



EACH DROP MEANS GROWTH

TTW



EACH DROP MEANS GROWTH





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TTW

EACH DROP MEANS GROWTH



TTW cares every drop of water and create and delicately develop all of the procedure under the concept

“Quality of Water, Quality of Life”

We strive on the continuous growth in water business to become the leading company in comprehensive water management.



QUALITY OF WATER

Quality of Water...

The quality of every drop of our water is in accordance with International standards; worthily suitable for consuming and manufacturing processes of industrial factories.

A young girl with long brown hair, wearing a grey knit beanie and a dark grey tank top, is looking upwards with a smile. She is surrounded by numerous water droplets and bubbles of various sizes, some of which are in sharp focus, creating a dreamy, aquatic atmosphere. The background is a soft, light blue gradient.

QUALITY *OF LIFE*

Quality of Life...

Water is essential for living.

TTW focuses on sufficient and on-going production of water supply to efficiently support the city's growth and for all of our service area to have water available 24 hours.

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS





TTW realized the roles of water producer and distributor whom is important to enhancing the quality of life of the public and to strengthen the community within the service area and society including participate in maintaining the sustainable environment as our vision: “To Be Thailand’s Leading Company in Water, Energy and Eco-Friendly Businesses.”

In 2015, TTW Public Company Limited (“Company”) faced challenges due to the fluctuation of the world economy which caused the export business decreases, purchasing power of the population decreased and the household debt was high. These caused negative impact to the consuming. As well as, the agricultural section was also affected from the severe drought. Every business sector was affected including the demand for water consumption for consumer and industry. However, thanks to the determination and dedication from our personnel of all levels, the operation results of our company were in satisfactory level.

Among all of the issues which our company had faced, the company continues to provide on-going activities for the society and environment especially the “One Million Trees Planting Project”. In 2015, our company achieved our goals and planted one million young plants. Our company is committed to continue the projects of human resource development throughout the year which reflected an awareness of their role to the business with dedication work of our personnel of all levels. TTW was able to keep our achievements from 2014, such as secured the presence in SET50, received AA- in credit rating on the company and senior unsecured debentures and received “stable” grade, was evaluated by Corporate Government Report for Thai listed companies 2015 and was evaluated the quality of Annual General

Meeting of Shareholders 2015 of our company by Thai Investors Association and received 100 scores from 575 companies. In addition to this, TTW was also selected and received “Thailand Top Company Award 2015” which is a prize awarded to a company with excellent operation in Energy & Natural Resource category.

Therefore, due to the uncertainty of economy, our company believes that we will operate our businesses in 2016 with prudence and professionalism. We realize that the quality of water is an essential part of economic development and support the quality of life of the population. We will continue seeking for opportunities to expand water businesses to exclusive economic zones and to the neighbor’s countries that still face inefficient water issue.

I would like to use this opportunity to pay my gratitude to the board of directors and all of our employees who have been dedicated to work in order to achieve the company’s goals. I would also like to pay my gratitude to the shareholders, customers and communities for your continuous support. I would like to ensure that our company will operate our businesses by keeping the good governance and responsibilities to all of the stakeholders in order to develop the growth of our company in on-going basis and enhance the stability of the community and the society and take good care of the environment.

Dr. Thanong Bidaya
Chairman of the Board
of Directors

MISSION

To grow on a firm, continuous and sustainable basis in order to accomplish our vision through the balance of interests among customers, employees, business partners, shareholders, communities and environments.

VISION

“To Be Thailand’s Leading Company in Water, Energy and Eco-Friendly Businesses.”

CORPORATE VALUES

Running business to fulfill our vision and mission on the basis of sharing highest satisfaction and benefits among stakeholders by means of:

- Continuous Improvement
- Proactive & Initiative
- Teamwork



SIGNIFICANT FINANCIAL INFORMATION

Consolidated Financial Statements

Total assets (Unit : Million Baht)

| | 2015 | 2014 | 2013 |
|----------------------|--------|--------|--------|
| Total assets | 26,644 | 24,627 | 24,525 |
| Total liabilities | 15,214 | 13,238 | 13,514 |
| Shareholders' equity | 11,430 | 11,389 | 11,011 |

26,644

24,627

24,525

2015

2014

2013

Separate Financial Statements

Total assets (Unit : Million Baht)

| | 2015 | 2014 | 2013 |
|----------------------|--------|--------|--------|
| Total assets | 25,361 | 23,470 | 23,650 |
| Total liabilities | 15,049 | 13,021 | 13,349 |
| Shareholders' equity | 10,312 | 10,449 | 10,331 |

25,361

23,470

23,650

2,574

2,972

2,681

Consolidated Financial Statements

Total assets (Unit : Million Baht)

| | 2015 | 2014 | 2013 |
|--------------------------------------|-------|-------|-------|
| Net income | 2,681 | 2,972 | 2,574 |
| Book value per share (Bt./share) | 2.86 | 2.85 | 2.76 |
| Basic earnings per share (Bt./share) | 0.67 | 0.74 | 0.65 |

2013

2014

2015

Separate Financial Statements

Total assets (Unit : Million Baht)

| | 2015 | 2014 | 2013 |
|--------------------------------------|-------|-------|-------|
| Net income | 2,456 | 2,742 | 2,359 |
| Book value per share (Bt./share) | 2.58 | 2.62 | 2.59 |
| Basic earnings per share (Bt./share) | 0.62 | 0.69 | 0.59 |

2,359

2,742

2,456



SIGNIFICANT FINANCIAL INFORMATION

(Unit : Million Baht)

| Description | Consolidated Financial Statements | | | Separate Financial Statements | | |
|---|-----------------------------------|--------|--------|--------------------------------|--------|--------|
| | For the year ended December 31 | | | For the year ended December 31 | | |
| | 2015 | 2014 | 2013 | 2015 | 2014 | 2013 |
| Total assets | 26,644 | 24,627 | 24,525 | 25,361 | 23,470 | 23,650 |
| Total liabilities | 15,214 | 13,238 | 13,514 | 15,049 | 13,021 | 13,349 |
| Shareholders' equity | 11,430 | 11,389 | 11,011 | 10,312 | 10,449 | 10,331 |
| Sales and services | 5,324 | 5,272 | 5,076 | 3,647 | 3,617 | 3,409 |
| | 106 | 111 | 106 | 36 | 37 | 33 |
| Total revenues | 5,575 | 5,622 | 5,790 | 4,631 | 4,683 | 4,777 |
| Cost of sales and services | 1,510 | 1,535 | 1,550 | 889 | 912 | 900 |
| Administrative expenses and management expenses | 305 | 249 | 342 | 257 | 198 | 274 |
| Financial expenses | 549 | 566 | 615 | 549 | 565 | 613 |
| Income tax expenses | 378 | 157 | 517 | 215 | 1 | 372 |
| Gross margin | 3,920 | 3,848 | 3,632 | 2,794 | 2,741 | 2,542 |
| Net income | 2,681 | 2,972 | 2,574 | 2,456 | 2,742 | 2,359 |
| Book value per share (Bt./share) | 2.86 | 2.85 | 2.76 | 2.58 | 2.62 | 2.59 |
| Basic earnings per share (Bt./share) | 0.67 | 0.74 | 0.65 | 0.62 | 0.69 | 0.59 |

Financial Ratio

| Description | Consolidated Financial Statements | | | Separate Financial Statements | | |
|------------------------------------|-----------------------------------|-------|-------|--------------------------------|-------|-------|
| | For the year ended December 31 | | | For the year ended December 31 | | |
| | 2015 | 2014 | 2013 | 2015 | 2014 | 2013 |
| Profitability ratios | | | | | | |
| Gross profit margin (%) | 72.19 | 71.48 | 70.09 | 75.85 | 75.05 | 73.85 |
| Net profit margin (%) | 48.09 | 52.86 | 44.46 | 53.04 | 58.55 | 49.38 |
| Return on equity (%) | 23.57 | 26.62 | 23.83 | 23.66 | 26.43 | 23.08 |
| Efficiency Ratios | | | | | | |
| Return on assets (%) | 10.46 | 12.10 | 10.46 | 10.06 | 11.64 | 9.90 |
| Return on fixed assets (%) | 22.99 | 24.84 | 21.53 | 28.04 | 31.40 | 27.38 |
| Debt service coverage ratio | | | | | | |
| Debt / Equity (times) | 1.33 | 1.16 | 1.23 | 1.46 | 1.25 | 1.30 |
| Dividend Yield (%) | 96.76 | 87.26 | 85.24 | 105.60 | 94.57 | 93.01 |

TTW 2015 ACHIEVEMENTS

In 2015, TTW kept being continuously determined to operate business from which its stakeholders can embrace the following many awards given to TTW:

Receiving "AA-" in credit rating on the company and senior unsecured debentures conducted by TRIS Rating Co., Ltd.

Receiving "100" scores for organizing Annual Ordinary General Meeting of Shareholders conducted by Thai Investors Association.

Has been selected as one of the companies. Who received the "Thailand Top Company Award 2015" by a great performance in Energy & Nature Resource.

Receiving "Very Good" grade for Corporate Governance Report of Thai Listed Companies conducted by Thai Institute of Directors.

Receiving Excellent Booth Award (concurrently with Cho Karnchang Group) from Money Expo 2015 organized by Money & Banking Magazine.

Maintaining status as SET50 Index of listed companies in Stock Exchange of Thailand.

The company is recognized as the organization supporting Corporate Social Responsibility (CSR) and environmental conservation campaign which is role model for industry sector organized by Biz Focus Magazine and the Marine Corps Tourism.

GENERAL INFORMATION

TTW PUBLIC CO., LTD.

● FORMERLY KNOWN AS

Thai Tap Water Supply Public Company Limited
(Name changing approval from Ordinary General Meeting of Shareholders on 14 March, 2014)

● SET SYMBOL

TTW

● REGISTRATION NUMBER

0107549000114 (Former No. 1325/2543)

● HEADQUARTERS ADDRESS

30/10 Moo 12, Buddha Monthon 5 Road,
Rai Khing, Sam Pran, Nakhon Pathom 73210

TYPE OF BUSINESS

- The highest capacity tap water producer and distributor in Thailand

REGISTERED CAPITAL

- 3,990,000,000 Baht

DIVIDED INTO COMMON STOCK

- 3,990,000,000 Stocks

PAR VALUE

- 1 Baht per 1 common stock

● PAID-IN CAPITAL

3,990,000,000 Baht

● FIRST TRADING DAY IN SET MARKET

22 May, 2008

● WEBSITE

<http://www.ttwplc.com>

● CONTACT

HEADQUARTERS

Telephone: (+66) 2019 9490-3,
(+66) 2019 9484-9

Facsimile: (+66) 2420 6064

DEPARTMENT OF ORGANIZATION AFFAIRS

- *Corporate Governance and Company Secretary*

Telephone: (+66) 2019 9484-9 Ext.1106

E-mail: cg@ttwplc.com

- *Investor Relations*

Telephone: (+66) 2019 9484-9 Ext.1108

E-mail: ir@ttwplc.com

REFERENCE PERSON

AUDITOR:

EY Office Co.,Ltd.

193/136-137, 33rd Floor, Lake Rajada Office Complex
Rajadapisek Road, Klongtoey, Bangkok 10110

Telephone: (+66) 2264 0777, (+66) 2661 9190

Facsimile: (+66) 2264 0789-90,
(+66) 2661 9192

LEGAL CONSULTANT:

The Legists Co.,Ltd.

990 Abdulrahim Place, Floor 9th

Rama 4 Road, Silom Sub-District,
Bang Rak District, Bangkok 10500

Telephone: (+66) 2636 1111

Facsimile: (+66) 2636 0000



NATURE OF BUSINESS

TTW Public Company is manufacturer and distributor tap water to Provincial Waterworks Authority (PWA) in West Bangkok area which covers 2 provinces such as Nakhon Pathom Province in 3 districts as Nakhonchaisri District, Sampran District and Putthamonthon District and Samut Sakhon Province in 2 districts as Muang Samut Sakhon District and Krathumban District. The water treatment plant of the company is located at Banglen District, Nakhon Pathom Province with a maximum capacity of 440,000 cubic meter per day. The Second Water Treatment Plant Project located at Krathumban District shall be finished in the end of 2016 and the additionally initial capacity is 100,000 cubic meter per

day which its shall be increased up to 400,000 cubic meter in the future as structural construction to support productivity expansion has been completely built.

TTW sold water supply to PWA a total of 137.7 million cubic meter in 2015 and the accumulative quantity of tap water from the first day of operation until the end of 2015 is totally 1,286.2 million cubic meter. Moreover, subsidiary and affiliated companies of TTW exercise the right to operate tap water manufacturing and wastewater treatment business in industrial estates as well as investment of energy and nature of business of each company is as follow:

PATHUMTHANI WATER CO., LTD.

Pathumthani Water Co., Ltd. (PTW) is a subsidiary of TTW as TTW invests in PTW totally 98% of the registered capital, 1,200 million Baht; PTW produced and distributed tap water to Provincial Waterworks Authority (PWA) in Pathumthani-Rangsit area since 1998 onwards its currently maximum capacity is 488,000 cubic meter per day which includes expanding the production capacity of the 2015 year also construction was complete. PTW distributes tap water to PWA totally 133.0 million cubic meter in 2015 which the accumulative quantity of tap water from the first day of operation until the end of 2015 is totally 1,725.6 million cubic meter.

THAI WATER OPERATIONS CO., LTD.

Thai Water Operations Co., Ltd. (TWO) is another subsidiary company which TTW holds 68% of company's shares and PTW holds 32% of company's shares. The company operates business in administration and management of manufacturing and distributing tap water system and wastewater treatment system for TTW, PTW, Bang Pa-in Industrial Estate, Amata Nakorn Industrial Estate and Amata City Industrial Estate. TWO receives certification of quality standard ISO 9001:2008 in providing maintenance system service and management of water treatment projects in Pathumthani, Thammasat University and Rangsit areas.

BANG PA-IN INDUSTRIAL ESTATE

The Company has obtained the right to manufacture tap water and wastewater treatment in Bang Pa-in Industrial Estate (BIE), Phra Nakorn Si Ayutthaya province from Bang Pa-in Land Co., Ltd. for 30 years since August 2009. The company has capacity in producing tap water 48,000 cubic meter per day and wastewater can be treated 18,000 cubic meter per day, in 2015 BIE distributes water quantity totally 7.7 million cubic meter per day and the accumulative quantity of tap water from the first date of operation until the end of 2015 is totally 41.6 million cubic meter.

In addition, execution its right in BIE proposes aim to increase income of the company as well as to increase skills, knowledge and experiences personnel of the company in providing service to customers directly which shall lead to achieve the set vision "Being leading national company in operating water, energy and environmental businesses"

INVESTMENT IN OTHER COMPANY

The company invested in common stock of CK Power Public Company Limited (CKP) in 2011. CKP is a Holding Company which invested in subsidiary and affiliated companies which operated their businesses in producing and distributing electricity such as hydropower 1 company, solar photovoltaic energy 3 companies and combined cycle power plant 1 company. The company currently has 25.31% of registered capital 9,240 million baht with fully-paid registered capital of 7,370 million baht in CKP with total investment 4,228 million baht



TTW AND ITS SUBSIDIARIES STRUCTURE

****TTW SUPPLY PUBLIC COMPANY LIMITED**

Registered Capital 3,990 mil.Bt.

Paid-up Capital 3,990 mil.Bt.

98%*

**Pathum Thani Water
Company Limited**

Registered Capital 1,200 mil.Bt.
Paid-up Capital 1,200 mil.Bt.

25.31%

**CK Power Public
Company Limited**

Registered Capital 9,240 mil.Bt.
Paid-up Capital 7,370 mil.Bt.

32%

68%

**Thai Water
Operations Company
Limited**

Registered Capital 60 mil.Bt.
Paid-up Capital 60 mil.Bt.

Remark : *2 % is owned by Provincial Waterworks Authority

****Approval for name changing from Thai Tap Water Supply Public
Company Limited to TTW Public Company Limited from Ordinary
General Meeting of Shareholders on March 14, 2014**

LIST OF SUBSIDIARIES

Pathum Thani Water Company Limited

BUSINESS

Produce and distribute tap water for the Provincial

REGISTERED CAPITAL

1,200,000,000 Baht

DIVIDED INTO COMMON STOCK

12,000,000 stocks

PAR VALUE

100 Baht per common stock

PAID-IN CAPITAL

1,200,000,000 Baht

ADDRESS

43 Moo 3 Chiang Rak Noi-Bang Sai Road, Ban Pathum, Sam Khok, Pathum Thani 12160

Telephone : (+66) 2979 8530-2

Facsimile : (+66) 2979 8533

WEBSITE

www.ptw.co.th

Thai Water Operations Company Limited

BUSINESS

Operate and maintain tap water production and distribution system and wastewater treatment system

REGISTERED CAPITAL

60,000,000 Baht

DIVIDED INTO COMMON STOCK

600,000 stocks

PAR VALUE

100 Baht per common stock

PAID-IN CAPITAL

60,000,000 Baht

ADDRESS

30/10 Moo 12 Buddha Monthon 5 Road, Rai Khing, Sam Pran, Nakhon Pathom Province 73210

Telephone : (+66) 2811 9901,

(+66) 2811 9904-8

Facsimile : (+66) 2811 9509

WEBSITE

www.two.co.th

CK Power Public Company Limited

BUSINESS

Holding Company of various power generation firms

REGISTERED CAPITAL

9,240,000,000 Baht

DIVIDED INTO COMMON STOCK

9,240,000,000 stocks

PAR VALUE

1 Baht per common stock

PAID-IN CAPITAL

7,370,000,000 Baht

ADDRESS

587 Viriyathavorn Building, 19th Floor, Sutthisarnvinitchai Road, Dindaeng, Dindaeng, Bangkok 10400

Telephone : (+662) 691-9720-2

Facsimile : (+662) 691-9723

WEBSITE

www.ckpower.co.th

RISK MANAGEMENT

TTW Public Company defines its vision by aiming as being leading national company in operating water, energy and environmental businesses and being aware of the importance of risk management, business operation under changing of internal and external factors, changing environments which may have impact on company's operation. Risk management is an important tool of management in order to achieve goal efficiently as well as it is an important factor of Good Governance. The management has established Risk Management Officer (RMO) in order to review risk, risk management plan by consideration of environmental factors which affected to company's operation as well as monitoring operating results of risk management plan and preparing outcome report shall be submitted to Risk Management Committee (RMC) quarterly.

In 2015 the company reviews existed and significant risks and improves list of risks which are arisen from both internal and external environment factors, however, the company still implements organizational risk management in accordance with Enterprise Risk Management Framework which is divided

into 4 parts such as: Strategy, Operation, Finance, and Compliance and list of risks comprises risk items, risk control measures, risk management and monitoring operating results of risk management plan continuously with the following detail:



1. STRATEGIC RISK

which has merely 1 factor

Water distribution does not meet the objective

The company is aware and emphasizes on quantity of water distribution as the company sets objective of water distribution in Samut Sakhon and Nakhon Pathom areas not less than 145 million cubic meter in 2015 and quantity of water distribution in Pathumthani-Rangsit area is not less than 138 million cubic meter. Due to external factors related to economic situation which may cause risk which the company cannot distribute water as the defined objectives but the company still implements according to measures to reduce risk by conducting customer requirement survey in 1-20 list of priorities in order to follow up problems in using tap water, acknowledgement of opinion or suggestion and improving to be consistent to

the strategy which is defined by the company in order to coordinate with Provincial Waterworks Authority (PWA) in each area to find guideline on water distribution which is consistent to requirement of each area of service as well as preparing water users meeting plan both in short and long term. The company must have measures in maintaining substantial relation with customer continuously. In addition, the company is on construction of the second water treatment plant located at Krathumban District which is service area of the company, such project can support expansion of communities in the future which constitutes the increased quantity of water distribution of the company.

2. OPERATIONAL RISK

there are 3 factors in operational risk as follow:

2.1 Company disgrace due to distribution of low quality of tap water

The company must formulate confidence among customers who use tap water service as the company shall deliver tap water which is qualified and in and standard as it is defined by condition of the contract. In addition, the company shall formulate promotional measures in testing water quality and water quantity must be sufficient because standard quality and service may affect directly to reliability of the product or service both directly and indirectly in order to support or to formulate confidence in PWA or water users in service areas.

2.2 Discontinuity of water distribution in Bulk Trunk Main

In providing water supply service, water distribution system from tap water treatment plant to Pump Station via Bulk Trunk Main (BTM) is deemed as core of continuity and maintaining high quality of service. In order to formulate confidence in providing service continuously, the company must have measures in testing water pipeline system in order to maintain level of service quality, if there is any incident that tap water is not distributed to service areas, income of the company shall be affected, therefore, the company shall prepare prevention measures in order to reduce such operational risk.



2.2.1. Preparing Visual Test Plan, Preventive Maintenance Equipment and inspecting trend of water conveyance loss in distribution system from water supply treatment plant to Pump Station monthly.

2.2.2. Preparing Photo Survey Equation Data for As-Built & As-Built Drawing of equipment along BTM line, if there is any risky equipment of point affected by both internal and external factors, responsible person shall be notified for correction immediately.

2.2.3. Conducting BTM continuously, responsible person shall be assigned by the company in order to contact Project Officer of road extending construction in all sectors when there is an opportunity to operate in service areas.

2.2.4. Measurement of voltage difference of pipeline and grounding conductor in order to evaluate Cathodic Protection condition and reporting to related persons every month.

2.3 Expenses in production, delivery and water distribution do not meet the target

The company emphasizes on production cost as the company shall operate according to the defined target and producing efficiently, the company shall prepare production plan efficiently in order to reduce electricity cost and chemical cost as well as monitoring quality of raw water and preparing measures or guideline of chemical usage in order to obtain good quality and most efficiency of tap water manufacturing.

3. FINANCIAL RISK

which has merely 1 factor:

Fluctuation of interest rate

The company has liabilities with floating interest rate. If the interest rate in the market increases, the company may encounter burden in paying the increased interest and it is expected that tending of interest rate is adjusted slightly, the company is able to repay liabilities as the company still has cash on hand to pay interest and principle continuously, therefore, the company has financial measures as follow:

3.1. Creating balance of liabilities of loan with floating interest rate totally 6,215 million Baht and corporate bond with fixed interest rate totally 8,200 million Baht; the proportion of loans and debentures is 43.1% and 56.9% respectively while the proportion of debentures with fixed interest rate is slightly higher than loans with floating interest rate.



3.2. Maintaining financial proportion in every year end in accordance with terms and condition of debentures : (1. Debt/capital < 2.00 times 2. Net Debt/EBITDA <4.00 3. EBITDA/Interest exp. > 3 times) as financial proportion at the end of year 2015 is according to terms and condition of debentures (proportion of debt/ capital is 1.32, Net debt / EBITDA 1.90, EBITDA / Interest 8.20)

3.3. Considering to organize negotiation with bank or issuing debentures with fixed interest rate to replace the existed loans as the interest rate of debentures must be lower than interest rate of loans at least 3.00 percent. The company currently monitor situation of interest rate, it is expected that its changing is insignificant; therefore, the company needs no refinancing to make bank loans with floating interest rate to replace debentures with fixed interest rate.

3.4. Cash is reserved to pay interest not less than 3 months, the company shall reserve money gradually and continuously to reduce risk in case of the company may receive payment from PWA which is exceeded 30 days, therefore, the company currently reserves cash to repay capital and interest not less than 3 months.

3.5. Conduct assessment of financial status of the company quarterly and annually, it is found that the company has stable financial status, with good liquidity and having positive working performances regularly, therefore, the opportunity that the company to encounter negative working performance is rare due to current business operation, however, to prevent high risk, the company has policy in investment in projects with return on investment carefully and consistently to policy of the company.

4. COMPLIANCE RISK

which has merely 1 factor:

Amendment of terms and condition by contractual party

Business operation in water production and distribution under Purchase-Sales Tap Water Contract between the company and Provincial Waterworks Authority (PWA) which is deemed merely as one main customer and being the main income of TTW Group, therefore, if there is amendment of any terms and condition of the contract, it may affect to financial status of the company as income

and net profit of the company may reduce, the company shall maintain relationship, providing information to personnel in Provincial Waterworks Authority and monitoring personal rotation in administration committee and executives in Provincial Waterworks Authority, policy which may adversely affect to the contract shall be used as implementing measures to reduce risk in this matter.



INTERNAL CONTROL





Board of Directors and executives of TTW emphasizes and being aware of internal control system is an important mechanism which can create confidence within management team in reducing business risks by assigning Auditing Committee which is consisted of 3 independent committees to direct and supervise internal control system and risk management system of the company efficiently and correctly in accordance with good corporate governance principle, transparency, precision and reliability.

Internal audit that required external organization and internal inspection section shall coordinate collaboratively to perform inspection, as internal audit section must prepare internal audit results reported directly to Auditing Committee. To emphasize independence in performing inspection, the company implements internal audit due to Professional Standards of Internal Audit and Internal Control Practice of The Committee of Sponsoring Organizations of the Tread way Commission: COSO which is widely recognized in respect of principle and content of assessment.

Results of internal audit activity, revision and inspection of financial statement of the company has indicated that the company has internal control system sufficiently and having appropriate effectiveness for business operation.

The company emphasizes the importance of internal audit of the organization seriously by considering particularly information of risk assessment in organizational level and financial statement analysis in order to define as auditing plan by emphasis on sufficiency and effectiveness of internal control system and risk management of the company, moreover, the company also has monitoring process working performance by using monitoring process defined by quality management system and environmental management system in the company in respect of International Standard ISO 9001: 2008 and ISO 14001: 2004 respectively and continuously.

RELATED TRANSACTION



subsidiary company and related companies

For accounting year end period at 31 December, 2015, the company has revealed related parties transaction specified in remark attached to financial statement which has been inspected by auditor of the company by

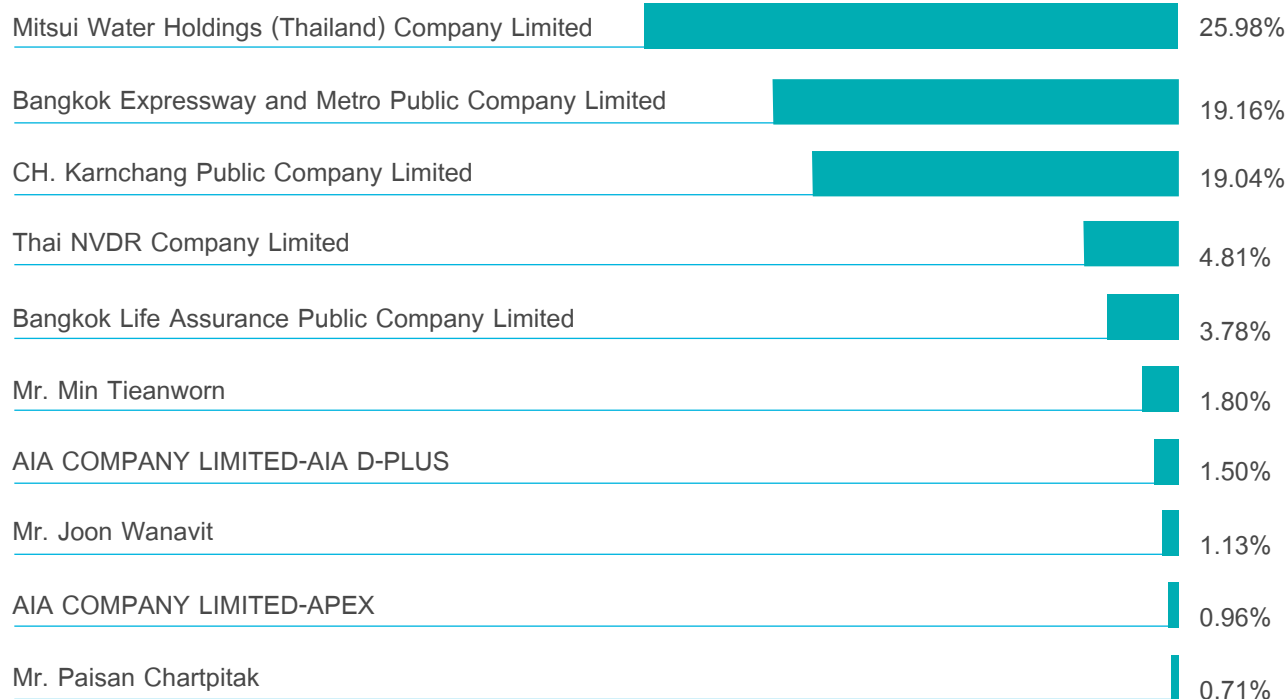
performing in accordance with Thai Accounting Standards which is widely certified and 2015 Annual Registration Statement is in the following detail:

Unit: thousand Baht

| Related companies | Relations | Related transaction | Related transaction amount at 31 Dec. 2015 | | Description |
|--|--|---|--|--|---|
| | | | Total finance statement | Specific finance statement | |
| 1. Ch. Karnchang Public Company Limited (CK) Operates construction business | <ul style="list-style-type: none"> Being major shareholder (holding company shares 19%) Having 2 co-directors: <ol style="list-style-type: none"> Mr. Plew Trivisvavet Mr. Narong Sangsuriya Providing inter-service | <ul style="list-style-type: none"> Other debtors – related business Construction creditors – related business | 82 129,284 | 82 116,729 | <ul style="list-style-type: none"> Tap water cost, wastewater treatment service cost which transaction defined by the contract Construction cost due to expansion of water treatment plant |
| 2 Pathumthani Water Co., Ltd. (PTW) Operates concession business in producing and distributing tap water in Pathumthani province to PWA | <ul style="list-style-type: none"> Being a subsidiary company (The Company holds shares 98%) Having 2 co-directors: <ol style="list-style-type: none"> Mr. Pairaj Mekarporn Mr. Techapit Sangsingkeo Executives who are Committee in PWA <ol style="list-style-type: none"> Mr. Chaiwat Utaiwan Mr. Somkiat Pattamamongkolchai Providing inter-service | <ul style="list-style-type: none"> Dividend income Earned interest Long term loan – related business Accrued interest receivable Administration cost | | 711,205 69,257 1,562,500 567 4,800 | <ul style="list-style-type: none"> Dividend received is paid transaction due to declaration date Earned interest is paid transaction due to interest rate of minimum load subtracted by difference that defined by the contract Long term loan with interest rate of minimum load subtracted by difference that denied by the contract Administration cost is paid transaction denied by the contract |
| 3. Thai Water Operations Co., Ltd. (TWO) Operates maintenance service of water production system and wastewater treatment system | <ul style="list-style-type: none"> Being a subsidiary company (The company holds shares 68.50%) Executives who are committee in TWO 2 person: <ol style="list-style-type: none"> Mr. Chaiwat Utaiwan Mr. Somkiat Pattamamongkolchai Providing inter-service | <ul style="list-style-type: none"> Sales and service costs Administration cost income Security bond creditor | | 33,918 6,000 5,000 | <ul style="list-style-type: none"> Service and maintenance costs of water production system is paid transaction defined by the contract Administration cost is paid transaction denied by the contract Security bond is paid transaction defined by the contract |
| 4. Bang Pa-in Co-Generation Co., Ltd. Operates in generating and distributing electricity to EGAT | <ul style="list-style-type: none"> Having 1 co-director whom is Mr. Narong Sangsuriya Providing inter-service | <ul style="list-style-type: none"> Other debtors – related business | 5,480 | 116,729 | <ul style="list-style-type: none"> Tap water cost and wastewater treatment service cost are paid transaction defined by the contract |
| 5. Export Transport Co., Ltd. Operates large lorry transportation | <ul style="list-style-type: none"> Having 1 co-director whom is Mr. Plew Trivisvavet Providing inter-service | <ul style="list-style-type: none"> Other debtors – related business | 9 | 9 | <ul style="list-style-type: none"> Tap water cost and wastewater treatment service cost are paid transaction defined by the contract |

The company has complied with rules and regulations of The Securities Exchange Committee, The Securities Exchange of Thailand and Capital Market Supervisory Board, in case of the company prepares Related Parties Transaction which may cause conflict of interest and it must be approved by Board of Directors as well as Related Parties Transaction shall be approved by Inspection Committee likewise as Related Parties Transaction is normal business operation of the company which suitability, reasonability and optimum benefits shall be considered.

