences, 4) Directors' role, duties, and responsibilities, and 5) Directors' individual performances. The directors' remuneration rates were appropriate, fair, and able to motivate and retain directors with required qualities. In addition, bonus payments to the directors had to be aligned with dividend payments to the shareholders, and should not be so high that the directors' independence was lacking.

Furthermore, the Nomination and Remuneration Committee shall be responsible for considering and determining a form of remuneration for the President and CEO before submission thereof to the Board of Directors for approval. The Committee shall also consider limits of bonus rates and annual salary increment rates for the employees by considering the corporate performance, economic situation, and competitiveness.

The 2020 Annual General Meeting of Shareholders, held on 4 August 2020, passed a resolution to approve directors' remuneration at unchanged rates as follows:

1. Monthly remuneration and meeting allowance for the Board of Directors and respective subcommittees

1.1) Board of Directors

- Monthly remuneration of Baht 30,000/person
- Meeting allowance of Baht 10,000/person/meeting according to the individual's number of meetings attended.

The Chairman of the Board of Directors shall be entitled to a monthly remuneration of Baht 45,000 and a meeting allowance of Baht 15,000/meeting according to the number of meetings attended.

1.2) Audit Committee

- Monthly remuneration of Baht 10,000/person
- Meeting allowance of Baht 10,000/person/meeting paid according to the number of meetings attended

1.3) Other subcommittees

- No monthly remuneration
- Meeting allowance of Baht 10,000/person/meeting paid according to the number of meetings attended

2. Bonus for Directors: The 2019 bonus rate shall still be at 0.80% of the shareholders' dividends. The total bonus shall not exceed Baht 6 million and shall be distributed among the board of directors with the Chairman receiving an additional 50%. The rate of bonus shall be calculated on a pro rata basis according to the actual time each director or committee member has been in office.

Details of the Board of Directors' and the subcommittees' remuneration for 2020 can be summarized as follows:

Unit : Baht

Meeting Allowance and Monthly Remuneration

Name		Board of Directors	Audit Committee	Investment Committee	Risk Management Committee	Corporate Governance and Sustainable Development Committee	Nomination and Remuneration Committee	Bonus paid from 2019 business performance	Total
1.	Mr. Veerasak Kositpaisal	795,000.00	-	-	-	-	-	804,457.00	1,599,457.00
2.	Mrs. Asvini Tailanga ⁴	530,000.00	310,000.00	-	40,000.00	60,000.00 10,000.00 ⁴	-	536,305.00	1,486,305.00
3.	Mr. Surachai Kanasa	530,000.00	-	120,000.00	-	40,000.00	80,000.00	536,305.00	1,306,305.00
4.	Mrs. Tatchada Jitmahawong ⁴	530,000.00	310,000.00	-	30,000.00	40,000.00 10,000.00 ⁴	-	536,305.00	1,456,305.00
5.	Admiral Sucheep Whoungmaitree	520,000.00	310,000.00	-	-	20,000.00	80,000.00	285,050.00	1,215,050.00
6.	Admiral Pichet Tanaset ¹	14,516.13	-	-	-	-	-	-	14,516.13
7.	Mr. Bamrungsak Chingwangtakor	530,000.00	-	-	-	-	80,000.00	371,740.00	981,740.00
8.	Mr. Eakachai Attakanna ²	196,130.00	-	-	20,000.00	-	-	-	216,130.00
9.	Mr. Surachai Chauphaeng ³	14,516.13	-	-	-	-	-	-	14,516.13
10.	Mr. Virilio Cervantes Rivera, Jr.	460,000.00	-	40,000.00	-	-	-	536,305.00	1,036,305.00
11.	Miss Somchint Pilouk	510,000.00	-	-	-	-	80,000.00	536,305.00	1,126,305.00
12.	Mr. Jirayut Rungsrithong	530,000.00	-	120,000.00	40,000.00	-	-	-	690,000.00

Remarks : ¹ Admiral Pichet Tanaset assumed the position of director on 17 December 2020.

² Mr. Eakachai Attakanna assumed the position of director on 5 August 2020.

³ Mr. Surachai Chauphaeng assumed the position of director on 17 December 2020.

⁴ Mrs. Asvini Tailanga and Mrs. Tatchada Jitmahawong, were a member of the Corporate Governance and Sustainable Development Committee, attended a meeting with the Nomination and Remuneration Committee in April 2020.

Remuneration for Directors Leaving the Board in 2020

Unit : Baht

Meeting Allowance and Monthly Remuneration

Name		Board of Directors	Audit Committee	Investment Committee	Risk Management Committee	Corporate Governance and Sustainable Development Committee	Nomination and Remuneration Committee	Bonus paid from 2019 business performance	Total
1.	Mr. Amorn Laohamontri (1 Jan. - 1 Apr. 2020)	140,000.00	-	-	-	20,000.00	10,000.00	536,305.00	706,305.00
2.	Mr. Pisit Hongvanishkul (1 Jan. - 4 Aug. 2020)	45,870.00	-	179,000.00	10,000.00	-	-	371,740.00	606,610.00
3.	Mr. Kritsada Sunkhamani (1 Jan. 2020 - 30 Nov. 2020)	460,000.00	-	60,000.00	-	-	-	536,305.00	1,056,305.00

Additionally, in 2020 there were two newly appointed subcommittees, namely the Complaint Investigation Committee and the Disciplinary Committee, with the total remuneration payment of Baht 1,780,000.



8.1.3 Supervision of Subsidiaries and Associates

The Board of Directors has a mechanism to supervise and control management of and take responsibility for operations of the subsidiaries so as to safeguard the Company's investment interests. In so doing, the Company's high-level executives have been appointed as directors or executives in the subsidiaries to co-manage the business both at policy-making and operational levels. Appointments of the Company's high-level executives must be endorsed as per resolutions of the Company's Board of Directors' meetings.

The Company set out policies to manage its subsidiaries, gist as follows:

(1) Investment Policy

- 1) The subsidiaries must perform duties with responsibility, upholding interests of the Company and its shareholders as the top priority, considering investments with appropriate and fair returns, and ensuring financial stability for the business existence and growth.
- 2) Once the subsidiaries' boards of directors considered and approved any business undertakings, they must always inform the Company's Board of Directors of the matter.
- 3) If a subsidiary undertakes any business considered to be a related-party transaction, or acquires/disposes of any assets or undertakes any other transaction deemed important such as approval for a capital increase/decrease or dissolution of a subsidiary in order to comply with the SEC's notification; the subsidiary must seek prior consideration and approval from the Company's Board of Directors. Any major investment by a subsidiary must be subjected to prior approval by its board of directors, with a representative of the Company joining the board to consider the project, before submission thereof to the Company's Board of Directors for further consideration.
- 4) The subsidiaries must provide reports of their operating results and key business operations, including business sensitivity analysis and performance evaluation compared against targets. The reports should contain comments or suggestions as guidelines for management to support the determination of policies or to promote the subsidiaries' businesses improvement and growth.

(2) Central Administration Policy

- 1) The Company shall appoint its high-level executives to jointly manage its subsidiaries at policy-making and operational levels. This is to ensure that the subsidiaries' businesses and the core business are managed and aligned with each other for the utmost benefit of the business group, consistent policies and strategies, and profits to be generated for the subsidiaries in the future.
- 2) Regarding internal controls, the subsidiaries must place importance on managing risks and solving problems identified from internal control efficiency and effectiveness assessments conducted by the Internal Audit Office in a timely manner. Regular reviews on work systems must be done to control risks to acceptable levels. Also, employee regulations and procurement procedures must be carried out with efficiency, speed, flexibility, and consistent standards. The budget limits for human resources management and employee welfare schemes must be consistent with the Company's handbook on employee welfare and benefits and proportionate to the subsidiaries' performances.

(3) Finance and Accounting Policy for Subsidiaries

1) Financial Management and Administration

1.1 In sourcing funds, the subsidiaries must identify their loan needs by presenting sources of funds in terms of investment projects to the Company's Finance and Accounting Department at least 6 months prior to the beginning of said projects. This is beneficial to the consideration of borrowing sources with appropriate offers.

1.2 Dividend payments announced shall not be less than 30% of a net profit posted for each accounting period, unless there is an appropriate reason to use a portion of the cash dividends.

1.3 Key financial ratios must be in strict compliance with loan contract conditions and reported to the Finance and Accounting Department on a monthly basis.

2) Budgeting

2.1 Investment budgets and relevant actions must be according to budgeting procedures of the respective company and in line with the Company's budgeting regulations.

2.2 Budget preparations and reviews must be conducted within specified time frames and information submissions must be in line with the Company's operations.



2.3 Budget spending shall be monitored and evaluated to ensure appropriate investments and relevant actions.

3) **Accounting**

3.1 Accounting practices must be in accordance with the accounting policies under the Thai accounting standards and the regulations of a subsidiary of a parent company (the Company) which is listed on the SET.

3.2 The subsidiaries' financial statements to support the Company's consolidated financial statements must be reviewed by the business group's appointed auditor as endorsed by the Company's Board of Directors and approved by the AGM's resolution.

3.3 Submissions of the subsidiaries' financial statements to the Company to prepare the consolidated financial statements must be done according to the timeline specified by the Finance and Accounting Department for each quarter.

3.4 Preparations of the books of accounts of the subsidiaries must be based on the chart of accounts in the general ledger system and the accounting software of the Company.

4) **Taxation**

4.1 Tax preparations and filings shall be according to law.

4.2 In case of any significant tax risk issue, that subsidiary shall submit relevant information to the Company's Finance and Accounting Department immediately should an emergency arise. Summary reports on progress updates on relevant actions shall be prepared on a quarterly basis.

4.3 The Company's taxation plans are under direct responsibility of the Finance and Accounting Department. This is to ensure proper and complete tax filing practices as required by law. New tax-related laws are also monitored regularly.

The Company does not have any shareholders' agreement to manage its subsidiaries; and also does not operate any business as a holding company.

8.1.4 **Monitoring compliance with corporate governance policies and guidelines**

Realizing the importance of good corporate governance principles and a code of conduct for the business group, the Company stipulated policies and practices based on such principles as well as a group-wide code of conduct.

The Company promotes practical implementation by incorporating corporate governance as a common key performance indicator (KPI). All employees are required to do an annual corporate governance (CG) test and the scores shall be used for improving communications to foster understanding and awareness of duties and responsibilities.

The Company monitors implementation of the good corporate governance principles in the following four issues.

1. **Prevention of a conflict of interest**

The Company's policy on a conflict of interest stipulates that in case of the Company's or the subsidiary's board of directors delegating a staff member at any operational level to take actions on its behalf, such delegation must be done in a written form or recorded as a resolution in the board's meeting minutes. The scope of authority and duties of the delegated person must be clearly specified, excluding approval for transactions which may involve a conflict of interest with the delegated person or relevant party. The management shall report such matter to the Board of Directors. The Company also requires that an employee disclose any matter deemed to be a conflict of interest to one's supervisor through a group-wide report form of any conflict of interest and submit it to the Human Resources Department, the Internal Audit Office, and the Company Secretary Office, for acknowledgement.

In 2020, the Board of Directors' meeting considered an agenda item regarding COVID-19 relief measures for the tap water customers. The three PWA representatives, also serving as the Company's directors, were considered connected persons for this agenda item. Therefore, they were not present at the meeting and did not cast any vote for the matter to avoid a possible conflict of interest.

2. **Supervision of internal information use**

The Company developed a policy on prevention against use of internal information. The policy is part of the good corporate governance principles of the business group to be complied with by all directors, executives, and employees. Details of the policy can be summarized as follows:

(1) **Policy on prevention against internal information use**

Directors, executives and permanent employees of the Company as well as their spouses and minor children shall be prohibited from using non-public information of the organization for trading of securities for personal gain or for the benefit of any individual or group of individuals.

(2) **Policy on trading of the Company's securities**

Directors, executives and permanent employees of the Company as well as their spouses and minor



children shall refrain from buying, selling or transferring the Company's shares during the one-month period prior to a disclosure of the financial statements to the SET and during the three-day period after a disclosure of the financial statements to the SET. This is to allow the shareholders and investors to have enough time to access and understand key contents of the Company's news and information or financial statements disclosed to the SET.

The directors and high-level executives must report their tradings of the Company's shares at least one day before the trading transactions to the Board of Directors or its designated person.

The directors are required to report all of their purchases-sales of the Company's shares to the Board of Directors.

(3) Policy on group-wide business information

Directors, executives, employees, supporting officers, and outsourced staff of the business group or subsidiaries shall be obliged by laws and professional ethics not to disclose any confidential information and documents or trade secrets.

3. Combating corruption

The Company's anti-corruption policy has been launched since 2014 and subjected to annual reviews to reflect changing situations. The Company has become a member of the Collective Action Coalition (CAC) since 2015. Its recent membership certificate renewal was on 5 November 2018, and its next renewal deadline is November 2021.

The internal anti-corruption activities in 2020 can be summarized as follows:

1. The Company received one complaint in December 2019. The investigation into the matter was conducted according to the procedures, and was completed in 2020. The results showed that the complaint was groundless, and were reported to the complainant and the complainee.

2. On 15 September 2020, the Company encouraged its employees to attend the virtual Anti-Corruption Day event hosted online by the Anti-Corruption Organization of Thailand (ACT).

3. On 14 October 2020, the Company held an activity to promote awareness of anti-corruption as part of the EWG Love CG Day event. The event also featured a panel discussion on the topic of "Governance Leads to Sustainable Organization" and a photography competition to reflect 14 group-wide business ethics.

4. The Company held a training in the topic of "Transparency and Sustainable Development" for the group-wide employees. There were two sessions, one at the head office on 27 August 2020, and another at the Rayong office on 15 September 2020. The employees were required to do a test before and after the training. Over 80% of the employees passed the test.

5. On 25 November 2020, the Company held a panel discussion through a video conference with its trading partners at the "EWG Supplier Day 2020: Stay Sustainable Together." The event featured the dissemination of trading partner ethics, and the communication of the anti-corruption policy to the trading partners and suppliers to promote their acknowledgement and compliance.

6. The Company's enterprise risk management (ERM) plan covered corruption-related practices in contacting government agencies and relevant control measures. Relevant guidelines were specified, including supporting public activities for charitable donations, or various forms of funding. This was to ensure that such activities will not be used as channels to commit corruption. The internal control measures were designed to reflect the Organic Act on Counter Corruption B.E. 2542 (A.D. 1999) which specifies that a juristic person, with appropriate internal control measures to prevent bribes to government officials, shall not be legally liable according to the Act's Article 123/5.

4. Whistleblowing

The Company's complaint handling and whistleblowing process, when a person was found to commit a wrongdoing or fraudulent act, was reviewed. This was to ensure that its complaint management system meets ISO 9001:2015 standards. The complaint handling system shall address a comprehensive range of issues, including the quality of products and services, the quality of work that leads to the quality of products and services, and the good internal controls to ensure compliance with the Company's regulations as well as laws and requirements concerned, such as corporate governance principles and anti-corruption practices stipulated by the SEC and the SET.

In 2020, there were no reports of tips by whistleblowers, or no reports of persons committing wrongdoings or frauds based on the group-wide code of conduct.



9 INTERNAL CONTROL

9.1 Internal Control

Assessment of Adequacy of Internal Control System for 2020

The Audit Committee endorsed the internal control system assessment report of the management. Five components of the Company's internal control system were assessed, i.e. control environment, risk assessment, control activities, information and communication, and monitoring activities. Details are as follows:

Control Environment

The Company conducted reviews and revisions and announced the adoption of the latest version of the Corporate Governance Code (CG Code) of the Business Group to ensure alignment with the national anti-corruption law and the Office of Securities and Exchange Commission (SEC)'s 2017 Corporate Governance Code for Listed Companies, and to keep up with the changing economic and social situation. The CG Code became part of the Company's policy and discipline and must be regularly acknowledged, understood and adhered to by employees of the business group to ensure alignment with relevant policies and ethics, and shall be used as guidelines for conducting daily duties, making decisions, and treating trading partners, customers and outside parties. The work rules state that "The Group's Code of Conduct shall be regarded as part of the work rules. Any violation of the Code of Conduct shall be considered a disciplinary offence and shall be subjected to relevant disciplinary actions according to the Company's procedures or regulations. In addition, if such disciplinary offence is illegal, relevant legal actions shall be undertaken." Relevant provisions and punishments are explained to the executives and employees for their understanding. The Code of Conduct handbook is given to all employees and they shall sign to acknowledge the relevant requirements every year. E-learning courses are available to provide knowledge about the Code of Conduct and countering corruption. This is to ensure that everyone strictly acknowledges and adopts such guidelines in their operations. The information is also available in the internal web and the official website of the Company.

The Company requires a clear segregation of duties between the Board of Directors and the management. The Board of Directors shall not be involved in management duties in order to create a balance between management

and supervision. Management activities shall be monitored to ensure that appropriate policies and procedures have been implemented efficiently and effectively. The Board of Directors has considered, nominated, and appointed appropriate persons to the positions of high-level executives and set up subcommittees to perform duties according to the CG Code of the business group and requirements of the Stock Exchange of Thailand (SET). The Board of Directors plays a major role in determining a corporate vision and 3-year strategies as well as annual action plans. The management shall prepare annual action plans in line with the long-term strategies for implementation, containing objectives, budgets, risk factors, main activities for a specific time period, and expected results which can be measured in a concrete manner in order to meet overall goals.

The Company has a clear organizational structure to support the achievement of its objectives and to ensure efficient internal controls. There is a segregation of duties between the main business and the supporting functions. The Internal Audit Department directly reports to the Audit Committee. The Executive Committee was set up to consider important issues before submission thereof to the Board of Directors. Progress updates have been monitored through monthly meetings. Also, an emphasis is put on checks and balances between the Board of Directors, the management, and the shareholders. The Company has regular communications with investors to disseminate and share its information to the general public.

Risk Assessment

The Audit Committee shall review financial reports together with the external and the internal auditors to ensure correctness and compliance with generally accepted accounting standards and adequacy of information disclosure.

The Risk Management Committee was assigned by the Board of Directors to consider determine risk management policies and screen risk management plans of the Company as well as supervise risk management results on a quarterly basis according to the Committee's charter and the risk management manual. The Committee shall promote the participation of the executives and employees in managing risks relevant to themselves through the preparation and



review of annual organizational strategies and the assessment of risks at functional levels in alignment with the quality management system. The executives shall participate in the identification and analysis of risk factors, while assessing the current control measures to determine additional control measures necessary for mitigating risks to acceptable levels. Risk management activities shall be included as part of annual action plans. The Corporate Strategy Department's risk management function shall gather all information and communicate relevant matters to all employees. Risk management results shall be monitored and reported to the Risk Management Committee and the Board of Directors for consideration and advice on a quarterly basis. This is to ensure that the risk management process of the Company takes place on an ongoing basis. Furthermore, in formulating annual internal audit plans, the Internal Audit Office shall evaluate significant changes that may affect risk management and internal controls to determine audit scope.

The Company communicates its risk management policy and manual to all employees for acknowledgement and compliance in order to cultivate a corporate culture in which everyone plays a part in taking care of the organization through the agreed upon risk management process. Besides, the Company has a business continuity plan (BCP) and tests the plan annually in order to assure that the Company is able to operate business on a continuous basis and without any interruption should an emergency arise.

Control Activities

The Company announced a number of regulations and practices in various aspects such as procurement, budgeting, accounting and finance, investment and project management, contract management, and authority to take actions internally, in line with the principles of good internal control. There is a segregation of duties and cross-checks of operations. Duties relating to granting approval, recording accounting transactions, information systems, and safeguarding of assets are separated from each other. The Company was certified to meet the ISO 9001 and ISO 14001 standards, whereby it is required to develop manuals and operating procedures for use as references in operations as well as to provide trainings for the employees to ensure their understanding and proper operations in accordance with the operating procedures and methods specified by the Company.