SHAREHOLDING STRUCTURE



| List of Shareholders | Number of Shares | Shareholding (%) |
|--|------------------|------------------|
| 1. Mitsui Water Holdings (Thailand) Company Limited | 1,036,500,000 | 25.98% |
| 2. Bangkok Expressway and Metro Public Company Limited | 763,900,000 | 19.16% |
| 3. CH. Karnchang Public Company Limited | 759,877,400 | 19.04% |
| 4. Thai NVDR Company Limited | 192,106,246 | 4.81% |
| 5. Bangkok Life Assurance Public Company Limited | 150,648,000 | 3.78% |
| 6. Mr. Min Tieworn | 72,000,000 | 1.80% |
| 7. AIA COMPANY LIMITED-AIA D-PLUS | 59,800,000 | 1.50% |
| 8. Mr. Joon Wanavit | 45,200,000 | 1.13% |
| 9. AIA COMPANY LIMITED-APEX | 38,198,600 | 0.96% |
| 10. Mr. Paisan Chartpitak | 28,200,000 | 0.71% |

DIVIDEND POLICY

To maintain a consistent dividend payment and the benefit of the shareholders, the Company has set dividend payment policy as follow:

The Company will prioritize the financial needs for the next five years and maintain appropriate level of the debt-equity ratio. If there is a possibility to pay dividend, the Company will consider paying as high rate as possible. However, such rate shall not be less than 50% of its net profit after corporate income tax, statutory reserve, and other reserves required by terms of relevant agreements.

(unit : Baht/share)

| | 2015 (First half) | 2014 | 2013 | 2012 | 2011 |
|-----------------|----------------------|------|------|------|------|
| Dividend | 0.30 | 0.65 | 0.60 | 0.52 | 0.40 |





MANAGEMENT STRUCTURE

As of 31 December, 2015, the company's management structure is as follow:



The Board of Committee of the TTW Public Company Limited consists of 12 Committees. The Board of Committee consists of 4 Independent Committees who are qualified and not prohibited under the Public Company Limited Act. Each committee will be in position for 3 year term. The designation of the board of committee is transparent and in accordance with the regulations of the company in order to submit for approval from the shareholders. There is also a 5 subcommittees that is responsible for screening and supervising specific issues for the Board of Committee.

1. The Executive Committee
2. The Corporate Governance Committee
3. The Nomination and Remuneration Committee
4. The Risk Management Committee
5. The Audit Committee

The company has structure of committee and management which can check and balance under management framework as follow:

1) There are at least one-third of independent directors of total members of Board of Director which is not less than 3 persons and there are 4 independent directors in Board of Directors of the company.

2) Audit Committee is independent and performing duties as defined by regulation of SET, having sufficient knowledge and experiences to verify reliability of financial statement as well performing other duties of Audit Committee. The Audit Committee comprises at least 3 independent directors but not exceeded 5 directors which are assigned by Board of Directors is an independent committee and

among this number, there must be at least 2 expert directors from Board of Director and at least 1 director who has knowledge and experience in accounting in order to support operation of The Corporate Governance Committee, verification of administration, internal control, internal audit and risk management as well as preparing financial reports to ensure the correctness and adequate disclosure.

3) Power authorization between the committee and management department is assigned clearly as specified in the topic of Corporate Governance.

Board of Directors consists of 12 members as follow:

| | |
|-----------------------------|---|
| 1. Dr. Thanong Bidaya | Independent Director and Chairman of the Board of Directors |
| 2. Mr. Plew Trivisvavet | Director and Vice Chairman of Board of Directors |
| 3. Mr. Narong Sangsuriya | Director and Chairman of Executive Committee |
| 4. Mr. Techapit Sangsingkeo | Independent Director, Chairman of Audit Committee, Chairman of Risk Management Committee and Corporate Governance Committee |
| 5. Mr. Phairuch Mekaporn | Independent Director, Chairman of Nomination and Remuneration Committee, Corporate Governance Committee and Audit Committee |
| 6. Mr. Somnuk Chaidejsuriya | Independent Director, Chairman of Corporate Governance Committee, Nomination and Remuneration Committee and Audit Committee |
| 7. Dr. Sombat Kitjalaksana | Director and Executive Committee |
| 8. Mr. Suvich Pungchareon | Director and Executive Committee |
| 9. Mrs. Payao Marittanaporn | Director, Risk Management Committee and Nomination and Remuneration Committee |
| 10. Mr. Yazutaka Zuzuki | Director and Nomination and Remuneration Committee |
| 11. Mr. Tomoaki Matsumoto | Director, Executive Committee and Risk Management Committee |
| 12. Mr. Chaiwat Utaiwan | Director, Executive Committee, Risk Management Committee, Corporate Governance Committee and Managing Director |

Corporate Affairs Director is the Secretary

The Company's Authorized Signatory Directors

The Company's authorized signatory directors shall be: (1) any two of these six directors namely, Mr. Plew Trivisvavet, Mr. Narong Sangsuriya, Mr. Sombat Kitjalaksana, Mrs. Payao Marittanaporn, Mr. Chaiwat Utaiwan and Mr. Suvich Pungcharoen, jointly sign and affix the company's seal; or

(2) either Mr. Plew Trivisvavet or Mr. Narong Sangsuriya or Mr. Sombat Kitjalaksana or Mrs. Payao Marittanaporn or Mr. Chaiwat Utaiwan or Mr. Suvich Pungcharoen, and either Mr. Yazutaka Zuzuki or Mr. Tomoaki Matsumoto, totaling two directors, jointly sign and affix the company's seal.

Terms of Duty

A director shall be in in a board seat for a duration of 3 years. At an AGM one third of the Board of Directors shall be resigned by rotation. The Board of Directors shall have an ordinary meeting every 3 months and may call a special meeting as required. There are total of 26 meetings of Board of Directors and it's subcommittee as well as Annual General Meeting in 2015 as follow:

| | |
|--|-----------------|
| Board of Directors Meeting with normal agenda | totally 8 times |
| The Executive Committee Meeting with normal agenda | totally 5 times |
| The Audit Committee Meeting with normal agenda | totally 4 times |
| The Risk Management Committee Meeting with normal agenda | totally 4 times |
| The Corporate Governance Committee Meeting with normal agenda | totally 2 times |
| The Nomination and Remuneration Committee Meeting with normal agenda | totally 2 times |
| Annual General Meeting of Shareholders | totally 1 times |

Powers and Duties of Board of Directors

The Board of Directors shall take responsibility towards the shareholders in respect of the Company's business operations, and supervision of the Company's operations to be in line with the guidelines and goals, which would give rise to the optimum benefits to the shareholders, subject to the code of ethics and taking into account the benefits of all interested parties:

- 1) Supervising the Company's operations to ensure compliance with laws, objectives and the Company's Articles of Association, as well as resolutions of the shareholders' meetings, and protecting the Company's interest based on the good corporate governance principles.
- 2) Determining policies and directions of the Company's operations and supervising the management to take actions to ensure compliance with the policy with efficiency and effectiveness so as to result in the optimum economic value to the business and great prosperity to the shareholders.
- 3) Approving vision, mission, corporate value as anticipated by the Company, and the business ethics.
- 4) Arranging for and supervising the administration in compliance with the good corporate governance principles.
- 5) Considering approval for budget for investment and budget for the Company's annual business operations, including monitoring the use of the Company's resources.
- 6) Providing complete, correct and sufficient reports

on financial information, data and general information which are important for shareholders, and affirming the certification of the reported information.

- 7) Arranging for the Company to have an efficient internal control and audit system as well as appropriate and adequate risk management measures, including following up on such matters on a regular basis.
- 8) The Board has also formulated a charter for the Executive Committee, the Audit Committee, the Corporate Governance Committee, the Risk Management Committee and Nomination and Remuneration Committee as a guideline for their duties.
- 9) Supervising the Executive Committee, subcommittees and the management to comply with the specified policies.
- 10) Considering performance evaluation, determination of salaries, wages, welfare, bonus, allowance and other remuneration, including expenses and facilities of the Managing Director, as well as determining backup plan for nominating personnel to hold major office of the management should the management become unable to perform the duties.
- 11) Considering revision of the scope of powers, duties, responsibilities and roles of the Executive Committee, subcommittees and the management as appropriate.

The Chairman of the Board, as a leader and independent director, will strictly conform his duty to ethical and CG principles. The Chairman sets and conducts effective board meeting, encourages the constructive discussion among the board members, and concludes the meeting resolution. The Chairman governs the shareholder meeting providing equitable rights to all shareholders with compliance to rules, regulations, and best practices advised by regulators.

Powers and Duties fo Chairman of Board of Directors

Chairman of the Board as a leader of the organization, shall supervise benefits of the company, shareholders as well as other interested parties in order to achieve maximum benefits in long term, by being leader in thinking, creativity, combining capability of directors with the management to achieve strategic plan in business operation of the company both in short term and long term, monitoring operating outcome of the management, arranging for preparation of financial status report and significant financial information presenting to Board of Directors quarterly as well as encouraging corporate governance and Corporate Social Reponsibility policies of the company.

Administrative Responsibility

- Supervising overview of company's strategy and policy to constitute justice as well as supervising company's customer with equality.
- Emphasis on business operation to ensure compliance with law both both by regulatory authority, objectives and the Company's Articles of Association, as well as resolutions of the shareholders' meetings.

Board of Directors Meeting

Presiding over as Chairman of the meeting and attending every meeting to constitute Board of Directors Meeting efficiently as well as encouraging all directors to express their opinions by delegating administrative authority to the management appropriately, supervising and arranging all directors to receive correct, on-time and clear information to be used for decision making which shall lead to achievement of the organization efficiently, providing time management sufficiently for Board of Director to consult and express opinion widely in related issues during the important agenda. Chairman of the Board utilizes policy to enhance good relation between Executive Directors and Non-executive Directors.

Development and Evaluation of Work Efficiency

- Providing Orientation Program and operation visit for all new directors which can assist new directors to understand and adapt themselves to the organization rapidly.
- Support and promoting all directors to attend skills development training, various fields of knowledge which are beneficial for performing directors' duties in well known and recognized institutes such as Thai Institute of Directors (TID) and Stock Exchange of Thailand (SET) etc.
- Support and promoting all directors working as a team which constitutes efficiency and effectiveness in working, arranging evaluation of the Board's operation both self evaluation, cross evaluation and group evaluation and taking such evaluation outcome used to improve and develop the Board's operation.
- Providing monitoring system and assessment of the organization's operation being consistent to policy regularly and continuously.

Relationship between Shareholders

Supervising and arranging communication between shareholders of the company efficiently and providing opportunity for shareholders to communicate with the Board for exchanging opinion.

Shareholders Meeting

Presiding over as Chairman of every Shareholders Meeting and responsible person is assigned to supervise correctly as defined by law and related regulations as well as all directors are notified to attend the meeting completely. It is an opportunity for shareholders to exercise their rights openly in attending the meeting and voting in Shareholders Meeting, asking questions and additional explanation, acknowledgement of annual report, approval budget and profit and loss account, approving appropriation of profit and dividend, directors appointment and compensation paid to directors, auditor election and proposing remuneration of auditor and approval of Company's Memorandum of Association amendment ect.

Other Roles of Chairman of Board of Directors

Performing duties with honesty, supervising structure of the Board appropriately, supervising in taking policy and the Board's decision for operating effectively, promoting corporate governance and social and environment responsibility activities in all levels ranging from directors, top management to employees by operating in accordance with guidelines of the Board's structure to promote corporate governance of the organization.

Executive Committee

The Executive Committee comprises five members as follow:

| | |
|----------------------------|-------------------------------------|
| 1. Mr. Narong Sangsuriya | Chairman of the Executive Committee |
| 2. Mr. Suvich Pungchareon | Member |
| 3. Dr. Sombat Kitjalaksana | Member |
| 4. Mr. Tomoaki Matsumoto | Member |
| 5. Mr. Chaiwat Utaiwan | Member and Secretary |

Scope of powers and duties of the Executive Committee

- 1) Supervising the Managing Director's performance to ensure compliance with resolutions, policies and strategies as determined by the Board of Directors, as well as providing advice and suggestions to the Managing Director.
- 2) Supervising the conduct of feasibility studies on new projects, and approving implementation of projects as it deems appropriate within an amount under (3).
- 3) Having power to approve execution of any juristic acts which would have binding effect upon the Company within an amount of not exceeding Baht 50 (Fifty) Million, provided that such approval shall involve neither any transactions giving rise to conflict or interest against the Company or its subsidiaries according to Declaration of Office of the Securities and Exchange Commission and Stock Exchange of Thailand.
- 4) Having power to consider, approve and/or determine policies on administration and business operation of the Company or any actions which would have binding effect upon the Company, subject to the scope of policies and strategies as determined by the Board of Directors.
- 5) Having power to employ, appoint, impose disciplinary action, terminate, dismiss, remove, determine salary, bonus, benefits, and other remunerations, including expenses and facilities of the Company's officers or staff in the position of Division Director or equivalent and higher, but excluding the Managing Director.
- 6) Having power to appoint, determine authorities and duties, delegate direction of supervision policy, determine remunerations, allowances, expenses and facilities for special workgroups for carrying out specific works, including to approve proposals of special workgroups within an amount under (3).
- 7) Having power to appoint chairman of the advisors, advisors and/or advisory board to the Executive Committee as appropriate, whereby remunerations, allowances, expenses and facilities for the said chairman of the advisors, advisors and/or advisory board shall be determined by the Nomination and Remuneration Committee.
- 8) Performing other duties as delegated from time to time by the Board of Directors.

Audit Committee

The Audit Committee comprises three independent directors as follows:

- | | |
|-----------------------------|---------------------------------|
| 1. Mr. Techapit Sangsingkeo | Chairman of the Audit Committee |
| 2. Mr. Somnuk Chaidejsuriya | Member |
| 3. Mr. Phairuch Mekarporn | Member |

Internal Audit Manager is the Secretary

Scope of powers and duties of the Audit Committee

- 1) Reviewing the Company's financial reports to ensure the correctness and adequate disclosure.
- 2) Reviewing the internal control and internal audit systems of the Company to ensure the suitability and efficiency by considering independency of Internal Audit Department and approving appointment, removal and termination of Internal Audit Chief.
- 3) Reviewing the Company's operation to ensure its compliance with the laws on securities and exchange, the regulations of the Stock Exchange, or such laws, rules and regulations and policies relating to the business of the Company.
- 4) Considering the Company's disclosure in respect of related party transactions or such transactions which may give rise to conflict of interest, to ensure the accuracy, completeness and timeliness.
- 5) Considering, selecting, nominating for appointment and proposing remuneration for the Company's auditor to the Board of Directors for further submission to seek approval of the shareholders by considering independency of auditor as well as organizing the meeting with auditor without the management's involvement at least once a year.
- 6) Preparing the Audit Committee's corporate governance report to be disclosed in the Company's annual report, whereby such report shall be signed by the Chairman of the Audit Committee.
- 7) Performing other duties as delegated by the Board of Directors and with approval of the Audit Committee.
- 8) Considering to approve Annual Internal Audit Plan and personnel of Internal Audit Department.
- 9) Reviewing Internal Audit Committee Charter and Internal Audit Department Charter as it is required and appropriate.

Nomination and Remuneration Committee

The Board of Directors appoints the Nomination and Remuneration Committee to help consider selecting qualified persons to take office as directors, the Managing Director as well as setting out criteria for consideration of remuneration. The Nomination and Remuneration Committee comprises 4 members as follow:

- | | |
|------------------------------|---|
| 1. Mr. Phairuch Mekarporn | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Somnuk Chaidejsuriya | Member |
| 3. Mrs. Payao Marittaranporn | Member |
| 4. Mr. Yazutaka Zuzuki | Member |

Human Resource and Administrative Director is the Secretary

Scope of powers and duties of the Nomination and Remuneration Committee

- 1) Considering the criteria and procedures for recruiting persons qualified to take office as directors of the Company, including selecting persons in accordance with the specified nomination procedures for submission to the Board of Directors for consideration and appointment, or for submission to the shareholders' meeting for consideration and appointment, as the case may be, provided that such procedures for consideration and selection of qualified persons as aforesaid shall also allow minority shareholders to nominate persons for such consideration and selection.
- 2) Considering the criteria and procedures for recruiting person qualified to take office as the Managing Director, including nominating and selecting such person in accordance with the specified nomination procedures for submission to the Board of Directors for consideration and appointment.
- 3) Arranging for Succession Plan for key positions in management or persons eligible to take office of high level executive, with regular review of such Plan.
- 4) Determining the criteria for consideration of remuneration for directors and the Managing Director.
- 5) Considering proposing remuneration of directors to the Board of Directors for approval and submission to the shareholders' meeting for further consideration and approval.
- 6) Considering proposing salary and adjustment of salary rate, including other remuneration of the Managing Director to the Board of Directors for consideration and approval.
- 7) Performing other duties as delegated by the Board of Directors.

Corporate Governance Committee

The Board of Directors appoints the Corporate Governance Committee to help consider policies and practices on good corporate governance and business ethics. The Corporate Governance Committee comprises 4 members as follows:

| | |
|-----------------------------|--|
| 1. Mr. Somnuk Chaidejsuriya | Chairman of the Corporate Governance Committee |
| 2. Mr. Techapit Sangsingkeo | Member |
| 3. Mr. Phairuch Mekarporn | Member |
| 4. Mr. Chaiwat Utaiwan | Member and Secretary |

Scope of powers and duties of the Corporate Governance Committee

- 1) Proposing practical guidelines for good corporate governance to the Board of Directors.
- 2) Supervising the operation of the Board of Directors, the Executive Committee, various subcommittees and the management to ensure compliance with the good corporate governance principles.
- 3) Reviewing the practical guidelines for good corporate governance, by comparing with the good corporate governance principles based on international standard and of the Stock Exchange of Thailand, for submission to the Board of Directors for consideration and regular update.
- 4) Delegating policies on good corporate governance to the Company's good corporate governance workgroup and reporting the results of the good corporate governance to the Board of Directors.
- 5) Having authority to invite / employ any external persons having knowledge and expertise to act as advisors and attend meetings at the Company's expenses.
- 6) Performing other duties as delegated by the Board of Directors.

Risk Management Committee

The Board of Directors appoints the Risk Management Committee to help consider setting out policy on measures and plan for risk management in the Company's operations. The Risk Management Committee comprises 4 members as follows:

| | |
|------------------------------|---|
| 1. Mr. Techapit Sangsingkeo | Chairman of the Risk Management Committee |
| 2. Mr. Tomoaki Matsumoto | Member |
| 3. Mrs. Payao Marittaranporn | Member |
| 4. Mr. Chaiwat Utaiwan | Member and Secretary |

Scope of powers and duties of the Risk Management Committee

- 1) Setting out the Risk Management Policy for the Company as a whole, and assigning the management to perform in compliance with such Policy, including reporting the performance results to the Risk Management Committee.
- 2) Developing and reviewing the Company's Risk Management System to ensure its continual efficiency and effectiveness, by way of regular evaluation and follow-up of the risk management procedures to be consistent with the specified policy.
- 3) Supporting and encouraging the mutual cooperation in risk management at every level of the Company.
- 4) Preparing reports on risks and suggestions to the Board of Directors.
- 5) Performing other duties as delegated by the Board of Directors.

Executive Management

Executive Management of TTW Public Company Limited

| Name | Position |
|-------------------------------|--|
| Mr. Chaiwat Utaiwan | Managing Director and Acting Assistant Managing Director, Business Development Group |
| Mr. Tanat Siricharoen | Assistant Managing Director, Operation Group and Acting Director, Operation Group |
| Ms. Valainat Trivisvavet | Assistant Managing Director, Administration Group |
| Ms. Sudarat Chiamchan | Corporate Affair Director |
| Ms. Pathida Chaiyasen | Human Resource and Administrative Director |
| Mr. Somkiat Pattamamonkolchai | Finance and Accounting Director |
| Mr. Hongthong Artit | Business Development Director |
| Mr. Chatchawan Tianprasertkit | Acting Customer Relationship Management Director |
| Mr. Pipat Katikul | Acting Engineering and Construction Director |

Scope of powers and duties of the Managing Director

- 1) Having power to approve execution of any juristic acts which would have binding effect upon the Company within an amount of not exceeding Baht 5,000,000 (Five Million Baht Only).
- 2) Having power to issue, amend, adjust the Company's work rules, orders and regulations, e.g., employment, appointment, demotion, discipline of staff and employees, determination of salaries and other payments, including welfare and benefits.
- 3) Having power to delegate authority to the Company's executive staff, namely, Assistant Managing Director to perform duties on behalf of the Managing Director in particular matters such as, purchasing, employment, payment instruction as deemed appropriate.
- 4) Having power to appoint any person or group of persons to operate the business of the Company under the supervision of the Managing Director, or authorizing such person to take actions as the Managing Director deems appropriate, and also having power to change, amend, cancel or revoke such authorization.
- 5) Having power for adjustment, transfer, closure and merger or expansion of the organization structure at such levels lower and the total number of staff not exceeding 315 persons.
- 6) Having power to determine salary rates and other remunerations, including expenses and facilities of

Division Director or equivalent and higher to seek approval of the Executive Committee.

- 7) Having power to determine the structure of salary rates and other remunerations of staff at such levels lower than Division Director or equivalent, provided that the salary rates (excluding other remunerations and benefits), in both 6) and 7), shall altogether not exceed 1% of Company's revenue.

- 8) Having power to employ, appoint, impose disciplinary action, terminate, dismiss, remove, determine salary, bonus, welfare, and other remunerations, including expenses and facilities of the Company's staff who receive salary at the rate (only the salary rate, excluding any other benefits received) of not exceeding 200,000 Baht/month and/or the Company's staff in such positions lower than Division Director or equivalent. Apart from those mentioned, the Managing Director shall seek approval of the Executive Committee. In this regard, the authority to take the following actions may be delegated, either in whole or in part, to workgroups, the Board of Directors, the management, group of persons or any director, as appropriate.

- 9) Having duty to supervise all businesses of the Company to ensure compliance with resolutions and policies of the Board of Directors.

- 10) Having duty to submit balance sheets, financial statements and income statements of the Company to

the Board of Directors for approval.

11) Having duty to propose significant issues to the Board of Directors or the shareholders' meeting for consideration and approval or for any other purposes as appropriate.

12) Having duty to conduct feasibility studies on new projects and having power to approve such projects, as delegated by the Executive Committee.

13) In case the Managing Director is unable to perform duties, the Managing Director shall appoint an Division Director or another person to act for and on behalf of the Managing Director from time to time, whereby such

person shall have the powers and duties equivalent to the Managing Director.

14) Performing other duties as delegated by the Board of Directors from time to time.

However, the Managing Director and the person authorized by the Managing Director has no power to approve any matters or transactions in which the Managing Director or persons who may have conflict, have interest or may have conflict of interest in any other manner, would enter into with the Company or its subsidiaries, as defined by the Securities and Exchange Commission.

Supervision of Internal Information Provision

TTW determines regulation of internal information usage which is consistent to securities law with the following content:

1. Directors, Executive Management and employees in all level shall not use internal information which has significant effect to stock price changing within 30 days prior financial statement disclosure.
2. The company has duty to disclose company's preformance information and related information to all investment groups immediately and equally.
3. Directors, Executive Management, spouses and

underage children must submit Report of shares acquisition.

4. Having strict regulation of computer and information technology security and management of internal information access which is not disclosed to public.
5. In part of investors relation, the company has policy that avoided future expectation or any opinion relation to the information which has duration less than 6 months in advance.
6. Having policy in information disclosure formally based on the principle that information disclosure of the company shall be complied with law and regulations.

The definition of Independent Director

TTW Public Company has set the definition of independent director is stricter than the standard rule of Stock Exchange of Thailand and Securities and Exchange Commission as follow:

1. Shall hold shares not exceeding 0.5% of the total number of voting shares of the Company, subsidiary, associate or juristic person that may be conflict;
2. Shall not be related to the management of the company, its subsidiaries and its associate companies, Moreover, shall not be a major shareholder, a temporary or full-time employees and an advisor regularly earning salaries from the company, its subsidiaries, its associated companies and its major shareholders;
3. Shall not be a person related by blood or legal registration as father, mother, spouse, sibling, or child, including spouse of child, of an executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary;
4. Shall not have any direct or indirect conflicts of interest against the management of the company and its subsidiaries, and its associated companies for the period of not less than one year prior to nomination except the Board of Director was attentively considered that such conflict of interest not affecting the operation and have independent decision-making of Independent directors;
5. Shall not be a director who has been appointed as representative of the company's director, major shareholder or shareholders who are related to the major shareholder;

6. Shall be independently perform the duties and give the opinion or report on the result of duties as assigned by the Board of Directors, uncontrolled by the management or major shareholders and related person or relative of such person;
7. Shall be able to attend meetings of the Board of Directors and make independent judgment;
8. Shall not operate any business which has the same nature as and is in significant competition with the business of the company or its subsidiaries, or not being a principal partner in any partnership, or not be an executive director, employee, staff, or advisor regularly earning the salaries; or holding shares not exceeding one percent of the total number of voting right of any other company operating business which has the same as and is in significant competition with the business of the company or its subsidiaries;
9. Shall not have any characteristics which make him/her incapable of expressing independent opinion with regard to the company's business affairs;
10. Shall be able to look after the interests of all shareholders equally;
11. Shall be able to prevent conflicts of interest;
12. Shall not have been convicted of violating security or stock exchange laws, financial institution laws, life insurance laws, general insurance laws, anti-money laundering laws or any other financial law of a similar nature, whether Thai or foreign, by an agency with authority under that certain law. Such wrongful acts include those involved with unfair trading in shares or perpetration of deception, fraud, or corruption.

BOARD OF DIRECTORS

AS AT DECEMBER 31, 2015 COMPRISES:

Directors



DR. THANONG BIDAYA
Independent Director and
Chairman of the Board of Directors



MR. PLEW TRIVISVAVET
Director and Vice Chairman of
the Board of Directors



MR. NARONG SANGSURIYA
Director and Chairman of Executive
Committee



MR. TECHAPIT SANGSINGKEO
Independent Director, Chairman
of Audit Committee, Chairman of
Risk Management Committee
and Corporate Governance Committee



MR. PHAIRUCH MEKARPORN
Independent Director,
Chairman of Nomination and
Remuneration Committee,
Corporate Governance Committee
and Audit Committee



MR. SOMNUK CHAIDEJSURIYA
Independent Director, Chairman of
Corporate Governance Committee,
Nomination and Remuneration
Committee and Audit Committee

7



DR. SOMBAT KITJALAKSANA
Director and Executive Committee

8



MR. SUVICH PUNGCHAREON
Director and Executive Committee

9



MRS. PAYAO MARITTANAPORN
Director, Risk Management Committee and Nomination and Remuneration Committee

10



MR. YASUTAKA SUZUKI
Director and Nomination and Remuneration Committee

11



MR. TOMOAKI MATSUMOTO
Director, Executive Committee and Risk Management Committee

12



MR. CHAIWAT UTAIWAN
Director, Executive Committee, Risk Management Committee, Corporate Governance Committee and Managing Director

**DR. THANONG BIDAYA**

Age 68 years old

Positions in the Company

Independent Director and Chairman of the Board of Directors

TTW Public Company Limited

Education Background

- Doctor's Degree : Ph.D. in Management, Northwestern University, U.S.A.
- Master's Degree : Economics, Northwestern University, U.S.A.
- Bachelor's Degree : Economics, Yokohama National University, Japan

Position in other listed companies

- CK Power Public Company Limited
Independent Director and Chairman of the Board of Directors
- Thai Sri Insurance Public Company Limited
Chairman of the Board of Directors

Position in other non - listed companies

- Xayaburi Power Company Limited
Chairman of the Board of Directors
- Scan Inter Company Limited
Chairman of the Board of Directors

Work Experience

- Ministry of Finance
Minister of Finance
- Ministry of Commerce
Minister of Commerce
- Office of the National Economics and Social Development Board (NESDB)
Chairman of the Board of Directors
- Thai Airways International Public Company Limited
Chairman of the Board of Directors

TTW Shareholding

342,500 shares or 0.0085%

Date appointed as a director

December 17, 2008

Seminar and Training

Thai Institute of Directors Association
2004, Directors Accreditation Program (DAP) 25/2004

**MR. PLEW TRIVISAVET**

Age 70 years old

Positions in the Company

Director and Vice Chairman of the Board of Directors

TTW Public Company Limited

Education Background

- Master's Degree : Electrical Engineering, Osaka University, Japan
- Bachelor's Degree : Electrical Engineering, Osaka University, Japan

Position in other listed companies

- Bangkok Expressway and Metro Public Company Limited
Chairman of the Board of Directors, Chairman of Executive Committee and Nomination and Remuneration Committee
- CH. Karnchang Public Company Limited
Chairman of Executive Committee
- CK Power Public Company Limited
Director and Chairman of Executive Committee

Positions in other non - listed companies

- Southeast Asia Energy Limited
Director
- Nam Ngum 2 Power Company Limited
Director and Chairman of the Executive Committee
- Xayaburi Power Company Limited
Director
- BMCL Network Company Limited
Director

Work Experience

- CK Power Public Company Limited
Chairman of the Board of Directors
- TTW Public Company Limited
Chairman of the Board of Directors

TTW Shareholding

1,100,000 shares or 0.0275%

Date appointed as a director

September 26, 2006

Seminar and Training

- Capital Market Academy
2007, Senior Executive Program, 4/2007
- Thai Institute of Directors Association
2004, Director Certificate Program (DCP) 50/2004
2004, Director Accreditation Program (DAP) 18/2004
2004, Finance for Non-Finance Director (FND) 15/2004
- National Defense College
1993, Diploma 366/1993



**MR. NARONG
SANGSURIYA**

Age 71 years old

Positions in the Company

Director and Chairman of
Executive Committee
TTW Public Company Limited

Education Background

- Bachelor's Degree : Civil Engineering,
Chulalongkorn University

Positions in other listed companies

- CK Power Public Company Limited
Director and Chairman of
Corporate Governance
and Risk Management Committee
- CH. Karnchang Public Company Limited
Director, Executive Director, Nomination
and Remuneration Committee,
Corporate Governance and
Risk Management Committee
and Senior Executive Vice
President - Operations Group

Positions in other non - listed companies

- Bangpa-in Cogeneration Limited
Director

- Nam Ngum 2 Power Company Limited
Director and Executive Director
- Southeast Asia Energy Limited
Director

Work Experience

- Nantawan Company Limited
Project Vice Manager
- Bang-On Construction Company Limited
Project Manager

TTW Shareholding

100 shares or 0.000003%

Date appointed as a director

September 11, 2000

Seminar and Training

Thai Institute of Directors Association
2005, Directors Certification Program
(DCP) 54/2005



**MR. TECHAPIT
SANGSINGKEO**

Age 71 years old

Positions in the Company

Independent Director, Chairman
of Audit Committee, Chairman of
Risk Management Committee
and Corporate Governance Committee
TTW Public Company Limited

Education Background

- Master's Degree : Economics,
KEIO University, Japan
- Bachelor's Degree : Economics,
Hitotsubashi University, Japan

Position in other listed companies

- CK Power Public Company Limited
Independent Director and Chairman
of Audit Committee

Position in other non - listed companies

- Pathum Thani Water Company Limited
Director
- Star Sanitary Ware Company Limited
Independent Director and
Chairman of Audit Committee

Work Experience

- Bank of Thailand
Deputy Governor
- Nakornthon Bank Public
Company Limited
Chairman of the Board of Directors
and Chairman of Executive Committee
- Sukhumvit Asset Management
Company Limited
Chairman of the Board of Directors
- Petchaburi Asset Management
Company Limited
Director and Chairman of the Audit
Committee
- Ratanasin Asset Management
Company Limited
Chairman of the Board of Directors

- Thai Asset Management
Corporation (TAMC)
Executive Committee

TTW Shareholding

1,000,000 shares or 0.0250%

Date appointed as a director

September 26, 2006

Seminar and Training

- Thai Institute of Directors Association
2008, Audit Committee Program (ACP)
22/2008
- 2005, Directors Accreditation Program
(DAP) 34/2005
- Prapokklao Institute
2005, Senior Executive Development
Class 3
- Harvard University, Graduate School
of Business, U.S.A.
2005, Executive Development Program
- Capital Market Academy
2005, Senior Executive Program Class 5



**MR. PHAIRUCH
MEKARPORN**

Age 70 years old

Positions in the Company

Independent Director,
Chairman of Nomination and
Remuneration Committee,
Corporate Governance Committee
and Audit Committee
TTW Public Company Limited

Education Background

- **Master's Degree** : Mechanical Engineering, California State University Long Beach, U.S.A.
- **Bachelor's Degree** : Mechanical Engineering, Chulalongkorn University

Position in other listed companies

- Thai Optical Group Public Company Limited
Independent Director

Position in other non- listed companies

- Pathum Thani Water Company Limited
Chairman of the Board of Director

Work Experience

- Siam Kraft Industry Company Limited
Managing Director
- Thai Kraft Paper Industry Company Limited
Managing Director
- TIP Fibre-Cement Company Limited
Managing Director

TTW Shareholding

None

Date appointed as a director

September 26, 2006

Seminar and Training

- Thai Institute of Directors Association
2007, Audit Committee Program (ACP)
17/2007
2006, Directors Certification Program
(DCP) 81/2006
- Harvard University, Graduate School of
Business Administration, U.S.A.
1995, Advanced Management Program
: The International Senior Managers'
Program



**MR. SOMNUK
CHAIDEJSURIYA**

Age 64 years old

Positions in the Company

Independent Director,
Chairman of Corporate
Governance Committee,
Nomination and Remuneration
Committee and Audit Committee
TTW Public Company Limited

Education Background

- **Master's Degree** :
Law, Chulalongkorn University

- **Bachelor's Degree** :
Law, Chulalongkorn University

Positions in other listed companies

- Don Muang Tollway Public Company Limited
Director, Audit Committee and
Chairman of Risk Management
Committee

- Cathay Leaseplan Public
Company Limited
Director and Chairman of
Audit Committee

- Thai Sri Insurance Public Company Limited
Director and Chairman of
the Nomination and
Remuneration Committee

Position in other non-listed companies

- Navamindradhiraj University
(University of Bangkok Metropolitan)
Vice Chancellor

Work Experience

- The Marketing Organization for
Farmers (MOF)
Director

- Expressway and Rapid Transit
Authority of Thailand
Governor, Deputy Governor for
Operations, Deputy Governor for Law
and Acquisition, Director of Land and
Acquisition Department, Director of
Legal Department

TTW Shareholding

None

Date appointed as a director

September 26, 2006

Seminar and Training

- Thai Institute of Directors Association
2005, Audit Committee Program
(ACP) 9/2005
2004, Directors Accreditation Program
(DAP) 9/2004
2004, Directors Certification Program
(DCP) 46/2004
- National Defense College
1998, Diploma
- Institute of Legal Education of
the Thai Bar
1975, Barrister-at-Law



**DR. SOMBAT
KITJALAKSANA**

Age 58 years old

Positions in the Company

Director and Executive Committee
TTW Public Company Limited

Education Background

- Doctor's Degree : Engineering (Soil Mechanic), University of Innsbruck, Austria
- Master's Degree : Engineering (Soil Mechanic), Chulalongkorn University

Position in other listed companies

- Bangkok Expressway and Metro Public Company Limited
Director, Managing Director and Vice Chairman of the Executive Committee

Position in other non-listed companies

- Bangkok Metro Network Company Limited
Director

Work Experience

- Pathum Thani Water Company Limited
Director
- CH. Karnchang Public Company Limited
Executive Vice President, Business Development
- Electricity Generating Authority of Thailand
Head of Division (Construction Standard)

TTW Shareholding

2,860,100 shares or 0.0716%

Date appointed as a director

September 11, 2000

Seminar and Training

- Thai Institute of Directors Association
2006, Directors Certification Program (DCP) 81/2006
2005, Directors Accreditation Program (DAP) 36/2005



**MR. SUVICH
PUNGCHAREON**

Age 69 years old

Positions in the Company

Director and Executive Committee
TTW Public Company Limited

Education Background

- Master's Degree : Political Science, Sukhothai Thammathirat Open University
- Bachelor's Degree : Electrical Engineering, Tohoku University, Japan

Position in other listed companies

None

Position in other non-listed companies

None

Other current positions

- Bangkok Expressway and Metro Public Company Limited
Advisor

Work Experience

- Bangkok Expressway Public Company Limited
Managing Director and General Manager
- Northern Bangkok Expressway Company Limited
Managing Director

- The Siam Cement Public Company Limited
Thai Industrial Forging & Siam Nawaloha Foundry

TTW Shareholding

None

Date appointed as a director

September 26, 2006

Seminar and Training

- King Prajadhipok' Institute
2004, Politics and Governance in Democratic Systems for Executives Course Class 8/2004
2003, Management of Public Economy for Executives Course Class 1/2003
- Thai Institute of Directors Association
2003, Director Certification Program (DCP) 37/2003
- Berkeley University, U.S.A.
1984, Mini MBA



**MRS. PAYAO
MARITTANAPORN**

Age 58 years old

Positions in the Company

Director, Risk Management Committee
and Nomination and Remuneration Committee
TTW Public Company Limited

Education Background

- Master's Degree : Business Administration,
Chulalongkorn University
- Bachelor's Degree : Accountancy,
Chulalongkorn University

Position in other listed companies

- Bangkok Expressway and Metro Public
Company Limited
Director, Corporate Governance
and Risk Management Committee,
Executive Committee
and Managing Director

Position in other non-listed companies

- Xayaburi Power Company Limited
Director

Work Experience

- Northern Bangkok Expressway

Company Limited

Managing Director

- Bangkok Expressway and Metro Public

Company Limited

Deputy Managing Director and Assistant
Managing Director

TTW Shareholding

None

Date appointed as a director

February 17, 2015

Seminar and Training

- Thai Institute of Directors Association
2009, Role of the Compensation
Committee (Class 9/2009)
2004, Director Certification Program
(DCP) 48/2004



MR. YASUTAKA SUZUKI

Age 52 years old

Positions in the Company

Director and Nomination
and Remuneration Committee
TTW Public Company Limited

Education Background

- Master's Degree : MSc - Mechanical
Engineering, Tohoku University,
Sendai, Japan
- Bachelor's Degree : BSc - Mechanical
Engineering, Tohoku University,
Sendai, Japan

Position in other listed companies

None

Position in other non-listed companies

None

Other current positions

- Mitsui (Asia Pacific) PTE Co., Ltd.
Singapore
Senior Vice President and
Director-General
Infrastructure Business Project
Department

Work Experience

- Mitsui (Tokyo) Co., Ltd.
Project Deputy Director,
Project Development Department 1
Infrastructure Business Project
Department,
Project Development Department 1
Manager
Logistic System Project Division
- Mitsui (Korea) Co, Ltd.
Infrastructure and Machinery
Development Department
Manager
- Mitsui (London) Co, Ltd.
Infrastructure Business Project
Department Manager

TTW Shareholding

None

Date appointed as a director

April 7, 2015

Seminar and Training

None



**MR. TOMOAKI
MATSUMOTO**

Age 43 years old

Positions in the Company

Director, Executive Committee
and Risk Management Committee
TTW Public Company Limited

Education Background

Bachelor's Degree : Economics,
Tokyo University, Japan

Position in other listed companies

None

Position in other non-listed companies

- Mitsui Water Holdings (Thailand) Limited
Director
- Mit-Power (Thailand) Limited
Director
- Mit-Power Capitals (Thailand) Limited
Director

Work Experience

- Pathum Thani Water Company Limited
Director
- TTW Public Company Limited
Director

● Mitsui & Co., Ltd. (Tokyo)

Manager, First Project
Development Dept.
Power & Infrastructure Project
Development Division

TTW Shareholding

None

Date appointed as a director

August 14, 2014

Seminar and Training

- Thai Institute of Directors Association
2006, Directors Accreditation Program
(DAP) 57/2006
2006, Directors Certification Program
(DCP) 78/2006



**MR. CHAIWAT
UTAIWAN**

Age 62 years old

Positions in the Company

Director, Executive Committee,
Risk Management Committee,
Corporate Governance Committee
and Managing Director
TTW Public Company Limited

Education Background

- Master's Degree :
Master of Business Administration
(Executive) Sasin Graduate Institute of
Business Administration of
Chulalongkorn University

Master of Science (Mathematics
and Computer Science) University
of Louisville, Kentucky, U.S.A.

- Bachelor's Degree : Science (Statistics),
Chulalongkorn University

Position in other listed companies

- CK Power Public Company Limited
Director

Position in other non-listed companies

- Suvannabhumi Airport Hotel
Company Limited
Chairman of the Board of Directors
- Islamic Bank of Thailand
Chairman of the Board of Directors
- Pathum Thani Water Company Limited
Director and Managing Director
- Thai Water Operations Company Limited
Director
- Thai Listed Companies Association
Director and Vice President

Work Experience

- Bangkok Metro Public Company Limited
Director, Executive Committee,
Risk Management Committee
and Managing Director
- Bangkok Metro Network Company Limited
Vice-Chairman of the Board of Directors
- Government Savings Bank
Director and Executive Committee
- Siam City Bank Public Company Limited
President and Chief Executive Officer
- Siam City Life Assurance Public
Company Limited
Chairman of the Board of Directors
- AIG Retail Bank Public Company Limited
President and Chief Executive Officer
- AIG Finance (Thailand) Public
Company Limited
President and Chief Executive Officer

TTW Shareholding

None

Date appointed as a director

March 15, 2014

Seminar and Training

- Thailand Energy Academy
Energy Science Course for Senior
Executives Class 4
- National Defence College of Thailand (NDC)
National Defense Joint Public-/Private
Sector Course (NDC) Class 20/2555
- Chulalongkorn University
Land Power Course For Senior
Executives Class 1
- Commerce Academy, University
of the Thai Chamber of Commerce
Top Executive Program in Commerce and
Trade (TEPCoT) Class 6
- Public Director Institute (PDI),
King Prajadhipok's Institute
Corporate Governance Course for Directors
and Senior Executives of State Enterprises
and Public Organizations (PDI) Class 12
- Capital Market Academy
Capital Market Academy Course for Senior
Executives (CMA Course) Class 3/2549
- Thai Institute of Directors (IOD)
Role of Chairman Program (RCP)
Class 29/2555
- Thai Institute of Directors (IOD)
Director Certification Program (DCP)
Class 18/2545

Management

1



MR. CHAIWAT UTAIWAN

Director, Executive Committee,
Risk Management Committee,
Corporate Governance Committee
and Managing Director

2



MR. TANAT SIRICHAROEN

Assistant Managing Director,
Operations Group

3



MS. WALAINUT TRIVISVAVET

Assistant Managing Director,
Administration Group

4



MS. SUDARAT CHIAMCHAN

Corporate Affairs Director
and Company Secretary

5



MS. PATHIDA CHAIYASEN
Human Resource and Administrative
Director

8



MR. CHATCHAWAN TIANPRASERTKIT
Acting Customer Relationship
Management Director

6



MR. SOMKIAT PATTAMAMONGKOLCHAI
Finance and Accounting Director

9



MR. PIPAT KATIKUL
Acting Engineering
and Construction Director

7



MR. HONGTHONG ARTIT
Business Development Director



**MR. CHAIWAT
UTAIWAN**

Age 62 years old

Positions in the Company

Director, Executive Committee,
Risk Management Committee,
Corporate Governance Committee
and Managing Director
TTW Public Company Limited

Education Background

- Master's Degree :
Master of Business Administration
(Executive) Sasin Graduate Institute of
Business Administration of
Chulalongkorn University
- Master of Science (Mathematics
and Computer Science) University
of Louisville, Kentucky, U.S.A.

- Bachelor's Degree : Science (Statistics),
Chulalongkorn University

Position in other listed companies

- CK Power Public Company Limited
Director

Position in other non-listed companies

- Suvamabhumi Airport Hotel
Company Limited
Chairman of the Board of Directors
- Islamic Bank of Thailand
Chairman of the Board of Directors
- Pathum Thani Water Company Limited
Director and Managing Director
- Thai Water Operations Company Limited
Director
- Thai Listed Companies Association
Director and Vice President

Work Experience

- Bangkok Metro Public Company Limited
Director, Executive Committee,
Risk Management Committee
and Managing Director
- Bangkok Metro Network Company Limited
Vice-Chairman of the Board of Directors
- Government Savings Bank
Director and Executive Committee
- Siam City Bank Public Company Limited
President and Chief Executive Officer
- Siam City Life Assurance Public
Company Limited
Chairman of the Board of Directors
- AIG Retail Bank Public Company Limited
President and Chief Executive Officer
- AIG Finance (Thailand) Public
Company Limited
President and Chief Executive Officer

TTW Shareholding

None

Date appointed as a director

March 15, 2014

Seminar and Training

- Thailand Energy Academy
Energy Science Course for Senior
Executives Class 4
- National Defence College of Thailand (NDC)
National Defense Joint Public-/Private
Sector Course (NDC) Class 20/2555
- Chulalongkorn University
Land Power Course For Senior
Executives Class 1
- Commerce Academy, University
of the Thai Chamber of Commerce
Top Executive Program in Commerce and
Trade (TEPCoT) Class 6
- Public Director Institute (PDI),
King Prajadhipok's Institute
Corporate Governance Course for Directors
and Senior Executives of State Enterprises
and Public Organizations (PDI) Class 12
- Capital Market Academy
Capital Market Academy Course for Senior
Executives (CMA Course) Class 3/2549
- Thai Institute of Directors (IOD)
Role of Chairman Program (RCP)
Class 29/2555
- Thai Institute of Directors (IOD)
Director Certification Program (DCP)
Class 18/2545



MR. TANAT SIRICHAROEN

Age 56 years old

Position in the Company

Assistant Managing Director,
Operations Group
TTW Public Company Limited

Education Background

Bachelor's Degree : Industrial Electronic
Technology, King Mongkut's
Institute of Technology North Bangkok

Other current positions

- Thai Water Operations
Company Limited
Director and Managing Director

Work Experience

- TTW Public Company Limited
Operation Director
- Thai Water Operations
Company Limited
Operation Manager
- BJT Water Company Limited
Operation Director
and Maintenance Manager

TTW Shareholding

None

Seminar and Training

- 2014, Thailand Economic Outlook 2014
2014, Change Management Program
- Thai Institute of Directors
and Association
2013, Director Certification Program
(DCP) 170/2013
2012, Director Accreditation Program
(DAP) 99/2012
- Thailand Management Association
2013 ASEAN Business Forum 2013
- Thai Water Association
Integrated Water Management for
Executive Class 3
2011, What does it take to be
an MD of a listed company?



**MS. WALAINUT
TRIVISVAVET**

Age 45 years old

Position in the Company

Assistant Managing Director,
Administration Group
TTW Public Company Limited

Education Background

- **Master's Degree** : Master of Science in Administrative Studies Subconcentration: Financial Economics Boston University
- **Bachelor's Degree** : Business Administration, Assumption University

Other current positions

None

Work Experience

- Bangkok Expressway Public Company Limited
Assistant Managing Director: Finance Unit
- Rung Phonchai Company Limited
Managing Director and General Director
- Fahamorn Equipment Company Limited
Managing Director
- R.S.B. Construction Company Limited
Managing Director
- Sa-nga Equipment Company Limited
General Manager

TTW Shareholding

None

Seminar and Training

- Thai Institute of Directors (IOD)
2015, Advanced Audit Committee Program (AAP) Class 20/2015
2015, Company Reporting Program (CRP) Class 13/2015
2015, Director Certification Program (DCP) Class 201/2015
- Federation of Accounting Professions Under Royal Patronage of His Majesty The King
Beyond Treasury Management Course
Chief Financial Officer Certification Program (CFO) Class 19
- Advanced Certificate Course in Public Economics Management for senior executives



**MS. SUDARAT
CHIAMCHAN**

Age 51 years old

Positions in the Company

Corporate Affairs Director
and Company Secretary
TTW Public Company Limited

Education

- **Master's Degree** : Master of Management, Mahidol University
- **Bachelor's Degree** :Business Administration (Accounting) Ramkhamhaeng University

Work Experience

- Pathum Thani Water Company Limited
Accounting and Finance Manager
- Index International Group Company Limited
Accounting and Finance Manager

TTW Shareholding

None

Seminar and Training

- Thai Institute of Directors Association
2015, Advance Audit Committee Program (AAP) รุ่น 20/2015

- 2014, Director Certification Program (DCP) 186/2014
- 2012, Effective Minutes Taking (EMT) 24/2012
- 2011, What does it take to be an MD of a listed company?
- 2011, Company Secretary Program (CSP) 43/2011
- 2011, Company Reporting Program (CRP) 2/2011
- Thailand Management Association
2014, Change Management Program
2013, TMA, Management Development Program 18/2013



MS. PATHIDA CHAIYASEN

Age 50 years old

Positions in the Company

Human Resource and Administrative
Director

TTW Public Company Limited

Education Background

- **Master's Degree :**
Master of Education (Education management), Chulalongkorn University
- **Bachelor's Degree :** Politics Science (Human Resource Management), Chulalongkorn University

Work Experience

- Bangkok Microbus Company Limited
Human Resource Manager
- Thanachart Capital Company Limited
Senior Human Resource Officer

TTW Shareholding

375,000 shares or 0.0094%

Seminar and Training

- Thailand Management Association
2014, Change Management Program
2014, Management Development Program
- Thai Listed Companies Association
2013, CEO HCM Clinic
- Thailand Management Association
2013, TMA-Management Development Program 18/2013
2011, What does it take to be an MD of a listed company?



MR. SOMKIAT PATTAMAMONGKOLCHAI

Age 43 years old

Positions in the Company

Finance and Accounting Director
TTW Public Company Limited

Education Background

- **Master's Degree :**
Master of Accounting, Thammasart University
- **Bachelor's Degree :**
Commerce and Accountancy, Chulalongkorn University

Other Current Positions

- Thai Water Operations Company Limited
Director
- Pathum Thani Water Company Limited
Director

Work Experience

- CK Power Public Company Limited
Director
- EY Office Limited
Assistant Audit Manager
- Bangkhengchai Company Limited
Director

TTW Shareholding

None

Seminar and Training

- IBC Asia(S) PTE. LTD.
2014, East Asia & Pacific Infrastructure Regulatory & ASEAN Energy Regulators Network Annual Current Issues Conference IBC Asia(S) PTE. LTD.
- 2014, Change Management Program
- 2011, What does it take to be an MD of a listed company?
- Thai Institute of Directors Association
2009, Directors Certification Program (DCP) 121/2009
2009, Directors Accreditation Program (DAP) 79/2009



MR. HONGTHONG ARTIT

Age 49 years old

Position in the Company

Business Development Director
TTW Public Company Limited

Education Background

- Master's Degree : Infrastructure and Management Engineering, M.Eng, Kasetsart University
- Bachelor's Degree : Mechanical Engineering, B Eng., King Mongkut's Institute of Technology North Bangkok (KMUTN), Bangkok

Work Experience

- Pathum Thani Water Company Limited
Operation Department Manager
- TTW Public Company Limited
Engineering and Construction Chief
- Joint Venture TWCK
Pipeline Site Manager
- Thai Crane International Company Limited
Engineering Manager
- SVS Consultant Company Limited
Engineering Manager

TTW Shareholding

400 shares or 0.00001%

Seminar and Training

- Ideal Forum Co., Ltd.
2014, Joint Venture Investment & Business Contract Risk Management in Myanmar
- Thailand Management Association
2014, Management Development Program
2014, The Great Mekhong Investment Forum, Euromoney Conference
2014, Change Management Program
2013, TMA, Management Development Program 18/2013



**Mr. Chatchawan
Tianprasertkit**

Age 50 years old

Position in the Company

Acting Customer
Relationship
Management Director
TTW Public Company Limited

Educational Background

- Master's degree : Business Administration, Management Program, Sripatum University
- Bachelor' degree : Faculty of Commerce and Accountancy, Department of Statistics, Computer Program, Chulalongkorn University

Other current positions

None

Work Experiences

- TTW Public Company Limited
Internal Audit Division Manager,
Information Technology Director
Marketing Director
- Bangkok Metro Public Company Limited
Senior Division Manager, Business
Development Division Operation Support
Division Manager, Operation Department
- Business Application Co., Ltd.
Business Management Applied
Software Product Manager
- Siam Kayaba Co., Ltd.
Computer Division Manager

TTW Shareholding

None

Seminar and Training

- Pivotal Resources, Inc.
2015, Lean Six Sigma Leading Continuous Improvement Program
- Thai Institute of Directors
2015, Business Reporting Program
2012, Finance for Non-Finance Course, Marcus Evans
2011, Risk Management Course
- CC Knowledge Base Co., Ltd.
2015, Professional Presentation Program
- TRIS Academy of Management
2014, Governance Risk and Compliance Program for Executives
- Federation of Accounting Professions
2013, Internal Audit Certify Program
- Thammasat University
2012 Marketing Certificate Program (MCP) : Excellence Series Class 27
- Thailand Productivity Institute
2011 Integrated Management System for Sustainability Program (IMS)



Mr. Pipat Katikul

Age 48 years old

Position in the Company

Acting Engineering
and Construction Director
TTW Public Company Limited

Education Background

- **Master's degree :**
Business Administration,
National Institute of Development
Administration (NIDA)
Computer and Engineering
Management Assumption University
- **Bachelor's degree :** Faculty of Science,
Department of Microbiology
King Mongkut's University
of Technology Thonburi

Other current positions

ology

Experiences

- Thai Water Operations Co., Ltd.
Quality and Efficiency Development
Division Manager
Operation Division Manager, Pathum
Thani Water Treatment Plant
Business Development Division
Manager
- TTW Public Company Limited
Business Development Division
Manager
- BJT Water Co., Ltd.
Operation Division Manager
- Ajinomoto (Thailand) Co., Ltd.
Production Division Manager

TTW Shareholding

None

Seminar and Training

- Thai Institute of Directors
2014, How to Develop a Risk
Management Plan
2015, Business Reporting
Program (BRP)
- Thailand Management Association
2014, Business Capability Enhance-
ment Program (BCEP)
2015, Monitoring and Controlling
Business Performance
- CC Knowledge Base Co., Ltd.
2015, Professional Presentation Skills
Intensive
- Pivotal Resources, Inc.
2015, Lean Six Sigma for Executive

SHAREHOLDERS IN 2015

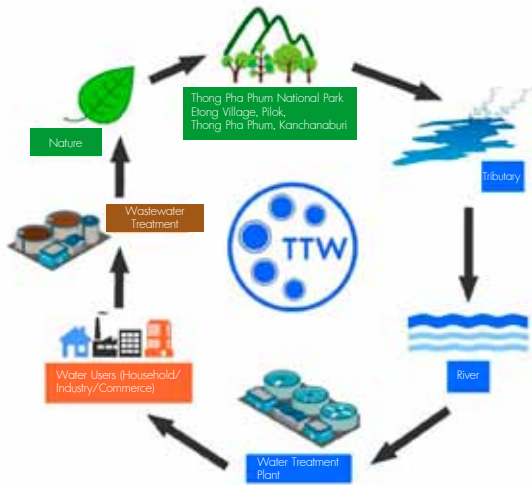
AS OF DECEMBER 31, 2015

| Name-Surname | Position | Number of Shares Start of 2015 | Number of Shares End of 2015 | Changes is Share Structure during the year | TTW Shareholder (%) |
|-----------------------------------|---|--------------------------------|------------------------------|--|-----------------------|
| 1. Dr. Thanong Bidaya | Chairman of the Board of Directors | 342,500 | 342,500 | - | 0.0085 |
| 2. Mr. Plew Trivisvavet | Director | 1,100,000 | 1,100,000 | - | 0.0275 |
| 3. Mrs. Saikasem Trivisvavet | Spouse | 100,000 | 100,000 | - | 0.0025 |
| 4. Mr. Narong Sangsuriya | Director | 100 | 100 | - | 0.0000 |
| 5. Mr. Techapit Sangsingkeo | Independent Director | 1,000,000 | 1,000,000 | - | 0.0250 |
| 6. Mr. Phairuch Mekarporn | Independent Director | - | - | - | none |
| 7. Mr. Somnuk Chaidejsuriya | Independent Director | - | - | - | none |
| 8. Mr. Suvich Pungchareon | Director | - | - | - | none |
| 9. Mrs. Wanna Pungchareon | Spouse | 200,000 | 300,000 | 100,000 | 0.0075 |
| 10. Dr. Sombat Kitjalaksana | Director | 2,860,100 | 2,860,100 | - | 0.0716 |
| 11. Mr. Tomoaki Matsumoto | Director | - | - | - | none |
| 12. Mr. Yasutaka Suzuki | Director | - | - | - | none |
| 13. Mr. Chaiwat Utaiwan | Director and Managing Director | - | - | - | none |
| 14. Mr. Tanat Siricharoen | Assistant Managing Director, Operations Group | - | - | - | none |
| 15. Miss Walainut Trivisvavet | Assistant Managing Director, Administration Group | - | - | - | none |
| 16. Miss Sudarat Chiamchan | Corporate Affairs Director | - | - | - | none |
| 17. Miss Pathida Chaiyasen | Human Resource and Administrative Director | 575,000 | 375,000 | 200,000 | 0.0093 |
| 18. Mr. Somkiat Pattamongkolchai | Finance and Accounting Director | - | - | - | none |
| 19. Mr. Hongthong Artit | Business Development Director | 400 | 400 | - | 0.00001 |
| 20. Mr. Chutchawan Tienprasertkij | Acting Customer Relationship Management Director | - | - | - | none |
| 21. Mr. Pipat Katikul | Acting Engineering and Construction Director | - | - | - | none |

SUSTAINABLE DEVELOPMENT

FOR THE COUNTRY, SOCIETY, ENVIRONMENT AND SUSTAINABLE BUSINESS

Water Cycle, Life Cycle



Restoration and Conservation "Watershed"

As water is natural resources and used as main raw material of business operation. TTW implements "1 Million Seedlings Afforest Watershed" Project in deforested area due to past mining at Etong Village, Tambon Pilok, Amphoe Thongphaphum, Kanchanaburi Province located in Thongphaphum National Park where is the watershed of Mae Klong River Basin and water diversion is made to Tha Chin River where TTW uses as the main raw water source in producing tap water and distributing water to users in Samut Sakhon-Nakhon Pathom area. Target of this Project is set to afforest 1,000 Rai of land or 200,000 trees annually for the period of 5 years (from 2011-2015) or totally 1 million trees and the planted areas must be maintained for another 2 years after planting totally 7 years before delivery to Department of National Parks, Wildlife and Plant Conservation further maintenance.

TTW is well aware that the sustainable growth of the country is based on sustainable development of various fields. TTW is the largest tap water private producer of the country which operates its business concurrently with participation in supervising, improving, developing communities and environment in order to constitute the actual sustainability.

As we believe in our business philosophy mentioned ...
"Better quality of water... brings better quality of life ..."

We dedicate ourselves operate total service for the complete water management business and to supervise and to solve social and environmental problems from upstream until downstream...