Any related party transactions between the Company and its subsidiaries and other stakeholders shall be considered and approved properly. Should any significant related party transaction take place, the management, the Internal Audit Office, and the Audit Committee shall consider the transaction prudently and take actions according to requirements of the SET. The auditors shall also review the transaction. Such related party information shall be disclosed in a note to the financial statements and reported to the SEC for acknowledgement. In voting on any related party transaction, any director with a conflict of interest shall abstain from voting on that particular matter. Moreover, the Company's guidelines on a conflict of interest were incorporated as part of the Code of Conduct, requiring that the directors, executives and employees of the business group avoid having an interest or involving in any activity that may lead to a conflict of interest.

The Company supervises the operations of its subsidiaries consistently and regularly by assigning its people to be directors or executives in the subsidiaries to coordinate policies and ensure that the companies in the business group operate in the same direction and according to the policies of the Board of Directors. The reports on progress updates on operations of each subsidiary shall be submitted to the Board of Directors for acknowledgement.

Information & Communication

The Company sufficiently provides and submits key information in advance through various kinds of communications devices to support the directors' decision making prior to their meetings. At meetings, the executives, who are responsible issue owners, shall be present to provide details to and answer questions from the Board of Directors.

The Company set up a process to communicate information with its outside stakeholders through its website at www.eastwater.com and through online platforms such as Facebook and Line@. The Company has the corporate communications function (central and local mass media), the investor relations function (shareholders/investors), the customer relations function (customers), and the Legal Affairs and Corporate Governance Office (supervisory bodies such as the SET and the SEC). The Company also has dedicated communication channels available for employees and outside parties to file recommendations, tips, or complaints regarding illegal offenses or unethical practices or incorrect financial



reports or infringements or corruption or internal control weaknesses with the Company as follows:

- (1) The Company's website at www.eastwater.com
- (2) The Company's internal web
- (3) Emails:
 - The Audit Committee: AC_EW@eastwater.com
 - The President and CEO: CEO@eastwater.com
 - The company secretary: Whistleblowing@eastwater.com

(4) Mailing to:

Eastern Water Resources Development and Management Public Company Limited, East Water Building, 25th Floor, 1 Soi Vibhavadi Rangsit 5, Vibhavadi Rangsit Road, Chom Phon Subdistrict, Chatuchak District, Bangkok 10900

Complaints can be received by:

- 1) The Chairman of the Board of Directors or the Board of Directors
- 2) The Chairman of the Audit Committee or the Audit Committee
- 3) The President and CEO
- 4) The company secretary
- 5) The secretary to the Audit Committee
- 6) Relevant supervisors

The Company has constantly developed its IT and database systems. The policy on use of information technology and communication is included in the CG Code of the business group. This is to ensure that the employees truly understand the use of internal media under a sound internal control environment such as internet, intranet, emails, and telecommunications devices, including telephones, facsimiles, signal receivers, and communication systems between the head office and its branches. The Company has also educated its people about the compliance with the information laws to prevent any violation or any damage to the organization, such as the Computer Crime Act B.E. 2550 (A.D. 2007) and its amendment (No. 2) B.E. 2560 (A.D. 2017).

The Company's policy regarding business information is also included in the CG Code of the business group. According to the policy, the directors, executives, and employees of the business group, and employees of the business group's contractors, shall not disclose the Company's confidential information and documents.

Monitoring Activities

The Company requires that there be a system to monitor and report operating results, progress updates, and problems and challenges of the projects according to corporate strategies to the Board of Directors for consideration and advice. The Internal Audit Office shall monitor the project performances as compared to specific strategies to ensure that the set targets are met; and monitor the management's corrective actions as recommended by the Internal Audit Office. The results of the monitoring activities shall be submitted to the Audit Committee on a monthly basis and to the Board of Directors on a quarterly basis.

The Company places importance on internal audit to add value to the organization through its internal audit procedures. The Internal Audit Office shall design an audit plan, using the risk-based audit approach, to review internal controls in every work process and to report the review results to the top executive and the Audit Committee on a quarterly basis. This is to assure that the Company has efficient and effective internal controls, and reliable and accurate information, including accounting and financial information, and information used in the operations.

After considering the essence of the internal control adequacy assessment mentioned above, the Board of Directors agreed with the Audit Committee and the auditors that the Company's internal control system was sufficient and suitable for its business operations; and that the Company's manpower was sufficient to implement its internal controls and its system to monitor the business group's operations efficiently, effectively, and sustainably.

Head of Internal Audit

According to the Company's organizational structure, the Internal Audit Office shall report directly to the Audit Committee. According to the Audit Committee's Charter, the Audit Committee shall consider and endorse appointments, transfers, and terminations of personnel in the audit function, and shall consider and determine merit-based compensation each year for the Head of Internal Audit. Currently, the Head of Internal Audit is Mrs. Thidarut Kraiprasit, Executive Vice President, Internal Audit Office. The profile is as shown in Page 31 of the 2020 Annual Report. According to the assessment results, the person is suited for the position of Head of Internal Audit.



9.2 Related Party Transactions

Details of related party transactions

The Company and its subsidiaries undertook related party transactions with the parties with possible conflicts of interest. The auditor provided details in Note 41 to the Financial Statements for the year ended 31 December 2020. Details of the transactions are as follows:

Table Raw water and tap water sales income between the business group and its major shareholders, trading volume, and pricing policy

Juristic person with possible conflicts of interest	Nature of relationship	Nature of transaction	Transaction volume and value	Necessity/Remark	Pricing policy
1. Provincial Waterworks Authority (PWA)	- PWA was a majority shareholder of the Company as at 31 December 2020 with the shareholding proportion of 40.20% of the Company's registered and paid-up share capital. - Mr. Burmungsak Chingwangtakor was Deputy Governor (Administration) of PWA and a director of the Company. - Mr. Eakachai Attakanna was Deputy Governor (Operation 3) of PWA and a director of the Company. - Mr. Surachai Cheapaeng was Deputy Governor (Corporate Strategy) and Acting Deputy Governor (Operation 5) of PWA and a director of the Company.	<u>Transaction volume</u> Raw water sales volume (million Cu.M.) Sales value (Baht million)	60.42 598.18	The Company sold raw water to PWA in Nong Kor-Laem Chabang-Pattaya-Bang Phra areas, and Dok Krai-Map Ta Phut-Sattahip areas.	- The Company sold raw water to PWA at the same price rates as those applicable to other consumers. There were clearly written contracts. Any director with possible conflicts of interest shall not have the right to vote on water price rates.
2. Provincial Waterworks Authority (PWA)	- PWA was a majority shareholder of the Company as at 31 December 2020 with the shareholding proportion of 40.20% of the Company's registered and paid-up share capital. - Mr. Burmungsak Chingwangtakor was Deputy Governor (Administration) of PWA and a director of the Company.	<u>Transaction volume</u> Tap water sales volume (million Cu.M.) Tap water sales value (Baht million)	0.36 21.96	The Company sold tap water to PWA in the Samui Island.	- The Company sold tap water to PWA at the agreed upon rates. Water price rate adjustments were according to the conditions in the concession contracts.



Juristic person with possible conflicts of interest	Nature of transaction	Transaction volume and value	Necessity/Remark	Pricing policy
2. Provincial Waterworks Authority (PWA)	- Mr. Eakachai Attakanna was Deputy Governor (Operation 3) of PWA and a director of the Company. - Mr. Surachai Cheapaeng was Deputy Governor (Corporate Strategy) and Acting Deputy Governor (Operation 5) of PWA and a director of the Company.	Transaction volume Tap water sales volume (million Cu.M.) 7.28 Tap water sales value (Baht million) 121.38	The Company sold tap water to PWA in Pattaya.	
3. Industrial Estate Authority of Thailand (IEAT)	- IEAT was a shareholder of the Company as at 31 December 2020 with the shareholding proportion of 4.57% of the Company's registered and paid-up capital. - Dr. Somchint Pilouk was Governor of IEAT and a director of the Company.	Transaction volume Raw water sales volume (million Cu.M.) 74.16 Sales value (Baht million) 815.80	The Company sold raw water to IEAT in Nong Kor-Laem Chabang-Pattaya-Bang Phra areas, and Dok Krai-Map Ta Phut-Sattahip areas.	- The Company sold raw water to IEAT at the same price rates as those applicable to other water users being state-owned industrial estates. There were clearly written contracts. In 2020, The Company provided a discount (Baht one per Cu.M.) on water bills based on a temporary water pricing structure according to the memorandum of agreement (MOA) while entering into a contract to buy/sell water using the new water pricing structure mutually signed by IEAT and the Company. Any director with possible conflicts of interest shall not have the right to vote on water price rates and changes of water price rates applicable to IEAT.
4. Universal Utilities PCL.	- The Company held 100% shares in Universal Utilities PCL. and both parties shared the directors.	Transaction volume Raw water sales volume (million Cu.M.) 3.28 Sales value (Baht million) 21.74	The Company sold raw water to Universal Utilities PCL. (Chonburi Project) in Chachoengsao-Chonburi areas.	- The Company sold raw water to Universal Utilities PCL. (UU) at the same price rates as those applicable to other consumers. There were clearly written contracts. Any director with possible conflicts of interest shall not have the right to vote on water price rates and changes of water price rates applicable to UU.



Juristic person with possible conflicts of interest	Nature of relationship	Nature of transaction	Transaction volume and value		Pricing policy
				Necessity/Remark	
5. PWA and Universal Utilities PCL.	- Universal Utilities PCL. was a subsidiary of the Company and 100% of its registered and paid-up shares were held by the Company.	Transaction volume		Universal Utilities PCL. sold	- Universal Utilities PCL. sold tap water to PWA. The water price rates and water price rate adjustments were according to the conditions in the concession contracts.
		Tap water sales		tap water to PWA according to	
		income Bangkok		the concession contracts of	
		Water Supply Co., Ltd.		Bangpakong Water Supply	
		- cubic meters	12.36	Co., Ltd., Chachoengsao Water	
		- Baht million	141.37	Supply Co., Ltd., Nakomsawan	
				Water Supply Co., Ltd., and	
		Chachoengsao Water		Egcom Tara Co., Ltd.	
		Supply Co., Ltd.			
		- cubic meters	11.78		
		- Baht million	144.06		
		Nakomsawan Water			
		Supply Co., Ltd.			
		- cubic meters	5.32		
		- Baht million	62.53		
		Rayong Waterworks			
		- cubic meters	19.24		
		- Baht million	224.70		
		Chonburi Waterworks			
		- cubic meters	10.85		
		- Baht million	121.26		
		Ratchaburi Waterworks			
		- cubic meters	15.69		
		- Baht million	396.72		



Table of related party transactions with shareholders and subsidiaries for 2020 (as per 56-1 and 56-2 forms)

			As at 31 December 2020 (Baht)
Company	Relationship	Related party transaction	
PWA	Major shareholder	- Construction revenue	114,300,736
		- Rental and service income	29,609,592
		- Sales and service costs	19,841,190
		- Accounts receivable	222,774,041
		- Other receivable	16,512
		- Accounts payable	1,891,884
		- Other payable	52,765,937
IEAT	Major shareholder	- Accounts receivable	79,271,197
		- Other payable	3,913,115
Universal Utilities PCL.	Subsidiary (The Company held 100% shares in UU and shared the directors with UU.)	- Interest income	42,917,260
		- Rental and service income	48,304,266
		- Dividends	117,962,984
		- Other revenue	12,664,675
		- Sales and service costs	214,056,081
		- Accounts receivable	3,864,964
		- Other receivable	13,928,446
		- Accounts payable	23,041,656
		- Security deposits	58,374
Egcom Tara Co., Ltd.	Subsidiary of UU with the shareholding of 90.07% (An indirect subsidiary of the Company)	- Administrative expenses	156,793

Remark : Comparison of past records of related party transactions could be done through the Company's website (<https://investor.eastwater.com/th/downloads/form-56-1>).



REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS



The Board of Directors of Eastern Water Resources Development and Management Public Company Limited is responsible for the preparation and disclosure of financial statements of the Company and its subsidiaries for the year ended 31 December 2020 which have been prepared in accordance with financial reporting standards under the Accounting Act B.E. 2543, and financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535.

The Board oversees and reviews corporate governance as well as establishes and maintains a proactive risk management system and internal control system to ensure that accounting records are accurate, complete and timely, and that the Company's assets are properly safeguarded against fraud, operational irregularities, and other risks.

The Board considers the accounting policies pursued to be appropriate, and that they have been

applied consistently with adequate disclosure of important information in the notes to the financial statements. The Board has appointed an Audit Committee consisting of independent directors to provide effective and efficient oversight of the financial statements, the internal control system, and the internal audit. The Audit Committee's views are reported in its report in the Company's annual report. The Company's external auditor has reviewed and audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board is confident that the internal control system and the internal audit of Eastern Water Resources Development and Management Public Company Limited and its subsidiaries for the year ended 31 December 2020 represent the financial position, results of operations, and cash flows that give a true and fair view in accordance with Thai Financial Reporting Standards.

Mr. Veerasak Kositpaisal
Chairman

Mr. Jirayut Rungsritthong
President & Chief Executive Officer



CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED

31 DECEMBER 2020





Independent Auditor's Report

To the shareholders 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 separate financial position of the Company as at 31 December 2020, 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 2020;
- 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 significant 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 issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I draw your attention to notes to the financial statements in following matters. My opinion is not modified in respect to these matters.

- 1) Note 44 Project compensation, currently, the Company pays compensation at a preliminary rate because the government agency is considering a deal in which the Company will rent or manage the connecting projects. As a result, the government agency is reviewing the compensation rate and it may be subject to change.
- 2) Note 4.3 which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020.



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. I determine one key audit matter: the assessment of the recoverable amount of goodwill. The matter was addressed in the context of my audit of the 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 2020, 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 21, Goodwill.	I tested the calculation of value in use prepared by management. I inquired with 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.



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.
- 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.

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, related safeguards.

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.

S. Wong-ariyaporn

Sukhumaporn Wong-ariyaporn

Certified Public Accountant (Thailand) No. 4843

Bangkok

24 February 2021



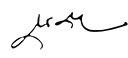
Eastern Water Resources Development and Management Public Company Limited

Statement of Financial Position

As at 31 December 2020

(Unit: Baht)					
	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	11	65,686,929	58,211,264	11,246,184	15,710,367
Short-term investments		-	510,683,539	-	64,151,866
Financial assets measured at amortised cost	12	543,035,535	-	59,392,701	-
Trade and other receivables - net	13	454,511,158	502,201,865	323,267,221	358,663,795
Inventories	15	53,221,375	25,632,024	37,058,355	8,806,562
Current portion of long-term loan to a subsidiary	41.4	-	-	400,000,000	-
Other current assets	16	50,724,683	53,590,965	21,241,701	20,624,014
Total current assets		1,167,179,680	1,150,319,657	852,206,162	467,956,604
Non-current assets					
Investment in a subsidiary	17	-	-	510,000,000	510,000,000
Long-term loan to a subsidiary	41.4	-	-	1,200,000,000	1,600,000,000
Investment property - net	18	195,279,323	171,563,875	164,417,383	183,868,514
Property, plant and equipment - net	19	16,697,486,689	15,260,947,303	16,500,747,253	15,003,101,135
Right-of-use assets - net	20	571,691,917	-	517,116,941	-
Goodwill	21	103,283,004	103,283,004	-	-
Intangible assets - net	22	3,344,949,525	3,531,073,066	53,958,964	52,308,271
Deferred tax assets	23	22,840,432	24,066,442	-	-
Other non-current assets	24	751,066,589	939,626,134	694,078,907	896,039,675
Total non-current assets		21,686,597,479	20,030,559,824	19,640,319,448	18,245,317,595
Total assets		22,853,777,159	21,180,879,481	20,492,525,610	18,713,274,199


 (Mr. Jirayut Rungsrihong)
 President & Chief Executive Officer


 (Mr. Sombat Yusamart)
 Senior Executive Vice President
 and Chief Financial Officer (CFO)

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.


Eastern Water Resources Development and Management Public Company Limited
Statement of Financial Position (continued)
As at 31 December 2020

(Unit: Baht)					
	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions	25.1	385,000,000	305,000,000	95,000,000	-
Trade and other payables	26	197,177,150	317,335,733	143,103,609	251,936,202
Payable for purchase of fixed assets		1,651,839,872	1,319,365,043	1,642,795,629	1,295,938,218
Current portion of long-term borrowings from financial institutions	25.2	548,000,000	826,200,000	548,000,000	634,000,000
Current portion of finance lease liabilities		-	1,899,442	-	1,899,442
Current portion of lease liabilities	25.3	20,539,697	-	13,220,563	-
Income tax payable		80,695,524	103,707,151	48,992,508	71,959,841
Accrued expenses	27	171,089,551	190,794,795	127,648,583	148,028,260
Other current liabilities	28	90,740,778	66,125,076	36,363,897	40,833,812
Total current liabilities		3,145,082,572	3,130,427,240	2,655,124,789	2,444,595,775
Non-current liabilities					
Long-term borrowings from financial institutions	25.2	4,892,000,000	3,830,000,000	4,892,000,000	3,830,000,000
Debentures	25.4	2,398,788,712	2,398,362,741	2,398,788,712	2,398,362,741
Finance lease liabilities		-	1,251,792	-	1,251,792
Lease liabilities	25.3	548,698,182	-	503,973,656	-
Deferred tax liabilities	23	322,505,599	341,296,654	55,648,074	47,953,455
Employee benefit obligations	29	232,416,046	209,847,913	167,599,431	154,884,483
Long-term provisions	30	39,322,228	29,353,211	-	-
Other non-current liabilities	31	205,767,292	226,524,407	187,650,972	183,673,743
Total non-current liabilities		8,639,498,059	7,036,636,718	8,205,660,845	6,616,126,214
Total liabilities		11,784,580,631	10,167,063,958	10,860,785,634	9,060,721,989

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.

**Eastern Water Resources Development and Management Public Company Limited****Statement of Financial Position (continued)****As at 31 December 2020**

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Liabilities and equity (continued)					
Equity					
Share capital					
Registered share capital					
Ordinary shares, 1,663,725,149 shares of par Baht 1 each		1,663,725,149	1,663,725,149	1,663,725,149	1,663,725,149
Issued and paid-up share capital					
Ordinary shares, 1,663,725,149 shares of par Baht 1 each		1,663,725,149	1,663,725,149	1,663,725,149	1,663,725,149
Share premium		2,138,522,279	2,138,522,279	2,138,522,279	2,138,522,279
Retained earnings					
Appropriated - legal reserve	32	166,500,000	166,500,000	166,500,000	166,500,000
- concession reserve	32	417,533,901	393,729,177	52,436,610	61,515,707
Unappropriated		6,510,709,352	6,469,124,482	5,605,940,472	5,614,287,355
Other components of equity	33	4,615,466	8,001,720	4,615,466	8,001,720
Equity attributable to owners of the parent		10,901,606,147	10,839,602,807	9,631,739,976	9,652,552,210
Non-controlling interests		167,590,381	174,212,716	-	-
Total equity		11,069,196,528	11,013,815,523	9,631,739,976	9,652,552,210
Total liabilities and equity		22,853,777,159	21,180,879,481	20,492,525,610	18,713,274,199

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.