In 2015 the afforestation completely reaches 1 million trees TTW organizes to deliver the planted forest of 2013 totally 1,000 Rai of land or 200,000 trees which is the third delivery to Department of National Parks, Wildlife and Plant Conservation for further maintaining. In addition, TTW donates educational equipment and clothes to student in Ban Piang Luang 3 School (Etong Village) as well as giving appliances such as water boiler, water cooler and survival bags to Border Patrol Police Company 135 in the area. This Project is well supported by community officer, government authorities and local authorities as well as shareholders of the company who participate in travelling to the distant and deserted area as witness in delivering planted forest according to the intention and dedication of participating in supervising watershed.

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| Objective | To afforest and improve deforested area which is watershed of the main river using in company's business restoring to its fertile forest. |
| Operation | To afforest and improve deforested area concurrently in corporation with Department of National Parks, Wildlife and Plant Conservation for the fifth year in Thongphaphum National Park at Etong Village, Tambon Pilok, Amphoe Thongphaphum, Kanchanaburi Province by employing local labour force to afforest and maintain forest condition including afforesting 1,000 Rai of land and maintain forest condition 2,000 Rai of land (the planted forest in 2013-2014). Moreover, organizing the planted forest delivery in 2013 totally 1,000 Rai of land to Department of National Parks, Wildlife and Plant Conservation on 2 December, 2015. |
| Social and community benefits | In 2015, the afforestation of deforested area, in watershed area on level 1 in Thongphaphum National Park, increases totally 1,000 Rai of land or 200,000 trees as well as it is able to distribute income to the community totally 3,647,938 Baht. |
| Company benefits | Employees have opportunity to participate in afforestation of watershed concurrently with the community in order to formulate awareness of environmental conservation. |



Water Source Supervision

Afforestation of water which is substantial, requires construction of Check Dam to store water for absorption to nourish seedlings as well as being water sources for wild lives and moisture of soil surface to prevent wildfire, reducing water flow rate to the river slowly which is consistent to government policy in storing for the whole year usage as well as trial using sludge to improve/modify as construction material of the dam and proceeding "1 Million Seedlings Afforest Watershed" Project to maintain water source continuously.

Supervision residents who live near the river

Residents who live near the river particularly household sector or community sector which is an important part for participating in maintaining and solving water source problems. TTW organizes activities concurrently with communities near Tha Chin River continuously as follow:

Indoctrination of water conservation concept in children

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| Objectives | To promote children who live around water treatment plant to have fun, acting according to their ages and obtaining knowledge regarding water and environment conservation as well as visiting water treatment plant of the company. |
| Operation | <ul style="list-style-type: none"> ● TTW organizes 2015 National Children Day activity at Banglen water treatment plant and Pathumthani water treatment plant on "Thai Tap Water Children Day with Water Conserved Heart" ● Employees participate in learning promotion activities in company business and water resource conservation in exhibition boards, water quality testing booth and super fun games. |
| Social and community benefits | Children in communities located near both water treatment plants totally 1,411 persons have fun according to their ages, learning tap water origin and water resource maintaining methods. |
| Company benefits | Employee totally 110 persons participate in distribution of knowledge in operating business of the company and creating good relations with communities. |



"Promotion of Education" brings good future to the country, measures of participation in developing communities and society combined with water conservation

TTW is well aware that we are in agricultural communities as parent of children, who study in schools near water Banglen water treatment plant and Pathumthani water treatment plant, mostly are agriculturalists and employees. TTW provides scholarship presentation project, educational equipment donation for children in these schools as well as giving scholarship to , Special Education Centers in Nakhonpathom, Samutsakhon and Pathumthani provinces in order to relieve expense burden of their parent, creating good personnel for the country and emphasis on joint maintaining water source to teachers, parent and children who receive scholars continuously for more than 10 years.



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| Objectives | To promote and increase educational opportunity for children in communities as well as to relieve burden of education expenses of their parents and to emphasize on maintaining water source concurrently. |
| Operation | <p>Promotion of education scholarships for students in kindergarten to secondary school and expenses in providing educational equipment for needy children and schools in 3 provinces Pathumthani, Nakhonpathom and Samutsakhon which are consisted of:</p> <ol style="list-style-type: none"> 1. Education scholarships for 160 students totally 480,000 Baht 2. Free lunch for 16 schools totally 80,000 Baht 3. Education and sports equipments for 16 schools totally 80,000 Baht. 4. Skills development set for children with Physical impairments for 3 Special Education Centers ; Pathumthani Special Education Center, Nakhonpathom Special Education Center and Samutsakhon Special Education Center, totally 15,000 Baht |
| Social and community benefits | To enhance educational opportunity for children in communities totally 160 students and to relieve burden of education expenses of their parents in new semester in addition education equipments are provided 16 schools and 3 Special Education Centers. Which can be used to develop teaching and learning efficiently, skill development set, are provide to. |
| Company benefits | Employees participate in community access and create good relations with communities. |



“Producing bottled water for sharing”

Not only quench thirst, but also develop community area

As drinking water is very essential for life, TTW produces clean drinking water from tap water which is under international standard by employing local labour force in manufacturing in order to distribute it to related parties such as communities, schools, local administration organization, and government sector to make student and people drink clean water in various occasions. It can reduce both related expenses and assisting communities and society to develop continuously without concerning about Gastrointestinal tract diseases due to low quality of drinking water as well as there is rotation of community economy due to local labour force in this bottled water manufacturing process.

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| Objectives | Producing bottled water merely net content 350 ml. which is a appropriate size and worthy consumption of water for once drinking with no water left. Such drinking water is used to promote public charity activities and to donate to communities for better quality of life in fundamental public utilities. |
| Operation | TTW employs labour force who live near Banglen water treatment plant in producing bottled water totally 177,636 bottles which are calculated as wage amount 126,000 Baht. |
| Social and community benefits | Communities have better quality of life in fundamental public utilities as well as it can distribute income to communities too. |
| Company benefits | Distributing knowledge of business operation, publicizing company reputation and creating good relation between the company and interested parties. |

Tap water manufacturing with awareness of social and environment responsibility

“Manufacturing tap water better than standard”
Zero-Waste Management to enhance economy and friendly to environment

TTW manufactures tap water not only in compliance with terms and condition of Purchase and Sales Contract with Provincial Waterworks Authority, the water treatment plants of TTW both at Banglen and Pathumthani, although they were designed and constructed for more than 10 years, research of Analysis of Economic Return Project and Social Landscape of West Water Treatment Plant conducted by advisors team of Chula Unirearch, Chulalongkorn University and TISCO Securities Co., Ltd. indicates that the economic return and social landscape is totally 38.8 Baht/cubic meter and they still are advanced water treatment plants by using sludge obtained from tap water



manufacturing process for modification and recycling water back to production process which is deemed as Zero Waste Management as well as worthy utilization of water resource and receiving certification of quality standard system (ISO 9001:2008) and Environmental Management Standards ISO 14000:2004. TTW utilizes water quality testing service provided by Department of Health, Ministry of Public Health to maintain standard and precision which water quality is certified by TIS. Standard 257-2521 as turbidity is merely 0.02 NTU form standard 5 NTU, Colour is merely 3 Pt-Co from standard 5 Pt-Co etc.

“Construction of the second water treatment plant”
to support economic expansion and deteriorated quality of raw water



The decision of building the second water treatment plant located at Krathumban District, Samutsakhon province in 2015, it is not the big investment for economic return purpose but it invests in order to support national economy expansion and it is also the investment for social and environment advantage. As tap water manufacturing in this plant can reduce electricity cost due to pumping water from Banglen water treatment plant in Nakhonpathom province to Mahachai Pump Station in Samutsakhon province which is 50 kilometer distance as well as Membrane Technology in big Ultra Filtration is utilized for the first time in Thailand which can reduce both chemical usage and deteriorated quality of raw water which can reduce impact on environment too.

Production Process Control in accordance with Standard

Water treatment plants and production process of tap water both in Banglen and Pathumthani of TTW, although they were designed and constructed for more than 10 years, they still are advanced water treatment plants by using sludge obtained from tap water manufacturing process for modification and recycling water back to production process which is deemed as Zero Waste Management as well as worthy utilization of water resource and receiving certification of quality standard system (ISO 9001:2008) and Environmental Management Standards ISO 14000:2004 too.





“Emphasis on safety” as receiving award, being business enterprise that treats labor fairly

Safety of employees is the core of manufacturing industry which TTW and subsidiary companies emphasize continuously. In 2015 Pathumthani water treatment plant is certified to Zero Accident issued by Pathumthani Provincial Office, Entrepreneurship Type, as there is no accident from work for 1,000,000 hours. In addition, TTW organized TTW safety Day on 21 December, 2015 lots representatives of government sectors and students in the area participate in this activity.

Personnel Development

Annual Physical Examination and health plan and sports clubs

Good health constitutes good productivity; good productivity constitutes good Gross Domestic Product (GDP). TTW provides annual physical examination for employees in order to acknowledge health problems whether they require treatment. If treatment is required, medical budget is prepared. Additional medical cost apart from it is provided by Social Security Fund. Moreover, group insurance is provided for medical treatment both In-patient and Out-patient as well as health promotion activities are also prepared by establishing 3 sport clubs such as Jogging Club, Football Club and Badminton Club, some employees apply for membership in all 3 clubs, which indicates equality of employees in all levels.



Development of Well-prepared Employees

Sustainability of the organization is based on knowledge and capability of employees. In 2015 TTW emphasizes on development of well-prepared employees when it enters to AEC by providing training totally 26 programs or totally 184 persons with 6,466.5 training hours which are calculated as 2,621,118 Baht.

The important training programs are held in 2015; Business Reporting Program, Burmese language for communication 1, Professional Presentation Skills; Build up Risk Awareness, Environment Management and visiting Environmental Research and Development Project initiated by His Majesty the King, Water Supply Engineering training Project, Lecture of Executive Coaching, Lean Six Sigma, Executive level and Finance for Non-Finance for the Management.

In addition, TTW starts employing foreign employees in 2015.



Creating confidence for customers

We produce tap water with high quantity, sufficiency and continuity, operation business with justice and responsibility for consumers

Provincial Waterworks Authority (PWA) is very important as it is both contractual counterparty and joint venture. TTW provides company visit of the committee and top management at Banglen water treatment plant on 1 July, 2015 and visiting of Regulatory Committee of Public-Private Partnership at Pathumthani water treatment plant on 23 September, 2015. Moreover, there are regular meetings of coordinating officers for information exchange throughout the year total 10 times as well as reception group of Central PWA officers and PWA officers from BMA/Branch Office totally 7 times and visiting or reception major customers who are industrial factor totally 44 time in order to create confidence of PWA and water users on "Quality, Sufficiency and Continuity"



Supervision of General Water Users



Meeting water users to acknowledge problems, receiving complaints and solution

Apart from which is direct customer, TTW is interested in solving problems of indirect customers such household water users, water users in industrial sector by going to visit industrial customers to inquire problems and participating in preparing solution plan such as support budget in direct piping to solve low water pressure problem which is insufficient of user. If TTW acknowledge in advance that there is any stopping of water distribution due to pipe repair, water users shall be notified via website or telephone or e-mail for reserving as well as sending / notifying information related to quality of water during drought to water users in industrial sector which quality / saltiness of water may affect to production in order to adjust production process according to quality of tap water on time. In addition, communication channel is prepared to receive problems; complaints both by telephone and website, solution must be taken rapidly as water users shall affected least.

Wastewater Treatment

Wastewater Treatment in Industrial Estate and Water restoration and Conservation in Communities

With an intention to operate business with complete water management and solving social and environmental problems from upstream to downstream, Wastewater treatment in Bang Pa-in Industrial Estate and Amata Nakorn / Amata City Estates shall be both business and mission which TTW must manage before discharge the treated wastewater to public watercourses or recycling for worthy utilization. Moreover, TTW is aware of wastewater problem in communities where group of industrial plants are situated such as Khlong Kru Community, Tambon Thasai, Amphoe Muang Samutsakhon, Khlong Kru Water Restoration and Conservation Project is initiated with cooperation both by government sector and private sector in 2016.



REPORT ON THE COMPLIANCE TO GOOD GOVERNANCE PRINCIPLES



Policy of Corporate Governance

Good corporate governance is a key factor in business management which indicated that the company has administration and management system which is efficient, justice, transparent, verifiable and responsible for society and environment, these can formulate confidence and trust among shareholders, investors, interested parties and all related persons as well as good governance shall lead to sustainable growth both in finance, investment and competitiveness.

Board of Directors supervises the company to operate business in compliance with good corporate governance criteria as defined by Stock Exchange of Thailand (SET),

regulation of Securities and Exchange Commission (SEC), Capital Market Supervisory Board as well as being consistent to Principles of Corporate Governance in accordance with ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard). The Corporate Governance Committee supervises business to meet international standards continuously by creating efficient administration system and sustainable growth as well as enhancing operation to achieve TTW Vision “To Be Thailand’s Leading Company in Water, Energy and Eco-Friendly Businesses”

Preparation of Corporate Governance Policy

Board of Directors prepares Corporate Governance Policy in written material as guidelines of operation for Executive Committee, the management and employees of the company by compliance with criteria of good corporate governance and best practice of SET. The Corporate Governance Committee shall review corporate governance policy annually by emphasis on administration and management in various parts as well as determination of policy which emphasizes on interested parties in all sectors, maintaining public confidence, improvement of working efficiency on regular basis by considering environment conservation, efficient resource usage, enhancement of

employee morale including safety and hygiene.

In 2015 Board of Directors improves good governance principles to be consistent to vision and mission of the company and applied to use as strategy in operating TTW business and being appropriate for currently economic situation. Moreover, Board of Directors emphasizes on efficient operation of subsidiary committees to be more independent by increase number of independent directors in Nomination and Remuneration Committee. Structure and Responsibilities of Board of Directors is specified in Part 5 “Responsibilities of Board of Director”.

Communication of Corporate Governance Policy

The Corporate Governance Committee distributes Corporate Governance Policy to interested parties for acknowledgement via company's website: www.ttwplc.com. Moreover, TTW prepare Code of Business Conduct used as principles and operational guidelines for directors, Executive Management and employees as well as preparing medias and activities to enhance better understanding regarding good corporate governance among employees of the company by emphasis on good corporate governance principles as frame of responsibility, transparency, continual development and sustainable growth which is consisted of:

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|----------------------------|--|
| RESPONSIBILITY | Be aware of responsible duty |
| ACCOUNTABILITY | Be responsible for decision and action |
| EQUITABLE TREATMENT | Treat all related parties equally |
| TRANSPARENCY | Disclosure of transparent and verifiable information |
| PROMOTION OF BEST PRACTICE | Promotion of Best Practice |

There are main activities in previous year in the following:

- Distribution information and best practice of good corporate governance to directors and employees as well as resolution of Corporate Governance Committee Meeting and SET to employees in TTW Group via intranet system of the company.
- Reporting company's operation according to good corporate governance principles of SET and suggestion of Corporate Governance Committee and Board of Directors for acknowledgement.
- Providing good corporate governance training such as explanation and training new employee of the company.

Monitoring Operating Outcome of Corporate Governance Policy

Board of Directors, Executive Management and employees of TTW implement according to corporate governance policy and following up operating outcome in accordance with action plan strictly and regularly and there is not any operation which is different from the policy.

Due to such dedication, TTW receives rewards and certification of compliance with good corporate governance in 2015 as follow:

- Receiving "100" scores for organizing Annual Ordinary General Meeting of Shareholders conducted by Thai Investors Association in 2015.
- Receiving "Very Good" grade for Corporate Governance Report of Thai Listed Companies conducted by Thai Institute of Directors (IOD)

In 2015 Thai Institute of Directors conduct Annual Corporate Governance 2015 Survey of Thai listed companies in order to monitor development of corporate governance of Thai listed companies. The listed company shall prepare Annual Registration Statement Form in accordance with Corporate Governance Report of Thai Listed Companies (CGR) to assist in verifying operation in compliance with OECD Principles of Corporate Governance, which comprise five core areas, as TTW complies with 5 core areas of Principles of Corporate Governance in 2015 in the following:

Part 1 Rights of Shareholders

TTW emphasizes on shareholders as investors and owner of the company, it is provide to promote shareholders to exercise their basic legal rights such as participation in the company profit, shares trading or shares transfer, receiving news and information of the company sufficiently, attending shareholders meeting in order to vote to appoint or remove directors, proposing compensation paid for directors, appointment of auditor and proposing audit fee and other matters which are affected to the company. Apart from promoting shareholders to exercise their basic rights, TTW supervises and treats shareholders equally such as providing significant and update information via website, providing an opportunity for shareholders to nominate persons as directors of the company, organizing company visit, participation in activities which are responsible for society and there is not any treatment which is deemed as violated or deprived rights of shareholders.

Organizing Shareholders Meeting

The Board emphasizes on organizing Annual General Meeting of Shareholders which is held within 4 months after the end of accounting period of the company to provide an opportunity for shareholders to participate in acknowledgement of the company's performance. If there is any urgent requirement to consider special agenda which may affect to interest of shareholders and it is required approval from shareholders. The Board may call the Extraordinary General Meeting of Shareholders periodically. In Annual General Meeting of Shareholders, the company shall comply with AGM Checklist which is prepared by Thai Investors Association, Thai Listed Companies Association and Securities and Exchange Commission (SEC) as follow:

Before the meeting day

TTW shall prepare meeting document with complete information in significance used accompanying with consideration of shareholders' voting by distributing information to shareholders for acknowledgement in advance and promoting shareholders to attend Annual General Meeting of Shareholders as well as providing facilitation in exercising their rights of voting in case they cannot attend the meeting themselves as follow:

- Notifying meeting schedule and agenda to shareholders for shareholders for acknowledgement in advance via information communication system of SET and website of TTW prior sending meeting document since 27 February, 2015 before the meeting day not less than 30 days as shareholders can prepare time plan in order to attend the meeting.
- Sending meeting invitation letter specifying detail of each agenda by separation of each agenda clearly. Agenda of 2015 Annual General Meeting of Shareholders is consisted of topics for consideration as defined by company regulation, part 4 "Shareholders Meeting" by separating Topic of Appointment of Director to replace Director whose tenure is expired and Topic of Consideration of Compensation paid to Director as the separated agenda. Each agenda is consisted of facts and reasons, opinion of the Board, criteria and methods of attending the meeting and 3 Forms of Proxy (Proxy Form A, Proxy Form B and Proxy Form C) as defined by Department of Business Development, Ministry of Commerce as well as sending Annual Report to shareholders for acknowledgement since 14 March, 2015 prior the meeting day not less than 14 days and making an announcement in daily newspaper for 3 consecutive days in order to summon shareholders meeting in advance sufficiently for them to prepare to attend the meeting as well as presenting all related information in website of TTW to provide an opportunity for shareholders to study meeting document prior as well as arranging contacted telephone numbers for enquiry about additional information and presenting significant information accompany with consideration agenda Topic of Appointment of Director completely and significantly.
- Providing an opportunity for shareholders sending questions that required explanation in the issue of

the agenda that sent in advance by sending electronic mail to cg@ttwplc.com or facsimile number 0 2420 6064 as shareholders can obtain most benefits from the meeting as well as maintaining maximum benefits of shareholders.

Shareholders Meeting Day

TTW supports shareholders to exercise their rights in attending and voting in shareholders meeting by providing facilitation for shareholders who attend the meeting and organizing the meeting transparently and there is mechanism which can be verified and any violation or deprivation of shareholders' rights must not be made as well as providing opportunity for shareholders for enquiry and expressing their opinions openly, therefore:

- Directors, Executive Management and auditor must attend the meeting completely in order to answer the questions and acknowledging shareholders' opinions.
- In 2015 Chairman and directors totally 11 persons attend shareholders meeting which is equal to 91% of total number of directors as Chairman of Executive Committee cannot attend the meeting due to accident while he is treated in the hospital. Chairmen of the rest subsidiary committee attend the meeting likewise and Chairmen and directors of subsidiary committee participate in explanation detail of related agenda as well as answering shareholders' questions.
- Organizing exhibition and providing information regarding business operation of the company by executive management of Investors Relations Workgroup, Accounting and Finance Workgroup, Business Development Workgroup, Operation Workgroup and Engineering and Construction Workgroup participate in reception and answering shareholders' questions.
- Providing rights of shareholders who attend the meeting late to exercise their rights to vote on agenda which is on consideration and agenda which resolution is not made.
- Conducting the meeting in accordance with respective agenda which is specified in the invitation letter and presentation of agenda is commenced with the background, reasons, necessity and proposal presenting in the meeting as detail of significant information has been already notified shareholders in the invitation letter.
- Providing an opportunity for shareholders to express their opinions, asking questions in the meeting in each agenda equally as Chairman of the Meeting shall emphasize and answers questions in all issues as well as minute shall be recorded totally.
- The Legists Co., Ltd. a legal office is employed as auditor in order to inspect document of shareholders or proxies who are eligible to attend the meeting, the quorum, voting method and vote counting according to company regulation shall be consistent to ballots that Chairman of the meeting notifies collection from shareholders as well as inspection of resolution outcome and voting result. Auditor comments that organizing shareholders meeting and voting is

transparent and complied with company regulation, applicable laws and best practice of SET regarding good corporate governance as well as the company respects rights of shareholders who attend the meeting and expressing their opinions in the meeting.

- Providing opportunity for 2 shareholders as representatives of shareholders who attend the meeting as witnesses in vote counting.

In 2015 Annual General Meeting of Shareholders, there are shareholders, at closing the meeting, who attend the meeting themselves and by proxies totally 556 person and 596 persons respectively. The total number of shares are 3,334,209,002 shares which is equal to 83.56 of the total sold shares, number of shareholders who attend the meeting reduces from the attendees of 2014 Annual General Meeting of Shareholders which shareholders attended the meeting by themselves and by proxies totally 636 persons and 392 person respectively and the total of shares was 3,432,642,859 shares which was equal to 86.0% of the total sold shares.

After Shareholders Meeting

- After the annual general meeting of shareholders,

TTW shall prepare the minute which recorded name list of Directors, Executive Management as well as positions of Directors and Executive Management who have attended the meeting, voting method and vote counting, ballot usage, suggestions of The Board, enquiry and suggestions of shareholders, Executive Management's explanation as well as voting record including both agreement, disagreement and abstention of votes and the resolution of each agenda and then distributing in company website at www.ttwplc.com on 10 April, 2015 which is complied with SET's criteria that within 14 days after meeting date.

- Atmosphere of the meeting is recorded and distributed in TTW website to acknowledge shareholders who cannot attend the meeting.

- After the Shareholders Meeting has approved dividend payout, TTW may notify the resolution as well as detail of dividend payout to shareholders for acknowledgement via electronic media (SET Portal) of SET as well as coordinating with TSD Registrar and making announcement of dividend payout in newspaper to ensure that shareholders obtain dividend completely and correctly.

Part 2 Equitable Treatment of Shareholders

The Board supervises Corporate Governance Structure regularly in order to formulate confidence in providing equitable and fair treatment of all shareholders as well as the shareholders supervising process is not complicate, shareholders are eligible to participate in making decision and receiving outcome of the company's decision for any significant situation as defined by law and company regulation as follow:

- In organizing shareholders meeting, TTW has policy to maintain rights of all shareholders; additional agenda shall not be increased without notifying shareholders for acknowledgement prior as shareholder have sufficient time to study agenda before voting. In addition, all shareholders are eligible to vote according to number of shares that they are holding, each share is one vote and there is no privileged share which deprived other shareholders' rights.
- The Board provides an opportunity for Free Float to propose agenda in Annual General Meeting of Shareholders as the announcement shall be made via communication channels of SET and on company website with steps and procedures which are distinctive, transparent and consistent to additional practice on Rights of Free Float which shareholders are eligible to nominate qualified persons for election as company's Directors during 11 September – 30 December, 2015.

Internal Information Using Protection

TTW determines guidelines in storing and protecting internal information usage in written material, in Directors' Ethics and in Employees' Ethics in order to protect using internal information from illegal exploitation of their own or other purposes which other shareholders are taken advantage or caused damage to shareholders in general as follow:

Directors

- Directors must not use the acquired information as directors of the company illegally or caused damage to the company.
- Directors must not disclose business confidential information or any information that affected to the business to any third party.
- Directors, spouses and underage children must not conduct shares trading when company's internal information is acquired as share price shall be affected if such information is disclosed to general public.
- Directors must not notify secret information to others which may lead to reservation of purchase or sales company's shares.

Employees

- Employees must comply with Regulations of SET / SEC and applicable laws strictly as well as disclosing information to shareholders / general public equally.
- Information disclosure which may affect to the business and share price must be approved by Managing Director who shall disclose such information by own or assigning any responsible person to disclose such information.
- Central Workgroup which provides information to general public and investors is Organization Activity Department such as Investors Relations Workgroup and Executive Secretary etc. As the workgroup which owns the information, shall support such information.

Moreover, TTW prohibits Directors, Executive Management and related employees who are aware of financial statement from shares trading as within 45 days prior information disclosure and within 24 hours after disclosure of such information to SET. In addition, TTW determines internal control system in order to protect leakage of information carefully and tightly to prevent internal information from disclosing to general public prior formal disclosure and it is deemed that these measures and control system are parts of the significant risk control measures of the company as well as it is deemed as these are duties and responsibilities of superior to control and maintain internal information in accordance with such measures. If any employee uses internal information which is

not disclosed to general public and/or general shareholders for exploitation of shares trading for his/her or other purposes, such action is deemed as violation of company's Code of Conduct.

Conflict of Interest

The Board has policy prohibition against personal interest and TTW interest by determining as principles in business ethic for Directors and employees as detail is specified in Part 5 Responsibilities of Board of Directors.

In 2015 the Board has not received any complaint regarding disrespect for basic rights of shareholders or malpractices of Directors and Executive Management in internal information usage which indicated efficient supervision of the Board in this matter.

Part 3 Roles of Interested Parties

Apart from supervising and maintaining rights of shareholders, the Board has policy to supervise rights of all interested parties by emphasis on the significant matter which is affected directly to business operation and it is deemed as the rightful duty for society in general, therefore, the Board determines guidelines in responding requirement of each interested party clearly in Good Corporate Governance Policy and Code Business Ethics for Directors, Executive and employee to comply with during operating with all interested parties equally by preparation of notifying channel of trace, complaints and suggestions which may cause damage to all interested parties due to company's operation which is illegal, against rules and regulations as well as malpractices.

Protection Measures of Informant and Complainant

Any employee or outsider who notifies trace of complaint honestly shall be protected appropriately as follow:

1. The company may keep information and appearance of informant, complainant and culprit as confidential.
2. If the company is required to disclose such information, the necessary information shall be disclosed by considering safety and damage of informant and complainant.

Employees

TTW treats employee equally and fairly without any exception of domicile, race, religion, sex, marital status, language or position and there has not any using or supported using child labour, human trafficking and does not support all forms of fraud and corruption. TTW proposes compensation paid to employees appropriately and being consistent to remuneration of the same industry as well as providing benefits and welfares more than they are defined by law such as establishment of Provident Fund, providing annual physical examination, free medical according to health care plan, maintaining safety and hygienic working environment, office cars are provided for Executive Management in Division Manager or higher for flexible working, promoting activities for employees such as establishment of Jogging Club, Badminton Club, Football Club etc. The company still emphasizes on personnel development in long term, providing opportunity for learning and developing employee potential for career path progress and good quality of life in the future by using professional management system in human resource administration in order to increase capability and employee potential for optimum benefits as well as promotion of learning and new skills for employees in all levels by providing scholars and supports employees to

attend seminar organized by leading institutions. TTW prepares Employee Handbook for all employees to acknowledge policies and benefits and welfares which employees may obtain, in addition, TTW has policy to supervise and develop personnel as it is believed that personnel is the most precious resource to drive the organization to the goals concurrently. Therefore, TTW dedicates itself to developing personnel having knowledge, capability and good quality of life. For learning path and employee development, the company provides appropriate learning program since employee starts working with TTW from the first day until retirement. TTW develops employee's participation continuously by conducting Employee Satisfaction Survey, Employee Engagement Survey, employee's participation in administration of welfares, health and safety via Occupational Health and Safety Committee, TTW promotes and supports employee's learning regularly by spending time, budget and career path progress to ensure that TTW may have qualified personnel and sufficient manpower for current business which is manufacturing and distributing tap water, smooth management of tap water and wastewater as one of the key factor is personnel development of TTW to have knowledge, capability and being well prepared to enter new business. TTW determines framework of personnel development in each position by defining personnel development, preparation and implementation which TTW analyzes and prepares Core Competency, Managerial Competency and Functional Competency to be used as framework of development.

For new employees who have an opportunity to work with TTW Public Company, all of them must attend orientation to acknowledge practices, business operation

policy of the organization, good corporate governance principles, environmental training, promotion of efficient resource using as well as good relationship between employees and new employees. Moreover, in working with TTW, employees may obtain development and promotion in learning in various forms which are different according to type and level of works both on the job training and internal and external trainings, employee rotation which allows employees to have various job learning, experience and skills etc. In term of self-learning, TTW prepares "Edutainment" which is consisted of text and entertainment completely, when employee steps to higher position, TTW provides the well preparedness program of changing from employee roles to leader roles instead. In 2014 employees attended Skills Promotion Training totally 411 programs and the training hours totally 10,497 hours, in 2015 employees attend Skills Promotion Training totally 259 programs with training hours totally 11,388 hours which indicates that number of training hours of employees in all levels for development increases.

TTW arranges to have good and hygienic environment in workplace as well as have life and property safety both employee's and TTW's, TTW still considers safety for employee's operation and public utility's users by providing training for technician and engineer trainings as well as employees who work in tap water manufacturing process regularly in order to operate their duties safely and efficiently. In 2015 TTW has statistics of accident due to work totally 1 time without death or severe injury of employee.

Evaluation of Working Performance and Career Development

For employees who obtain compensation monthly in all levels, Key Performance Indicator (KPI) for each employee shall be conducted in every year end which is based on expectation of work success, skills, capability and development in order to define priority of objective of development by referring evaluation outcome of skills and capability in 3 areas such as Core Competency, Managerial Competency and Functional Competency according to typical development plan of TTW, personal development plan emphasizes on learning and development obtained from actual experience, learning and development obtained from inter-relations and learning and development obtained from formal training.

Customers

TTW shall comply with obligation toward customer as manufacturer and distributor tap water by conforming strictly to principles of delivery product and service which is clean, sufficient and continuous based on justice and enhancing sustainable inter-relations to all customers.

In 2015 there is not any dispute between TTW and customers as in manufacturing and distributing tap water business, TTW can produce tap water as defined in the contract in general and it is well prepared in distribution water higher than it is defined in tap water sales and purchase contract and tap water is produced in accordance with WHO Standard.

Creditors

TTW can comply with obligation of all creditors by conforming to terms and condition of loan contract strictly without concealing actually financial status, financial information is provided for creditors periodically, TTW operates business in compliance with principles and disciplines, capital management in proportion of liabilities in order to formulate confidence of creditors. TTW operates in the following principles:

- In repayment of liabilities, loans, interest and responsibilities of collaterals, TTW shall comply strictly with the agreed contracts and conditions.
- If TTW cannot perform according to terms and condition of the agreed contract, TTW shall notify creditors for acknowledgement in advance in order to consider finding solution collaboratively.

In 2015 TTW and subsidiary companies can comply with condition defined by creditors completely and the company is not in any default on loans.

Partners

The important interested parties of TTW are external trade partners. TTW has selection principles by emphasis on consideration of business strategy of service provider whether it is consistent to business strategy of TTW or not such as competitiveness, business continuity, customer protection and supervision and risk management method. In the contrary, TTW shall treat external service providing company fairly under corporate governance and regulations of TTW.

TTW has selection principles of external service provider covering 7 areas as follow:

- Skills and experiences
- Technical capability
- Financial status
- Complaints and legal proceedings record
- Business reputation
- Risks arisen from providing service to many customers
- Service policy

The foregoing selection criteria constitute TTW maintaining its excellent quality in manufacturing and distributing tap water without risk which may affect to customers.

In 2015 there is not any dispute between TTW, subsidiary companies and Trade partners / contractual counterparties.

Communities and society

TTW operates business by considering communities and society particularly community where the business is located as it is defined as missions of the organization to be good member of society and paying attentiveness to community. It is deemed as one of duty and responsibility of Executive Management and all employees to comply with. Starting from providing true and update information, peaceful cohabitation with respect for tradition and culture of community as well as participation in developing good quality of life concurrently with people in community and participating concurrently with community in making locality and society peaceful which shall lead to sustainable development of society in general. TTW operates projects

and activities for communities and society continuously which is divided by type of project into 3 parts such as life quality development of communities surrounding water treatment plant, promotion of water conservation learning and conservation of watershed and environment.

In 2015 there is not any dispute between TTW, subsidiary companies and communities where the business is located or any social sector. TTW operates projects and activities for communities and society continuously, enhancing sustainable watershed conservation concurrently with Department of National Parks, Wildlife and Plant Conservation "1 million seedlings afforest watershed" Project as 1 million seedlings have been already planted in 5,000 Rai of land in the period of 5 years and maintaining the forest area for another 2 year before handing over to Department of National Parks, Wildlife and Plant Conservation to proceed further.

Environmental Implementation

TTW is well aware that business operation without any responsibility may cause impact on environment severely particularly in communities where TTW operate business, therefore, TTW dedicate itself to protecting and conserving environment by emphasizing equally as one of business operating factor of TTW. However, due to long business operation for last several years, TTW is well aware that mere compliance with rules and regulations is not adequate to protect and conserve the environment as there are other important factors to implement apart from the defined rules and regulations which are development of internal action plan to support emergency and quality control system as well as seeking advanced technology continuously used to reduce environmental impacts and TTW operates in compliance with emergent situation and quality control system.

Environmental Achievements

- Organizing annual meeting in order to consider and consult issues which are related to environmental laws.
- Environmental protection policy is prepared in accordance with TISI Standard 14001 which is TTW policy in sustainable environment protection in order to protect environment and better living (specified in "TISI Standard of Environment Management System 14001 (ISO 14001)")
- Goals and objectives of environmental management is defined and being used with all employees in the organization and employees under workgroups in other locations and the duration of operation and implementation is also defined. TTW is well aware that training and improvement of thinking for employees in all level shall lead to achievement of environment policy.
- TTW conducts assessment of significant impact on environment for activities in the organization; it is found that rules and steps of current operations can reduce impact on environment efficiently.
- Internal training projects which are provided for all employees in accordance with Environmental Management System Policy has objective in establishment and creating awareness of environment. This training project is provided both at head office and branch offices.

- TTW puts best effort to convince and support all trade partners of TTW to comply with environmental standard.

Efficient resources Usage

TTW supports recycled material usage by promoting efficient resources usage campaign such as using 2 both sides of paper, switch-off air-conditioner and electricity during break or when Executive Management are not in their room for a long time, using car pool for the same operation and direction. Such projects may not effect clearly in term of reduction of energy cost or expenditures though, it can create personal awareness which can be used in daily life as good citizen of the society.

Human Rights Respect

TTW support in compliance with "Universal Declaration of Human Rights" and other international standards of human rights by operating TTW business in compliance with Universal Declaration of Human Rights. In addition, TTW provides training for new employees on TTW's Ethics and human rights policy.

In 2015 TTW prepares receiving complaint and whistle blower policy which can be implemented by establishing receiving channel of for employees to submit corruption complaint, violation rules and regulations complaints, unfair treatment complaint to human rights related workgroups as defined by TTW to indicate that TTW emphasizes on transparency and Good Corporate Governance Principles strictly. In 2015 there is not any complaint regarding human rights violation from employee, trade partners, and local people where TTW is located which can formulate confidence that TTW operation does not affect or tends to have any effect to local communities. Board of Director determines non-violation of human rights policy for Executive Management and all employees to comply with Universal Declaration of Human Rights as follow:

- TTW treats all employees with honour and dignity
- TTW provides communication channel for employee to submit suggestions, working complaints, these proposals shall be considered seriously and solution is defined for benefits of all related parties as well as creating good working relations.
- TTW supports employees to exercise their rights as rightful citizen according to the constitution and laws.
- TTW shall keep personal information of employee such as biography, health record, working record etc. as confidential. Any disclosure or transfer personal information of employee to general public shall be merely made upon approval of such employee except it is required by company regulation or by law. Violation of this matter is deemed as disciplinary offense.
- TTW shall not support violation of Universal Declaration of Humans Rights and corruption.
- All employees must not conduct any action which is deemed as violation or threat whether by verbal or action against other persons based on race, sex, religion, age and physical and mental disability.

Non-infringement of Intellectual Property and Copyright

TTW has operation policy without infringing intellectual property and copyright as TTW has Risk Management Officer Team, which Managing Director is Chairman, reports to Risk Management Committee for consideration of both operation of the matter, such as all employees must sign in Memorandum of Understanding on non-computer related crime, and non-infringement of intellectual property. TTW determines policy in information technology system of TTW Group and subsidiary companies and inspection of software system of working program of employee in order to prevent using infringed software or unrelated work software.

Anti-corruption and Bribery

TTW has Zero Tolerance Policy, TTW prohibits Board of Directors, Executive Management, superior, employees in all level or related persons from involvement of all forms of corruption in making transactions and must comply with rules, regulations and laws of all countries which doing business with TTW.

This policy shall be review regularly to improve and update to keep abreast with any amendment of law, regulation, standard and business changing.

TTW plans to make announcement anti-corruption and

bribery as the principle is defined in business ethics that it is prohibited to request or receive any interest or asset that indicated motivation or omission of performing duty illegally or may cause TTW loses rightful interest as well as employee is prohibited from offering or presenting any interest or asset to outsiders in order to convince such person to perform or omit performing any illegal action or malpractice against his/her own position.

In 2015 TTW show its intention in participation in Collective Action Coalition Project in order to anti-corruption in private sector concurrently with IOD, Thai Chamber of Commerce, Foreign Chamber of Commerce and Thai Listed Companies Association, this Project is deemed as national project which is supported by the government and National Anti-Corruption Commission..

Competitor Treatment

Competitors are outsiders that TTW must compete in accordance with business operation path. Competition must be fair without information distortion, deceit or any method which is incorrect according to good competition way. In addition, TTW is the biggest manufacturer and distributor of tap water in Thailand by producing and distributing water to Provincial Waterworks Authority which is trade partner without direct competitor.

Part 4 Disclosure and Transparency

TTW is aware of the importance of disclosure of financial information, general information and significant information technology which is correct, complete, on time, transparent and consistent to the requirement of Office of Securities Exchange commission and SET. In order to distribute information to shareholders and interested parties thoroughly by distributing through the following channels:

1. Disclosure of information on website

To allow shareholders and investors to search for information disclosed to general public rapidly, TTW presents significant information which is improved and updated regularly on website: www.ttwplc.com both in Thai and English as follow:

- Background, vision, mission and structure of the organization
- Corporate governance is consisted of Good Corporate Governance Principles, Corporate Governance Committee and subsidiary committee and Executive Management
- Information of investors is consisted of significantly financial information, structure of shareholders and investor calendar

- Information and movement of the organization consists of business information and information related to projects for communities and society
- Responsibilities for society consists concept and direction of operation, information related to projects for communities and society which are currently implementing

2. Providing information to stock analysts or investors who visit and consult executives of the company
3. Travelling to provide information to investors
4. Organizing Stock Analysts Meeting
5. Providing information via public medias such as newspapers, magazines, journals and television

Part 5 Responsibilities of Board of Directors

5.1 Structure of Board of Directors

The Board is consisted of directors not less than 5 persons, changing number of directors shall be approved by shareholders by majority vote which is not less than two-third of shareholders who attend the meeting and being eligible to vote.

As of 31 December, 2015, the Board is consisted of directors totally 12 member, 11 members of this number are outsiders who are not executive Management of TTW which is equal to 92% of the whole Board and among this number, there are independent director 4 members which is equal to 33.3% of the whole Board.

Nomination and Remuneration Committee shall consider and screen every person who shall be appointed to be director whether directors who are representatives of shareholders or independent directors by considering suitability of the required skills and experiences in order to strengthen Corporate Governance Committee as well as working record which is transparent, ethical, responsible, being mature and being professional. Structure of directors shall be reviewed annually, the Board comments that

structure and element of the current Board is consisted of male directors 92% who are engineering specialist, Economics, Business Administration, Accounting and Finance and Laws in proportion of 50%, 33.3%, 8.3%, and 8.3% respectively which is appropriate as there are variety of professions and highly skills and experiences which is necessary and very beneficial for business operation of TTW as well as appropriate balance of directors.

Table indicated taking position of subsidiary committees

| Name of directors | Sub-Committee | | | | | Remark |
|-----------------------------|---------------------|-----------------|---------------------------------------|--------------------------------|---------------------------|------------------------|
| | Executive Committee | Audit Committee | Nomination and Remuneration Committee | Corporate Governance Committee | Risk Management Committee | |
| 1. Mr. Narong Sangsuriya | Chairman | - | - | - | - | Non-executive director |
| 2. Dr. Sombat Kitjalaksana | Director | - | - | - | - | Non-executive director |
| 3. Mr. Tomoaki Matsumoto | Director | - | - | - | Director | Non-executive director |
| 4. Mr. Suvich Pungchareon | Director | - | - | - | - | Non-executive director |
| 5. Mr. Chaiwat Utaiwan | Director | - | - | Director | Director | Managing director |
| 6. Mr. Techapit Sangsingkeo | - | Chairman | - | Director | Chairman | Independent director |
| 7. Mr. Phairuch Mekarporn | - | Director | Chairman | Director | Director | Independent director |
| 8. Mr. Somnuk Chaidejsuriya | - | Director | Director | Chairman | - | Independent director |
| 9. Mrs. Payao Marittanporn | - | - | Director | - | - | Non-executive director |
| 10. Mr. Yazutaka ZuZuki | - | - | Director | - | - | Non-executive director |

5.2 Board of Directors Meeting

The Board has schedule of meeting normally every 3 months and an extraordinary meeting is organized as required by notifying agenda clearly in advance and consideration agenda on monitoring operation outcome is held regularly. Organization Activity Department may send meeting invitation letter accompanied by agenda not less 10 day prior and meeting document shall be sent not less than 7 days in advance as directors have sufficient time to study prior attending the meeting. There are Board of Directors Meeting and subsidiary committees meeting totally 26 times in 2015 as follow:

Table indicated number of times directors attending the meeting

| Name of directors | Meeting attendance in 2015 (number of times) | | | | | | |
|-----------------------------|--|--------------------|---------------------|-----------------|---------------------------------------|--------------------------------|---------------------------|
| | Share holders | Board of Directors | Executive Committee | Audit Committee | Nomination and Remuneration Committee | Corporate Governance Committee | Risk Management Committee |
| 1. Dr. Thanong Bidaya | 1/1 | 6/8 | - | - | - | - | - |
| 2. Mr. Plew Trivisvavet | 1/1 | 8/8 | - | - | - | - | - |
| 3. Mr. Narong Sangsuriya | 0/1 | 8/8 | 5/5 | - | - | - | - |
| 4. Mr. Techapit Sangsingkeo | 1/1 | 8/8 | - | 4/4 | - | 2/2 | 4/4 |
| 5. Mr. Phairuch Mekarporn | 1/1 | 8/8 | - | 4/4 | 2/2 | 2/2 | - |
| 6. Mr. Somnuk Chaidejsuriya | 1/1 | 6/8 | - | 3/4 | 2/2 | 2/2 | - |

| Name of directors | Meeting attendance in 2015 (number of times) | | | | | | |
|----------------------------|--|--------------------|---------------------|-----------------|---------------------------------------|--------------------------------|---------------------------|
| | Share holders | Board of Directors | Executive Committee | Audit Committee | Nomination and Remuneration Committee | Corporate Governance Committee | Risk Management Committee |
| 7. Dr. Sombat Kitjalaksana | 1/1 | 5/8 | 5/5 | 5/5 | - | - | - |
| 8. Mr. Suvich Pungchareon | 1/1 | 8/8 | 5/5 | 5/5 | - | - | - |
| 9. Mrs. Payao Marittanporn | 1/1 | 6/8 | - | - | 2/2 | - | 4/4 |
| 10. Mr. Tomoaki Matsumoto | 1/1 | 8/8 | 5/5 | 5/5 | - | - | 4/4 |
| 11. Mr. Yazutaka ZuZuki | 1/1 | 6/8 | - | - | 2/2 | - | - |
| 12. Mr. Chaiwat Utaiwan | 1/1 | 8/8 | 5/5 | 5/5 | - | 2/2 | 4/4 |

***Remark Self-assessment of Board of Directors**

In Board of Directors Meeting No. 7/2015 on 18 November, 2015, the resolution of self-assessment is acknowledged self-assessment of Board of Directors in 2015 is consisted of 6 topics as follow:

- Structure and qualification of the Board
- Comprehension of roles and responsibilities of the Board
- The Board Meeting
- Duties of the Board
- Relations between Executive Management
- Development and training

Conclusion: Self-assessment of the whole Board of Directors is better than standard with Mean 93

Executive Secretary

Board of Directors appoints Miss Sudarat Chiamchan, Corporate Affairs Director as Executive Secretary by virtue of power and responsibilities as defined by Securities and Exchange Act (No. 4) B.E. 2551 including secretary of Board of Directors and subsidiary committee such as Corporate Governance Committee as well as supervising activities of Board of Directors and coordinating in operation according to the resolution of Board of Director as follow:

- Providing initial suggestion to directors regarding requirement, rules, regulations of the company and following up correct and regular compliance as well as reporting significant changing to the Board.
- Organizing shareholders meeting and Board of Directors Meeting being consistent to the laws, company regulation and best practices.
- Recording shareholders meeting minute, the Board Meeting minute and following up operation in accordance with resolution of shareholders Meeting and resolution of the Board meeting.
- Supervising disclosure of information and information technology report in responsible part according to requirement of SET and SEC.
- Contact and communicating with general shareholders to notify rights of shareholders and company's information.
- Supervising and coordinating activities of the Board as well as preparing orientation of new directors.
- Supervising important document of the company such as registration of directors, invitation letter of the Board Meeting, minute of the Board Meeting, annual report, invitation letter of shareholders meeting, shareholders meeting minute and connected transactions of directors or executive Management.



COMPENSATION PAID TO DIRECTORS, MANAGEMENT AND ALL EMPLOYEES

Compensation of Directors

The company determines compensation paid to directors in appropriate level and sufficiently to maintain quality of directors without paying compensation excessively. The consideration of compensation paid to directors is based on justice and reasonability when it is compared to operation level in the same or similar industry as well as experiences, duties, scope of roles and responsibility of each director including the increased duties and responsibilities as being appointed to members of subsidiary committees likewise.

In 2015 the company has paid compensation to directors totally 27,785,500 Baht by separation as annual compensation totally 7,845,500 Baht and 2014 annual bonus totally 19,940,000 Baht.

Compensation of each director in 2015

(unit: Baht)

| Name-Surname | Position | Annual Compensation | Bonus (2014) | Grand total |
|-----------------------------|---|---------------------|--------------|-------------|
| 1. Dr. Thanong Bidaya | Independent Director and Chairman of the Board of Directors | 982,000 | 2,538,000 | 3,520,000 |
| 2. Mr. Plew Trivisvavet | Director and Vice Chairman of Board of Directors | 804,000 | 2,077,000 | 2,881,000 |
| 3. Mr. Narong Sangsuriya | Director and Chairman of Executive Committee | 651,000 | 1,682,000 | 2,333,000 |
| 4. Mr. Techapit Sangsingkeo | Independent Director, Chairman of Audit Committee, Chairman of Risk Management Committee and Corporate Governance Committee | 795,000 | 2,055,000 | 2,850,000 |
| 5. Mr. Phairuch Mekarporn | Independent Director, Chairman of Nomination and Remuneration Committee, Corporate Governance Committee and Audit Committee | 716,000 | 1,851,000 | 2,567,000 |
| 6. Mr. Somnuk Chaidejsuriya | Independent Director, Chairman of Corporate Governance Committee, Nomination and Remuneration Committee and Audit Committee | 716,000 | 1,851,000 | 2,567,000 |
| 7. Dr. Sombat Kitjalaksana | Director and Executive Committee | 502,000 | 1,295,000 | 1,797,000 |
| 8. Mr. Suvich Pungchareon | Director and Executive Committee | 502,000 | 1,295,000 | 1,797,000 |

(unit: Baht)

| Name-Surname | Position | Annual Compensation | Bonus (2014) | Grand total |
|-----------------------------|--|---------------------|--------------|-------------|
| 9. Mrs. Payao Marittanaporn | Director, Risk Management Committee and Nomination and Remuneration Committee | 475,500 | 897,000 | 1,372,500 |
| 10. Mr. Ryotaro Sumi | Director and Nomination and Remuneration Committee | 114,933 | 1,115,000 | 1,229,933 |
| 11. Mr. Tomoaki Matsumoto | Director, Executive Committee and Risk Management Committee | 591,000 | 382,000 | 973,000 |
| 12. Mr. Chaiwat Utaiwan | Director, Executive Committee, Risk Management Committee, Corporate Governance Committee and Managing Director | 680,000 | 1,318,000 | 1,998,000 |
| 13. Mr. Sompod Sripoom | - | - | 439,000 | 439,000 |
| 14. Mr. Tomonori Zuzuki | - | - | 1,145,000 | 1,145,000 |
| 15. Mr. Yazutaka Zuzuki | - | 316,067 | - | 316,067 |
| Total | | 7,845,500 | 19,940,000 | 27,785,500 |

- Remark
- a) Mr. Sompod Sripoom has resigned from being director since 14 March, 2014
 - b) Mr. Chaiwat Utaiwan was appointed to be director in 15 March, 2014
 - c) Mr. Tomonori Zuzuki has resigned from being director since 14 August, 2014
 - d) Mr. Tomoaki Matsumoto was appointed to be director in 15 August, 2014
 - e) Mrs. Payao Marittanaporn has resigned from being director since 28 August, 2014
 - f) Mrs. Payao Marittanaporn was reappointed to be director in 17 February, 2015
 - g) Mr. Ryotaro Sumi has resigned from being director on 6 April, 2015
 - h) Mr. Yazutaka Zuzuki was appointed to be director in 7 April, 2015

Comparison of compensation paid to dierectors in 2015, 2014 and 2013

(unit: Baht)

| Description | 2015 | | 2014 | | 2013 | |
|---------------------|--------|------------|--------|------------|--------|------------|
| | Number | Amount | Number | Amount | Number | Amount |
| Annual Compensation | 15 | 7,845,500 | 15 | 7,294,097 | 13 | 6,706,218 |
| Total Bonus | 15 | 19,940,000 | 15 | 18,421,000 | 13 | 16,091,250 |
| Grand total | | 27,785,500 | | 25,715,097 | | 22,797,468 |

Compensation of Management

Compensation of Management shall be conform to policy and criteria defined by directors in connection with company's performance in accordance with assessment system which is collaboratively defined indicators and annual target by Board of Directors , Managing Director and Management and it is used as guideline in operating business and assessment of working performance. Detail of compensation, bonus and provident fund which are provided for Management is as follow:

Comparison of compensation, bonus and provident fund paid to Executive Management (unit: Baht)

| Description | 2015 | | 2014 | | 2013 | |
|--------------------|--------|------------|--------|------------|--------|------------|
| | Number | Amount | Number | Amount | Number | Amount |
| Total Compensation | 8 | 20,637,660 | 7 | 19,044,840 | 9 | 18,309,080 |
| Total Bonus | 7 | 7,371,640 | 7 | 6,157,200 | 9 | 6,953,700 |
| Provident Fund | 8 | 1,317,874 | 7 | 1,155,378 | 9 | 1,279,261 |

Compensation of Employee

TTW Public Company is an organization which has similar wage and compensation when it is compared to the same industry as the Board has determined the appropriate management policy which is consistent to wage situation and the Management is assigned to study, compare and improve wage and compensation of employee annually. Wage Management is conducted based on justice principles by considering scope of responsibility of each position and individual capability significantly, provide appropriate benefits and welfares as well as honorable award presentation, working promotion is provided for employee who has outstanding performance in order to formulate motivation of excellent performance.

Due to the awareness and importance of personnel development, the company has determined personnel development as a particular policy as well as target of improving employee compensation of the company from 50 percentile to be 75 percentile of compensation the listed companies operating business in public utilities within 5 years in order to enhance motivation and organizational relationships. Improvement of compensation shall be implemented concurrently with the development of knowledge and employee potential which shall lead to the improvement of working efficiency too.

The company pays total compensation of employees of the company and subsidiary companies in term of salary and bonus as follow:

| Company/Subsidiary companies | 2015 | 2014 | 2013 |
|--|--------------------|--------------------|-------------------|
| TTW Public Company (company) | 76.82 million Baht | 71.02 million Baht | 67.7 million Baht |
| Pathumthani Water Co., Ltd. (subsidiary) | 10.36 million Baht | 9.71 million Baht | 14.3 million Baht |
| Thai Water Operations Co., Ltd. (subsidiary) | 47.97 million Baht | 44.52 million Baht | 49.4 million Baht |

In 2015 TTW restructures management system by transfer some employees of subsidiary companies to be employees of the company.

Other compensation

The company provides welfares and other benefits apart from salary, bonus and provident fund for the management and employees appropriately in accordance with economic situation, cost of living as well as standard of the same leading group of companies.

REPORT ON THE BOARD OF DIRECTOR'S RESPONSIBILITY ON THE FINANCIAL REPORT

The Board of Directors is responsible for the financial statements of TTW Public Company Limited (TTW) and subsidiaries to ensure that the financial statements, income expense and cash flow statement are accurate, reasonable and in line with accounting standard and policy.

In doing so, the Board of Directors had delegated this responsibility to the Audit Committee which comprise of qualified and experienced independence directors. The Audit Committee oversaw the internal control process to ensure its effectiveness and efficiency. Furthermore, they had reviewed the financial statement for its accuracy reliably and adequately disclosed of related information. The Board of Directors then acknowledged the report the Audit Committee had presented.

The Board of Directors believes that the 2015 Financial Statements of TTW and subsidiaries are accurate, reasonable, in line with accounting standard and policy and adequately disclosed of related information. The company's auditor gave opinions to TTW and subsidiaries financial statements without condition.



(Dr. Thanong Bidaya)
Chairman of the Board
of Directors



(Mr. Chaiwat Utaiwan)
Managing Director

AUDITING COMMITTEE REPORT TO SHAREHOLDERS

Audit Committee of TTW Public Company Limited appointed by Board of Director, is consisted of 3 members of independent directors who are specialists and having highly experiences in various fields as Mr. Techapit Sangsingkeo is Chairman of the Audit Committee, Mr. Somnuk Chaidejsuriya and Mr. Phairuch Mekarporn are members and Internal Audit Department Manger is secretary of Audit Committee.

Audit Committee performs duties under scope of duties and responsibilities in missions delegated by Board of Director independently which is consistent to requirements of Stock Exchange of Thailand as well as providing suggestions in related matters. The Audit Committee organizes the meeting 4 times in 2015 which are participated by the Management, internal audit and auditor with the following content:

1. Verification of Financial Reports

To ensure that accounting system and financial reports is correct and reliable, information in financial statement is disclosed sufficiently as well as verification of connected transactions between the company and subsidiary companies including related companies. In is ensured that the company implements in compliance with condition of normal business and in accordance with principles defined by Stock Exchange of Thailand. For benefits of shareholders, Audit Committee agrees with auditor that quarter financial statement and 2015 Annual Financial Statement are correct in significance which is consistent to Generally Accepted Accounting Principles: GAAP.

2. Verification of Internal Audit

In consideration of scope of duties, responsibilities, independency of Internal Audit Department, Audit Committee agrees that the company has internal control system which is sufficient, appropriate and efficient according to international standard. The Audit Committee has considered and approved scope, 2015 Internal Audit Plan and consideration of internal audit report which Internal Audit Department submits the report directly to Audit Committee quarterly, it is found that internal control of operation process and the important working system are appropriate for business operation as well as providing additional suggestions which are very beneficial for work operation and there is monitoring of Administration Department and the Management for improvement in accordance suggestions provided by internal auditing, the operation is comply with securities law and SET law, requirement of Stock Exchange of Thailand and/or laws that related to business of the company and it is found that there is not significant deficiency.

3. Consideration of Connected Transactions

The Audit Committee considers connected transactions in acquisition of assets of Relocation of Raw Water Pump Station Project as there is construction of new building, Bang Pa-in business unit, TTW Public Company is approved by Board of Directors No. 7/2015, the company enters into hiring contract with CH. KARNCHANG PUBLIC COMPANY LIMITED as construction contractor and making land lese contract with Bang Pa-in Land Co., Ltd. in order to operate such project is the appropriate transactions as it operates for the optimum benefits of the company.

4. Consideration of Selection, appointment and Proposing Auditor Fee

The Audit Committee considers selection, appointment and proposing auditor fee in order to present to Board of Directors by considering reliability, capability of providing service, providing consultation according to accounting standard, auditing and verification of financial statement on timeframe.

In 2015 Audit Committee has considered to appoint Mrs. Poonnart Paicharoen, authorized auditor No. 5238 and/or Miss Sumalee Rivarabandit, authorized auditor No. 3970 and/or Miss Manee Rattanabunnaki, authorized auditor No. 5313 of Ernst & Young Co., Ltd. as the auditor of the company in 2015 which is qualified and performing duty according to standard of auditor profession and the audit fee is proposed not exceeded 1,350,000 Baht, Board of Directors has considered and approved to present in shareholders meeting for approval further.



(Mr. Techapit Sangsingkeo)
Chairman of the Audit Committee



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF TTW PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated financial statements of TTW Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of TTW Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements,

whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TTW Public Company Limited and its subsidiaries and of TTW Public Company Limited as at 31 December 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Manee Rattanabunnakit
Certified Public Accountant
(Thailand) No. 5313

EY Office Limited
Bangkok: 25 February 2016

OPERATION RESULT ANALYSIS AND REPORT

Analysis of Income from Water Supply Sales

(Unit : Million Baht)

| Description | 2015 | 2014 | Change | % |
|--|---------|---------|--------|-----|
| Water Supply – Company | 3,646.9 | 3,616.5 | 30.4 | 0.8 |
| Water Supply – Pathum Thani Water Co.,Ltd. | 1,676.6 | 1,655.8 | 20.8 | 1.3 |
| Total | 5,323.5 | 5,272.3 | 51.2 | 1.0 |

Income from Water Supply Sales

In 2014 and 2015, TTW and its subsidiaries earned income from selling tap water supply for 5,272.3 Million Baht and 5,323.5 Million Baht respectively which increased for 51.2 Million Baht or 1.0 % from the previous year. The increased income from selling tap water supply can be described as follows:

- 1) The income from selling tap water supply of TTW increased for 30.4 Million Baht or 0.8% as the selling price had been increased from the previous year.
- 2) The income from selling tap water supply of Pathum Thani Water Co.,Ltd. increased for 20.8 Million Baht or 1.3% as the selling price of PTW had been increased from the previous year.

Water Supply Price Ratio that TTW and PTW sold to the Provincial Waterworks Authority during the past 3 years

(Unit : Million Baht)

| Period | Water Supply Costs of TWW (Baht/Cubic Meter) | | Water Supply Costs of PTW (Baht/Cubic Meter) |
|--------------------------|--|---------------------------|--|
| | The first 300,000 Cubic Meters | Over 300,000 Cubic Meters | |
| 1 Jan 2013 - 31 Dec 2013 | 26.858730 | 11.72 | 12.14 |
| 1 Jan 2014 - 31 Dec 2014 | 28.269483 | 11.93 | 12.39 |
| 1 Jan 2014 - 31 Dec 2014 | 28.583588 | 12.14 | 12.66 |

Income from Services

In 2014 and 2015, TTW and its subsidiaries earned income from services for 110.5 Million Baht and 106.1 Million Baht respectively which decreased for 4.4 Million Baht or 4.0% due to economic slowdown and the customers from Industrial Estate temporarily stopped the production.

Other Income

The income of TTW and its subsidiaries consists of interest income from the bank deposit and remuneration from cash flow management of TTW and income from selling assets.

In 2014 and 2015, TTW and its subsidiaries earned income for 239.3 Million Baht and 144.8 Million Baht respectively which decreased to 94.5 Million Baht or 39.5%. The decreased other income can be described as follows:

- 1) Because in 2014, TTW edited the corporate income tax recorded in the account list of 2013 more than the actual payables for 55.3 Million Baht to be other income; and
- 2) The deposit rates and remuneration of administration decreased.

Cost Analysis

(Unit : Million Baht)

| Description | 2015 | 2014 | Changes | % |
|----------------------------|---------|---------|---------|-------|
| Cost of sales and services | 1,510.0 | 1,535.1 | (25.1) | (1.6) |
| Administration expenses | 304.7 | 249.1 | 55.6 | 22.3 |
| Financial expenses | 549.5 | 566.1 | (16.6) | (2.9) |
| Corporate Income Tax | 378.3 | 156.3 | 222.0 | 142.0 |
| Total | 2,742.5 | 2,506.6 | 235.9 | 9.4 |

Cost of sales and services

Cost of sales and services of water supply of TTW and its subsidiaries consists of depreciation of assets for water production, electricity expenses, chemical expenses, land rent for pipe orientation, labor expenses and supplies.