Eastern Water Resources Development and Management Public Company Limited

Statement of Comprehensive Income

For the year ended 31 December 2020

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Revenues	41.1				
Sales - raw water		2,473,573,393	2,844,696,384	2,495,317,200	2,884,870,146
Sales - tap water		1,467,886,714	1,503,160,203	364,185,528	404,257,647
Construction revenue under concession agreements		137,134,893	203,125,375	-	-
Rental and service income		125,706,457	129,096,397	115,930,881	120,448,415
Total sales and service income		4,204,301,457	4,680,078,359	2,975,433,609	3,409,576,208
Other income	35	43,999,775	49,192,818	192,269,420	196,691,211
Total revenues		4,248,301,232	4,729,271,177	3,167,703,029	3,606,267,419
Expenses	41.1				
Cost of sales - raw water		1,318,683,866	1,396,159,513	1,345,654,891	1,429,281,441
Cost of sales - tap water		989,327,153	985,438,250	338,473,469	356,787,695
Construction cost under concession agreements		137,134,893	203,125,375	-	-
Cost of rental and services		105,930,161	121,712,085	80,196,120	101,288,702
Total cost of sales and services		2,551,076,073	2,706,435,223	1,764,324,480	1,887,357,838
Selling expenses		16,017,650	15,374,124	13,842,750	13,465,265
Administrative expenses		526,372,954	523,146,042	387,497,464	374,414,430
Finance costs	36	170,526,944	166,052,431	159,964,431	151,066,468
Total expenses		3,263,993,621	3,411,007,820	2,325,629,125	2,426,304,001
Profit before income tax		984,307,611	1,318,263,357	842,073,904	1,179,963,418
Income tax	38	(207,876,497)	(262,357,904)	(160,735,349)	(218,122,983)
Net profit for the year		776,431,114	1,055,905,453	681,338,555	961,840,435
Other comprehensive income :					
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Remeasurements of post-employment benefit obligations	29	-	(34,841,588)	-	(26,437,683)
Income tax on item that will not be reclassified subsequently to profit or loss	38	-	6,968,318	-	5,287,537
Total item that will not be reclassified subsequently to profit or loss		-	(27,873,270)	-	(21,150,146)
<i>Item that will be reclassified subsequently to profit or loss</i>					
Assets transferred from customers	33	(3,386,254)	(3,386,254)	(3,386,254)	(3,386,254)
Total item that will be reclassified subsequently to profit or loss		(3,386,254)	(3,386,254)	(3,386,254)	(3,386,254)
Other comprehensive income for the year, net of tax		(3,386,254)	(31,259,524)	(3,386,254)	(24,536,400)
Total comprehensive income for the year		773,044,860	1,024,645,929	677,952,301	937,304,035

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.

**Eastern Water Resources Development and Management Public Company Limited****Statement of Comprehensive Income (continued)****For the year ended 31 December 2020**

(Unit: Baht)				
Note	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit attributable to				
Owners of the parent	764,154,129	1,044,793,450	681,338,555	961,840,435
Non-controlling interests	12,276,985	11,112,003	-	-
	<u>776,431,114</u>	<u>1,055,905,453</u>	<u>681,338,555</u>	<u>961,840,435</u>
Total comprehensive income attributable to				
Owners of the parent	760,767,875	1,013,533,926	677,952,301	937,304,035
Non-controlling interests	12,276,985	11,112,003	-	-
	<u>773,044,860</u>	<u>1,024,645,929</u>	<u>677,952,301</u>	<u>937,304,035</u>
Earnings per share	39			
Basic earnings per share	<u>0.46</u>	<u>0.63</u>	<u>0.41</u>	<u>0.58</u>

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.

Eastern Water Resources Development and Management Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2020

Consolidated financial statements											(Unit: Baht)
Attributable to owners of the parent											
Other components of equity											
Other comprehensive income											
Assets											
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Unappropriated	Total other components of equity		Total owners of the parent	Non-controlling interests	Total equity	
			Appropriated - legal reserve	Appropriated - concession reserve		transferred from customers-net	of equity				
Opening balance as at 1 January 2019											
	1,663,725,149	2,138,522,279	186,500,000	351,481,143	6,293,040,408	11,387,974	11,387,974	10,624,656,953	180,493,571	10,805,150,524	
34	-	-	-	-	(798,588,072)	-	-	(798,588,072)	(17,392,858)	(815,980,930)	
	-	-	-	42,248,034	(42,248,034)	-	-	-	-	-	
	-	-	-	-	1,016,920,180	(3,386,254)	(3,386,254)	1,013,533,926	11,112,003	1,024,645,929	
Closing balance as at 31 December 2019											
	1,663,725,149	2,138,522,279	186,500,000	393,729,177	6,469,124,482	8,001,720	8,001,720	10,839,602,807	174,212,716	11,013,815,523	
Opening balance as at 1 January 2020											
	1,663,725,149	2,138,522,279	186,500,000	393,729,177	6,469,124,482	8,001,720	8,001,720	10,839,602,807	174,212,716	11,013,815,523	
34	-	-	-	-	(698,764,535)	-	-	(698,764,535)	(18,899,320)	(717,663,855)	
	-	-	-	23,804,724	(23,804,724)	-	-	-	-	-	
	-	-	-	-	764,154,129	(3,386,254)	(3,386,254)	760,767,875	12,276,985	773,044,860	
Closing balance as at 31 December 2020											
	1,663,725,149	2,138,522,279	186,500,000	417,533,901	6,510,709,352	4,615,466	4,615,466	10,901,606,147	167,590,381	11,069,196,528	

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.

Eastern Water Resources Development and Management Public Company Limited

Statement of Changes in Equity (continued)

For the year ended 31 December 2020

Separate financial statements										(Unit: Baht)
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other components of equity				
			Appropriated - legal reserve	- concession reserve	Appropriated	transferred from customers-net	Assets	Total other components of equity		
									Unappropriated	
Opening balance as at 1 January 2019										
	1,663,725,149	2,138,522,279	166,500,000	52,222,751	5,481,478,094	11,387,974	11,387,974	9,513,836,247		
34	-	-	-	-	(798,588,072)	-	-	(798,588,072)		
32	-	-	-	9,292,956	(9,292,956)	-	-	-		
	-	-	-	-	940,690,289	(3,386,254)	(3,386,254)	937,304,035		
Closing balance as at 31 December 2019										
	1,663,725,149	2,138,522,279	166,500,000	61,515,707	5,614,287,355	8,001,720	8,001,720	9,652,552,210		
Opening balance as at 1 January 2020										
	1,663,725,149	2,138,522,279	166,500,000	61,515,707	5,614,287,355	8,001,720	8,001,720	9,652,552,210		
34	-	-	-	-	(698,764,535)	-	-	(698,764,535)		
32	-	-	-	(9,079,097)	9,079,097	-	-	-		
	-	-	-	-	681,338,555	(3,386,254)	(3,386,254)	677,952,301		
Closing balance as at 31 December 2020										
	1,663,725,149	2,138,522,279	166,500,000	52,436,610	5,605,940,472	4,615,466	4,615,466	9,631,739,976		

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.



Eastern Water Resources Development and Management Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2020

(Unit: Baht)					
		Consolidated		Separate	
		financial statements		financial statements	
	Notes	2020	2019	2020	2019
Cash flows from operating activities					
Profit before income tax		984,307,611	1,318,263,357	842,073,904	1,179,963,418
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities					
Loss allowance (reverse)		(615,153)	-	(615,153)	-
Depreciation	18-20	564,417,721	504,402,769	522,284,029	474,520,664
Amortisation of intangible assets	22	335,559,787	323,744,202	10,794,223	9,633,595
Income from amortisation of assets transferred from customers		(3,386,254)	(3,386,254)	(3,386,254)	(3,386,254)
Loss (Gain) on disposal/write-off fixed assets		864,204	(1,247,093)	959,438	(1,252,230)
Long-term provisions	30	10,851,847	18,905,935	-	-
Employee benefit obligations	29	24,790,483	53,075,607	17,890,801	35,225,881
Dividend income	35	-	-	(117,962,984)	(120,359,983)
Interest income	35	(9,118,342)	(8,824,348)	(45,112,424)	(44,420,893)
Interest expenses		169,256,605	164,895,189	158,694,092	149,909,225
Profit from operating activities before changes in operating assets and liabilities					
		2,076,928,509	2,369,829,364	1,385,619,672	1,679,833,423
Changes in operating assets (increase) decrease					
Trade and other receivables		39,571,059	(57,964,540)	26,291,481	(59,084,153)
Inventories		(27,589,351)	(12,288,318)	(28,251,793)	(8,806,562)
Other current assets		1,679,725	(3,376,053)	(719,924)	(4,306,153)
Other non-current assets		(2,430,845)	2,160,459	(3,080,524)	(7,779,479)
Changes in operating liabilities increase (decrease)					
Trade and other payables		(124,124,998)	170,130,260	(112,799,008)	150,476,140
Accrued expenses		(19,887,993)	28,125,786	(20,562,426)	35,138,632
Other current liabilities		24,518,227	7,000,918	(4,626,065)	3,651,620
Employee benefit obligations - paid	29	(2,222,350)	(28,530,221)	(1,209,438)	(14,354,798)
Long-term provisions - paid	30	(882,830)	(10,338,804)	-	-
Other non-current liabilities		(20,757,115)	84,133,591	3,977,229	80,009,889
Cash provided by operations		1,944,802,038	2,548,882,442	1,244,639,204	1,854,778,559
Income tax paid		(263,684,618)	(315,179,389)	(176,008,063)	(236,357,899)
Net cash generated from operating activities		1,681,117,420	2,233,703,053	1,068,631,141	1,618,420,660

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.



Eastern Water Resources Development and Management Public Company Limited

Statement of Cash Flows (continued)

For the year ended 31 December 2020

					(Unit: Baht)
	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Cash flows from investing activities					
Payment for short-term investments		-	(776,587,622)	-	(9,098,399)
Payment for financial assets measured at amortised cost		(627,472,907)	-	4,759,165	-
Proceeds from disposal of short-term investments		-	670,180,896	-	
Proceeds from disposal of financial assets measured at amortised cost		595,120,911	-	-	-
Interest received		10,304,899	7,407,626	45,214,662	44,299,307
Dividend received from a subsidiary	17	-	-	117,962,984	120,359,983
Proceeds from disposal of fixed assets		13,993,481	2,717,586	12,876,536	2,709,724
Payment for investment property		(417,509)	(2,325,774)	(451,135)	(2,513,093)
Payment for fixed assets and advance for construction		(1,361,652,017)	(1,266,725,890)	(1,348,017,378)	(1,255,941,267)
Payment for right-of-use assets		(2,347,738)	-	(2,347,738)	-
Payment for intangible assets		(162,348,218)	(198,733,479)	(12,444,916)	(7,757,758)
Payment for other non-current assets	24	-	(299,000,000)	-	(299,000,000)
Interest paid capitalised in qualifying assets		(82,018,023)	(59,354,670)	(82,018,023)	(59,354,670)
Net cash used in investing activities		(1,616,837,121)	(1,922,421,327)	(1,264,465,843)	(1,466,296,173)
Cash flows from financing activities					
Proceeds from short-term borrowings from financial institutions	25.1	5,468,000,000	6,943,000,000	4,529,000,000	5,741,000,000
Payment for short-term borrowings from financial institutions	25.1	(5,388,000,000)	(7,452,000,000)	(4,434,000,000)	(6,321,000,000)
Proceeds from long-term borrowings from financial institutions	25.2	1,610,000,000	1,490,000,000	1,610,000,000	1,490,000,000
Payment for long-term borrowings from financial institutions	25.2	(826,200,000)	(826,200,000)	(634,000,000)	(634,000,000)
Payment for finance lease liabilities	40	-	(2,367,030)	-	(2,367,030)
Payment for lease liabilities	40	(34,288,379)	-	(22,833,733)	-
Dividend paid		(717,507,548)	(815,912,646)	(698,608,387)	(798,519,938)
Interest paid		(168,808,707)	(167,803,948)	(158,187,361)	(152,473,052)
Net cash generated from (used in) financing activities		(56,804,634)	(831,283,624)	191,370,519	(677,360,020)
Net increase (decrease) in cash and cash equivalents		7,475,665	(520,001,898)	(4,464,183)	(525,235,533)
Cash and cash equivalents at the beginning of the year		58,211,264	578,213,162	15,710,367	540,945,900
Cash and cash equivalents at the end of the year	11	65,686,929	58,211,264	11,246,184	15,710,367
Supplemental cash flow information					
Non-cash transactions:					
Purchase of fixed assets and intangible assets		1,654,395,521	1,321,818,702	1,645,351,278	1,298,391,877
Purchase of right-of-use assets under lease agreements		153,455,687	1,612,200	153,455,687	1,612,200

The accompanying notes on pages 113 to 169 are an integral part of these consolidated and separate financial statements.



Eastern Water Resources Development and Management Public Company Limited
Notes to the Consolidated and Separate Financial Statements
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1 General information

Eastern Water Resources Development and Management Public Company Limited ("the Company") is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

23rd - 26th Floors, East Water Building, No. 1 Soi Vipavadeerangsit 5, Vipavadeerangsit Road, Jomphol Sub-district, Chatujak District, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Company are development and management of the major water distribution pipeline systems in the Eastern Seaboard area of Thailand, supply of raw water, production and supply of tap water.

These financial statements were authorised for issue on 24 February 2021 by the Company's Board of Directors.

2 Significant events during the current year

In early 2020, the COVID-19 pandemic indirectly impacted the Group's performance. The Group has followed the government's policy to reduce public utilities costs in accordance with the 17 March 2020 Cabinet meeting resolution of the Metropolitan Waterworks Authority and Provincial Waterworks Authority. The Board of Directors resolved to offer a 1.5% discount on water supply to the Provincial Waterworks Authority in each area, and a 20% discount in the Sattahip area for three months (April-June 2020). The Group recorded the impact of the discount in its financial statements for this period. The impact is immaterial. The Group has been selling tap water at normal rates since July onwards. The Group has given special attention to COVID-19 and the impact on the water supply business, including plans to deal with and solutions for all negative impacts might occur.

At the beginning of 2021, a new wave of COVID-19 emerged in Thailand. The Group supported government policies to reduce the burden of utility costs in accordance with the Cabinet resolution on 12 January 2021 on the Metropolitan Waterworks and the Provincial Waterworks Authority. The Board of Directors approved a 10% discount for the Provincial Waterworks in the Sattahip area for residential houses and small businesses (excluding government agencies and state enterprises) for two months (February-March 2021). This impact is not material to financial statements. The Group continues to sell tap water as usual and, as in 2020, pay special attention to how to deal with the impacts of the COVID-19 pandemic.

3 Basis of preparation of financial statements

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. Critical accounting estimates, judgements and assumptions are disclosed in Note 9.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.



Eastern Water Resources Development and Management Public Company Limited
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4 New and amended financial reporting standards and the temporary exemption guidance to relieve the impact from COVID-19

4.1 The financial reporting standards are effective for annual periods beginning on or after 1 January 2020 and relevant to the Group.

4.1.1 TFRS 16 Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

4.1.2 Financial instruments

TAS 32	Financial instruments: presentation
TFRS 7	Financial instruments: disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The Group had to change its accounting policies as a result of adopting TFRS 16 and Financial Instruments. The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initial applying the new standards on 1 January 2020. The new accounting policies are described in Note 6. The impact of the changes in accounting policies is discussed in Note 5.

4.2 New and amended financial reporting standards are effective for annual periods beginning on or after 1 January 2021 and relevant to the Group. The Group has not yet early adopted these standards.

a) Revised conceptual framework for financial reporting adds the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 3, Business combinations amends the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

c) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures provides relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

d) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amends the definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

The group's management assesses that these financial reporting standards will not have a material on the presented financial statements.



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4.3 The temporary exemption guidance to relieve the impact from COVID-19

On 22 April 2020, Thailand Federation of Accounting Professions (TFAC) announced the temporary exemption guidance to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. The Group selects the exemptions below:

a) Measurement of expected credit losses under simplified approach - TFRS 9

The Group will not use forward-looking information in estimating the credit loss. In doing this, the Group can apply historical credit loss or other method in which results are similar, and also take into consideration of management judgement to estimate credit loss, based on an available information without excessive effort. Apart from this, the Group still has to comply with other requirements under TFRS 9.

b) Reversal of deferred tax assets - TAS 12

The Group has chosen to exclude information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Group writes down the carrying amount of the deferred tax assets when it is not probable that the future taxable profit will be available for utilising the deductible temporary differences. Apart from this, the Group still has to comply with other requirements under TAS 12.

c) Impairment of assets - TAS 36

The Group has chosen to exclude information related to COVID-19 as an indication of the impairment of assets. For Goodwill which the Group has to test for impairment annually, the Group has chosen not to include information related to COVID-19 that potentially affect financial projections. Apart from this, the Group still has to comply with other requirements under TAS 36.

5 Impacts from initial application of the new and revised financial reporting standards

5.1 Adjustments recognised on adoption of TFRS 16

On adoption of TFRS 16, the Group recognised right-of-use assets and lease liabilities in relation to leases which has previously been reclassified as 'operating lease' under the previous standard TAS 17. The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initial applying the new standards on 1 January 2020.

a) Practical expedients applied

In applying TFRS 16 for the first time, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease

b) Measurement of right-of-use assets

The right-of-use assets were measured on a retrospective basis as if the new rules had always been applied. As a result, right-of-use assets were measured at the amount equal to the lease liabilities at the initial recognition, adjusted by the amount of any prepaid or accrued lease payment.

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liabilities immediately before transition as the carrying amount of the right-of-use assets and the lease liabilities at the date of the initial application.



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A reconciliation of lease liabilities recognised as at 1 January 2020:

	Consolidated financial statements Baht	Separate financial statements Baht
Operating lease commitments disclosed as at 31 December 2019	33,890,337	11,702,298
(Less): discount using the lessee's incremental borrowing rate at the date of initial TFRS 16 application	(710,339)	(51,298)
Add: finance lease liabilities recognised as at 31 December 2019	3,151,234	3,151,234
(Less): short-term leases recognised on a straight-line basis as expense	(58,650)	-
(Less): low-value leases recognised on a straight-line basis as expense	(5,685,978)	-
Add: adjustment as a result of a different treatment of extension and termination options	419,483,967	371,770,022
Lease liability recognised as at 1 January 2020	450,070,571	386,572,265
Current lease liabilities	27,239,670	15,490,343
Non-current lease liabilities	422,830,901	371,081,922
	450,070,571	386,572,265

The recognised right-of-use assets relate to the following type of assets:

	Consolidated financial statements 1 January 2020* Baht	Separate financial statements 1 January 2020* Baht
Land	438,046,875	389,679,494
Building	6,709,657	-
Water supply system	183,937	-
Equipment	3,103,044	3,103,044
Motor vehicles	16,173,067	3,461,782
Total right-of-use assets - net	464,216,580	396,244,320

5.2 Adjustments recognised on adoption of financial instruments

The Group adopted the new rules retrospectively but recognised the cumulative effect of initial applying the new standards on 1 January 2020. The significant impact of the new standard is a classification of short-term investments to financial assets measured at amortised cost. The impact on expected credit loss is not material.

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5.3 Impact on the statement of financial position resulting from the adoption of TFRS 16 and TFRS 9 is as follows.