In 2014 and 2015, TTW and its subsidiaries had cost of sales and services of 1,535.1 Million Baht and 1,510 Million Baht respectively which decreased to 25.1 Million Baht or 1.6% and can be described as follows:

- 1) FT and electricity charges decreased to 31.5 Million Baht
- 2) Expenses for production employees increased for 4.6 Million Baht as the salary of employees had increased from the same period of the previous year.

Administration expenses

Administration expenses of TTW and its subsidiaries for 2014 and 2015 were 249.1 Million Baht and 304.7 Million Baht respectively which increased for 55.6 Million Baht or 22.3% when compared with the previous year and can be described as follows:

- 1) Support expenses for community, social and environmental activities increased for 46.0 Million Baht; and
- 2) Expenses related to employees increased for 7.5 Million Baht as the salary of employees had increased from the same period of the previous year.

Financial Expenses

The financial expenses in 2014 and 2015 were 566.1 Million Baht and 549.5 Million Baht respectively which decreased to 16.6 Million Baht or 2.9% as the loans were reduced and

the interest rate of loans was decreased from the same period of the previous year.

Corporate Income Tax

The corporate income tax in 2014 and 2015 was 156.3 Million Baht and 378.3 Million Baht respectively which increased for 222 Million Baht or 142% as TTW already used the maximum privilege of corporate income tax exemption from the Board of Investment of Thailand in the middle of 2015. Therefore the from the last quarter of 2015 the company had corporate income tax charge while in 2014 the company didn't have to pay for the corporate income tax.

Analysis of share of profits from investment with associates

The share of profits from investment with associates in 2014 and 2015 was 110.6 Million Baht and 103.5 Million Baht respectively which decreased to 7.1 Million Baht or 6.4 as the subsidiary company of CK Power Company (CKP) had expenses in operation and maintenance contract termination for 135.0 Million Baht and CKP involved in the investment with associates for 27.0 Million Baht while there was no such expenses in 2014.

Net Profit

In 2014 and 2015, TTW and its subsidiaries had net profit of 2,971.8 Million Baht and 2,680.5 Million Baht respectively calculated as total income of TTW and its subsidiaries for 52.9% and 48.1% respectively. The net profit in 2015 decreased from the previous year to 291.3 Million Baht or 9.8%

Analysis of Financial Status

(Unit : Million Baht)

| Income | 31 Dec 2015 | 31 Dec 2014 | Changes | % |
|-------------------|-------------|-------------|---------|------|
| Total Assets | 26,643.8 | 24,627.3 | 2,016.5 | 8.2 |
| Total Liabilities | 15,214.2 | 13,237.8 | 1,976.4 | 14.9 |
| Shareholders | 11,429.6 | 11,389.5 | 40.1 | 0.4 |

Assets Analysis

The assets of TTW and its subsidiaries consist of land, premises and equipment, investment with associates, water supply asset during construction, water supply production assets owned by TTW, water supply production assets that need to be transferred at the end of contract of the subsidiaries, rights in production and selling water supply and wastewater treatment and rights in production and selling water supply from buying businesses.

As of 31 December 2015, TTW and its subsidiaries had assets in net value 26,643.8 Million Baht which increased for 2,016.5 Million Baht when compared with 31 December 2014 as in May 2015, TTW had bought shares of CK Power Company (CKP) for 1,471.9 Million Baht and assets in water supply production during the construction for 1,001.6 Million Baht. While the assets in water supply production are owned by TTW under the contract with the government sector decreased to 343.8 Million Baht and rights in production and selling water supply and wastewater treatment from the private sectors decreased to 43.0 Million Baht.

Liability Analysis

The liabilities of TTW and its subsidiaries consist of debenture and long-term loans due in one year and income tax liabilities.

As of 31 December 2015, TTW and its subsidiaries had net liabilities of 15,214.2 Million Baht which increased for 1,976.4 Million Baht when compared with 31 December 2014 as TTW issued debenture for 2,900 Million Baht to use as an investment for the construction of the 2nd water supply plant for 1,500 Million Baht and bought shares of CK Power Company (CKP) for 1,400 Million Baht. In addition to this, TTW and its subsidiaries paid back the long-term loans for 750 Million Baht during the year.

Equity Analysis

As of 31 December 2015, TTW and its subsidiaries had equity for 11,429.6 Million Baht which increased for 40.1 Million Baht when compared with 31 December 2014 as in 2015 TTW had an annual net profit for 2,680.5 Million Baht and paid dividend for 2,593.6 Million Baht.

Cash Flow Analysis

• Cash Flows from Operating Activities

In 2014, TTW and its subsidiaries had net cash flow from operations for 3,638.6 Million Baht which increased from the same period of the previous year for 359.4 Million Baht or 11.0% as in 2014 TTW paid less income tax for 340.6 Million Baht.

In 2015, TTW and its subsidiaries had net cash flow from operations for 3,727.4 Million Baht which increased from the same period of the previous year for 88.8 Million Baht or 2.4% as the interest income decreased to 71.5 Million Baht.

• Cash Flow from Investment

In 2014, TTW and its subsidiaries had net cash flow from investment for 1,306.0 Million Baht which increased from the same period of the previous year for 204.6 Million Baht or 18.6% as in 2014 TTW and its subsidiaries temporarily invested for 963.2 Million Baht, the assets in water supply production under the contract with government sector increased for 18.3 Million Baht and water supply production assets that need to be transferred at the end of contract of the subsidiaries increased for 56.9 Million Baht. While other long-term investments decreased to 600 Million Baht, advance payment of land decreased to 90.4 Million Baht and the premises and equipment decreased to 151.4 Million Baht.

In 2015, TTW and its subsidiaries had net cash flow from investment for 3,677.5 Million Baht which increased from the same period of the previous year for 2,371.5 Million Baht or 181.6% as in 2015 TTW and its subsidiaries had funds from joint company investment increased for 1,471.9 Million Baht, the assets in water supply production under the contract increased for 733.2 Million Baht and water supply production assets that need to be transferred at the end of contract of the subsidiaries increased for 167.3 Million Baht.

• Cash flow from financial activities

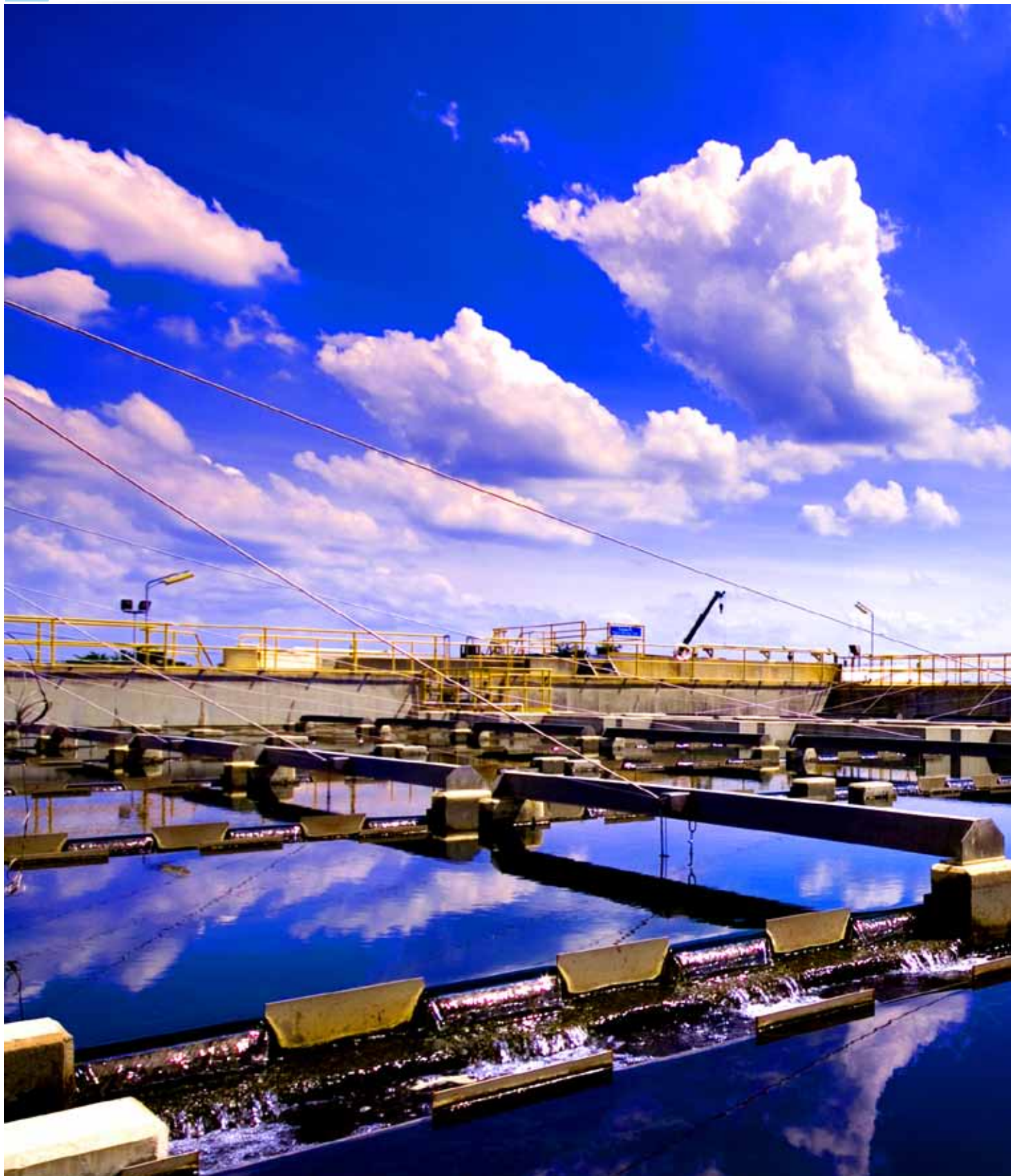
In 2014, TTW and subsidiaries used the cash flow for financial activities in the total amount of 3,282.8 Million Baht which increased from 2013 because in 2014 the company paid dividend for 2,593.2 Million Baht and paid back the long-term loans for 675.0 Million Baht.

In 2015, TTW and subsidiaries used the cash flow for financial activities in the total amount of 463.1 Million Baht as in 2015 the company received cash from corporate bond issuance for 2,895.1 Million Baht.

The remuneration of auditor

For the remuneration of auditor 2015, TTW and subsidiaries had hired EY Co.,Ltd. to be an auditor of TTW and subsidiaries in accordance with the resolution of the Annual General Meeting of Shareholders 2015 on 30 March 2015. The auditor received remuneration from TTW in the total amount of 1,350,000 Baht.

FINANCIAL STATEMENTS





Statement of financial position

TTW Public Company Limited and its subsidiaries

As at 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | | Separate financial statements | |
|---|------|----------------|----------------|-------------------------------|----------------|
| | Note | 2015 | 2014 | 2015 | 2014 |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 8 | 784,670,038 | 1,197,907,493 | 444,769,853 | 904,357,402 |
| Current investments | 9 | 5,941,873,036 | 5,276,839,353 | 5,421,045,693 | 4,892,497,268 |
| Trade and other receivables | 10 | 515,828,992 | 528,975,171 | 363,612,326 | 372,801,284 |
| Current portion of long-term loans to related party and interest receivable | 7 | - | - | 367,530,822 | 310,389,110 |
| Raw materials and supplies | 11 | 22,107,553 | 21,368,950 | 11,976,459 | 11,106,616 |
| Other current assets | | 34,626,761 | 56,206,693 | 28,962,489 | 47,484,637 |
| Total current assets | | 7,299,106,380 | 7,081,297,660 | 6,637,897,642 | 6,538,636,317 |
| Non-current assets | | | | | |
| Long-term loans to related party, net of current portion | 7 | - | - | 1,195,360,000 | 1,162,500,000 |
| Investments in subsidiaries | 12 | - | - | 2,802,270,143 | 3,023,764,292 |
| Investment in associate | 13 | 4,510,053,592 | 3,011,759,111 | 4,228,013,282 | 2,756,080,010 |
| Property, plant and equipment | 14 | 690,614,882 | 678,469,535 | 628,731,051 | 613,412,779 |
| Assets for production of treated water | 15 | 1,086,648,389 | 84,994,043 | 1,086,648,389 | 84,994,043 |
| Assets for production of treated water under agreements with public sector agency: | | | | | |
| Assets that are owned by the Company | 16 | 7,274,066,103 | 7,617,869,564 | 7,274,066,103 | 7,617,869,564 |
| Assets that must be transferred at end of concession of subsidiary | 17 | 2,732,467,351 | 2,696,054,116 | - | - |
| Rights to produce and sell treated water and treat waste water from private sector agency | 18 | 1,181,113,975 | 1,224,160,260 | 1,181,113,975 | 1,224,160,260 |
| Rights to produce and sell treated water from business acquisition | 19 | 1,519,465,909 | 1,714,412,300 | - | - |
| Intangible assets | 20 | 6,368,838 | 8,028,701 | - | - |
| Deferred tax assets | 28 | 1,864,779 | 1,604,034 | - | - |
| Advance payment to subcontractor - related party | | 305,232,978 | 490,620,000 | 292,527,576 | 435,555,000 |
| Other non-current assets | | 36,834,476 | 18,078,057 | 34,197,522 | 13,144,021 |
| Total non-current assets | | 19,344,731,272 | 17,546,049,721 | 18,722,928,041 | 16,931,479,969 |
| Total assets | | 26,643,837,652 | 24,627,347,381 | 25,360,825,683 | 23,470,116,286 |

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

TTW Public Company Limited and its subsidiaries

As at 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | | Separate financial statements | |
|---|------|----------------|----------------|-------------------------------|----------------|
| | Note | 2015 | 2014 | 2015 | 2014 |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Trade and other payables | 21 | 257,255,686 | 652,577,474 | 203,521,173 | 544,675,801 |
| Current portion of long-term loans | 22 | 770,000,000 | 750,000,000 | 770,000,000 | 750,000,000 |
| Current portion of debentures | 23 | 1,800,000,000 | - | 1,800,000,000 | - |
| Income tax payable | | 253,254,144 | 69,535,729 | 178,023,826 | - |
| Accrued interest | | 130,134,593 | 107,299,587 | 130,134,593 | 107,299,586 |
| Other current liabilities | | 54,187,578 | 61,182,068 | 37,822,718 | 41,666,905 |
| Total current liabilities | | 3,264,832,001 | 1,640,594,858 | 3,119,502,310 | 1,443,642,292 |
| Non-current liabilities | | | | | |
| Retention payable - subsidiary | 7 | - | - | 5,000,000 | 5,000,000 |
| Long-term loans, net of current portion | 22 | 5,445,000,000 | 6,215,000,000 | 5,445,000,000 | 6,215,000,000 |
| Debentures, net of current portion | 23 | 6,391,737,288 | 5,294,365,242 | 6,391,737,288 | 5,294,365,242 |
| Provision for long-term employee benefits | 24 | 27,791,333 | 22,354,466 | 15,972,120 | 12,230,187 |
| Deferred tax liabilities | 28 | 84,814,257 | 65,443,479 | 71,826,863 | 50,858,144 |
| Total non-current liabilities | | 11,949,342,878 | 11,597,163,187 | 11,929,536,271 | 11,577,453,573 |
| Total liabilities | | 15,214,174,879 | 13,237,758,045 | 15,049,038,581 | 13,021,095,865 |
| | | | | | |

The accompanying notes are an integral part of the financial statements.

Statement of financial position (continued)

TTW Public Company Limited and its subsidiaries

As at 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | Separate financial statements | | |
|---|------|----------------|-------------------------------|----------------|----------------|
| | Note | 2015 | 2014 | 2015 | 2014 |
| Shareholders' equity | | | | | |
| Share capital | | | | | |
| Registered | | | | | |
| 3,990,000,000 ordinary shares of Baht 1 each | | 3,990,000,000 | 3,990,000,000 | 3,990,000,000 | 3,990,000,000 |
| Issued and fully paid-up | | | | | |
| 3,990,000,000 ordinary shares of Baht 1 each | | 3,990,000,000 | 3,990,000,000 | 3,990,000,000 | 3,990,000,000 |
| Share premium | | 2,637,769,601 | 2,637,769,601 | 2,637,769,601 | 2,637,769,601 |
| Retained earnings | | | | | |
| Appropriated - statutory reserve | 25 | 399,000,000 | 399,000,000 | 399,000,000 | 399,000,000 |
| Appropriated - other reserve | 26 | 1,445,616,272 | 1,171,411,333 | 1,445,616,272 | 1,171,411,333 |
| Unappropriated | | 3,599,586,197 | 3,786,648,430 | 1,839,401,229 | 2,250,839,487 |
| Other components of shareholders' equity | | (682,760,466) | (633,123,374) | - | - |
| Equity attributable to owners of the Company | | 11,389,211,604 | 11,351,705,990 | 10,311,787,102 | 10,449,020,421 |
| Non-controlling interests of the subsidiaries | | 40,451,169 | 37,883,346 | - | - |
| Total shareholders' equity | | 11,429,662,773 | 11,389,589,336 | 10,311,787,102 | 10,449,020,421 |
| Total liabilities and shareholders' equity | | 26,643,837,652 | 24,627,347,381 | 25,360,825,683 | 23,470,116,286 |

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income

TTW Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | Separate financial statements | |
|---|------------------|--------------------|-------------------------------|--------------------|
| Note | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Profit or loss: | | | | |
| Revenues | | | | |
| Sales of treated water to public sector agency: | | | | |
| Sale of treated water - minimum offtake quantities | 4,867,529,106 | 4,757,743,229 | 3,342,632,105 | 3,265,367,728 |
| Sale of treated water - above minimum offtake quantities | 281,126,146 | 339,500,396 | 129,388,011 | 176,165,777 |
| Sales of treated water to private sector agencies | 174,881,610 | 175,010,139 | 174,881,610 | 175,010,139 |
| Total sales of treated water | 29 5,323,536,862 | 5,272,253,764 | 3,646,901,726 | 3,616,543,644 |
| Service income | 106,108,059 | 110,542,151 | 36,236,795 | 36,544,021 |
| Interest income | 99,727,666 | 92,820,312 | 157,167,455 | 162,035,630 |
| Dividend income | 12, 13 - | - | 738,705,132 | 714,756,572 |
| Other income | 45,114,383 | 146,502,018 | 51,564,888 | 153,477,518 |
| Total revenues | 5,574,486,970 | 5,622,118,245 | 4,630,575,996 | 4,683,357,385 |
| Expenses | | | | |
| Cost of sales of treated water and service | 1,509,951,054 | 1,535,081,715 | 889,334,329 | 911,516,358 |
| Administrative expenses | 304,661,644 | 249,073,605 | 256,925,472 | 198,325,237 |
| Amortisation of investments in subsidiaries | 12 - | - | 221,494,148 | 221,494,148 |
| Amortisation of rights to produce and sell treated water and treat waste water from private sector agency | 18 43,046,285 | 42,957,387 | 43,046,285 | 42,957,387 |
| Amortisation of rights to produce and sell treated water from business acquisition | 19 194,946,391 | 194,946,391 | - | - |
| Total expenses | 2,052,605,374 | 2,022,059,098 | 1,410,800,234 | 1,374,293,130 |
| Profit before share of profit from investment in associate, finance cost and income tax expenses | | | | |
| Share of profit from investment in associate | 13 103,498,301 | 110,596,627 | - | - |
| Profit before finance cost and income tax expenses | 3,625,379,897 | 3,710,655,774 | 3,219,775,762 | 3,309,064,255 |
| Finance cost | (549,509,077) | (566,107,802) | (548,642,181) | (565,484,323) |
| Profit before income tax expenses | 3,075,870,820 | 3,144,547,972 | 2,671,133,581 | 2,743,579,932 |
| Income tax expenses | 28 (378,267,296) | (156,335,596) | (214,988,625) | (898,626) |
| Profit for the year | 2,697,603,524 | 2,988,212,376 | 2,456,144,956 | 2,742,681,306 |

The accompanying notes are an integral part of the financial statements.

Statement of comprehensive income (continued)

TTW Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | Separate financial statements | | |
|--|------|---------------|-------------------------------|---------------|--------------------|
| | Note | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Other comprehensive income: | | | | | |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods: | | | | | |
| Unrealised loss from cash flow hedges | 13 | (49,637,092) | (3,833,510) | - | - |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods: | | | | | |
| Actuarial gain (loss) - net of income tax | 4 | - | 2,117,439 | - | (631,914) |
| Other comprehensive income for the year | | (49,637,092) | (1,716,071) | - | (631,914) |
| Total comprehensive income for the year | | 2,647,966,432 | 2,986,496,305 | 2,456,144,956 | 2,742,049,392 |
| Profit attributable to: | | | | | |
| Equity holders of the Company | | 2,680,520,981 | 2,971,796,160 | 2,456,144,956 | 2,742,681,306 |
| Non-controlling interests of the subsidiaries | | 17,082,543 | 16,416,216 | | |
| | | 2,697,603,524 | 2,988,212,376 | | |
| Total comprehensive income attributable to: | | | | | |
| Equity holders of the Company | | 2,630,883,889 | 2,970,080,089 | 2,456,144,956 | 2,742,049,392 |
| Non-controlling interests of the subsidiaries | | 17,082,543 | 16,416,216 | | |
| | | 2,647,966,432 | 2,986,496,305 | | |
| Basic earnings per share | | | | | |
| Profit attributable to equity holders of the Company | 30 | 0.67 | 0.74 | 0.62 | 0.69 |

The accompanying notes are an integral part of the financial statements.

Cash flows statement

TTW Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | Separate financial statements | |
|---|----------------------|----------------------|-------------------------------|----------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Cash flows from operating activities | | | | |
| Profit before tax | 3,075,870,820 | 3,144,547,972 | 2,671,133,581 | 2,743,579,932 |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: | | | | |
| Depreciation and amortisation | 651,285,786 | 652,148,340 | 368,219,187 | 369,186,235 |
| Amortisation of investments in subsidiaries | - | - | 221,494,148 | 221,494,148 |
| Amortisation of rights to produce and sell treated water and treat waste water from private sector agency | 43,046,285 | 42,957,387 | 43,046,285 | 42,957,387 |
| Amortisation of rights to produce and sell treated water from business acquisition | 194,946,391 | 194,946,391 | - | - |
| Loss (gain) on sales/written off of equipment | (4,178,819) | (760,255) | (2,116,586) | 151,719 |
| Share of profit from investment in associate | (103,498,301) | (110,596,627) | - | - |
| Dividend income | - | - | (738,705,132) | (714,756,572) |
| Withholding tax deducted at source written off | 5,377,012 | 3,168,426 | 3,048,350 | - |
| Provision for long-term employee benefits | 5,436,867 | 9,639,345 | 3,741,933 | 6,160,108 |
| Interest expenses | 548,658,487 | 565,526,385 | 548,642,181 | 565,484,323 |
| Profit from operating activities before changes in operating assets and liabilities | 4,416,944,528 | 4,501,577,364 | 3,118,503,947 | 3,234,257,280 |
| Operating assets (increase) decrease | | | | |
| Trade and other receivables | 4,582,294 | (5,521,797) | 623,362 | (8,005,595) |
| Raw materials and supplies | (738,603) | 820,678 | (869,843) | 1,005,796 |
| Other current assets | 24,997,495 | 402,311 | 20,950,928 | 1,088,109 |
| Other non-current assets | (21,003,501) | (5,230,980) | (21,053,501) | (5,176,482) |
| Operating liabilities increase (decrease) | | | | |
| Trade and other payables | 9,005,325 | (6,242,357) | 12,836,292 | 2,911,071 |
| Other current liabilities | (6,696,820) | (57,467,376) | (3,844,187) | (56,512,379) |
| Cash paid for long-term employee benefits | - | (3,129,000) | - | (3,104,000) |
| Cash from operating activities | 4,427,090,718 | 4,425,208,843 | 3,127,146,998 | 3,166,463,800 |
| Cash paid for interest expenses | (523,516,985) | (595,009,160) | (523,500,679) | (594,967,098) |
| Cash paid for corporate income tax | (176,219,324) | (197,969,077) | (15,996,079) | (44,796,489) |
| Cash received from withholding tax receivable | - | 6,410,109 | - | - |
| Net cash from operating activities | 3,727,354,409 | 3,638,640,715 | 2,587,650,240 | 2,526,700,213 |

The accompanying notes are an integral part of the financial statements.

Cash flows statement (continued)

TTW Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | Separate financial statements | |
|--|------------------------|------------------------|-------------------------------|------------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Cash flows from investing activities | | | | |
| Increase in current investments | (658,380,612) | (1,580,782,217) | (521,895,354) | (1,196,440,132) |
| Decrease in other long-term investment | - | 400,000,000 | - | 200,000,000 |
| Decrease (increase) in long-term loans to related party | - | - | (90,000,000) | 310,000,000 |
| Increase in investment in associate | (1,471,933,272) | - | (1,471,933,272) | - |
| Increase in property, plant and equipment | (27,404,943) | (5,588,163) | (25,645,877) | (4,897,643) |
| Increase in assets for production of treated water | (737,517,387) | (4,342,205) | (737,517,387) | (4,342,205) |
| Cash paid for capitalised interest | (42,864,820) | - | (42,864,820) | - |
| Increase in assets for production of treated water under agreements with public sector agency - assets that are owned by the Company | (14,487,609) | (18,269,753) | (14,487,609) | (18,269,753) |
| Increase in assets for production of treated water that must be transferred at the end of concession of subsidiary | (267,220,319) | (99,857,821) | - | - |
| Proceeds from sales of equipment | 5,411,495 | 2,864,486 | 2,516,075 | 2,369,159 |
| Dividend received | 27,500,000 | - | 738,705,132 | 714,756,572 |
| Increase in advance payment to subcontractor - related party | (490,620,000) | - | (435,555,000) | - |
| Net cash from (used in) investing activities | (3,677,517,467) | (1,305,975,673) | (2,598,678,112) | 3,175,998 |
| Cash flows from financing activities | | | | |
| Cash receipt from long-term loans | - | 1,700,000,000 | - | 1,700,000,000 |
| Repayment of long-term loans | (750,000,000) | (675,000,000) | (750,000,000) | (675,000,000) |
| Cash received from debentures | 2,895,065,550 | - | 2,895,065,550 | - |
| Repayment of debentures | - | (1,700,000,000) | - | (1,700,000,000) |
| Dividend payment | (2,593,625,227) | (2,593,194,945) | (2,593,625,227) | (2,593,194,945) |
| Dividend payment for non-controlling interests of the subsidiary | (14,514,720) | (14,587,200) | - | - |
| Net cash used in financing activities | (463,074,397) | (3,282,782,145) | (448,559,677) | (3,268,194,945) |
| Net decrease in cash and cash equivalents | (413,237,455) | (950,117,103) | (459,587,549) | (738,318,734) |
| Cash and cash equivalents at beginning of year | 1,197,907,493 | 2,148,024,596 | 904,357,402 | 1,642,676,136 |
| Cash and cash equivalents at end of year | 784,670,038 | 1,197,907,493 | 444,769,853 | 904,357,402 |

Cash flows statement (continued)

TTW Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | Separate financial statements | |
|---|-------------|--------------------|-------------------------------|--------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Supplemental cash flows information | | | | |
| Non-cash transactions | | | | |
| Increase (decrease) in dividend payable | (246,952) | 297,670 | (246,952) | 297,670 |
| Decrease in accounts receivable from securities trading | 8,563,884 | 16,480,612 | 8,563,884 | 16,480,612 |
| Increase (decrease) in accounts payable from securities trading | (1,910,813) | 535,035 | (1,910,813) | 535,035 |
| Increase in property, plant and equipment from construction payable | 25,000 | - | - | - |
| Transfer advance for land to land | - | 90,400,000 | - | 90,400,000 |
| Increase in assets for production of treated water from construction payable | 78,244,715 | 435,555,000 | 78,244,715 | 435,555,000 |
| Portion of advance payment to subcontractor deducted from payment for assets for production of treated water | 143,027,424 | - | 143,027,424 | - |
| Transfer construction in progress to assets for production of treated water | - | 80,651,838 | - | 80,651,838 |
| Transfer construction in progress to assets for production of treated water under agreements with public sector agency that are owned by the Company | - | 25,109,280 | - | 25,109,280 |
| Increase in assets for production of treated water that must be transferred at end of concession of subsidiary from construction payable | 4,116,250 | 55,065,000 | - | - |
| Portion of advance payment to subcontractor deducted from payment for assets for production of treated water that must be transferred at the end of concession of subsidiary | 42,359,598 | - | - | - |
| Transfer advance payment for assets for production of treated water that must be transferred at end of concession of subsidiary to assets for production of treated water that must be transferred at end of concession of subsidiary | - | 21,510,000 | - | - |
| Transfer construction in progress to other non-current assets | - | 2,043,472 | - | 2,043,472 |

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity

TTW Public Company Limited and its subsidiaries

For the year ended 31 December 2015

(Unit: Baht)

| Consolidated financial statements | | | | | | | | | | | | |
|--|---|---------------|----------------------------------|------------------------------|----------------|----------------------------|--|--|--|--|----------------------------|-----------------|
| Equity attributable to owners of the Company | | | | | | | | | | | | |
| Note | Issued and fully paid-up share capital | Share premium | Retained earning | | | Other components of equity | | | Total equity attributable to owners of the Company | Equity attributable to non-controlling interests of the subsidiaries | Total shareholders' equity | |
| | | | Appropriated - statutory reserve | Appropriated - other reserve | Unappropriated | Other comprehensive income | Difference on reorganisation of business of group of companies | Total other components of shareholders' equity | | | | |
| | | | | | | | | | | | | |
| 4 33 26 | Balance as at 1 January 2014 | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 935,527,729 | 3,642,111,050 | (28,926,998) | (600,362,866) | (629,289,864) | 10,975,118,516 | 36,054,330 | 11,011,172,846 |
| | Profit for the year (Restated) | - | - | - | - | 2,971,796,160 | - | - | - | 2,971,796,160 | 16,416,216 | 2,988,212,376 |
| | Other comprehensive income for the year (Restated) | - | - | - | - | 2,117,439 | (3,833,510) | - | (3,833,510) | (1,716,071) | - | (1,716,071) |
| | Total comprehensive income for the year | - | - | - | - | 2,973,913,599 | (3,833,510) | - | (3,833,510) | 2,970,080,089 | 16,416,216 | 2,986,496,305 |
| | Dividend paid | - | - | - | - | (2,593,492,615) | - | - | - | (2,593,492,615) | - | (2,593,492,615) |
| | Unappropriated retained earnings transferred to other reserve | - | - | - | - | 235,883,604 | (235,883,604) | - | - | - | - | - |
| | Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary | - | - | - | - | - | - | - | - | - | (14,587,200) | (14,587,200) |
| | Balance as at 31 December 2014 | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 1,171,411,333 | 3,786,648,430 | (32,760,508) | (600,362,866) | (633,123,374) | 11,351,705,990 | 37,883,346 | 11,389,589,336 |
| | Balance as at 1 January 2015 | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 1,171,411,333 | 3,786,648,430 | (32,760,508) | (600,362,866) | (633,123,374) | 11,351,705,990 | 37,883,346 | 11,389,589,336 |
| | Profit for the year | - | - | - | - | - | 2,680,520,981 | - | - | - | 2,680,520,981 | 17,082,543 |
| 33 26 | Other comprehensive income for the year | - | - | - | - | - | (49,637,092) | - | (49,637,092) | (49,637,092) | - | (49,637,092) |
| | Total comprehensive income for the year | - | - | - | - | 2,680,520,981 | (49,637,092) | - | (49,637,092) | 2,630,883,889 | 17,082,543 | 2,647,966,432 |
| | Dividend paid | - | - | - | - | (2,593,378,275) | - | - | - | (2,593,378,275) | - | (2,593,378,275) |
| | Unappropriated retained earnings transferred to other reserve | - | - | - | - | 274,204,939 | (274,204,939) | - | - | - | - | - |
| | Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary | - | - | - | - | - | - | - | - | - | - | - |
| | Balance as at 31 December 2015 | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 1,445,616,272 | 3,599,586,197 | (82,397,600) | (600,362,866) | (682,760,466) | 11,389,211,604 | 40,451,169 | 11,429,662,773 |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

The accompanying notes are an integral part of the financial statements.

Statement of changes in shareholders' equity (continued)

TTW Public Company Limited and its subsidiaries
For the year ended 31 December 2015

(Unit: Baht)

| | Note | Separate financial statements | | | | | Total shareholders' equity |
|---|------|--|---------------|----------------------------------|------------------------------|-----------------|----------------------------|
| | | Issued and fully paid-up share capital | Share premium | Retained earnings | | | |
| | | | | Appropriated - statutory reserve | Appropriated - other reserve | Unappropriated | |
| Balance as at 1 January 2014 | | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 935,527,729 | 2,338,166,314 | 10,300,463,644 |
| Profit for the year (Restated) | | - | - | - | - | 2,742,681,306 | 2,742,681,306 |
| Other comprehensive income for the year (Restated) | 4 | - | - | - | - | (631,914) | (631,914) |
| Total comprehensive income for the year | | - | - | - | - | 2,742,049,392 | 2,742,049,392 |
| Dividend paid | 33 | - | - | - | - | (2,593,492,615) | (2,593,492,615) |
| Unappropriated retained earnings transferred to other reserve | | - | - | - | 235,883,604 | (235,883,604) | - |
| Balance as at 31 December 2014 | 26 | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 1,171,411,333 | 2,250,839,487 | 10,449,020,421 |
| Balance as at 1 January 2015 | | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 1,171,411,333 | 2,250,839,487 | 10,449,020,421 |
| Total comprehensive income for the year | | - | - | - | - | 2,456,144,956 | 2,456,144,956 |
| Dividend paid | 33 | - | - | - | - | (2,593,378,275) | (2,593,378,275) |
| Unappropriated retained earnings transferred to other reserve | | - | - | - | 274,204,939 | (274,204,939) | - |
| Balance as at 31 December 2015 | 26 | 3,990,000,000 | 2,637,769,601 | 399,000,000 | 1,445,616,272 | 1,839,401,229 | 10,311,787,102 |

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

TTW Public Company Limited and its subsidiaries

For the year ended 31 December 2015

1. General information

TTW Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Mitsui Water Holdings (Thailand) Company Limited, which was incorporated in Thailand. The Company is principally engaged in the production and sale of treated water to the Provincial Waterworks Authority (“PWA”) in the Amphur Nakorn Chaisri, Amphur Sam Pran, and Amphur Budha Monthon areas of Nakhon Pathom and the Amphur Muang and Amphur Kratumban areas of Samut Sakhon, under the “Water Purchase Agreement” made with the PWA dated 21 September 2000 (An amendment agreement dated 29 December 2008), which covers a period of 30 years as from the Actual Commencement Date (21 July 2004), and under the Concession to operate treated water granted by the Ministry of Natural Resources and Environment (“the Concessionaire”) for a period of 25 years commencing on 11 March 2005. The Company has to comply with certain conditions as stipulated in the Water Purchase Agreement and the Concession.

The terms of the Concession include certain significant conditions, such as that when the Company has completed half of the concession period, if the government or the local government agency wish to purchase the water production business of the Company, the Concessionaire is entitled to cancel the concession in order to purchase it, or permit the relevant local government agency to purchase it, at market price. However, it must provide the Company with advance notice of six months of such action.

The Company’s registered office is at 30/130 Moo 12, Budha Monthon 5 Road, RaiKhing, Sam Pran, Nakhon Pathom.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of TTW Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

| Company’s name | Nature of business | Country of incorporation | Percentage of shareholding | |
|--|---|--------------------------|----------------------------|----------|
| | | | 2015 (%) | 2014 (%) |
| Pathum Thani Water Company Limited | Production and sale of treated water in Pathumthani | Thailand | 98.0 | 98.0 |
| Thai Water Operations Company Limited (31.5% held by Pathum Thani Water Company Limited) | Operating and maintenance of water supply project | Thailand | 68.5 | 68.5 |

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associate under the cost method.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standards that became effective in the current year

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current period's transactions and restated the prior period's financial statements, presented as comparative information, as if the Company and its subsidiaries had always applied this accounting policy. The cumulative effect of changes in accounting policies is presented in Note 4 to the financial statements.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. Cumulative effect of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3 to the financial statements, during the current year, the Company and its subsidiaries have changed some of their accounting policies, as a result of the adoption of new and revised financial reporting standards. The cumulative effect of the changes has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of comprehensive income are summarised below.

(Unit: Million Baht)

| | For the year ended 31 December 2014 | |
|---|--------------------------------------|----------------------------------|
| | Consolidated financial statements | Separate financial statements |
| Statements of comprehensive income | | |
| Profit or loss: | | |
| Decrease in actuarial gains (losses) | 2 | (1) |
| Increase (decrease) in profit | (2) | 1 |
| Other comprehensive income: | | |
| Increase in actuarial gains (losses) | 2 | (1) |
| Increase (decrease) in other comprehensive income | 2 | (1) |
| Earnings per share (Baht): | | |
| Increase (decrease) in basic earnings per share | (0.0005) | 0.0001 |

5. Significant accounting policies

5.1 Revenues recognition

Sales of treated water

Sales of treated water are recognised when the Company and a subsidiary supply the water to the Provincial Waterworks Authority, and comprise the invoiced value, excluding value added tax, of the treated water supplied, after deducting discounts and allowances.

Service income

Service income presents the invoiced value, excluding value added tax, of services rendered.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other income and expenses

Other income and expenses are recognised on an accrual basis

5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

5.4 Raw materials and supplies

Raw materials and supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to treated water production costs whenever consumed.

5.5 Investments

a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.

b) Investment in associate is accounted for in the consolidated financial statements using the equity method.

c) Investment in associate is accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

5.6 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

Investment costs of subsidiaries are the values paid for their acquisition. The subsidiary is engaged in business under the agreement for the production and sale of treated water with the Provincial Waterworks Authority and concessions granted by state enterprises or government agencies, which have defined fixed periods of operation, as stipulated in the agreement

and concessions; and the subsidiary has committed to transfer most of its assets used in the operation to the Provincial Waterworks Authority. Hence, parts of the investment cost are deemed to be investments in the acquisition of rights to operate business under the agreement and concessions, and are amortised on a straight-line basis over the remaining periods of the agreements, commencing from the date of investment in the subsidiary. This amortised amount is presented as amortisation of investments in subsidiary, and recognised as an expense in profit or loss.

In addition, parts of the investment cost in the subsidiary to which the Company transferred most of its operations after investment, in order to reduce future operating costs, was amounts paid for acquisition of such operations. These are amortised on a straight-line basis over the remaining period of the Water Purchase Agreement made between the Company and the Provincial Waterworks Authority, commencing from the date of investing in the subsidiary, and presented as amortisation of investments in subsidiary. The amortised amount is recognised as expense in profit or loss.

5.7 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation for assets is generally calculated by reference to their costs on the straight-line basis over estimated useful lives of 3, 5 and 10 years. However depreciation of the Company's assets used for production of treated water is calculated using the units-of-production method, based on the following formula:

$$\text{Depreciation for the period} = \text{Net assets for production of treated water at the beginning of period} \times \text{Percentage of treated water produced in the period}$$

$$\text{Percentage of treated water produced in the period} = \frac{\text{Current period's actual production of treated water}}{(\text{Actual production of treated water for the period} + \text{Projected total production of treated water over the remaining term of the Water Purchase Agreement})}$$

$$\text{Net assets for production of treated water as at the beginning of the period} = \text{Total assets for production of treated water} - \text{Accumulated depreciation as at the beginning of the period}$$

Assets for production of treated water consist of costs of construction of a water treatment plant and distribution system, and related interest expenses and financial costs.

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.8 Assets for production of treated water that must be transferred at end of concession and amortisation

Assets for production of treated water of Pathum Thani Water Company Limited that must be transferred to the Provincial Waterworks Authority at the end of the concession to produce and sell treated water (land, water treatment plant and distribution system) are stated at cost less accumulated amortisation and any impairment losses. Amortisation of assets for production of treated water is calculated using the units-of-production method, based on the following formula:

Amortisation for the period = Net assets for production of treated water that must be transferred at end of concession as at the beginning of period x Percentage of treated water produced in the period

Percentage of treated water produced in the period =
$$\frac{\text{Current period's actual production of treated water}}{(\text{Actual production of treated water for the period} + \text{Projected total production of treated water over the remaining term of concession for production and sale of treated water})}$$

Net assets for production of treated water that must be transferred at end of concession as at the beginning of the period = Total assets for production of treated water that must be transferred at end of concession - Accumulated amortisation as at the beginning of the period

Amortisation is included in determining income.

No amortisation is provided on assets under installation.

5.9 Rights to produce and sell treated water and treat waste water and amortisation

The Company recorded cost of rights to produce and sell treated water and treat waste water ("Operation rights") at cost as at the acquisition date, and allocated such cost in line with forecasted revenues calculated as at the acquisition date.

a) Rights to produce and sell treated water

Rights to produce and sell treated water are stated at cost less accumulated amortisation and any impairment losses. Amortisation of the rights is calculated using the units-of-production method, based on the following formula:

Amortisation for the period = Net rights to produce and sell treated water as at the beginning of period x Percentage of treated water produced in the period

Percentage of treated water produced in the period =
$$\frac{\text{Current period's actual treatment of waste water}}{(\text{Actual production of treated water for the period} + \text{Projected total production of treated water over the remaining term of operation rights})}$$

Net rights to produce and sell treated water as at beginning of the period = Total rights to treated water - Accumulated amortisation as at the beginning of the period

Amortisation is included in determining income.

b) Rights to treat waste water

Rights to treat waste water are stated at cost less accumulated amortisation and any impairment losses. Amortisation of the rights is calculated using the units-of-production method, based on the following formula:

Amortisation for the period = Net rights to treat waste water as at the beginning of period
x Percentage of waste water treated in the period

Percentage of waste water treated in the period =
$$\frac{\text{Current period's actual treatment of waste water}}{(\text{Actual treatment of wasted water for the period} + \text{Projected total treatment of waste water over the remaining term of operation rights})}$$

Net rights to treat waste water as at beginning of the period = Total rights to treat waste water - Accumulated amortisation as at the beginning of the period

Amortisation is included in determining income.

5.10 Rights to produce and sell treated water from business acquisition and amortisation

Rights to produce and sell treated water, which arose as a result of the acquisition of ordinary shares in Pathum Thani Water Company Limited being made at a cost higher than the fair value of this subsidiary, is regarded as an intangible asset with a definite life. It is carried at cost less accumulated amortisation and any impairment losses.

The Company amortises it on a straight-line basis over the remaining period of the subsidiary's agreement for the production and sale of treated water, starting from the acquisition date, (approximately 16 years) and tested for impairment whenever there is an indication that it may be impaired. The amortisation period and the amortisation method for rights to produce and sell treated water are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

5.11 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.12 Intangible assets

The intangible assets (assets from which the subsidiary obtained the maintenance and management project) of the subsidiary are carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life (5 years and 10 years) and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

5.13 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

5.14 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

5.15 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of rights to produce and sell treated water. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

5.16 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method. Actuarial gains and losses arising from post - employment benefits are recognised immediately in other comprehensive income.

5.17 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.19 Hedge accounting - Cash flow hedges

Associate applies hedge accounting in order to hedge the foreign exchange exposure on a certain portion of its forecasted revenue from sales of electricity in USD currency where the revenues from sales of electricity are designated as the hedged item and long-term loans in USD are the hedging instrument. The associate has recorded such transactions using cash flow hedge accounting.

The effective portion of the change in the fair value of the cash flow hedging instrument is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised in profit or loss. Gains or losses accumulated in other comprehensive income are then transferred to profit or loss in the period when the hedged items affect profit or loss.

5.20 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Use of accounting estimates

The preparation of financial statements in conformity with financial reporting standards requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

7. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

| | Consolidated financial statements | | Separate financial statements | | Transfer pricing policy |
|---|--------------------------------------|------|----------------------------------|------|--|
| | 2015 | 2014 | 2015 | 2014 | |
| Transactions with subsidiary companies (eliminated from the consolidated financial statements) | | | | | |
| Cost of sales and services | - | - | 34 | 33 | Contract price |
| Interest income | - | - | 69 | 81 | Minimum Loan Rate minus stipulated margin per annum |
| Management income | - | - | 12 | 11 | Based on contract |
| Dividend income | - | - | 711 | 715 | As declared |
| Transaction with associate | | | | | |
| Dividend income | - | - | 28 | - | As declared |
| Transactions with related parties | | | | | |
| Sales of treated water | 25 | 25 | 25 | 25 | Based on contract |
| Service income | 2 | 2 | 2 | 2 | Based on contract |
| Construction in progress | 1,236 | 491 | 954 | 436 | Based on contract |
| Cost of sales and services | 2 | 2 | 2 | 2 | Based on contract |

As at 31 December 2015 and 2014, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|----------------|-------------------------------|----------------|
| | 2015 | 2014 | 2015 | 2014 |
| Other receivables - related parties (Note 10) | | | | |
| Subsidiaries | - | - | 1,971 | 963 |
| Related companies (related by shareholders or committees) | 5,571 | 5,077 | 5,571 | 5,077 |
| Total other receivables - related parties | 5,571 | 5,077 | 7,542 | 6,040 |
| Advance payment to subcontractor - related party | | | | |
| Related company (related by committees) | 305,233 | 490,620 | 292,528 | 435,555 |
| Total advance payment to subcontractor - related party | 305,233 | 490,620 | 292,528 | 435,555 |
| Trade and other payables - related parties (Note 21) | | | | |
| Subsidiaries | - | - | 3,638 | 3,048 |
| Related companies (related by shareholders or committees) | 129,284 | 525,029 | 116,729 | 466,109 |
| Total trade and other payables - related parties | 129,284 | 525,029 | 120,367 | 469,157 |
| Retention payable - subsidiary | | | | |
| | - | - | 5,000 | 5,000 |
| | - | - | 5,000 | 5,000 |

Long-term loans to related party

As at 31 December 2015 and 2014, the balance of long-term loans between the Company and a related party and the movement are as follows:

(Unit: Thousand Baht)

| Company's name | Related by | Separate financial statements | | | |
|------------------------------------|------------|-------------------------------|--------------------------|--------------------------|--------------------------------|
| | | Balance as at 1 January 2015 | Increase during the year | Decrease during the year | Balance as at 31 December 2015 |
| Pathum Thani Water Company Limited | Subsidiary | 1,472,500 | 400,000 | (310,000) | 1,562,500 |
| Loan | | 389 | 69,257 | (69,255) | 391 |
| Interest receivable | | | | | |
| Total | | 1,472,889 | 469,257 | (379,255) | 1,562,891 |

(Unit: Thousand Baht)

| | Separate financial statements | |
|--|-------------------------------|-----------|
| | 2015 | 2014 |
| Long-term loans to related party and interest receivable | | |
| Pathum Thani Water Company Limited | | |
| Loan | 1,562,500 | 1,472,500 |
| Interest receivable | 391 | 389 |
| Total | 1,562,891 | 1,472,889 |
| Less: Current portion and interest receivable | (367,531) | (310,389) |
| Long-term loans to related party, net of current portion | 1,195,360 | 1,162,500 |

Long-term loans to subsidiary were subject to interest at the Minimum Loan Rate minus a stipulated margin (MLR - margin) per annum. Repayment is to be made in quarterly installments and due in full within September 2019.

During the current year, the subsidiary entered into a loan agreement with the Company under which it borrowed Baht 400 million (the subsidiary fully drawn down this loan). The loan is subject to interest at MLR - margin per annum and is to be repaid in quarterly installments from March 2016 to December 2022.

Directors and management's benefits

During the years ended 31 December 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

| | Consolidated financial statements | | Separate financial statements | |
|------------------------------|-----------------------------------|------|-------------------------------|------|
| | 2015 | 2014 | 2015 | 2014 |
| Short-term employee benefits | 62 | 53 | 55 | 39 |
| Post-employment benefits | 5 | 5 | 5 | 4 |
| Total | 67 | 58 | 60 | 43 |

8. Cash and cash equivalents

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---------------|-----------------------------------|-----------|-------------------------------|---------|
| | 2015 | 2014 | 2015 | 2014 |
| Cash | 455 | 455 | 105 | 105 |
| Bank deposits | 784,215 | 1,197,452 | 444,665 | 904,252 |
| Total | 784,670 | 1,197,907 | 444,770 | 904,357 |

As at 31 December 2015, bank deposits in saving accounts and fixed deposits carried interests between 0.05% and 1.80% per annum (2014: between 0.10% and 2.80% per annum).

9. Current investments

The balances of current investments represent investments in trading securities and the 4 - 12 month fixed deposits, carrying interests between 0.90% and 4.70% per annum (2014: between 1.550% and 5.625% per annum).

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|-----------|-------------------------------|-----------|
| | 2015 | 2014 | 2015 | 2014 |
| Fixed deposits | 4,203,770 | 3,633,409 | 3,733,014 | 3,249,067 |
| | 4,203,770 | 3,633,409 | 3,733,014 | 3,249,067 |
| Investments in trading securities at fair value | | | | |
| Government and state enterprise bonds | 969,936 | 1,018,989 | 969,936 | 1,018,989 |
| Private sector debt securities | 595,401 | 413,336 | 545,330 | 413,336 |
| Marketable equity securities | 172,766 | 211,105 | 172,766 | 211,105 |
| | 1,738,103 | 1,643,430 | 1,688,032 | 1,643,430 |
| Total current investments | 5,941,873 | 5,276,839 | 5,421,046 | 4,892,497 |

10. Trade and other receivables

As at 31 December 2015 and 2014, the outstanding balances of trade and other receivables were overdue less than 3 months.

11. Raw materials and supplies

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---------------|-----------------------------------|--------|-------------------------------|--------|
| | 2015 | 2014 | 2015 | 2014 |
| Raw materials | 5,752 | 5,746 | 3,484 | 3,175 |
| Spare parts | 16,356 | 15,623 | 8,492 | 7,932 |
| Total | 22,108 | 21,369 | 11,976 | 11,107 |

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

| Company's name | Paid-up capital | | Shareholding percentage | | Cost | | Dividend received during the year | |
|---|-----------------|-----------|-------------------------|----------|------------------|------------------|-----------------------------------|----------------|
| | 2015 | 2014 | 2015 (%) | 2014 (%) | 2015 | 2014 | 2015 | 2014 |
| Thai Water Operations Company Limited | 60,000 | 60,000 | 68.5 | 68.5 | 700,000 | 700,000 | - | - |
| Pathum Thani Water Company Limited | 1,200,000 | 1,200,000 | 98.0 | 98.0 | 3,998,310 | 3,998,310 | 711,205 | 714,757 |
| | | | | | 4,698,310 | 4,698,310 | 711,205 | 714,757 |
| Less: Accumulated amortisation of investments in subsidiaries | | | | | (1,876,040) | (1,654,546) | - | - |
| Less: Dividend received from income before purchase of shares | | | | | (20,000) | (20,000) | - | - |
| Total | | | | | 2,802,270 | 3,023,764 | 711,205 | 714,757 |

13. Investment in associate

13.1 Details of associate:

(Unit: Thousand Baht)

| Company's name | Nature of business | Country of incorporation | Consolidated financial statements | | | | | |
|---------------------------------|--------------------------------------|--------------------------|-----------------------------------|----------|------------------|------------------|---------------------------------------|------------------|
| | | | Shareholding percentage | | Cost | | Carrying amounts based on cost method | |
| | | | 2015 (%) | 2014 (%) | 2015 | 2014 | 2015 | 2014 |
| CK Power Public Company Limited | Making investment in other companies | Thailand | 25.31 | 25.00 | 4,228,013 | 2,756,080 | 4,510,054 | 3,011,759 |
| Total | | | | | 4,228,013 | 2,756,080 | 4,510,054 | 3,011,759 |

(Unit: Thousand Baht)

| Company's name | Nature of business | Country of incorporation | Separate financial statements | | | | | |
|---------------------------------|--------------------------------------|--------------------------|-------------------------------|----------|-----------|-----------|---------------------------------------|-----------|
| | | | Shareholding percentage | | Cost | | Carrying amounts based on cost method | |
| | | | 2015 (%) | 2014 (%) | 2015 | 2014 | 2015 | 2014 |
| CK Power Public Company Limited | Making investment in other companies | Thailand | 25.31 | 25.00 | 4,228,013 | 2,756,080 | 4,228,013 | 2,756,080 |
| Total | | | | | 4,228,013 | 2,756,080 | 4,228,013 | 2,756,080 |

13.2 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit from investment in associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Million Baht)

| Associate | Consolidated financial statements | | | | Separate financial statements | |
|---------------------------------|--|------|--|------|-----------------------------------|------|
| | Share of profit from investment in associate during the year | | Share of other comprehensive income from investment in associate during the year | | Dividend received during the year | |
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| CK Power Public Company Limited | 103 | 111 | (50) | (4) | 28 | - |
| Total | 103 | 111 | (50) | (4) | 28 | - |

13.3 Fair value investment in listed associate

In respect of investment in associate that is listed company on the Stock Exchange of Thailand, its fair value is as follows:

(Unit: Million Baht)

| Associate | Fair values as at 31 December | |
|---------------------------------|-------------------------------|-------|
| | 2015 | 2014 |
| CK Power Public Company Limited | 3,657 | 4,895 |
| Total | 3,657 | 4,895 |

13.4 Summarised financial information about material associate

Summarised information about financial position

(Unit: Million Baht)

| | CK Power Public Company Limited | |
|--|---------------------------------|----------|
| | 2015 | 2014 |
| Current assets | 5,196 | 4,160 |
| Non-current assets | 49,371 | 45,165 |
| Current liabilities | (2,416) | (2,220) |
| Non-current liabilities | (20,338) | (21,002) |
| Net assets | 31,813 | 26,103 |
| Equity attributable to non-controlling interest of the associate | (14,058) | (14,055) |
| Net assets of the Company | 17,755 | 12,048 |
| Shareholding percentage (%) | 25.31 | 25.00 |
| Share of net assets | 4,494 | 3,012 |
| Goodwill | 16 | - |
| Carrying amounts of associate based on equity method | 4,510 | 3,012 |

Summarised information about comprehensive income

(Unit: Million Baht)

| | CK Power Public Company Limited | |
|----------------------------|---------------------------------|-------|
| | For the years ended 31 December | |
| | 2015 | 2014 |
| Revenue | 6,851 | 7,027 |
| Profit | 786 | 882 |
| Other comprehensive income | (433) | (23) |
| Total comprehensive income | 353 | 859 |

In May 2012, the Company agreed to provide financial support to CK Power Public Company Limited ("the associate"), in the form of a guarantee, whereby it will provide financial support to a subsidiary of the associate not more than Baht 154 million, should the subsidiary be unable to comply with the conditions of a loan or default on loan repayment to the lending bank.

In January 2015, the Board of Directors' meeting of the associate passed the following significant resolutions:

a) Approved a change of the par value of the associate's ordinary shares from Baht 5 per share (1,100 million shares) to Baht 1 per share (5,500 million shares).

b) Approved the issue of up to 3,740 million additional ordinary shares with a par value of Baht 1 each, increasing the registered share capital from Baht 5,500 million (5,500 million ordinary shares at Baht 1 each) to Baht 9,240 million (9,240 million ordinary shares at Baht 1 each), with up to 1,870 million shares to be offered for sale to the existing shareholders in

proportion of their shareholding (Rights Offering) at a price of Baht 3 per share, and up to 1,870 million shares allocated to accommodate the exercise of the warrants to purchase ordinary shares of the associate.

On 7 April 2015, the Company's Board of Directors' meeting passed a resolution to approve a subscription to not less than 467.50 million ordinary shares of the associate in proportion to the Company's shareholding, or not less than 25% of the shares allocated.

On 15 April 2015, the Company's Board of Directors' meeting passed a resolution to approve the Company's expression of its intent to oversubscribe to the newly issued ordinary shares, in an amount of not more than 100 million shares, in accordance with the rules for the allocation of the new shares of the associate. However, since there was strong demand from retail investors to oversubscribe to the new shares of the associate, the Company's Board of Directors' meeting held on 22 May 2015 passed a resolution to approve a reduction in the Company's oversubscription to the new shares of the associate, to not more than 50 million shares.

In May 2015, the Company purchased 467.50 million of the new ordinary shares in proportion to its shareholding and 23.14 million ordinary shares in excess of its entitlement that were remaining after allocation, for a total of 490.64 million shares of Baht 3 each. The Company paid a total of Baht 1,472 million for those shares in the same month. As a result, the Company's interest in the equity of the associate increased from 25.00% to 25.31%.

Furthermore, the Company received, at no cost, 490.64 million warrants to purchase 490.64 million newly issued ordinary shares (at a ratio of 1 warrant to 1 ordinary share), with an exercise price of Baht 6 per share. The warrants have a term of 5 years from the date they were issued and offered and can be exercised every 3 months, beginning on 30 September 2015 and with the final exercise date on 28 May 2020.

In addition, during the second quarter of the year 2015, the Company received dividend from the associate amounting to Baht 27.5 million, in accordance with a resolution of a meeting of the associate's shareholders held on 9 April 2015.

A 3-year silent period was imposed on the 189.1 million shares of the associate held by the Company as from the initial trading date of the shares on the Stock Exchange of Thailand (18 July 2013), although the Company may gradually allocate the shares for sale beginning one year after the initial trading date under the Regulations of the Stock Exchange of Thailand.

14. Property, plant and equipment

(Unit: Thousand Baht)

| | Consolidated financial statements | | | | | |
|--|-----------------------------------|--------------------------|-----------------------------------|--------------------------------|----------------|--------|
| | Land | Construction in progress | Building and building improvement | Furniture and office equipment | Motor vehicles | Tools |
| Cost: | | | | | | |
| 1 January 2014 | 525,421 | 94,404 | 53,235 | 109,994 | 53,408 | 21,807 |
| Additions | 90,400 | - | 884 | 4,246 | 5 | 453 |
| Disposals/ written off | - | (2,000) | - | - | (9,760) | - |
| Transfer out | - | (92,404) | - | - | - | - |
| 31 December 2014 | 615,821 | - | 54,119 | 114,240 | 43,653 | 22,260 |
| Additions | 11,340 | 4,951 | 1,005 | 8,046 | 1,333 | 755 |
| Disposals/ written off | - | - | - | (79) | (16,626) | (34) |
| 31 December 2015 | 627,161 | 4,951 | 55,124 | 122,207 | 28,360 | 22,981 |
| Accumulated depreciation: | | | | | | |
| 1 January 2014 | - | - | 13,456 | 91,107 | 39,621 | 20,360 |
| Depreciation for the year | - | - | 2,201 | 6,850 | 7,082 | 602 |
| Depreciation on disposals/ written off | - | - | - | (417) | (9,239) | - |
| 31 December 2014 | - | - | 15,657 | 97,540 | 37,464 | 20,962 |
| Depreciation for the year | - | - | 2,470 | 6,657 | 4,327 | 598 |
| Depreciation on disposals/ written off | - | - | - | (64) | (15,419) | (23) |
| 31 December 2015 | - | - | 18,127 | 104,133 | 26,372 | 21,537 |
| Net book value: | | | | | | |
| 31 December 2014 | 615,821 | - | 38,462 | 16,700 | 6,189 | 1,298 |
| 31 December 2015 | 627,161 | 4,951 | 36,997 | 18,074 | 1,988 | 1,444 |
| Depreciation for the year | | | | | | |
| 2014 (Baht 5 million included in cost of sales of treated water and service, and the balance in administrative expenses) | | | | | | 16,735 |
| 2015 (Baht 3 million included in cost of sales of treated water and service, and the balance in administrative expenses) | | | | | | 14,052 |

(Unit: Thousand Baht)

| | Separate financial statements | | | | | | |
|--|-------------------------------|--------------------------|-----------------------------------|--------------------------------|----------------|--------|----------|
| | Total | Construction in progress | Building and building improvement | Furniture and office equipment | Motor vehicles | Tools | Total |
| Cost: | | | | | | | |
| 1 January 2014 | 470,689 | 94,404 | 53,235 | 63,122 | 30,265 | 9,843 | 721,558 |
| Additions | 90,400 | - | 884 | 3,870 | - | 144 | 95,298 |
| Disposals/ written off | - | (2,000) | - | - | (8,030) | - | (10,030) |
| Transfer out | - | (92,404) | - | - | - | - | (92,404) |
| 31 December 2014 | 561,089 | - | 54,119 | 66,992 | 22,235 | 9,987 | 714,422 |
| Additions | 11,340 | 4,951 | 1,005 | 7,000 | 1,333 | 17 | 25,646 |
| Disposals/ written off | - | - | - | - | (8,010) | - | (8,010) |
| 31 December 2015 | 572,429 | 4,951 | 55,124 | 73,992 | 15,558 | 10,004 | 732,058 |
| Accumulated depreciation: | | | | | | | |
| 1 January 2014 | - | - | 13,456 | 50,586 | 22,508 | 9,434 | 95,984 |
| Depreciation for the year | - | - | 2,201 | 5,773 | 4,341 | 219 | 12,534 |
| Depreciation on disposals/ written off | - | - | - | - | (7,509) | - | (7,509) |
| 31 December 2014 | - | - | 15,657 | 56,359 | 19,340 | 9,653 | 101,009 |
| Depreciation for the year | - | - | 2,470 | 4,714 | 2,606 | 138 | 9,928 |
| Depreciation on disposals/ written off | - | - | - | - | (7,610) | - | (7,610) |
| 31 December 2015 | - | - | 18,127 | 61,073 | 14,336 | 9,791 | 103,327 |
| Net book value: | | | | | | | |
| 31 December 2014 | 561,089 | - | 38,462 | 10,633 | 2,895 | 334 | 613,413 |
| 31 December 2015 | 572,429 | 4,951 | 36,997 | 12,919 | 1,222 | 213 | 628,731 |
| Depreciation for the year | | | | | | | |
| 2014 (Baht 2 million included in cost of sales of treated water and service, and the balance in administrative expenses) | | | | | | | 12,534 |
| 2015 (Baht 1 million included in cost of sales of treated water and service, and the balance in administrative expenses) | | | | | | | 9,928 |

As at 31 December 2015, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 143 million (Separate financial statements: Baht 83 million) (2014: Baht 119 million Separate financial statements: Baht 62 million).