Consolidated financial statements				
	As at 31 December 2019 Previously reported Baht	TFRS 16 Adjustments Baht	TFRS 9 Reclassifications Baht	As at 1 January 2020 Restated Baht
Statement of financial position				
Assets				
Short-term investments	510,683,539	-	(510,683,539)	-
Financial assets measured at amortised cost	-	-	510,683,539	510,683,539
Trade and other receivables - net	502,201,865	(12,701,216)	-	489,500,649
Property, plant and equipment - net	15,260,947,303	(3,103,044)	-	15,257,844,259
Right-of-use assets - net	-	464,216,580	-	464,216,580
Other non-current assets	939,626,134	(1,492,983)	-	938,133,151
Liabilities				
Current portion of finance lease liabilities	1,899,442	(1,899,442)	-	-
Current portion of lease liabilities	-	27,239,670	-	27,239,670
Finance lease liabilities	1,251,792	(1,251,792)	-	-
Lease liabilities	-	422,830,901	-	422,830,901
Separate financial statements				
	As at 31 December 2019 Previously reported Baht	TFRS 16 Adjustments Baht	TFRS 9 Reclassifications Baht	As at 1 January 2020 Restated Baht
Statement of financial position				
Assets				
Short-term investments	64,151,866	-	(64,151,866)	-
Financial assets measured at amortised cost	-	-	64,151,866	64,151,866
Trade and other receivables - net	358,663,795	(9,720,245)	-	348,943,550
Property, plant and equipment - net	15,003,101,135	(3,103,044)	-	14,999,998,091
Right-of-use assets - net	-	396,244,320	-	396,244,320
Liabilities				
Current portion of finance lease liabilities	1,899,442	(1,899,442)	-	-
Current portion of lease liabilities	-	15,490,343	-	15,490,343
Finance lease liabilities	1,251,792	(1,251,792)	-	-
Lease liabilities	-	371,081,922	-	371,081,922

The change in accounting policy above has no impact on the beginning retained earnings and the statement of comprehensive income, the statement of cash flows and operating segment as previously reported.



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6 Accounting policies

6.1 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method. Direct costs are recorded as cost of initial investment. Dividend income from subsidiaries are recognised as income in profit or loss.

b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

When the Group loses control, joint control over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

c) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

6.2 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht which is the Company's functional currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

6.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

6.4 Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 6.6.



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6.5 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the moving average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

6.6 Financial assets

a) Classification

Before 2020, the Group classified investments in to 4 categories; 1) trading investment, 2) available for sales investment, 3) held-to-maturity investment and 4) general investment. From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
 - **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
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- FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

f) Impairment

For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For other financial assets carried at amortised cost and FVOCI, the Group applies general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

Impairment and reversal of impairment are recognised in profit or loss as a separate line item.

6.7 Investment property

Investment property, principally freehold office buildings, is held for long-term rental yields or for capital appreciation and are not occupied by the Group.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate cost to residual values over the estimated useful lives, as follows:

Building	20 and 35 years
Building improvement	10 years

6.8 Property, plant and equipment

Land is stated at cost less any accumulated impairment loss. Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss.

Initial cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

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Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate cost to residual values over the estimated useful lives, as follows:

Pumping plants	20 and 35 years
Building	20 and 35 years
Leasehold and building improvements	5, 10 years but not more than leased term
Machinery and equipment	
- Water pipe	30 and 40 years
- Tap water production system	5 and 15 and 20 years
- Tools and equipment	5 years
Office equipment	3 and 5 years
Vehicles	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

6.9 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

6.10 Service concession arrangements

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it and operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates what services the operator must provide with the infrastructure, to whom it must provide them, and at what price and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognised at its fair value of a financial asset or an intangible asset.

The Group shall recognise a financial asset to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. If the operator is paid for the construction services partly by a financial asset and partly by an intangible asset it is necessary to account separately for each component of the operator's consideration. Revenue and cost relating to operation services shall be recognised when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element, shall be recognised and measured at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period.

6.11 Intangible assets

Right from service concession arrangements

Right from service concession arrangements is the right from service concession arrangements to produce and supply tap water with the government as described in the accounting policies in Note 6.10. Right from service concession arrangements is amortised using the straight-line method over concession period and recorded in profit and loss.



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Computer software

Expenditure on acquired computer software is capitalised on the basis of the costs incurred to acquire and amortised using the straight-line method over its estimated useful lives of 10 years.

6.12 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

6.13 Lease

Leases - where the Group is the lessee

The Group has changed its accounting policies for leases where the Group is the lessee. Before financial year 2020, leases of property, plant and equipment were classified as either finance leases or operating leases. From 1 January 2020, leases are recognised as a right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Group.

Liabilities arising from a lease are initially measured on the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of vehicles and equipments and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and computer equipment.



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Leases - where the Group is the lessor

The Group, where is the lessor, will classify each lease as operating lease or finance lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

The investment properties are leased to tenants under operating leases with fixed rentals payable monthly. Lease payments for the contracts exclude variable lease payments that depend on an index or rate. To reduce credit risk, the Group request 3-months pre-payment which indicate in the contracts.

6.14 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement and recognition

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated or modified, the Group assesses whether the renegotiation or modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated/modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

6.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.



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6.16 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised.
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

6.17 Employee benefits

a) *Short-term employee benefits*

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, bonuses and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) *Defined contribution plan*

The Group pays contributions to a separate fund in accordance with the provident fund Act B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) *Defined benefit plans*

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.



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d) Other long-term benefits

The Group gives rewards to employees when they have worked for the Group according to the Group's policies which will be recognised liabilities of other long-term benefits in the statement of financial position based on the net present value of the benefits as at the end of reporting period. The benefits is demined by an independent actuary using the projected unit credit method.

Remeasurement gains and losses of other long-term benefits and past-service costs are recognised immediately in profit or loss.

6.18 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

6.19 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

6.20 Revenue recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring goods or services to customers. The goods and services are transferred when the customers obtain control of that goods and services. Control of the goods and services has transferred when the goods and services are delivered to customers. Delivery occurs when the goods have been shipped to the specific location. A receivable is recognised when the goods and services are delivered as this is the performance obligations satisfied at a point in time.

Revenue is recognised based on the price specified in the contract, net of value-added tax, rebates and discounts. Accumulated experience is used to estimate and provide for the discounts and rebates. An amount of variable consideration is only recognised to the extent that it is highly probable that a significant reversal will not occur.

Any bundled goods or services that are distinct are separately recognised, and any discounts or rebates on the contract price are generally be allocated to the separate elements.

6.21 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

6.22 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.



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7 Financial risk management

7.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's financial risk management is discussed below.

7.1.1 Market risk

a) Foreign exchange risk

The Group does not operate overseas. The sales and purchase transactions and borrowings transactions are not exposed to foreign currency risk as they are denominated in local currencies. However, the Group has a finance department that analyse the exchange rate data to support management for analyse their exposure to foreign currency risk when such foreign currency transactions occur.

b) Interest rate risk

The Group's income and operating cash flows are substantially not depended on changes in market interest rates. The Group has financial assets which are deposits at financial institutions, short term investment and financial liabilities which are short-term borrowings, long-term borrowings and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. For fixed interest rates, the group can negotiate with financial institutions to change the terms in the loan agreement when necessary. The Group assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different. The Group does not apply hedge accounting to management the risk.

Significant financial assets and liabilities that are exposed to interest rate risk classified by type of interest rates are summarised as follows:

As at 31 December 2020	Consolidated financial statements								Total Baht'000	Interest rate (% p.a.)
	Fixed interest rates			Floating interest rates						
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	No interest bearing Baht'000			
Financial assets										
Cash and cash equivalents	-	-	-	63,448	-	-	2,239	65,687	0.05 - 1.20	
Financial assets measured at amortised cost	543,036	-	-	-	-	-	-	543,036	0.75 - 1.55	
	543,036	-	-	63,448	-	-	2,239	608,723		
Financial liabilities										
Short-term borrowings from financial institutions	385,000	-	-	-	-	-	-	385,000	0.95 - 1.40	
Long-term borrowings from financial institutions	548,000	2,912,000	480,000	-	1,500,000	-	-	5,440,000	1.37 - 3.83	
Lease liabilities	20,540	70,976	477,722	-	-	-	-	569,238	0.55 - 12.45	
Debentures	-	2,398,789	-	-	-	-	-	2,398,789	3.84 - 4.18	
	953,540	5,381,765	957,722	-	1,500,000	-	-	8,793,027		

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As at 31 December 2019	Fixed interest rates			Floating interest rates			No interest bearing Baht'000	Total Baht'000	Interest rate (% p.a.)
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000			
Financial assets									
Cash and cash equivalents	-	-	-	53,944	-	-	4,267	58,211	0.38 - 1.20
Financial assets measured at amortised cost	510,684	-	-	-	-	-	-	510,684	1.37- 1.70
	510,684	-	-	53,944	-	-	4,267	568,895	
Financial liabilities									
Short-term borrowings from financial institutions	305,000	-	-	-	-	-	-	305,000	1.70 - 1.75
Long-term borrowings from financial institutions	826,200	2,537,500	92,500	-	1,200,000	-	-	4,656,200	2.12 - 3.83
Financial lease liabilities	1,899	1,252	-	-	-	-	-	3,151	0.55 - 36.32
Debentures	-	1,199,363	1,199,000	-	-	-	-	2,398,363	3.84 - 4.18
	1,133,099	3,738,115	1,291,500	-	1,200,000	-	-	7,362,714	
Separate financial statements									
As at 31 December 2020	Fixed interest rates			Floating interest rates			No interest bearing Baht'000	Total Baht'000	Interest rate (% p.a.)
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000			
Financial assets									
Cash and cash equivalents	-	-	-	9,597	-	-	1,649	11,246	0.05 - 1.20
Financial assets measured at amortised cost	59,393	-	-	-	-	-	-	59,393	1.00 - 1.20
Long-term loan to a subsidiary	400	1,200	-	-	-	-	-	1,600	2.675
	59,793	1,200	-	9,597	-	-	1,649	72,239	
Financial liabilities									
Short-term borrowings from financial institutions	95,000	-	-	-	-	-	-	95,000	0.95
Long-term borrowings from financial institutions	548,000	2,912,000	480,000	-	1,500,000	-	-	5,440,000	1.37 - 3.83
Lease liabilities	13,221	51,022	452,951	-	-	-	-	517,194	0.55 - 12.45
Debentures	-	2,398,789	-	-	-	-	-	2,398,789	3.84 - 4.18
	656,221	5,361,811	932,951	-	1,500,000	-	-	8,450,983	
Separate financial statements									
As at 31 December 2019	Fixed interest rates			Floating interest rates			No interest bearing Baht'000	Total Baht'000	Interest rate (% p.a.)
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000			
Financial assets									
Cash and cash equivalents	-	-	-	12,033	-	-	3,677	15,710	0.38 - 1.20
Financial assets measured at amortised cost	64,152	-	-	-	-	-	-	64,152	1.37- 1.70
Long-term loan to a subsidiary	-	1,600	-	-	-	-	-	1,600	2.675
	64,152	1,600	-	12,033	-	-	3,677	81,462	
Financial liabilities									
Long-term borrowings from financial institutions	634,000	2,537,500	92,500	-	1,200,000	-	-	4,464,000	2.12 - 3.83
Financial lease liabilities	1,899	1,252	-	-	-	-	-	3,151	0.55 - 36.32
Debentures	-	1,199,363	1,199,000	-	-	-	-	2,398,363	3.84 - 4.18
	635,899	3,738,115	1,291,500	-	1,200,000	-	-	6,865,514	



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Sensitivity

Profit or loss is sensitive as a result of changes in interest rates as follows:

	Impact to net profit			
	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	Baht'000	Baht'000	Baht'000	Baht'000
Interest rate - increase 1% (2019: 1%)*	(14,217)	(11,459)	(14,904)	(11,914)
Interest rate - decrease 1% (2019: 1%)*	14,884	11,774	14,986	11,971

* Holding all other variables constant

c) Price risk

In terms of selling prices for the raw water sales business, the Group has a low level of price risk. This is because the Group announced a new price structure policy which approved by the Board of Directors and the Group has revised all customer contracts. In the price structure policy, the Group considers water use statistics and adjustments to customers' water use plans in relation to the cost of water. For the business of production and supply of tap water, water prices are set according to the Group's announcement and the consumer price index. However, if there is a material change that affects the cost of water, the Group will consider announcing reasonable price adjustments. So, it does not affect the profit significantly.

7.1.2 Credit risk

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a high degree of reliability.

For transactions with customers the Group has credit risk controls by establishing appropriate credit limits. Therefore, the Group does not expect any significant losses from credit financing. Although the Group has a small number of large debtors but they are the government sector. The management considers that such risks are low. The maximum amount that the Group has been exposed on credit is the trade and other receivables presented in the statement of financial position.

b) Security

For some trade receivables, the Group obtains security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Group has financial assets that are subject to the expected credit loss model as follows:

- Cash and cash equivalents
- Trade and other receivables
- Loans to a subsidiary

The Group assessed impairment of financial assets and disclosed in relevant notes. Management assessed that cash and cash equivalent has no significant credit risk.

7.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 65,686,929 (2019: Baht 58,211,264) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents. In addition, the Group's liquidity management policy involves projecting cash flows both short and long term plan and monitoring liquidity ratios. The undrawn credit facilities are disclosed in relevant notes.

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a) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity of financial liabilities	Consolidated financial statements				
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Total contractual cash flows Baht'000	Carrying amount Baht'000
As at 31 December 2020					
Short-term borrowings from financial institutions	386,877	-	-	386,877	385,000
Trade and other payables	197,177	-	-	197,177	197,177
Lease liabilities	41,432	150,545	735,203	927,180	569,238
Accrued expenses	171,090	-	-	171,090	171,090
Other current liabilities	28,737	-	-	28,737	28,737
Long-term borrowings from financial institutions	563,414	4,512,077	491,856	5,567,347	5,440,000
Debentures	96,240	2,596,143	-	2,692,383	2,398,789
Other non-current liabilities	-	186,338	12,429	198,767	198,767
	1,484,967	7,445,103	1,239,488	10,169,558	9,388,798
Maturity of financial liabilities	Consolidated financial statements				
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Total contractual cash flows Baht'000	Carrying amount Baht'000
As at 31 December 2019					
Short-term borrowings from financial institutions	305,843	-	-	305,843	305,000
Trade and other payables	317,336	-	-	317,336	317,336
Lease liabilities	43,209	122,044	545,233	710,486	450,071
Accrued expenses	190,795	-	-	190,795	190,795
Other current liabilities	4,630	-	-	4,630	4,630
Long-term borrowings from financial institutions	849,507	4,578,541	997,779	6,425,827	4,656,200
Debentures	96,504	1,469,571	1,222,812	2,788,887	2,398,363
Other non-current liabilities	-	188,041	12,083	200,124	200,124
	1,807,824	6,358,197	2,777,907	10,943,928	8,522,519
Maturity of financial liabilities	Separate financial statements				
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Total contractual cash flows Baht'000	Carrying amount Baht'000
As at 31 December 2020					
Short-term borrowings from financial institutions	95,907	-	-	95,907	95,000
Trade and other payables	143,104	-	-	143,104	143,104
Lease liabilities	32,622	125,715	707,026	865,363	517,194
Accrued expenses	127,649	-	-	127,649	127,649
Other current liabilities	2,148	-	-	2,148	2,148
Long-term borrowings from financial institutions	563,414	4,512,077	491,856	5,567,347	5,440,000
Debentures	96,240	2,596,143	-	2,692,383	2,398,789
Other non-current liabilities	-	168,222	12,429	180,651	180,651
	1,061,084	7,402,157	1,211,311	9,674,552	8,904,535
Maturity of financial liabilities	Separate financial statements				
	Not later than 1 year Baht'000	Later than 1 year but not later than 5 years Baht'000	Later than 5 years Baht'000	Total contractual cash flows Baht'000	Carrying amount Baht'000
As at 31 December 2019					
Trade and other payables	251,936	-	-	251,936	251,936
Lease liabilities	29,804	93,670	511,837	635,311	386,572
Accrued expenses	148,028	-	-	148,028	148,028
Other current liabilities	2,806	-	-	2,806	2,806
Long-term borrowings from financial institutions	651,080	4,578,541	997,779	6,227,400	5,440,000
Debentures	96,504	1,469,571	1,222,812	2,788,887	2,398,363
Other non-current liabilities	-	145,190	12,084	157,274	157,274
	1,180,158	6,286,972	2,744,512	10,211,642	8,784,979



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7.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

8 Fair value

Fair value is categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of the asset or liability is based on the quoted prices in active markets for identical assets or liabilities.
- Level 2: The fair value of the asset or liability is determined using significant observable inputs and, as little as possible, entity-specific estimates
- Level 3: The fair value of the asset or liability is not based on observable market data.

The fair values of financial assets and financial liabilities of the Group are approximate the carrying amounts since the majority of the instruments are short-term in nature except for long-term borrowings from financial institutions, debentures and long-term loan to a subsidiary in which the fair value are disclosed in Note 25 and Note 41.4, respectively.

9 Critical accounting estimates, judgments and assumptions

Estimates, judgments and assumptions are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates, judgments and assumptions are as follows:

9.1 Value in use

Value in use is the present value of the future cash flows expected to be derived from assets, discounted by discount rates. The cash flow projections, based on financial forecasts for the remaining useful lives of assets or concession periods that are approved by the management, are calculated based on estimated growth rates which do not exceed their capacity and customers' usage demand. Key assumptions used for value-in-use calculations are growth rates, expense to revenue ratio and gross margin rate. Management determines such rates based on past performance, expectations for market development, considering and business plan. The discount rates used are pre-tax and reflect specific risks relating to the business after the remaining useful lives. The value derived from the afore-mentioned method may vary due to changes in revenue structure, cost structure, discount rate, industrial conditions and economic conditions.

The Group assesses impairment loss of right from service concession arrangements at the cash-generating unit level being the concession contracts of each location. The recoverable amount is determined by the value in use method. The discounted net cash flows from continuing use of assets is calculated over the remaining concession period of each contract. The revenues are calculated from tap water volume usages and estimated growth rate based on customers' demands at each location which do not exceed their capacity. The tap water rate charge is based on an agreed price as stipulated in the contract. The Group applies a discount rate by pre-tax weighted average cost of capital at 11.10% per annum.

In addition, the Group tests annually whether goodwill has suffered any impairment. The recoverable amounts of cash-generating units have been determined based on value-in-use calculation. The calculation requires the use of estimates as described in Note 21.



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9.2 Employee benefits

The present value of defined benefit obligations and other long-term benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for obligations include inflation rate, future salary increases and the discount rate. Any changes in these assumptions will have an impact on the carrying amount of defined benefit obligations and other long-term benefits. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the obligations. In determining the appropriate discount rate, the Group considers the appropriated rate by using government bond interest rate that is denominated in the currency in which the benefits will be paid, and that the terms to maturity approximate to the terms of the related liability.

The key assumptions for defined benefit obligations and other long-term benefit, based on current market conditions, are disclosed in Note 29.

9.3 Significant uncertainty

The Group has an uncertainty regarding to compensation rate of the two pipeline connecting projects which is disclosed in Note 44. Based on the Group's management judgement, the projected compensation is recorded in the financial statements using the best estimation of compensation rate based on the current information.

9.4 Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group

9.5 Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security

9.6 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

10 Operating segment information

The Group's strategic steering committee, consisting of the chief executive officer, examines the Group's performance from business operations of the Group are development and management of the major water distribution pipeline systems in the Eastern Seaboard area of Thailand. The business operations are only conducted in Thailand. The reportable segment based on business activities comprises the supply of raw water, production and supply of tap water, waterworks management, and engineering services. Other business activities, such as office building rental, are aggregated under the segment "Others".

The Group primarily uses a measure of segment operating profit to assess the performance of the operating segments.



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The segment information is summarised as follows:

	Consolidated financial statements						(Unit: Baht)
	2020						
	Sales		Service income				
	Supply of raw water business	Production and supply of tap water business	Waterworks management business	Engineering services	Others	Elimination	Total
Revenues							
Revenue from third parties	2,473,573,393	1,569,258,870	55,411,209	46,855,708	59,202,277	-	4,204,301,457
Revenue from inter-segment	21,743,807	-	210,326,901	-	48,304,267	(280,374,975)	-
Total revenues	2,495,317,200	1,569,258,870	265,738,110	46,855,708	107,506,544	(280,374,975)	4,204,301,457
Cost of sales and services	(1,345,654,891)	(1,131,758,006)	(210,642,002)	(49,471,245)	(93,924,904)	280,374,975	(2,551,076,073)
Segment operating profit (loss)	1,149,662,309	437,500,864	55,096,108	(2,615,537)	13,581,640	-	1,653,225,384
Unallocated income (expenses)							
Other income							43,999,775
Selling expenses							(16,017,650)
Administrative expenses							(526,372,954)
Finance costs							(170,526,944)
Income tax							(207,876,497)
Net profit							776,431,114
Timing of revenue recognition							
- Point in time	2,495,317,200	1,467,886,714	229,975,373	-	-	(21,743,807)	4,171,435,480
- Over time	-	101,372,156	35,762,737	46,855,708	107,506,544	(258,631,168)	32,865,977
Total revenue	2,495,317,200	1,569,258,870	265,738,110	46,855,708	107,506,544	(280,374,975)	4,204,301,457

	Consolidated financial statements						(Unit: Baht)
	2019						
	Sales		Service income				
	Supply of raw water business	Production and supply of tap water business	Waterworks management business	Engineering services	Others	Elimination	Total
Revenues							
Revenue from third parties	2,844,696,384	1,692,752,261	26,949,280	57,096,011	58,584,423	-	4,680,078,359
Revenue from inter-segment	40,173,762	-	238,100,424	-	55,385,298	(333,659,484)	-
Total revenues	2,884,870,146	1,692,752,261	265,049,704	57,096,011	113,969,721	(333,659,484)	4,680,078,359
Cost of sales and services	(1,429,281,441)	(1,234,867,363)	(207,422,003)	(60,225,281)	(108,298,619)	333,659,484	(2,706,435,223)
Segment operating profit (loss)	1,455,588,705	457,884,898	57,627,701	(3,129,270)	5,671,102	-	1,973,643,136
Unallocated income (expenses)							
Other income							49,192,818
Selling expenses							(15,374,124)
Administrative expenses							(523,146,042)
Finance costs							(166,052,431)
Income tax							(262,357,904)
Net profit							1,055,905,453
Timing of revenue recognition							
- Point in time	2,884,870,146	1,503,160,203	251,516,388	-	-	(40,173,762)	4,599,372,975
- Over time	-	189,592,058	13,533,316	57,096,011	113,969,721	(293,485,722)	80,705,384
Total revenue	2,884,870,146	1,692,752,261	265,049,704	57,096,011	113,969,721	(333,659,484)	4,680,078,359

Information about major customers

The Group has major revenues from entities under the control of a government such as Provincial Waterworks Authority, Industrial Estate Authority of Thailand in segment of supply of raw water, production and supply of tap water and engineering services. The revenues for the year ended 31 December 2020 are Baht 2,795 million (2019: Baht 3,114 million).

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11 Cash and cash equivalents

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	891,400	836,000	332,400	277,000
Deposits at banks - current accounts	1,347,658	3,430,820	1,316,546	3,399,708
- savings accounts	63,426,346	53,922,997	9,594,324	12,030,757
- fixed accounts	21,525	21,447	2,914	2,902
	65,686,929	58,211,264	11,246,184	15,710,367

As at 31 December 2020, the interest rates of savings deposits of banks are 0.05% - 1.20% per annum (2019: 0.38% - 1.20% per annum). The fixed deposits with banks have maturity date within three months with interest rate at 0.10% - 0.15% per annum (2019: 0.75% - 0.80% per annum).

12 Financial assets measured at amortised cost (Previously presented as short-term investments)

Financial assets measured at amortised cost is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2020	1 January 2020*	31 December 2020	1 January 2020*
Fixed deposits with financial institutions	119,062,554	110,202,786	4,319,932	-
Fixed deposits under the requirement of concession agreement	423,972,981	400,480,753	55,072,769	64,151,866
	543,035,535	510,683,539	59,392,701	64,151,866

As at 31 December 2020, the interest rates of fixed deposits are 0.75% - 1.55% per annum (2019: 1.37% - 1.70% per annum).

Fixed deposits under the requirement of concession agreement are deposits for a reserve under the requirement of tap water concession agreement (Note 32).

13 Trade and other receivables - net

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables	422,437,457	475,961,040	279,531,085	327,946,366
Less Expected credit loss	-	(615,153)	-	(615,153)
Total trade receivables	422,437,457	475,345,887	279,531,085	327,331,213
Other receivables				
- Third parties	11,098,587	1,252,674	11,097,644	1,251,963
- Related parties (Note 41.2)	3,929,627	19,449	17,841,561	10,483,261
Prepayments	16,540,168	25,063,688	14,291,612	19,077,191
Others	505,319	520,167	505,319	520,167
	454,511,158	502,201,865	323,267,221	358,663,795



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The detail of trade receivables is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - billed				
- Third parties	106,382,795	131,579,074	102,517,936	130,378,661
- Related parties (Note 41.2)	172,204,296	202,705,116	164,144,762	194,395,775
Total trade receivables - billed	278,587,091	334,284,190	266,662,698	324,774,436
Trade receivables - unbilled				
- Third parties	14,009,424	1,081,173	12,868,387	-
- Related parties (Note 41.2)	129,840,942	139,980,524	-	2,556,777
Total trade receivables - unbilled	143,850,366	141,061,697	12,868,387	2,556,777
	422,437,457	475,345,887	279,531,085	327,331,213

Impairments of trade receivables

The aging analysis of trade receivables - billed is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Within credit term	277,097,273	329,235,686	266,405,326	319,800,051
Overdue below 3 months	1,457,191	777,296	257,372	706,432
Overdue 3 - 6 months	2,309	925,225	-	925,161
Overdue 6 - 12 months	30,318	1,525,638	-	1,522,447
Overdue more than 12 months	-	2,435,498	-	2,435,498
	278,587,091	334,899,343	266,662,698	325,389,589
<u>Less</u> Loss allowance	-	(615,153)	-	(615,153)
	278,587,091	334,284,190	266,662,698	324,774,436

The reconciliation of loss allowance for trade receivables for the year ended 31 December 2020 is as follow:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As of 31 December	-	615,153	-	615,153
Opening loss allowance as at 1 January 2020				
- calculated under TFRS 9	615,153	615,153	615,153	615,153
Receivable written off during the year as uncollectible	(615,153)	-	(615,153)	-
As of 31 December	-	615,153	-	615,153

Trade receivables - unbilled will be billed within 15 days.

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14 Financial assets and financial liabilities

As at 31 December 2020, classification of the Group's financial assets and financial liabilities is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2020	1 January 2020	31 December 2020	1 January 2020
	Amortised cost	Amortised cost	Amortised cost	Amortised cost
Financial assets				
Cash and cash equivalents	65,686,929	58,211,264	11,246,184	15,710,367
Financial assets measured at amortised cost	543,035,535	510,683,539	59,392,701	64,151,866
Trade and other receivables - net	454,511,158	502,201,865	323,267,221	358,663,795
Other current assets	4,867,377	8,360,796	1,784,958	4,257,669
Long-term loan to a subsidiary	-	-	1,600,000,000	1,600,000,000
Other non-current assets	13,912,138	13,158,437	11,539,477	10,801,826
Financial liabilities				
Short-term borrowings from financial institutions	385,000,000	385,000,000	95,000,000	-
Trade and other payable	197,177,150	317,335,733	143,103,609	251,936,202
Lease liabilities	569,237,879	450,070,571	517,194,219	386,572,265
Accrued expenses	171,089,551	190,794,795	127,648,583	148,028,260
Other current liabilities	28,737,456	4,629,603	2,148,015	2,806,316
Long-term borrowings from financial institutions	5,440,000,000	4,656,200,000	5,440,000,000	5,440,000,000
Debentures	2,398,788,712	2,398,362,741	2,398,788,712	2,398,362,741
Other non-current liabilities	198,767,292	200,124,407	180,650,972	157,273,743

15 Inventories

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Raw water	37,058,355	8,806,562	37,058,355	8,806,562
Spare parts and supplies	16,163,020	16,825,462	-	-
	53,221,375	25,632,024	37,058,355	8,806,562

16 Other current assets

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Withholding tax receivables	18,498,813	19,234,123	-	-
Undue input VAT	21,598,501	19,410,276	13,697,898	10,888,422
VAT receivables	5,758,846	6,273,118	5,758,846	5,165,423
Others	4,868,523	8,673,448	1,784,957	4,570,169
	50,724,683	53,590,965	21,241,701	20,624,014

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17 Investment in a subsidiary

Company	Nature of business	Country of incorporation	Separate financial statements							
			Paid-up share capital		Ownership of interest		Investment value		Dividend income	
			2020 Baht	2019 Baht	2020 %	2019 %	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Universal Utilities Public Company Limited	Production and supply of tap water water loss treatment and investment in four tap water supply companies	Thailand	510,000,000	510,000,000	100	100	510,000,000	510,000,000	117,962,984	120,359,983
Total investment in a subsidiary							510,000,000	510,000,000	117,962,984	120,359,983

The Company has indirect subsidiaries held by Universal Utilities Public Company Limited as follows;

Chachoengsao Water Supply Company Limited	Production and supply of tap water	Thailand	100,000,000	100,000,000	100	100	202,501,818	202,501,818	35,809,964	35,579,964
Bangkok Water Supply Company Limited	Production and supply of tap water	Thailand	40,000,000	40,000,000	100	100	148,510,752	148,510,752	31,155,914	29,527,919
Nakornsawan Water Supply Company Limited	Production and supply of tap water	Thailand	40,000,000	40,000,000	100	100	43,225,176	43,225,176	3,199,997	1,775,998
Egcom Tara Company Limited	Production and supply of tap water	Thailand	345,000,000	345,000,000	90	90	1,917,790,120	1,917,790,120	171,540,823	157,867,279



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18 Investment property - net

	(Unit: Baht)		
	Consolidated financial statements		
	Land	Building and building improvement	Total
At 1 January 2019			
Cost	45,859,440	225,253,014	271,112,454
<u>Less</u> Accumulated depreciation	-	(93,479,073)	(93,479,073)
Net book amount	45,859,440	131,773,941	177,633,381
For the year ended 31 December 2019			
Opening net book amount	45,859,440	131,773,941	177,633,381
Addition	-	2,325,774	2,325,774
Disposal - net	-	(601,780)	(601,780)
Depreciation charged	-	(7,793,500)	(7,793,500)
Closing net book amount	45,859,440	125,704,435	171,563,875
At 31 December 2019			
Cost	45,859,440	225,989,030	271,848,470
<u>Less</u> Accumulated depreciation	-	(100,284,595)	(100,284,595)
Net book amount	45,859,440	125,704,435	171,563,875
For the year ended 31 December 2020			
Opening net book amount	45,859,440	125,704,435	171,563,875
Addition	-	417,509	417,509
Reclassification	40,433,523	(9,367,068)	31,066,455
Disposal - net	-	(198,638)	(198,638)
Depreciation charged	-	(7,569,878)	(7,569,878)
Closing net book amount	86,292,963	108,986,360	195,279,323
At 31 December 2020			
Cost	86,292,963	207,644,436	293,937,399
<u>Less</u> Accumulated depreciation	-	(98,658,076)	(98,658,076)
Net book amount	86,292,963	108,986,360	195,279,323

Depreciation expense of Baht 8 million (2019: Baht 8 million) is included in administrative expenses.

Fair value of investment property is Baht 350 million (2019: Baht 287 million).



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	(Unit: Baht)		
	Separate financial statements		
	Land	Building and building improvement	Total
At 1 January 2019			
Cost	48,024,548	243,768,978	291,793,526
<u>Less</u> Accumulated depreciation	-	(101,366,663)	(101,366,663)
Net book amount	48,024,548	142,402,315	190,426,863
For the year ended 31 December 2019			
Opening net book amount	48,024,548	142,402,315	190,426,863
Addition	-	2,513,093	2,513,093
Disposal - net	-	(650,248)	(650,248)
Depreciation charged	-	(8,421,194)	(8,421,194)
Closing net book amount	48,024,548	135,843,966	183,868,514
At 31 December 2019			
Cost	48,024,548	244,564,273	292,588,821
<u>Less</u> Accumulated depreciation	-	(108,720,307)	(108,720,307)
Net book amount	48,024,548	135,843,966	183,868,514
For the year ended 31 December 2020			
Opening net book amount	48,024,548	135,843,966	183,868,514
Addition	-	451,135	451,135
Reclassification	(2,127,256)	(9,367,068)	(11,494,324)
Disposal - net	-	(216,015)	(216,015)
Depreciation charged	-	(8,191,927)	(8,191,927)
Closing net book amount	45,897,292	118,520,091	164,417,383
At 31 December 2020			
Cost	45,897,292	226,169,704	272,066,996
<u>Less</u> Accumulated depreciation	-	(107,649,613)	(107,649,613)
Net book amount	45,897,292	118,520,091	164,417,383

Depreciation expense of Baht 8 million (2019: Baht 8 million) is included in administrative expenses.

Fair value of investment property is Baht 268 million (2019: Baht 309 million).

The fair value of investment property is assessed by valuer. Fair value of land is valued by market comparison approach. Land is valued by comparable sale price of land in close proximity, level 2 of fair values hierarchy (Note 8). Building and building improvement are valued by income approach, level 3 of fair values hierarchy (Note 8), due to the use of significant unobservable inputs such as rental rate per metres and estimated future profits.

Amount recognised in profit and loss that are related to investment property is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Rental and service income of building	41,090,047	41,395,614	46,312,790	46,676,017
Direct operating expense arising from investment property that generated rental income	(35,237,203)	(40,930,844)	(39,716,021)	(46,151,961)
	5,852,844	464,770	6,596,769	524,056

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19 Property, plant and equipment - net

	Consolidated financial statements							(Unit: Baht)
	Land	Pumping plants	Buildings	Leasehold and building improvement	Machinery and equipment	Office equipment	Vehicles	
At 1 January 2019								
Cost	498,102,267	1,978,271,884	555,079,915	344,812,781	13,234,816,824	358,495,628	7,984,101	18,830,446,681
Less: Accumulated depreciation	-	(436,084,085)	(271,156,660)	(242,424,227)	(3,193,462,572)	(301,853,349)	(3,238,940)	(4,448,219,833)
Net book amount	498,102,267	1,542,187,799	283,923,255	102,388,554	10,041,354,252	56,642,279	4,745,161	14,382,226,848
For the year ended 31 December 2019								
Opening net book amount	498,102,267	1,542,187,799	283,923,255	102,388,554	10,041,354,252	56,642,279	4,745,161	14,382,226,848
Addition	96,200,000	3,002,496	1,322,359	536,401	30,121,324	11,348,750	-	1,243,680,758
Transfer	-	206,939,697	17,402,446	17,982,880	45,377,348	3,961,916	-	(291,664,287)
Reclassification	-	-	-	39,653	-	-	-	39,653
Disposal/write-off - net	-	-	(1,351,523)	(64,694)	(7,886,327)	(1,573)	-	(10,922,017)
Depreciation charged	-	(71,360,227)	(21,075,370)	(21,442,794)	(361,636,819)	(19,730,846)	(1,363,213)	(496,609,269)
Closing net book amount	594,302,267	1,680,769,765	280,221,167	99,440,000	9,747,329,778	52,220,526	3,381,948	15,260,947,303
At 31 December 2019								
Cost	594,302,267	2,188,214,077	571,054,725	362,783,127	13,300,334,510	369,368,471	7,984,102	20,197,323,131
Less: Accumulated depreciation	-	(507,444,312)	(290,833,558)	(263,343,127)	(3,553,004,732)	(317,147,945)	(4,602,154)	(4,936,375,828)
Net book amount	594,302,267	1,680,769,765	280,221,167	99,440,000	9,747,329,778	52,220,526	3,381,948	15,260,947,303
For the year ended 31 December 2020								
Opening net book amount	594,302,267	1,680,769,765	280,221,167	99,440,000	9,747,329,778	52,220,526	3,381,948	15,260,947,303
Adjustment for change in accounting policy (Note 5)	-	-	-	-	-	(3,103,044)	-	(3,103,044)
Opening net book amount - restated	594,302,267	1,680,769,765	280,221,167	99,440,000	9,747,329,778	49,117,482	3,381,948	15,257,844,259
Addition	-	4,809,366	-	1,639,653	57,662,681	5,445,147	-	1,926,529,823
Transfer	-	96,064,007	4,803,218	1,579,577	469,902,001	25,498,614	-	(597,847,417)
Reclassification	(40,433,523)	-	9,183,961	(355,059)	656,531	25,199	-	(30,922,891)
Disposal/write-off - net	(238,951)	-	-	(680,835)	(13,388,691)	(345,213)	-	(14,653,690)
Depreciation charged	-	(79,669,759)	(21,779,859)	(16,895,707)	(369,173,909)	(21,985,212)	(1,363,213)	(510,867,659)
Closing net book amount	553,629,793	1,701,973,379	272,428,487	84,727,629	9,892,988,391	57,756,017	2,018,735	16,697,486,689
At 31 December 2020								
Cost	553,629,793	2,289,087,450	592,566,322	363,814,527	13,802,514,285	387,061,584	7,984,102	22,128,622,321
Less: Accumulated depreciation	-	(587,114,071)	(320,137,835)	(279,086,898)	(3,909,525,894)	(329,305,567)	(5,965,367)	(5,431,135,632)
Net book amount	553,629,793	1,701,973,379	272,428,487	84,727,629	9,892,988,391	57,756,017	2,018,735	16,697,486,689

Depreciation expense of Baht 478 million (2019: Baht 467 million) is charged in cost of goods sold and Baht 33 million (2019: Baht 30 million) is charged in administrative expenses.



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	Separate financial statements							(Unit: Baht)
	Land	Pumping plants	Buildings	Leasehold and building improvement	Machinery and equipment	Office equipment	Vehicles	
At 1 January 2019								
Cost	394,955,101	1,981,132,207	528,580,045	298,420,163	13,010,032,998	310,152,270	5,910,095	18,372,616,123
Less: Accumulated depreciation	-	(436,589,602)	(255,485,226)	(227,431,494)	(3,074,473,045)	(269,719,366)	(2,621,925)	(4,266,320,658)
Net book amount	394,955,101	1,544,542,605	273,094,819	70,988,669	9,935,559,953	40,432,904	3,288,170	14,106,295,465
For the year ended 31 December 2019								
Opening net book amount	394,955,101	1,544,542,605	273,094,819	70,988,669	9,935,559,953	40,432,904	3,288,170	14,106,295,465
Addition	96,200,000	3,002,496	1,213,698	346,110	20,971,361	8,334,410	-	1,243,680,758
Transfer	-	206,939,697	17,402,446	17,562,841	36,340,844	3,879,916	-	(282,125,744)
Disposal/write-off, net	-	-	(1,305,924)	(61,825)	(7,858,024)	(20)	-	(10,843,693)
Depreciation charged	-	(71,360,227)	(20,496,017)	(18,635,834)	(340,785,815)	(13,857,577)	(964,000)	(466,099,470)
Closing net book amount	491,155,101	1,683,124,571	269,909,022	70,199,961	9,644,228,319	38,789,633	2,324,170	15,003,101,135
At 31 December 2019								
Cost	491,155,101	2,191,074,400	544,548,420	315,766,342	13,059,397,614	319,356,999	5,910,095	19,730,579,329
Less: Accumulated depreciation	-	(507,949,829)	(274,639,398)	(245,566,381)	(3,415,169,295)	(280,567,366)	(3,585,925)	(4,727,478,194)
Net book amount	491,155,101	1,683,124,571	269,909,022	70,199,961	9,644,228,319	38,789,633	2,324,170	15,003,101,135
For the year ended 31 December 2020								
Opening net book amount	491,155,101	1,683,124,571	269,909,022	70,199,961	9,644,228,319	38,789,633	2,324,170	15,003,101,135
Adjustment for change in accounting policy (Note 5)	-	-	-	-	-	(3,103,044)	-	(3,103,044)
Opening net book amount - restated	491,155,101	1,683,124,571	269,909,022	70,199,961	9,644,228,319	35,686,589	2,324,170	14,999,998,091
Addition	-	4,809,366	-	1,410,210	49,717,290	2,139,514	-	1,925,989,826
Transfer	-	96,064,008	4,803,218	1,579,576	469,902,001	25,498,614	-	(597,847,417)
Reclassification	2,127,256	-	9,183,961	157,908	-	25,199	-	11,494,324
Disposal/write-off, net	(238,951)	-	-	(863,457)	(12,369,418)	(30,342)	-	(13,302,168)
Depreciation charged	-	(79,669,759)	(21,200,678)	(14,909,773)	(348,337,870)	(16,427,120)	(964,000)	(481,509,200)
Closing net book amount	493,043,406	1,704,328,186	262,695,523	57,774,425	9,803,140,322	46,892,454	1,360,170	16,500,747,253
At 31 December 2020								
Cost	493,043,406	2,291,947,774	566,060,016	317,601,770	13,584,161,904	336,003,013	5,910,095	21,706,240,745
Less: Accumulated depreciation	-	(587,619,588)	(303,364,493)	(259,827,345)	(3,761,021,582)	(289,110,559)	(4,549,925)	(5,205,493,492)
Net book amount	493,043,406	1,704,328,186	262,695,523	57,774,425	9,803,140,322	46,892,454	1,360,170	16,500,747,253

Depreciation expense of Baht 456 million (2019: Baht 440 million) is charged in cost of goods sold and Baht 26 million (2019: Baht 26 million) is charged in administrative expenses.

Borrowing costs of Baht 82 million (2019: Baht 62 million) arising from financing specifically entered into a pipeline constructing project and tap water production system are capitalised during the year and are included in "Addition". The Group uses capitalisation rates based on actual interest rate of borrowings at 1.01% - 4.18% per annum (2019 : 1.40% - 4.18% per annum).

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20 Right-of-use assets - net

The recognised right-of-use assets by class of the underlying assets are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2020	1 January 2020*	31 December 2020	1 January 2020*
Right-of-use assets - net				
Land	553,911,357	438,046,875	509,857,309	389,679,494
Building	6,030,341	6,709,657	-	-
Water supply system	172,441	183,937	-	-
Equipment	4,346,565	3,103,044	4,346,565	3,103,044
Motor vehicles	7,231,213	16,173,067	2,913,067	3,461,782
Total right-of-use assets - net	571,691,917	464,216,580	517,116,941	396,244,320

* In 2019, the Group recognised lease assets and finance lease liabilities under finance lease as property, plant and equipment (please refer to Note 5).

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
	2020	2020
Depreciation charge of right-of-use assets		
Land	30,097,127	25,783,795
Building	679,316	-
Water supply system	11,496	-
Equipment	2,837,520	2,837,520
Motor vehicles	12,354,725	3,961,587
	45,980,184	32,582,902
Interest expense of lease liabilities	19,919,545	18,016,279
Expense relating to short-term leases	3,495,958	3,495,958
Expense relating to leases of low-value assets	4,472,603	1,653,803

The total cash outflow for leases was Baht 62 million and Baht 46 million in the consolidated financial statements and the separate financial statements, respectively.

21 Goodwill

Goodwill presents in the consolidated financial statements of Baht 103 million, is from the acquisition of equity interest in Egcom Tara Company Limited on 31 August 2015.

The Group tests impairment of goodwill. The recoverable amounts of cash-generating units have been determined based on the calculation of value-in-use. The calculation uses cash flow projections based on financial budgets covering the remaining concession period of tap water production acquiring from business acquisition. The significant assumptions are fixed minimum tap water volume and selling price with growth at 1.50% per annum which is an average of 10-year of consumer price index. The Group applies a pre-tax discount rate of weighted average cost of capital at 11.10% per annum.

The recoverable amounts of cash-generating units exceed carrying value by Baht 351 million. An increase in discount rate to 15.57% per annum or a decrease in tap water price growth rate to -2.04% per annum would remove the remaining headroom.



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22 Intangible assets - net

	(Unit: Baht)		
	Consolidated financial statements		
	Right from service concession arrangements	Computer software	Total
At 1 January 2019			
Cost	5,336,428,424	95,759,362	5,432,187,786
<u>Less</u> Accumulated amortisation	(1,731,638,744)	(41,575,254)	(1,773,213,998)
<u>Less</u> Allowance for impairment	(15,000,000)	-	(15,000,000)
Net book amount	3,589,789,680	54,184,108	3,643,973,788
For the year ended 31 December 2019			
Opening net book amount	3,589,789,680	54,184,108	3,643,973,788
Addition	203,125,375	7,757,758	210,883,133
Amortisation charged	(314,110,607)	(9,633,595)	(323,744,202)
Reclassification	(39,653)	-	(39,653)
Closing net book amount	3,478,764,795	52,308,271	3,531,073,066
At 31 December 2019			
Cost	5,539,514,146	103,517,120	5,643,031,266
<u>Less</u> Accumulated amortisation	(2,045,749,351)	(51,208,849)	(2,096,958,200)
<u>Less</u> Allowance for impairment	(15,000,000)	-	(15,000,000)
Net book amount	3,478,764,795	52,308,271	3,531,073,066
For the year ended 31 December 2020			
Opening net book amount	3,478,764,795	52,308,271	3,531,073,066
Addition	137,134,893	12,444,916	149,579,809
Amortisation charged	(324,765,564)	(10,794,223)	(335,559,787)
Reclassification	(143,563)	-	(143,563)
Closing net book amount	3,290,990,561	53,958,964	3,344,949,525
At 31 December 2020			
Cost	5,676,505,476	115,962,036	5,792,467,512
<u>Less</u> Accumulated amortisation	(2,370,514,915)	(62,003,072)	(2,432,517,987)
<u>Less</u> Allowance for impairment	(15,000,000)	-	(15,000,000)
Net book amount	3,290,990,561	53,958,964	3,344,949,525

Amortisation of Baht 263 million (2019: Baht 247 million) is charged in cost of goods sold and Baht 73 million (2019: 76 million) is charged in administrative expenses.

The allowance for impairment of intangible assets of Baht 15 million as at 31 December 2020 is from service concession arrangement at Lan Island. Sales of tap water at this location are lower than the budget because there are other natural water resources that can be used in lieu of tap water.

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	(Unit: Baht)
	Separate financial statements
	Computer software
At 1 January 2019	
Cost	95,759,362
<u>Less</u> Accumulated amortisation	<u>(41,575,254)</u>
Net book amount	54,184,108
For the year ended 31 December 2019	
Opening net book amount	54,184,108
Addition	7,757,758
Amortisation charged	<u>(9,633,595)</u>
Closing net book amount	52,308,271
At 31 December 2019	
Cost	103,517,120
<u>Less</u> Accumulated amortisation	<u>(51,208,849)</u>
Net book amount	52,308,271
For the year ended 31 December 2020	
Opening net book amount	52,308,271
Addition	12,444,916
Amortisation charged	<u>(10,794,223)</u>
Closing net book amount	53,958,964
At 31 December 2020	
Cost	115,962,036
<u>Less</u> Accumulated amortisation	<u>(62,003,072)</u>
Net book amount	53,958,964

Amortisation of Baht 1 million (2019: Baht 1 million) is charged in cost of goods sold and Baht 10 million (2019: 9 million) is charged in administrative expenses.



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23 Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	10,009,209	305,399	-	-
Deferred tax assets to be recovered after more than 12 months	175,879,450	63,307,183	137,077,570	31,417,266
	185,888,659	63,612,582	137,077,570	31,417,266
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	28,768,871	25,619,362	-	-
Deferred tax liabilities to be settled after more than 12 months	456,784,955	355,223,432	192,725,644	79,370,721
	485,553,826	380,842,794	192,725,644	79,370,721
Deferred income tax - net	299,665,167	317,230,212	55,648,074	47,953,455

Presentation in the statement of financial position is as follows:

Deferred tax assets	22,840,432	24,066,442	-	-
Deferred tax liabilities	322,505,599	341,296,654	55,648,074	47,953,455
Deferred income tax - net	299,665,167	317,230,212	55,648,074	47,953,455

Change in deferred tax assets and liabilities is as follows:

	(Unit: Baht)						
	Consolidated financial statements						
	Long-term provision	Allowance for doubtful accounts	Impairment of assets	Employee benefit	Tax loss	Lease liabilities	Total
Deferred tax assets							
As at 1 January 2019	4,087,099	6,925,008	3,000,000	30,143,459	4,048,768	2,096,319	50,300,653
Transaction recorded in profit or loss	1,721,212	-	-	4,857,805	1,785,114	(2,020,520)	6,343,611
Transaction recorded in other comprehensive income	-	-	-	6,968,318	-	-	6,968,318
As at 31 December 2019	5,808,311	6,925,008	3,000,000	41,969,582	5,833,882	75,799	63,612,582
Transaction recorded in profit or loss	2,001,610	(123,031)	-	4,513,627	(1,363,342)	117,247,213	122,276,077
As at 31 December 2020	7,809,921	6,801,977	3,000,000	46,483,209	4,470,540	117,323,012	185,888,659

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	(Unit: Baht)			
	Consolidated financial statements			
	Intangible asset	Plant and equipment	Right-of-use assets	Total
Deferred tax liabilities				
As at 1 January 2019	323,994,909	68,981,114	-	392,976,023
Transaction recorded in profit or loss	(22,522,836)	10,389,607	-	(12,133,229)
As at 31 December 2019	301,472,073	79,370,721	-	380,842,794
Transaction recorded in profit or loss	(22,892,041)	9,931,981	117,671,092	104,711,032
As at 31 December 2020	278,580,032	89,302,702	117,671,092	485,553,826
	(Unit: Baht)			
	Separate financial statements			
	Allowance for doubtful accounts	Employee benefit	Lease liabilities	Total
Deferred tax assets				
As at 1 January 2019	364,571	21,515,142	2,096,319	23,976,032
Transaction recorded in profit or loss	-	4,174,217	(2,020,520)	2,153,697
Transaction recorded in other comprehensive income	-	5,287,537	-	5,287,537
As at 31 December 2019	364,571	30,976,896	75,799	31,417,266
Transaction recorded in profit or loss	(123,031)	2,542,990	103,240,345	105,660,304
As at 31 December 2020	241,540	33,519,886	103,316,144	137,077,570
	(Unit: Baht)			
	Separate financial statements			
	Plant and equipment	Others	Total	
Deferred tax liabilities				
As at 1 January 2019	68,981,114	-	68,981,114	
Transaction recorded in profit or loss	10,389,607	-	10,389,607	
As at 31 December 2019	79,370,721	-	79,370,721	
Transaction recorded in profit or loss	9,931,981	103,422,942	113,354,923	
As at 31 December 2020	89,302,702	103,422,942	192,725,644	

24 Other non-current assets

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Advance for construction	372,709,842	577,433,342	372,709,842	577,433,342
Development cost of water supply project	299,000,000	299,000,000	299,000,000	299,000,000
Prepaid expenses	26,768,605	27,523,535	9,099,120	6,756,248
Deposit and retention	2,372,661	2,356,611	-	-
Other receivables	32,802,184	32,802,184	-	-
Allowance for doubtful accounts				
- other receivables	(32,802,184)	(32,802,184)	-	-
Refundable withholding tax	34,823,111	19,591,662	-	-
Receivable - recycle water project	11,539,477	10,801,826	11,539,477	10,801,826
Others	3,852,893	2,919,158	1,730,468	2,048,259
	751,066,589	939,626,134	694,078,907	896,039,675



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Other receivables of Baht 33 million are transactions between Universal Utilities Public Company Limited, a subsidiary, and a private company. These related to the fine from the production of tap water that did not meet the minimum volume. On 26 October 2015, the subsidiary's Board of Directors approved to record an allowance for doubtful accounts of a private company of Baht 33 million. This is because the subsidiary terminated a contract to purchase raw water with such company in 2015 and there is a potential for debt might not be collectable. On 17 February 2016, the subsidiary sued a private company regarding a breach of raw water purchase agreement and requested a private company to pay damages of Baht 38 million plus interest at 7.50% per annum. On 19 July 2017, the Civil Court ordered the defendant to pay the damages to the subsidiary in the amount of Baht 38 million plus interest at the rate of 7.50% per annum commencing from the filling date. At present, the subsidiary has filed a petition to appoint the bailiff due to the private company did not lodge an appeal within the deadline.

25 Borrowings

25.1 Short-term borrowings from financial institutions

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Promissory notes	385,000,000	305,000,000	95,000,000	-
	385,000,000	305,000,000	95,000,000	-

Promissory notes bear interest rate at fixed rate per annum. Principal is repayable at call.

Change in short-term borrowings from financial institutions is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As at 1 January	305,000,000	814,000,000	-	580,000,000
Addition	5,468,000,000	6,943,000,000	4,529,000,000	5,741,000,000
Repayment	(5,388,000,000)	(7,452,000,000)	(4,434,000,000)	(6,321,000,000)
As at 31 December	385,000,000	305,000,000	95,000,000	-

As at 31 December 2020, The Group and the Company have outstanding short-term credit facilities of Baht 3,970 million and Bath 3,120 million, respectively.

25.2 Long-term borrowings from financial institutions

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current portion	548,000,000	826,200,000	548,000,000	634,000,000
Non - current portion	4,892,000,000	3,830,000,000	4,892,000,000	3,830,000,000
	5,440,000,000	4,656,200,000	5,440,000,000	4,464,000,000

Change in long-term borrowings from financial institutions is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As at 1 January	4,656,200,000	3,992,400,000	4,464,000,000	3,608,000,000
Addition	1,610,000,000	1,490,000,000	1,610,000,000	1,490,000,000
Repayment	(826,200,000)	(826,200,000)	(634,000,000)	(634,000,000)
As at 31 December	5,440,000,000	4,656,200,000	5,440,000,000	4,464,000,000

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The reconciliation of the withdrawal and outstanding credit limit for long-term borrowings from financial institutions is as follows:

	Credit limit Million Baht	Outstanding credit facilities		Consolidated financial statements		Separate financial statements	
		2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
The Company							
a)	1,000	-	-	740	814	740	814
b)	1,600	-	-	1,600	1,600	1,600	1,600
c)	1,200	-	-	1,200	1,200	1,200	1,200
d)	1,600	-	1,310	1,600	290	1,600	290
e)	1,600	1,300	-	300	-	300	-
f)	1,200	1,200	-	-	-	-	-
g)	800	-	-	-	160	-	160
h)	2,000	-	-	-	400	-	400
The subsidiary							
a)	317	-	-	-	63	-	-
b)	644	-	-	-	129	-	-
Total	11,961	2,500	1,310	5,440	4,656	5,440	4,464



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Long-term loans of the Company

	Credit facility (Million Baht)	Date of agreement	Objective	Period	Interest rate	Repayment schedule
a)	1,000	5 June 2015	To invest in pipeline project	10 years	- At fixed rate per annum	Principal is repayable in 9 annual installments, beginning 5 June 2017. - The 1st - 2nd installments is Baht 56 million each - The 3rd - 4th installments is Baht 74 million each - The 5th - 6th installments is Baht 148 million each - The 7th installments is Baht 166.5 million - The 8th installments is Baht 185 million - The 9th installments is Baht 92.5 million
b)	1,600	28 August 2018	To provide loan to a subsidiary	6 years	- At fixed rate per annum	Principal is repayable in 4 annual installments, beginning 27 August 2021. The 1st - 4th installments is Baht 400 million each
c)	1,200	11 March 2019	To invest in pipeline project	5 years	- At floating Rate	Principal is repayable in 3 annual installments, beginning 11 March 2022 - The 1st - 3rd installments is Baht 400 million each
d)	1,600	26 December 2019	To invest in pipeline and water business project	7 years	- At fixed rate per annum	Principal is repayable in 5 annual installments, beginning 30 December 2022. - The 1st installments is Baht 160 million - The 2nd installments is Baht 240 million - The 3th installments is Baht 320 million - The 4th installments is Baht 400 million - The 5th installments is Baht 480 million
e)	1,600	10 August 2020	To invest in business expansion and working capital	2 years	- At floating Rate	Principal is fully payment on 10 August 2022.
f)	1,200	7 August 2020	To invest in pipeline and other business projects	6 years	- At floating Rate	Principal is repayable in 4 annual installments, beginning in the third year after the first drawdown. - The 1th installments is Baht 300 million - The 2th installments is Baht 300 million - The 3th installments is Baht 300 million - The 4th installments is Baht 300 million

Long-term borrowings from financial institutions of the Group are unsecured loan. The Group is required to comply with certain conditions including debt to equity ratio not exceeding 2:1 and debt service coverage ratio not below 1.10.

The average interest rate of borrowings for the year 2020 is 2.45% (2019 : 2.80%).

As at 31 December 2020, the fair value of long-term borrowings from financial institutions is Baht 5,401 million. The fair value is determined in level 3 of fair value (Note 8), calculated by discounted cash flow model over the loan agreement period based on market rate.

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25.3 Lease liabilities

Maturity of lease liabilities are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2020	1 January* 2020	31 December 2020	1 January* 2020
Minimum lease liabilities payments				
Not later than one year	41,432,284	43,209,156	32,621,608	29,804,325
Later than 1 year but not later than 5 years	150,544,903	122,044,488	125,715,238	93,670,310
Later than 5 years	735,202,796	545,232,827	707,025,776	511,836,563
	927,179,983	710,486,471	865,362,622	635,311,198
Less Future finance charges on leases	(357,942,104)	(260,415,900)	(348,168,403)	(248,738,933)
Present value of lease liabilities	569,237,879	450,070,571	517,194,219	386,572,265
Lease liabilities				
- Current portion	20,539,697	27,239,670	13,220,563	15,490,343
- Non-current portion	548,698,182	422,830,901	503,973,656	371,081,922
	569,237,879	450,070,571	517,194,219	386,572,265
Present value of lease liabilities:				
Not later than one year	20,539,697	27,239,670	13,220,563	15,490,343
Later than 1 year but not later than 5 years	70,976,163	62,332,282	51,022,404	39,522,237
Later than 5 years	477,722,019	360,498,619	452,951,252	331,559,685
	569,237,879	450,070,571	517,194,219	386,572,265

* In 2019, the Group recognised lease assets and finance lease liabilities under finance lease as property, plant and equipment (please refer to Note 5).

25.4 Debentures

Debentures comprise:

The first tranche is senior and unsecured debenture of Baht 1,200 million. Debenture has a maturity of 7 years with due in 2022. It bears interest at a fixed rate at 3.84% per annum. The interest will be paid semi-annually on 16 June and 16 December.

The second tranche is senior and unsecured debenture of Baht 1,200 million. Debenture has a maturity of 10 years with due in 2025. It bears interest at a fixed rate at 4.18% per annum. The interest will be paid semi-annually on 16 June and 16 December.

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Debenture tranche 1	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
Debenture tranche 2	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
Less Deferred debenture issuing costs	(1,211,288)	(1,637,259)	(1,211,288)	(1,637,259)
Debentures - net	2,398,788,712	2,398,362,741	2,398,788,712	2,398,362,741



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Change in debentures is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Balance as at 1 January	2,398,362,741	2,397,954,566	2,398,362,741	2,397,954,566
Amortisation of issuing cost	425,971	408,175	425,971	408,175
Balance as at 31 December	2,398,788,712	2,398,362,741	2,398,788,712	2,398,362,741

As at 31 December 2020, the fair value of debentures is Baht 2,487 million. The fair value is determined in level 3 of fair value (Note 8), calculated by discounted cash flow model over the debentures period based on market rate.

26 Trade payables

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade payables				
- Third parties	142,519,329	144,449,398	118,176,637	113,395,204
- Related parties (Note 41.2)	1,891,884	1,785,541	23,783,701	23,636,487
Other payables				
- Related parties (Note 41.2)	52,765,937	171,100,794	1,143,271	114,904,511
	197,177,150	317,335,733	143,103,609	251,936,202

27 Accrued expenses

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accrued bonus	54,618,627	50,339,082	36,942,379	37,655,130
Accrued compensation of project	53,184,807	58,731,858	53,184,807	58,731,858
Accrued utilities expenses	13,015,066	15,771,229	251,000	490,263
Others	50,271,051	65,952,626	37,270,397	51,151,009
	171,089,551	190,794,795	127,648,583	148,028,260

28 Other current liabilities

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Undue output VAT	32,809,862	35,759,107	19,458,388	21,495,659
Withholding taxes payables	15,245,693	16,357,262	12,082,362	12,849,272
Revenue department payables	4,708,401	4,466,442	-	-
Advance received	7,038,430	1,649,720	474,196	419,621
Retention payables	24,886,294	-	-	-
Others	6,052,098	7,892,545	4,348,951	6,069,260
	90,740,778	66,125,076	36,363,897	40,833,812



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29 Employee benefit obligations

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Statement of financial position				
Post-employment benefits	227,526,103	205,118,524	164,809,958	152,068,146
Other long-term benefits	4,889,943	4,729,389	2,789,473	2,816,337
Liability in the statement of financial position	232,416,046	209,847,913	167,599,431	154,884,483
Profit or loss:				
Post-employment benefits	23,899,490	51,539,956	17,349,586	34,080,984
Other long-term benefits	890,993	1,535,651	541,215	1,144,897
	24,790,483	53,075,607	17,890,801	35,225,881
Other comprehensive income				
Remeasurement for:				
Post-employment benefits	-	34,841,588	-	26,437,683

29.1 Defined benefit plan

The amount recognised in the statement of financial position is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Present value of funded obligations	227,526,103	205,118,524	164,809,958	152,068,146
Liability in the statement of financial position	227,526,103	205,118,524	164,809,958	152,068,146

Change in defined benefit obligation for the year is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At 1 January	205,118,524	146,883,620	152,068,146	105,622,569
Current service cost	20,033,825	15,013,334	14,497,586	10,377,040
Interest expense	3,865,665	4,662,693	2,852,000	3,351,732
Past service cost	-	22,125,062	-	16,270,222
Expense from voluntary retirement project	-	9,738,867	-	4,081,990
	23,899,490	51,539,956	17,349,586	34,080,984
Remeasurements:				
Loss from change in financial assumptions	-	30,339,706	-	22,253,590
Experience loss	-	4,501,882	-	4,184,093
	-	34,841,588	-	26,437,683
Transfer employees to a subsidiary	-	-	(3,869,044)	-
Benefits paid	(1,491,911)	(28,146,640)	(738,730)	(14,073,090)
At 31 December	227,526,103	205,118,524	164,809,958	152,068,146

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The principal of actuarial assumptions used for defined benefit plan is as follows:

	(Unit: % per annum)	
	2020	2019
Discount rate	1.9	1.9
Salary growth rate	5.0 - 10.0	5.0 - 10.0

	Impact on post-employment benefit obligations	
	Increase/ (decrease) (Baht)	
	Change in assumption	
	2020	2019
Discount rate	Increase 1%	Increase 1%
	(17,543,234)	(15,879,345)
	Decrease 1%	Decrease 1%
	20,832,798	18,856,910
Salary growth rate	Increase 1%	Increase 1%
	19,695,508	17,827,486
	Decrease 1%	Decrease 1%
	(17,037,292)	(15,421,389)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the post-employment benefit liability recognised within the statement of financial position which is the projected unit credit method.

The method and type of assumptions used in preparing the sensitivity analysis do not change comparing to the previous period.

The weighted average duration of the defined benefit obligation is 38.5 years (2019: 38.5 years).

29.2 Other long-term benefit

The amount recognised in the statement of financial position is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Present value of funded obligations	4,889,943	4,729,389	2,789,473	2,816,337
Liability in the statement of financial position	4,889,943	4,729,389	2,789,473	2,816,337

Change in other long-term benefit obligation for the year is as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At 1 January	4,729,389	3,577,319	2,816,337	1,953,148
Current service cost	805,549	623,197	490,829	390,733
Interest expense	85,444	120,769	50,386	70,556
Remeasurements:				
Loss from change in financial assumptions	-	264,831	-	222,096
Experience loss	-	526,854	-	461,512
	890,993	1,535,651	541,215	1,144,897
Transfer employees to a subsidiary	-	-	(97,371)	-
Benefits paid	(730,439)	(383,581)	(470,708)	(281,708)
At 31 December	4,889,943	4,729,389	2,789,473	2,816,337

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The principal of actuarial assumptions used for other long-term benefit is as follows:

			2020	2019
Discount rate			1.9%	1.9%
One Baht weight of gold			20,300 Baht	20,300 Baht
			Impact on other long-term benefits	
	Change in assumption		Increase/ (decrease) in assumption (Baht)	
	2020	2019	2020	2019
Discount rate	Increase 1%	Increase 1%	(183,210)	(167,116)
	Decrease 1%	Decrease 1%	203,608	185,723

30 Long term provisions

	(Unit: Baht)	
	Contractual obligations from service concession arrangements	
	Consolidated financial statements	
	2020	2019
At 1 January	29,353,211	20,786,080
Addition	10,851,847	18,905,935
Utilised during the year	(882,830)	(10,338,804)
At 31 December	39,322,228	29,353,211

31 Other non-current liabilities

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Retention payables	168,338,319	162,645,434	150,163,624	119,736,770
Cash received - bank guarantee	30,428,973	37,478,973	30,428,973	37,478,973
Advance received	7,000,000	26,400,000	7,000,000	26,400,000
Rental guarantee received from a subsidiary (Note 41.2)	-	-	58,375	58,000
	205,767,292	226,524,407	187,650,972	183,673,743

32 Reserve

Reserve comprises:

1) Legal reserve

Reserve pursuant to section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a legal reserve equal to at least 5 percent of its net profit for the year after deducting accumulated deficit brought forward (if any), until such reserve reaches 10 percent of the Company's registered share capital. The legal reserve is non-distributable.

2) Concession reserve

Reserve under the requirement of an amendment to tap water concession agreements which requires the Company to set aside a reserve equal to 10 percent of net profit for the year. The reserve shall be maintained by the fixed deposit at bank. This reserve is non-distributable. The Group has a policy to record a concession reserve on a quarterly basis from the net profit of each quarter.



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33 Other components of equity

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At 1 January	8,001,720	11,387,974	8,001,720	11,387,974
Assets transferred from customers	(3,386,254)	(3,386,254)	(3,386,254)	(3,386,254)
At 31 December	4,615,466	8,001,720	4,615,466	8,001,720

Assets transferred from customers since 1997 represent water distribution pipeline systems and water measured equipment in accordance with the water supply agreement. The Company records assets transferred from customers in equity and recognises as revenue over the useful life of assets.

34 Dividends

The Company

	Approved by	Dividends Million Baht	Dividend per share Baht	Paid on
Year 2020				
Interim dividend on operating results for the six-month period ended 31 December 2019	Board of Directors' meeting on 1 April 2020 (Acknowledge by Annual General Meeting of the shareholders on 4 August 2020)	433	0.26	30 April 2020
Interim dividend on operating results for the six-month period ended 30 June 2020	Board of Directors' meeting on 20 August 2020	266	0.16	18 September 2020
		699		
Year 2019				
Dividend for the year 2018	Annual General Meeting of the shareholders on 23 April 2019	449	0.27	17 May 2019
Interim dividend on operating results for the six-month period ended 30 June 2019	Board of Directors' meeting on 26 August 2019	349	0.21	11 September 2019
		798		

Subsidiary

Universal Utilities Public Company Limited

	Approved by	Dividends Million Baht	Dividend per share Baht	Paid on
Year 2020				
Dividend for the year 2019	Annual General Meeting of the shareholders on 27 April 2020	73	0.14	15 May 2020
Interim dividend on operating results for the six-month period ended 30 June 2020	Board of Directors' meeting on 28 September 2020	45	0.09	16 October 2020
		118		



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	Approved by	Dividends Million Baht	Dividend per share Baht	Paid on
Year 2019				
Dividend for the year 2018	Annual General Meeting of the shareholders on 29 April 2019	67	0.13	15 May 2019
Interim dividend on operating results for the six-month period ended 30 June 2019	Board of Directors' meeting on 26 August 2019	53	0.10	9 September 2019
		<u>120</u>		

Indirect subsidiaries

Chachoengsao Water Supply Company Limited

	Approved by	Dividends Million Baht	Dividend per share Baht	Paid on
Year 2020				
Dividend for the year 2019	Annual General Meeting of the shareholders on 29 April 2020	19	1.86	15 May 2020
Interim dividend on operating results for the six-month period ended 30 June 2020	Board of Directors' meeting on 26 August 2020	17	1.72	16 September 2020
		<u>36</u>		

Year 2019

Dividend for the year 2018	Annual General Meeting of the shareholders on 30 April 2019	18	1.81	1 May 2019
Interim dividend on operating results for the six-month period ended 30 June 2019	Board of Directors' meeting on 30 September 2019	18	1.75	30 October 2019
		<u>36</u>		

Bangpakong Water Supply Company Limited

	Approved by	Dividends Million Baht	Dividend per share Baht	Paid on
Year 2020				
Dividend for the year 2019	Annual General Meeting of the shareholders on 29 April 2020	17	4.154	15 May 2020
Interim dividend on operating results for the six-month period ended 30 June 2020	Board of Directors' meeting on 26 August 2020	14	3.635	16 September 2020
		<u>31</u>		



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		Dividends Million Baht	Dividend per share Baht	Paid on
Approved by				
Year 2019				
Dividend for the year 2018	Annual General Meeting of the shareholders on 30 April 2019	14	3.367	15 May 2019
Interim dividend on operating results for the six-month period ended 30 June 2019	Board of Directors' meeting on 30 August 2019	16	4.015	9 September 2019
		30		

Nakornsawan Water Supply Company limited

		Dividends Million Baht	Dividend per share Baht	Paid on
Approved by				
Year 2020				
Dividend for the year 2019	Annual General Meeting of the shareholders on 29 April 2020	1	0.171	15 May 2020
Interim dividend on operating results for the six-month period ended 30 June 2020	Board of Directors' meeting on 26 August 2020	2	0.229	16 September 2020
		3		

Year 2019

Dividend for the year 2018	Annual General Meeting of the shareholders on 30 April 2019	1	0.088	15 May 2019
Interim dividend on operating results for the six-month period ended 30 June 2019	Board of Directors' meeting on 26 August 2019	1	0.134	9 September 2019
		2		

Egcom Tara Company Limited

		Dividends Million Baht	Dividend per share Baht	Paid on
Approved by				
Year 2020				
Dividend for the year 2019	Annual General Meeting of the shareholders on 29 April 2020	50	1.45	15 May 2020
Interim dividend on operating results for the first quarter of 2020	Board of Directors' meeting on 29 June 2020	46	1.34	22 July 2020
Interim dividend on operating results for the second quarter of 2020	Board of Directors' meeting on 26 August 2020	46	1.32	16 September 2020
Interim dividend on operating results for the third quarter of 2020	Board of Directors' meeting on 30 November 2020	49	1.41	23 December 2020
		191		

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	Approved by	Dividends Million Baht	Dividend per share Baht	Paid on
Year 2019				
Dividend for the year 2018	Annual General Meeting of the shareholders on 29 April 2019	34	0.98	15 May 2019
Interim dividend on operating results for the first quarter of 2019	Board of Directors' meeting on 22 May 2019	46	1.34	20 June 2019
Interim dividend on operating results for the second quarter of 2019	Board of Directors' meeting on 28 August 2019	46	1.33	9 September 2019
Interim dividend on operating results for the third quarter of 2019	Board of Directors' meeting on 27 November 2019	49	1.43	23 December 2019
		175		

35 Other income

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest income	9,118,342	8,824,348	45,112,424	44,420,893
Dividend income	-	-	117,962,984	120,359,983
Claims	14,562,945	18,019,588	5,686,638	10,957,308
Compensation from delay of work	6,248,093	1,253,216	3,164,387	123,393
Income from computer system service	-	-	5,189,000	5,919,100
Others	14,070,395	21,095,666	15,153,987	14,910,534
	43,999,775	49,192,818	192,269,420	196,691,211

36 Finance costs

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Interest and finance charges on lease contracts	20,214,977	-	17,844,865	-
Loan from financial institutions	150,311,967	166,052,431	142,119,566	151,066,468
Total of finance costs	170,526,944	166,052,431	159,964,431	151,066,468



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37 Expenses by nature

Significant expenses by nature are as follow:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Salary and wages and other employee benefits	376,177,332	392,840,511	271,509,653	284,765,809
Depreciation expenses	564,417,721	504,402,769	522,284,029	474,520,664
Amortisation expenses	335,559,787	323,744,202	10,794,223	9,633,595
Rental and project compensation expenses	59,831,225	110,544,759	55,658,343	89,351,251
Raw materials and consumables used	53,025,879	43,709,731	-	-
Electricity expenses	565,190,754	707,877,810	423,282,273	548,506,932
Purchase of raw water	285,001,842	287,393,629	205,503,813	204,091,771
Purchase of tap water	-	-	21,876,889	58,048,860
Hiring and service expenses	235,036,286	240,928,026	69,395,425	67,963,358
Repair and maintenance	314,791,715	256,728,846	224,316,330	150,256,473
Waterwork management expense	-	-	184,233,212	180,395,101
Expense for development of quality of life and environment	19,569,531	19,438,891	19,569,531	19,438,891

38 Income tax

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current tax:				
Current tax on profit for the year	223,891,105	281,287,544	151,489,096	210,483,884
Adjustment in respect of prior year	1,550,436	(452,800)	1,551,634	(596,811)
Total current tax	225,441,541	280,834,744	153,040,730	209,887,073
Deferred tax:				
Items related to temporary differences	(17,565,044)	(18,476,840)	7,694,619	8,235,910
Total deferred tax	(17,565,044)	(18,476,840)	7,694,619	8,235,910
Total tax expense	207,876,497	262,357,904	160,735,349	218,122,983

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit before tax	984,307,611	1,318,263,357	842,073,904	1,179,963,418
Tax calculated at a tax rate of 20% (2019: 20%)	196,861,522	263,652,671	168,414,781	235,992,684
Tax effect of:				
Income not subject to tax	(677,250)	(677,250)	(24,269,847)	(24,749,248)
Additional expenses deductible for tax	(10,203,301)	(14,653,710)	(2,628,820)	(2,936,968)
Expenses not deductible for tax purpose	20,112,651	14,488,993	17,605,705	10,413,326
Adjustment in respect of prior year	2,576,158	(452,800)	1,613,530	(596,811)
Provision	(793,283)	-	-	-
Tax charged	207,876,497	262,357,904	160,735,349	218,122,983

The effective tax rate for the consolidated and separate financial statements is 21.12% and 19.09%, respectively (2019: 19.90% and 18.49%, respectively).

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The tax relating to component of other comprehensive income is as follows:

	(Unit: Baht)					
	Consolidated financial statements					
	2020			2019		
	Before tax	Tax (charge) credit	After tax	Before tax	Tax (charge) credit	After tax
Actuarial gain/loss on remeasurement of post-employment benefit obligations	-	-	-	34,841,588	(6,968,318)	27,873,270
Other comprehensive income	-	-	-	34,841,588	(6,968,318)	27,873,270
	Separate financial statements					
	2020			2019		
	Before tax	Tax (charge) credit	After tax	Before tax	Tax (charge) credit	After tax
Actuarial gain/loss on remeasurement of post-employment benefit obligations	-	-	-	26,437,683	(5,287,537)	21,150,146
Other comprehensive income	-	-	-	26,437,683	(5,287,537)	21,150,146

39 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net profit attributable to owners of the parent (Baht)	764,154,129	1,044,793,450	681,338,555	961,840,435
Weighted average number of ordinary shares in issue (Share)	1,663,725,149	1,663,725,149	1,663,725,149	1,663,725,149
Basic earnings per share (Baht)	0.46	0.63	0.41	0.58

There are no potential dilutive ordinary shares in issue for the years ended 2020 and 2019. Therefore, diluted earnings per share is not presented.

40 Reconciliation of liabilities arising from financing activities

	(Unit: Baht)				
	1 January 2019	Cash flow		Non-cash transactions	31 December 2019
		In	Out		
Consolidated financial statements					
Short-term borrowings from financial institutions	814,000,000	6,943,000,000	(7,452,000,000)	-	305,000,000
Long-term borrowings from financial institutions	3,992,400,000	1,490,000,000	(826,200,000)	-	4,656,200,000
Debentures	2,397,954,566	-	-	408,175	2,398,362,741
Finance lease liabilities	3,906,064	-	(2,367,030)	1,612,200	3,151,234
Separate financial statements					
Short-term borrowings from financial institutions	580,000,000	5,741,000,000	(6,321,000,000)	-	-
Long-term borrowings from financial institutions	3,608,000,000	1,490,000,000	(634,000,000)	-	4,464,000,000
Debentures	2,397,954,566	-	-	408,175	2,398,362,741
Finance lease liabilities	3,906,064	-	(2,367,030)	1,612,200	3,151,234



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	(Unit: Baht)				
	1 January 2020	Cash flow		Non-cash transactions	31 December 2020
		In	Out		
Consolidated financial statements					
Short-term borrowings from financial institutions	305,000,000	5,468,000,000	(5,388,000,000)	-	385,000,000
Long-term borrowings from financial institutions	4,656,200,000	1,610,000,000	(826,200,000)	-	5,440,000,000
Debentures	2,398,362,741	-	-	425,971	2,398,788,712
Lease liabilities	450,070,571	-	(34,288,379)	153,455,687	569,237,879
Separate financial statements					
Short-term borrowings from financial institutions	-	4,529,000,000	(4,434,000,000)	-	95,000,000
Long-term borrowings from financial institutions	4,464,000,000	1,610,000,000	(634,000,000)	-	5,440,000,000
Debentures	2,398,362,741	-	-	425,971	2,398,788,712
Lease liabilities	386,572,265	-	(22,833,733)	153,455,687	517,194,219

41 Related parties transactions

The Company is a public listed company. The first major shareholder is Provincial Waterworks Authority which owns 40.20% of the Company's share and has representative in the Company's board of directors.

Industrial Estate Authority of Thailand owns 4.57% of the Company's share and has representative in the Company's board of directors.

41.1 Transactions incurred during the year

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Sales - raw water				
Major shareholders				
Provincial Waterworks Authority	598,179,265	624,381,282	598,179,265	624,381,282
Industrial Estate Authority of Thailand	815,795,519	980,831,599	815,795,519	980,831,599
Subsidiary				
Universal Utilities Public Company Limited	-	-	21,743,807	40,173,762
	1,413,974,784	1,605,212,881	1,435,718,591	1,645,386,643
Sales - tap water				
Major shareholder				
Provincial Waterworks Authority	1,233,984,968	1,278,448,056	143,347,498	191,405,889
Construction revenue under concession agreement				
Major Shareholder				
Provincial Waterworks Authority	114,300,736	194,435,066	-	-
Interest income				
Subsidiary				
Universal Utilities Public Company Limited	-	-	42,917,260	42,800,000
Rental and service income				
Major shareholder				
Provincial Waterworks Authority	29,609,592	36,026,493	-	-
Subsidiary				
Universal Utilities Public Company Limited	-	-	48,304,266	55,385,298
	29,609,592	36,026,493	48,304,266	55,385,298

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(Unit: Baht)				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Dividend income</u>				
Subsidiary				
Universal Utilities Public Company Limited	-	-	117,962,984	120,359,983
<u>Other income</u>				
Subsidiary				
Universal Utilities Public Company Limited	-	-	12,664,675	11,488,713
<u>Cost of sales and cost of services</u>				
Major shareholder				
Provincial Waterworks Authority	19,841,190	20,793,071	8,131,099	8,423,127
Subsidiary				
Universal Utilities Public Company Limited	-	-	214,056,081	238,100,424
	19,841,190	20,793,071	222,187,180	246,523,551
<u>Administrative expenses</u>				
Subsidiary				
Egcom Tara Company Limited	-	-	156,793	283,373
	-	-	156,793	283,373
41.2 Outstanding balances at end of the years				
(Unit: Baht)				
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<u>Trade receivables - billed</u>				
Major shareholders				
Provincial Waterworks Authority	92,933,099	112,101,727	81,008,601	99,925,466
Industrial Estate Authority of Thailand	79,271,197	90,603,389	79,271,197	90,603,389
Subsidiary				
Universal Utilities Public Company Limited	-	-	3,864,964	3,866,920
	172,204,296	202,705,116	164,144,762	194,395,775
<u>Trade receivables - unbilled</u>				
Major shareholder				
Provincial Waterworks Authority	129,840,942	139,980,524	-	-
Subsidiary				
Universal Utilities Public Company Limited	-	-	-	2,556,777
	129,840,942	139,980,524	-	2,556,777
<u>Other receivables</u>				
Major shareholder				
Provincial Waterworks Authority	16,512	19,449	-	-
Industrial Estate Authority of Thailand	3,913,115	-	3,913,115	-
Subsidiary				
Universal Utilities Public Company Limited	-	-	13,928,446	10,483,261
	3,929,627	19,449	17,841,561	10,483,261
<u>Trade payables</u>				
Major shareholder				
Provincial Waterworks Authority	1,891,884	1,785,541	742,045	758,523
Subsidiary				
Universal Utilities Public Company Limited	-	-	23,041,656	22,877,964
	1,891,884	1,785,541	23,783,701	23,636,487



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		(Unit: Baht)	
		Consolidated financial statements	Separate financial statements
		2020	2019
		2020	2019
Other payables			
Major shareholder			
Provincial Waterworks Authority		52,765,937	171,100,794
Subsidiary			
Egcom Tara Company Limited		-	-
			124,120
		52,765,937	171,100,794
		1,143,271	144,904,511
Rental guarantees			
Subsidiary			
Universal Utilities Public Company Limited		-	-
		58,374	58,000

41.3 Key management compensation

Key management compensation can be categorised as follows:

		(Unit: Baht)	
		Consolidated financial statements	Separate financial statements
		2020	2019
		2020	2019
Short-term benefits		116,676,613	107,279,255
Post-employment benefits		7,509,178	13,788,641
Other long-term benefits		40,372	43,191
		24,626	24,567
		124,226,163	121,111,087
		95,509,276	92,569,093

41.4 Long-term loan to a subsidiary

On 29 August 2018, the Company made long-term loan to Universal Utilities Public Company Limited of Baht 1,600 million. The loan period is six years with fixed interest rate per annum. The repayment is Baht 400 million per annum, starting from 2021.

As at 31 December 2020, the fair value of long-term loan to a subsidiary is Baht 1,594 million. The fair value is determined in level 3 of fair value (Note 8), calculated by discounted cash flow model over the loan period based on market rate.

42 Commitments and contingent liabilities

42.1 Capital commitments

Capital commitments which are not recognised in the financial statements are as follows:

		(Unit: Baht)	
		Consolidated financial statements	Separate financial statements
		2020	2019
		2020	2019
Property, plant and equipment		1,814,754,901	3,161,243,209
Intangible assets		204,239,284	88,647,870
		120,575,000	-
		2,018,994,185	3,249,891,079
		1,931,310,751	3,161,243,209



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42.2 Raw water and tap water purchase agreements and long-term service commitments

- 42.2.1 As at 31 December 2020 and 2019, the Group have commitment under an agreement to purchase raw water from the Royal Irrigation Department at the price as specified in a Ministerial Regulation. The agreement does not specify the expiring date.
- 42.2.2 As at 31 December 2020, the Group has commitment under the contract to purchase raw water from a private company with the minimum amount of Baht 411 million. (2019 : Baht 447 million).
- 42.2.3 As at 31 December 2020, the Group has commitments under the service agreement that the Group has to pay in the future of Baht 72 million (2019 : Baht 162 million).

42.3 Guarantees

- 42.3.1 As at 31 December 2020, the Group and the Company has contingent liabilities from letters of guarantee issued by local commercial banks to (1) the Provincial Electricity Authority for electricity consumption, (2) the Ministry of Finance for management and operation of the major water distribution pipeline systems in the Eastern Seaboard area, (3) the Provincial Water Authority and the Royal Irrigation Department for compliance to agreements, and (4) counterparty for bidding the project totalling Baht 251 million and Baht 162 million, respectively. (2019: Baht 236 million and Baht 140 million, respectively).
- 42.3.2 As at 31 December 2020, the Company has contingent liabilities from letters of guarantee issued by local commercial bank to a financial institution for the construction of **Thap Ma** reservoir development project in credit limit of Baht 200 million.

43 Litigation

The Group has significant litigation cases as follows:

The Company

The Company had hired a contractor to design and construct the Regulating Well Project, the turnkey construction of the Bang Pakong-Bang Phra-Chon Buri water pipelines. The operation took place during 24 April 2012 to 23 April 2013. However, the construction suffered damage, and the contractor did not take corrective action within the specified time period. On 26 December 2019, the Company filed a lawsuit in a civil case the contractor to claim damages regarding the breach of contract and claimed totalling Baht 112 million including 7.5% interest per annum. On 24 February 2020, the contractor filed a statement and made a counterclaim to the Civil Court by claiming totalling Baht 170 million including 7.5% interest per annum. On 20 March 2020, the Company filed an answer to the Civil Court. The Company recorded some liabilities relating to damages claim of Baht 55 million in the financial statements. Most of them are construction cost payables for projects of which the Company has not yet paid. This case is currently in process of consideration by the Civil Court which is in the process of resolving the dispute. The case is in the mediation process by the Civil Court. The Civil Court has postponed a mediation appointment due to the impact of the coronavirus infection (COVID-19) epidemic.



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44 Project compensation

A government agency is considering a deal for the Company to rent/manage the 2 pipeline connecting projects ("projects") and adjust the compensation. A letter issued by this government agency stipulated the Company was to initially pay compensation for the projects at a percentage of the raw water sold from the commencing of the operating year (year 1998). In addition, if it is decided that a final rate is more than the rate at which the Company already paid, the Company is to make additional payment, in full, as a lump sum; while if the final rate is lower, the government agency agrees to pay back the surplus by offsetting it against the remuneration of the following years.

On 8 January 2010, the government agency issued a letter to the Company notifying it that a deal for the Company to rent/manage the projects and the adjusting of compensation must be processed in accordance with the Act on Private Participation in a State Undertaking B.E. 2535, whereby a committee has, under Section 13, authority to set the compensation rate and negotiate benefits with the Company in order to reach a preliminary conclusion. On 9 May 2011, the Committee under section 13 had a resolution to approve the Company's rental of a pipeline without auction.

In 2015, the Company and the government agency hold a meeting to agree on project compensation rate. On 21 July 2015, the Company sent a letter to the government agency to inform that the Company was willing to pay the compensation for the current year at a higher rate and keep the previous rate for the past years. Subsequently, the government agency issued a letter dated 14 October 2015 to the Company notifying that the compensation rate must be processed and considered in accordance with the Act on Private Participation in a State Undertaking B.E. 2556 and then submitted to the Cabinet for approval. In the meanwhile, the government agency accepted the temporary payment with the new compensation rate from the year 2015 onwards.

The Company records the project compensation by using the new compensation rate since the year 2015. The management considers that such rate is the best estimation based on the current information.

On 29 August 2019, the government agency issued a letter notifying to the Company that the Company's pipeline projects are infrastructure and public service as defined by Article 7 of the Public-Private Partnership Act B.E. 2562. The government agency is required to hire a consultant to study and analyse the investment project in order to comply with Section 8, Section 22 and Section 27 of the Public-Private Partnership Act. B.E. 2562. On 30 November 2020, the consultant hired by the government agency sent a letter requesting information from the Company to support the preparation of the study and analysis of the investment project under the aforementioned steps.

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45 Significant agreements

45.1 Concession arrangements

The Group has significant concession arrangements as follows:

- 1) Concession arrangements which the Group has to transfer assets to the grantor at the end of the concession period (BOOT)

No.	Arrangement title	Arrangement date	Signatories	Period	Classification of concession arrangement
1	Agreement to manage the water system at Sattahip Waterworks	28 July 2000	The Company and the Provincial Waterworks Authority	30 years from the date that the Provincial Waterworks Authority appointed the Company to manage Sattahip Waterworks (1 March 2001)	Intangible assets
2	Agreement to produce and sell tap water to the Provincial Waterworks Authority's Nakomsawan office, Nakomsawan Province	7 November 2000	Nakomsawan Water Supply Company Limited and the Provincial Waterworks Authority	25 years from the date of the first tap water sale (1 March 2003)	Intangible assets
3	Agreement to produce and sell tap water to the Provincial Waterworks Authority's Chachoengsao office, Chachoengsao Province	9 November 2000	Chachoengsao Water Supply Company Limited and the Provincial Waterworks Authority	25 years from the date of the first tap water sale (1 April 2003)	Intangible assets
4	Agreement to produce and sell tap water to the Provincial Waterworks Authority's Bangkok office, Chachoengsao Province	9 November 2000	Bangkok Water Supply Company Limited and the Provincial Waterworks Authority	25 years from the date of the first tap water sale (1 April 2003)	Intangible assets
5	Agreement to provide water works management services in Bo Win Municipal area	30 March 2004/ 5 August 2005	The Company and the Chaopraya Surasak Municipality / the Bo Win Sub-district Administrative Organisation	25 years from the date of the first tap water sale (11 March 2005)	Intangible assets
6	Agreement to provide water works management services at Koh Lan	17 September 2004	The Company and Pattaya City	15 years from the date of the first tap water sale (1 October 2006)	Intangible assets
7	Agreement to operate and manage waterworks system of the Nong Kham Sub-district Administrative Organisation	29 December 2010	Universal Utilities Public Company Limited and Nong Kham Sub-district Administrative Organisation	25 years from the date of the first tap water sale (4 January 2011)	Intangible assets
8	Agreement to operate and manage waterworks system in Huaro Sub-district area, Phitsanulok Province	28 March 2014	Universal Utilities Public Company Limited and Huaro Sub-district Municipality	30 years from the date of the first tap water sale under the agreement or new agreed date of tap water sale	Intangible assets

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- 2) Concession arrangements which the Group has to transfer assets to the grantor when the construction is completed (BTO).

No.	Arrangement title	Arrangement date	Signatories	Period	Classification of concession arrangement
9	Revised agreement to manage water system of Sattahip Waterworks (Sattahip - Pattaya)	18 October 2004	The Company and the Provincial Waterworks Authority	30 years from the date that the Provincial Waterworks Authority appointed the Company to manage Sattahip Waterworks (1 March 2001)	Intangible assets
10	Agreement to produce and sell tap water to Rayong Waterworks, Rayong Province	14 March 2006	Universal Utilities Public Company Limited and the Provincial Waterworks Authority	25 years from the date of the first tap water sale (12 July 2006)	Intangible assets

3) Concession arrangements which the Group has no condition to transfer assets to the grantor but grantor has option to purchase the assets when the operator operates to the half of concession period.

No.	Arrangement title	Arrangement date	Signatories	Period	Classification of concession arrangement
11	Agreement to produce and sell tap water to Koh Samui Waterworks	7 July 2004	The Company and the Provincial Waterworks Authority	15 years from the date of the first tap water sale (From 12 May 2005 to the termination date at 11 May 2020)	Intangible assets
12	Agreement to produce and sell tap water to Chonburi Waterworks, Chonburi Province	3 June 2009	Universal Utilities Public Company Limited and the Provincial Waterworks Authority	20 years from the date of the first tap water sale (12 April 2010)	Intangible assets
13	Agreement to produce and sell tap water to Ratchaburi Province and Samut Songkram Province	7 April 2001	Egcom Tara Company Limited and the Provincial Waterworks Authority	30 years from the date of the first tap water sale 7 April 2001	Intangible assets

The significant terms of the concession arrangements as mentioned above are such as the operator has to provide construction, maintenance and management of the tap water production systems to meet quantity, quality and tap water price requirements. In some arrangements, the price will be increased by linking to a consumer price index.

Arrangements No. 1-6, No 9, No 11 and No 13, the Company has entered into a contract with Universal Utilities Public Company Limited to be the operator for the tap water production and the construction or improvement of infrastructure in the concession arrangements.

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45.2 Other agreements

The Company

- 1) On 26 December 1993, the Company entered into an agreement with the Ministry of Finance to manage and operate the major water distribution pipeline systems in the Eastern Seaboard area. The contract term is 30 years, from 1 January 1994 to 30 September 2023 and the Company is required to pay a minimum of Baht 2 million per annum to the Ministry of Finance. In any years when the Company's revenues from the sales of raw water exceed Baht 200 million, the Company is required to pay the Ministry of Finance with a sharing benefit at a rate of 1 percent of sales of raw water from the Nong Khor and Dok Krai reservoirs. In addition, when the Company's annual rate of return on equity exceeds 20 percent, an additional sharing benefit at the rate of 15 percent of the return in excess of the paid 20 percent is to be paid to the Ministry of Finance. Nevertheless, the total sharing benefit should not exceed 6 percent of the value of the assets leased from the Ministry of Finance, as assessed following the passage of time.
- 2) On 9 August 2017, the Company entered into raw water purchase agreements with a private company for 10 years starting from 1 November 2017. The counterparties can extend the agreement for two times, not more than 10 years for each time (the maximum agreement period is 30 years). The Company agrees to purchase raw water at a minimum of 8 million cubic meters per year during the 1st-3rd year and 12 million cubic meters per year from the 4th year onwards.
- 3) On 19 November 2018, the Company entered into a three-party memorandum of understanding, with a project contractor and a bank, for the Thap Ma raw water storage pool construction project. The agreed construction period was 22 months from the date the contractor was notified to start work. The agreed construction termination date was 21 October 2020. On 22 September 2020, the contractor sent a letter requesting to extend the period to 24 February 2021 due to a delay of needed imported equipment caused by the COVID-19 pandemic. The Company entered into a settlement agreement with the project contractor following a civil litigation case at Rayong Provincial Court on 22 November 2020. After the completion of the contract and construction, the Company has to pay million 1,633 Baht for the construction costs.

46 Information of usage and sales volume of raw water classified by distribution networks

A government agency, owner of the pipeline of distribution networks, requires the Company to disclose information about raw water usage and sales classified by distribution networks which is used for calculation of compensation as follows:

46.1 Usage and sales volume of raw water classified by distribution networks

	Separate financial statements			
	2020		2019	
	Volume Cubic Metres '000	Amount Baht'000	Volume Cubic Metres '000	Amount Baht'000
Total used volume of raw water				
Nong Pla Lai - Map Ta Pud Network	104,257	812,010	118,761	1,228,734
Dok Krai - Map Ta Pud Network	58,752	956,526	68,031	776,315
Chachoengsao - Chonburi Network	67,286	684,667	92,192	754,438
Nong Pla Lai - Nong Khor Network	25,596	275,416	34,430	367,776
Total	255,891	2,728,619	313,414	3,127,263
Less raw water used to produce tap water				
Dok Krai - Map Ta Pud Network	(15,295)	(151,421)	(16,026)	(158,662)
Nong Pla Lai - Nong Khor Network	(8,271)	(81,881)	(8,458)	(83,731)
Total sales of raw water	232,325	2,495,317	288,930	2,884,870



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Sales of raw water from Chachoengsao - Chonburi Network consist of:

	(Unit: Baht'000)	
	Separate financial statements	
	2020	2019
Nong Khor - Laem Chabang Network 1	449,066	494,583
Nong Khor - Laem Chabang Network 2	118,747	142,337
Chachoengsao Network	116,854	117,518
Total	684,667	754,438

46.2 Proportion of sales volume of raw water to end users

	(Unit: %)	
	Separate financial statements	
	2020	2019
Industrial Estates	55	53
Waterworks Authority	26	28
Factories	19	19
Total	100	100

47 Promotional privileges

The Company

The Company was received promotional privileges from industrial water distribution project in an industrial estate as follows:

1. Promotion certificate no. 61-1180-1-00-1-0 dated 4 October 2018. Under these privileges, the Company has received exemption from certain taxes and duties, including exemption from corporate income tax for the promoted activities for the period of 5 years commencing the period when revenue is first earned from the promoted business. The Company is required to comply with the terms, conditions and restrictions as specified in the promotional certificate.
2. Promotion certificate no. 61-0859-1-00-1-0 dated 13 August 2019. Under these privileges, the Company has received exemption from certain taxes and duties, including exemption from corporate income tax for the promoted activities for the period of 5 years commencing the period when revenue is first earned from the promoted business. The Company is required to comply with the terms, conditions and restrictions as specified in the promotional certificate.

In the year 2020, the Company has no revenue from operation under these promotion certificates.

Subsidiary

The subsidiary was received promotional privileges as follows:

1. Promotional privileges for production of tap water in Chonburi province according to promotion certificate no. 1143(2)/2556 dated 25 December 2012. Under these privileges, the subsidiary has received exemption from certain taxes and duties, including exemption from corporate income tax for the promoted activities for the period of 8 years commencing the period when revenue is first earned from the promoted business being 28 December 2012.
2. Promotional privileges for waste water treatment in Rayong province according to promotion certificate no. 59-0284-1-00-1-0 dated 11 January 2016. Under these privileges, the subsidiary has received exemption from certain taxes and duties, including exemption from corporate income tax for the promoted activities for the period of 8 years commencing the period when revenue is first earned from the promoted business being 30 November 2017.

The subsidiary is required to comply with the terms, conditions and restrictions as specified in the promotional certificate.



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48 Events occurring after the statement of financial position

On 24 February 2021, a meeting of the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of shareholders which will be held on 26 April 2021 to consider a dividend payment of Baht 0.40 per share, totalling Baht 665 million. According to the resolution of the Board of Directors on 20 August 2020, an interim dividend payment was made to shareholders on 18 September 2020 of Baht 0.16 per share, or a total of Baht 266 million from the earnings of the six months ended 30 June 2020. The remaining dividend payment of Baht 0.24 per share, totalling Baht 399 million, will be paid and recorded after approval by the Annual General Meeting of shareholders.



eastwater



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