15. Assets for production of treated water

(Unit: Thousand Baht)

| | Consolidated/ Separate financial statements |
|----------------------|---|
| | Construction in progress |
| Cost: | |
| 1 January 2014 | - |
| Additions | 84,994 |
| 31 December 2014 | 84,994 |
| Additions | 958,789 |
| Capitalised interest | 42,865 |
| 31 December 2015 | 1,086,648 |

As at 31 December 2015, the Company had an outstanding balance of assets for production of treated water under construction amounting to Baht 1,002 million (2014: nil). The construction was financed with debentures, issued and offered for sale on 6 February 2015 and borrowing costs amounting to Baht 43 million were capitalised as project costs during the year ended 31 December 2015 (2014: nil).

16. Assets for production of treated water under agreements with public sector agency - assets that are owned by the Company

(Unit: Thousand Baht)

| | Consolidated/ Separate financial statements | | |
|----------------------------------|---|--------------------------|------------|
| | Water treatment plant and distribution treated water system | Construction in progress | Total |
| Cost: | | | |
| 1 January 2014 | 10,799,223 | - | 10,799,223 |
| Additions | - | 18,270 | 18,270 |
| Transfer in | - | 25,109 | 25,109 |
| 31 December 2014 | 10,799,223 | 43,379 | 10,842,602 |
| Additions | - | 14,487 | 14,487 |
| Transfer in (out) | 20,272 | (20,272) | - |
| 31 December 2015 | 10,819,495 | 37,594 | 10,857,089 |
| Accumulated amortisation: | | | |
| 1 January 2014 | 2,868,080 | - | 2,868,080 |
| Amortisation for the year | 356,652 | - | 356,652 |
| 31 December 2014 | 3,224,732 | - | 3,224,732 |
| Amortisation for the year | 358,291 | - | 358,291 |
| 31 December 2015 | 3,583,023 | - | 3,583,023 |
| Net book value: | | | |
| 31 December 2014 | 7,574,491 | 43,379 | 7,617,870 |
| 31 December 2015 | 7,236,472 | 37,594 | 7,274,066 |
| Amortisation for the year | | | |
| 2014 | | | 356,652 |
| 2015 | | | 358,291 |

17. Assets for production of treated water under agreements with public sector agency - assets that must be transferred at end of concession of subsidiary

(Unit: Thousand Baht)

| | Consolidated financial statements | | | |
|----------------------------------|-----------------------------------|---|--------------------------|-----------|
| | Land | Water treatment plant and distribution treated water system | Construction in progress | Total |
| Cost: | | | | |
| 1 January 2014 | 418,088 | 5,971,661 | 43,029 | 6,432,778 |
| Additions | - | 29,554 | 146,879 | 176,433 |
| Transfer out | - | - | (55,065) | (55,065) |
| 31 December 2014 | 418,088 | 6,001,215 | 134,843 | 6,554,146 |
| Additions | - | 7,379 | 306,317 | 313,696 |
| 31 December 2015 | 418,088 | 6,008,594 | 441,160 | 6,867,842 |
| Accumulated amortisation: | | | | |
| 1 January 2014 | 249,793 | 3,331,197 | - | 3,580,990 |
| Amortisation for the year | 17,117 | 259,985 | - | 277,102 |
| 31 December 2014 | 266,910 | 3,591,182 | - | 3,858,092 |
| Amortisation for the year | 17,117 | 260,166 | - | 277,283 |
| 31 December 2015 | 284,027 | 3,851,348 | - | 4,135,375 |
| Net book value: | | | | |
| 31 December 2014 | 151,178 | 2,410,033 | 134,843 | 2,696,054 |
| 31 December 2015 | 134,061 | 2,157,246 | 441,160 | 2,732,467 |
| Amortisation for the year | | | | |
| 2014 | | | | 277,102 |
| 2015 | | | | 277,283 |

Amortisation of such assets for production of treated water has been included as part of cost of sales of treated water.

Assets for production of treated water of Pathum Thani Water Company Limited will be transferred to the Provincial Waterworks Authority after the end of the 25-year concession to produce and sell treated water.

18. Rights to produce and sell treated water and treat waste water from private sector agency

(Unit: Thousand Baht)

| | Consolidated/ Separate financial statements | |
|---|---|-----------|
| | 2015 | 2014 |
| Rights to produce and sell treated water and treat waste water from private sector agency | 1,410,075 | 1,410,075 |
| Less: Accumulated amortisation of rights to produce and sell treated water and treat waste water from private sector agency | (228,961) | (185,915) |
| Rights to produce and sell treated water and treat waste water from private sector agency, net | 1,181,114 | 1,224,160 |

19. Rights to produce and sell treated water from business acquisition

(Unit: Thousand Baht)

| | Consolidated financial statements | |
|--|-----------------------------------|-------------|
| | 2015 | 2014 |
| Rights to produce and sell treated water from business acquisition | 3,169,109 | 3,169,109 |
| Less: Accumulated amortisation of rights to produce and sell treated water from business acquisition | (1,649,643) | (1,454,697) |
| Rights to produce and sell treated water from business acquisition, net | 1,519,466 | 1,714,412 |

20. Intangible assets

The net book value of intangible assets as at 31 December 2015 and 2014 is presented below.

(Unit: Thousand Baht)

| | |
|-------------------------------|---------|
| As at 31 December 2015 | |
| Cost | 14,104 |
| Less Accumulated amortisation | (7,735) |
| Net book value | 6,369 |
| As at 31 December 2014 | |
| Cost | 14,104 |
| Less Accumulated amortisation | (6,075) |
| Net book value | 8,029 |

A reconciliation of the net book value of intangible assets for the years 2015 and 2014 is presented below.

(Unit: Thousand Baht)

| | 2015 | 2014 |
|-------------------------------------|---------|---------|
| Net book value at beginning of year | 8,029 | 9,687 |
| Amortisation | (1,660) | (1,658) |
| Net book value at end of year | 6,369 | 8,029 |

21. Trade and other payables

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|---------|-------------------------------|---------|
| | 2015 | 2014 | 2015 | 2014 |
| Trade payables - related party | - | - | 3,025 | 2,966 |
| Trade payables - unrelated parties | 19,040 | 18,695 | 9,411 | 10,874 |
| Amounts due to related parties | 125 | 65 | 738 | 147 |
| Amounts due to unrelated parties | 11,929 | 21,655 | 9,110 | 6,678 |
| Construction payable - related party | 83,722 | 524,964 | 83,722 | 466,044 |
| Construction payable - unrelated parties | 4,574 | 565 | 143 | 565 |
| Retention payable for contract work - related party | 45,437 | - | 32,882 | - |
| Retention payable for contract work - unrelated parties | 3,179 | 2,170 | 3,061 | 1,850 |
| Accounts payable from securities trading | - | 1,911 | - | 1,911 |
| Accrued expenses | 89,250 | 82,552 | 61,429 | 53,641 |
| Total trade and other payables | 257,256 | 652,577 | 203,521 | 544,676 |

22. Long-term loans

(Unit: Thousand Baht)

| Loan | Interest rate (%) | Repayment schedule | Consolidated/ Separate financial statements | |
|---|--|--|---|-----------|
| | | | 2015 | 2014 |
| 1 | MLR - a stipulated margin | Quarterly installments as from March 2010 to June 2019 | 790,000 | 960,000 |
| 2 | MLR - a stipulated margin | Quarterly installments as from December 2009 to September 2019 | 1,350,000 | 1,710,000 |
| 3 | The 6-month fixed deposit rate + a stipulated margin | Repayment in full by 9 May 2020 | 2,760,000 | 2,760,000 |
| 4 | MLR - a stipulated margin | Quarterly installments as from June 2014 to December 2021 | 1,315,000 | 1,535,000 |
| Total | | | 6,215,000 | 6,965,000 |
| Less: Current portion | | | (770,000) | (750,000) |
| Long-term loans, net of current portion | | | 5,445,000 | 6,215,000 |

The loan agreements contain several covenants which, among other things, require the Company to maintain certain debt to equity ratio, net debt to EBITDA and EBITDA to interest ratio at the rate prescribed in the agreements.

23. Debentures

(Unit: Thousand Baht)

| Deben- tures | Life | Date of issue | Maturity date | Interest rate | Consolidated/ Separate financial statements | |
|--|----------|------------------|------------------|------------------|--|------------------|
| | | | | | 2015 | 2014 |
| 1 | 7 years | 26 February 2009 | 26 February 2016 | 5.35 | 1,800,000 | 1,800,000 |
| 2 | 7 years | 22 February 2012 | 22 February 2019 | 4.40 | 1,500,000 | 1,500,000 |
| 3 | 10 years | 22 February 2012 | 22 February 2022 | 4.60 | 2,000,000 | 2,000,000 |
| 4 | 3 years | 6 February 2015 | 6 February 2018 | 3.06 | 1,000,000 | - |
| 5 | 5 years | 6 February 2015 | 6 February 2020 | 3.37 | 500,000 | - |
| 6 | 10 years | 21 May 2015 | 21 May 2025 | 3.98 | 1,400,000 | - |
| Total | | | | | 8,200,000 | 5,300,000 |
| Less: Current portion of debentures | | | | | (1,800,000) | - |
| Less: Deferred debenture issuing costs | | | | | (8,263) | (5,635) |
| Debentures, net of current portion | | | | | 6,391,737 | 5,294,365 |

On 12 November 2014, a meeting of the Company's Board of Directors passed a resolution granting approval for the Company to issue Baht 1,500 million of unsecured senior debentures, with no trustees, in 2 series; to be offered for sale to investors in accordance with the Notification of the Securities and Exchange Commission. Details of the debentures are as follow:-

A) Series #1 comprises 1,000,000 debentures with a par value of Baht 1,000 or a total of Baht 1,000 million. The debentures mature on 6 February 2018 and bear interest at a fixed rate of 3.06% per annum, payable every 6 months.

B) Series #2 comprises 500,000 debentures with a par value of Baht 1,000 or total of Baht 500 million. The debentures mature on 6 February 2020 and bear interest at a fixed rate of 3.37% per annum, payable every 6 months.

The Company issued these debentures on 6 February 2015.

On 7 April 2015, a meeting of the Company's Board of Directors passed a resolution granting approval for the Company to issue Baht 1,400 million of unsecured senior debentures, with no trustees, in 1 series; to be offered for sale to investors in accordance with the Notification of the Securities and Exchange Commission. Details of the debentures are as follows:-

C) Series #3 comprises 1,400,000 debentures with a par value of Baht 1,000 or a total of Baht 1,400 million. The debentures mature on 21 May 2025 and bear interest at a fixed rate of 3.98% per annum, payable every 6 months.

The Company issued these debentures on 21 May 2015.

The Company is required to maintain certain financial ratios i.e. debt to equity ratio, net debt to EBITDA and EBITDA to interest ratio at the rate prescribed.

24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|--------------------|-------------------------------|--------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Provision for long-term employee benefits at beginning of year | 22,355 | 18,491 | 12,230 | 8,384 |
| Included in profit or loss: | | | | |
| Current service cost | 4,551 | 3,845 | 3,256 | 2,570 |
| Interest cost | 885 | 705 | 486 | 369 |
| Past service costs and gains or losses on settlement | - | 5,090 | - | 3,221 |
| Included in other comprehensive income: | | | | |
| Actuarial (gain) loss arising from | | | | |
| Demographic assumptions changes | - | 781 | - | 305 |
| Financial assumptions changes | - | 59 | - | 28 |
| Experience adjustments | - | (3,487) | - | 457 |
| Benefits paid during the year | - | (3,129) | - | (3,104) |
| Provision for long-term employee benefits at end of year | 27,791 | 22,355 | 15,972 | 12,230 |

Line items in profit or loss under which long-term employee benefit expenses are recognised as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|--------------------|-------------------------------|--------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Cost of sales of treated water and service | 1,706 | 1,549 | 330 | 322 |
| Administrative expenses | 3,730 | 8,091 | 3,412 | 5,838 |
| Total expenses recognised in profit or loss | 5,436 | 9,640 | 3,742 | 6,160 |

The Company and its subsidiaries expect to pay Baht 1 million of long-term employee benefits during the next year (Separate financial statements: nil) (2014: Baht 3.1 million, separate financial statements: Baht 3.1 million).

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefits is 9.70 - 12.65 years (Separate financial statements: 9.70 years) (2014: 9.70 - 12.65 years, Separate financial statements: 9.70 years).

Significant actuarial assumptions are summarised below:

| | Consolidated financial statements | | Separate financial statements | |
|----------------------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | 2015 (% per annum) | 2014 (% per annum) | 2015 (% per annum) | 2014 (% per annum) |
| Discount rate | 3.88 - 4.21 | 3.88 - 4.21 | 3.97 | 3.97 |
| Salary increase rate | 5.0 | 5.0 | 5.0 | 5.0 |
| Turnover rate | 0 - 18.0 | 0 - 18.0 | 0 - 9.0 | 0 - 9.0 |

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below:

(Unit: Million Baht)

| | Consolidated financial statements | | Separate financial statements | |
|----------------------|-----------------------------------|-------------|-------------------------------|-------------|
| | Increase 1% | Decrease 1% | Increase 1% | Decrease 1% |
| Discount rate | (1.7) | 2.0 | (0.9) | 1.0 |
| Salary increase rate | 2.0 | (1.7) | 1.0 | (0.9) |
| Turnover rate | (2.0) | 1.3 | (1.0) | 0.6 |

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

26. Other reserve

According to the amendment of the concession to operate treated water dated 20 March 2008, prior to paying a dividend the Company is required to set aside 10% of its annual net profit to other reserve.

27. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-----------------|-------------------------------|-----------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Salaries, wages and other employee benefits | 166,340 | 156,584 | 90,720 | 80,568 |
| Depreciation and amortisation | 374,003 | 375,046 | 368,219 | 369,186 |
| Amortisation of assets for production of treated water that must be transferred at end of concession | 277,283 | 277,102 | - | - |
| Amortisation of investments in subsidiaries | - | - | 221,494 | 221,495 |
| Operating and maintenance expenses | - | - | 33,918 | 33,162 |
| Production and maintenance cost | 735,011 | 771,008 | 441,898 | 470,892 |

28. Income tax

Income tax expenses for the years ended 31 December 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|--------------------|-------------------------------|--------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Current income tax: | | | | |
| Current income tax charge | 359,157 | 157,057 | 194,020 | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | 19,110 | (721) | 20,969 | 899 |
| Income tax expenses reported in the statement of comprehensive income | 378,267 | 156,336 | 214,989 | 899 |

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|--------------------|-------------------------------|--------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Accounting profit before tax | 3,075,871 | 3,144,548 | 2,671,134 | 2,743,580 |
| Applicable tax rate | 20% | 20% | 20% | 20% |
| Accounting profit before tax multiplied by income tax rate | 615,174 | 628,910 | 534,227 | 548,716 |
| Effects of: | | | | |
| Promotional privileges (Note 29) | (268,550) | (491,345) | (227,721) | (450,174) |
| Non-deductible expenses | 49,276 | 51,404 | 46,099 | 47,421 |
| Additional expense deductions allowed | (405) | (11,185) | (243) | (11,076) |
| Exemption of income | - | - | (147,741) | (142,951) |
| Effect of elimination entry on the consolidated financial statements | (27,596) | (30,411) | - | - |
| Others | 10,368 | 8,963 | 10,368 | 8,963 |
| Total | (236,907) | (472,574) | (319,238) | (547,817) |
| Income tax expenses reported in the statement of comprehensive income | 378,267 | 156,336 | 214,989 | 899 |

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

| | Statements of financial position as at 31 December | | | |
|--|--|----------|-------------------------------|----------|
| | Consolidated financial statements | | Separate financial statements | |
| | 2015 | 2014 | 2015 | 2014 |
| Deferred tax assets | | | | |
| Provision for long-term employee benefits | 5,558 | 4,471 | 3,194 | 2,446 |
| Total | 5,558 | 4,471 | 3,194 | 2,446 |
| Deferred tax liabilities | | | | |
| Accumulated amortisation - assets for production of treated water | (59,434) | (38,772) | (59,434) | (38,772) |
| Accumulated amortisation of rights to produce and sell treated water and treat waste water | (14,311) | (13,533) | (14,311) | (13,533) |
| Accumulated amortisation - assets for production of treated water that must be transferred at end of concession of subsidiary | (6,663) | (7,297) | - | - |
| Deferred debenture issuing costs | (1,276) | (999) | (1,276) | (999) |
| Fair value adjustment of assets for production of treated water that must be transferred at end of concession regarding business combination | (6,823) | (7,709) | - | - |
| Total | (88,507) | (68,310) | (75,021) | (53,304) |

29. Promotional privileges

The Company received promotional privileges from the Board of Investment for production of treated water, pursuant to the investment promotion certificate No. 2437(2)/2553 issued on 13 September 2010. Subject to certain imposed conditions, the main privileges include the following:

- Exemption from import duty on imported machinery under specified conditions.
- Exemption from corporate income tax on net profit from the promoted operations for a period of eight years from the date the promoted operations begin generating revenues (30 September 2010).

During the year 2013, the Company received promotional privileges from the Board of Investment to restore investment after the floods, pursuant to the promotion certificate No. 5177(2)/2556 issued on 27 May 2013 (replacing earlier promotion certificate No. 1382(2)/2545 which expired in 2012). Subject to certain imposed conditions, the main privileges include the following:

- Exemption from import duty on imported machinery under specified conditions.
- Exemption from corporate income tax on net profit from the promoted operations, with the amount of tax exempted capped at 150% of investment, excluding land and working capital, only the repair expenses of machinery and equipment damaged due to flooding, for a period of eight years from the date the promoted operations begin generating revenues (30 June 2013).

The Company's operating revenues for the years ended 31 December 2015 and 2014, divided between promoted and non-promoted operations, are summarised below:

(Unit: Thousand Baht)

| | Promoted operations | | Non-promoted operations | | Total | |
|------------------------|---------------------|-----------|-------------------------|---------|-----------|-----------|
| | 2015 | 2014 | 2015 | 2014 | 2015 | 2014 |
| Sales of treated water | 1,780,851 | 3,441,534 | 1,866,051 | 175,010 | 3,646,902 | 3,616,544 |

30. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings per share:

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|--------------------|----------------------------------|--------------------|
| | 2015 | 2014 (Restated) | 2015 | 2014 (Restated) |
| Basic earnings per share | | | | |
| Profit for the year (Thousand Baht) | 2,681,703 | 2,971,796 | 2,456,145 | 2,742,681 |
| Weighted average number of ordinary shares (Thousand shares) | 3,990,000 | 3,990,000 | 3,990,000 | 3,990,000 |
| Profit attributable to equity holders of the Company (Baht pershare) | 0.67 | 0.74 | 0.62 | 0.69 |

31. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company and the subsidiaries are principally engaged in the production and sell of treated water. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographic area.

Geographic information

The Company and its subsidiaries operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customer

For the year 2015, the Company and its subsidiaries have revenue from a major customer in amount of Baht 5,149 million (2014: Baht 5,097 million).

32. Provident fund

The Company, its subsidiaries and their employees have established provident funds jointly with their employees in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiaries and their employees contribute to the funds monthly at the rates of 5 - 7.5% of basic salary. The funds, which are managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to approximately Baht 6 million (Separate financial statements: Baht 3 million) (2014: Baht 6 million, Separate financial statements: Baht 3 million) were recognised as expenses.

33. Dividend paid

| Dividends | Approved by | Total dividends (Thousand Baht) | Dividend per share (Baht) |
|---|---|------------------------------------|------------------------------|
| Dividends from the earnings of the promoted operations for July to December 2013 | Annual General Meeting of the shareholders on 14 March 2014 | 877,796 | 0.220 |
| Dividends from the earnings of the non-promoted operations for July to December 2013 | Annual General Meeting of the shareholders on 14 March 2014 | 239,399 | 0.060 |
| Dividends from unappropriated retained earnings | Annual General Meeting of the shareholders on 14 March 2014 | 279,298 | 0.070 |
| Interim dividends from the earnings of the promoted operations for January to June 2014 | Board of Directors Meeting on 14 August 2014 | 1,193,010 | 0.299 |
| Interim dividends from the earnings of the non-promoted operations for January to June 2014 | Board of Directors Meeting on 14 August 2014 | 3,990 | 0.001 |
| Total dividends for 2014 | | 2,593,493 | 0.650 |
| Dividends from the earnings of the promoted operations for July to December 2014 | Annual General Meeting of the shareholders on 30 March 2015 | 1,057,350 | 0.265 |
| Dividends from the earnings of the non-promoted operations for July to December 2014 | Annual General Meeting of the shareholders on 30 March 2015 | 211,470 | 0.053 |
| Dividends from unappropriated retained earnings | Annual General Meeting of the shareholders on 30 March 2015 | 127,680 | 0.032 |
| Interim dividends from the earnings of the promoted operations for January to June 2015 | Board of Directors Meeting on 10 August 2015 | 1,057,243 | 0.265 |
| Interim dividends from the earnings of the non-promoted operations for January to June 2015 | Board of Directors Meeting on 10 August 2015 | 139,635 | 0.035 |
| Total dividends for 2015 | | 2,593,378 | 0.650 |

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2015, the Company and its subsidiaries had capital commitments of Baht 1,736 million (Separate financial statements: Baht 1,664 million) relating to the construction of a water tank and area water supply capacity expansion project (2014: Baht 3,022 million (Separate financial statements: Baht 2,645 million)).

34.2 Service commitments

a) The Company has entered into operation and maintenance agreements with Thai Water Operations Company Limited ("the subsidiary"), whereby the subsidiary is to manage and maintenance of production and supply of treated water system and to manage the waste water system. Under the conditions of the agreements, the Company is to pay service fees at a rate stipulated in the agreements, which have an initial term of 1 year from 8 January 2010 and thereafter automatically renews each year for a further period of 1 year.

b) As at 31 December 2015, its subsidiaries had commitments totaling Baht 8 million (2014: Baht 6 million) under other service agreements.

34.3 Operating lease commitments

The Company has entered into vehicles and land lease agreements for office building. The term of the land lease agreement is between 1 March 2010 and 28 February 2035.

Future minimum lease payments required under this non-cancellable operating lease contract were as follows:

(Unit: Million Baht)

| | Separate financial statements | |
|-----------------------------|-------------------------------|------|
| | 2015 | 2014 |
| Payable: | | |
| In up to 1 year | 7 | 1 |
| In over 1 and up to 5 years | 20 | 3 |
| In over 5 years | 9 | 10 |

34.4 Guarantees

As at 31 December 2015, there were outstanding bank guarantees of Baht 291 million (Separate financial statements: Baht 103 million) (2014: Baht 281 million (Separate financial statements: Baht 101 million)) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee as follows:

(Unit: Million Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------------|-------------------------------|------------|
| | 2015 | 2014 | 2015 | 2014 |
| Guarantee under the Water Purchase Agreement with the Provincial Waterworks Authority | 228 | 220 | 62 | 60 |
| Guarantee electricity use | 63 | 61 | 41 | 41 |
| Total | 291 | 281 | 103 | 101 |

34.5 Litigation

Pathum Thani Water Company Limited

In August 2004, a person submitted a dispute with Pathum Thani Water Company Limited (the subsidiary) for the Thailand Arbitration Center to determine an arbitral award in respect of claims for damages totaling approximately Baht 65 million against the subsidiary (second defendant) and the Provincial Waterworks Authority (first defendant) for a tort against this person in relation to the construction of a water treatment plant. On 24 October 2006, the Arbitral Tribunal dismissed the dispute.

Subsequently, on 20 December 2006, the person filed an appeal with the Administrative Court, seeking a court order overturning the decision of the Arbitral Tribunal. The Administrative Court dismissed the appeal and the person then filed an appeal with the Supreme Administrative Court. On 27 March 2015, the Supreme Administrative Court determined that the appeal was not permitted by law and issued orders to revoke the appeal process on the grounds that it breached regulations, dismiss the appeal and return all appeal court fees to this person.

35. Fair value hierarchy

As of 31 December 2015, the Company and its subsidiaries had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

| | Consolidated/ Separate financial statements | | | |
|---|---|---------|---------|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | |
| Held for trade investments | | | | |
| Equity instruments | 173 | - | - | 173 |
| Debt instruments | - | 1,565 | - | 1,565 |
| Asset for which fair value are disclosed | | | | |
| Investment in associate | 3,657 | - | - | 3,657 |

36. Financial instruments

36.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, other long-term investments, long-term loans to related party, trade and other payables, debentures and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiary are exposed to credit risk primarily with respect to trade accounts receivable and there is a high concentration of risk since the Company and its subsidiary have only one major customer, the Provincial Waterworks Authority. However, because the Provincial Waterworks Authority is a government agency, the Company and its subsidiary do not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

Interest rate risk

The Company's and its subsidiaries' exposures to interest rate risk relate primarily to their cash at banks, current investments, long-term loans to related party, debentures and long-term loans. However, since most of the Company's and the subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate,

the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

| | As at 31 December 2015 | | | | | | |
|------------------------------|-----------------------------------|-----------|--------------|------------------------|----------------------|--------|---------------------------------------|
| | Consolidated financial statements | | | | | | |
| | Fixed interest rates | | | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% per annum) |
| | Within 1 year | 1-5 years | Over 5 years | | | | |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 105 | - | - | 645 | 35 | 785 | 0.05 - 1.80 |
| Current investments | 5,719 | - | - | - | 223 | 5,942 | 0.90 - 4.70 |
| Trade and other receivables | - | - | - | - | 516 | 516 | - |
| | 5,824 | - | - | 645 | 774 | 7,243 | |
| Financial liabilities | | | | | | | |
| Trade and other payables | - | - | - | - | 257 | 257 | - |
| Long-term loans | - | - | - | 6,215 | - | 6,215 | 2.8625 - 4.7500 |
| Debentures | 1,800 | 2,997 | 3,395 | - | - | 8,192 | 3.06 - 5.35 |
| | 1,800 | 2,997 | 3,395 | 6,215 | 257 | 14,664 | |

(Unit: Million Baht)

| | As at 31 December 2014 | | | | | | |
|------------------------------|-----------------------------------|-----------|--------------|------------------------|----------------------|--------|---------------------------------------|
| | Consolidated financial statements | | | | | | |
| | Fixed interest rates | | | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% per annum) |
| | Within 1 year | 1-5 years | Over 5 years | | | | |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 309 | - | - | 871 | 18 | 1,198 | 0.10 - 2.80 |
| Current investments | 5,066 | - | - | - | 211 | 5,277 | 1.550 - 5.625 |
| Trade and other receivables | - | - | - | - | 529 | 529 | - |
| | 5,375 | - | - | 871 | 758 | 7,004 | |
| Financial liabilities | | | | | | | |
| Trade and other payables | - | - | - | - | 653 | 653 | - |
| Long-term loans | - | - | - | 6,965 | - | 6,965 | 3.2125 - 4.8750 |
| Debentures | - | 3,297 | 1,997 | - | - | 5,294 | 4.40 - 5.35 |
| | - | 3,297 | 1,997 | 6,965 | 653 | 12,912 | |

(Unit: Million Baht)

| | As at 31 December 2015 | | | | | | |
|----------------------------------|-------------------------------|-----------|--------------|------------------------|----------------------|--------|---------------------------------------|
| | Separate financial statements | | | | | | |
| | Fixed interest rates | | | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% per annum) |
| | Within 1 year | 1-5 years | Over 5 years | | | | |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 33 | - | - | 378 | 34 | 445 | 0.05 - 1.05 |
| Current investments | 5,248 | - | - | - | 173 | 5,421 | 0.90 - 4.70 |
| Trade and other receivables | - | - | - | - | 364 | 364 | - |
| Long-term loans to related party | - | - | - | 1,563 | - | 1,563 | 4.75 - 5.00 |
| | 5,281 | - | - | 1,941 | 571 | 7,793 | |
| Financial liabilities | | | | | | | |
| Trade and other payables | - | - | - | - | 204 | 204 | - |
| Long-term loans | - | - | - | 6,215 | - | 6,215 | 2.8625 - 4.7500 |
| Debentures | 1,800 | 2,997 | 3,395 | - | - | 8,192 | 3.06 - 5.35 |
| | 1,800 | 2,997 | 3,395 | 6,215 | 204 | 14,611 | |

(Unit: Million Baht)

| | As at 31 December 2014 | | | | | | |
|----------------------------------|-------------------------------|-----------|--------------|------------------------|----------------------|--------|---------------------------------------|
| | Separate financial statements | | | | | | |
| | Fixed interest rates | | | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% per annum) |
| | Within 1 year | 1-5 years | Over 5 years | | | | |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 59 | - | - | 827 | 18 | 904 | 0.10 - 2.80 |
| Current investments | 4,681 | - | - | - | 211 | 4,892 | 1.550 - 5.625 |
| Trade and other receivables | - | - | - | - | 373 | 373 | - |
| Long-term loans to related party | - | - | - | 1,473 | - | 1,473 | 4.75 - 5.00 |
| | 4,740 | - | - | 2,300 | 602 | 7,642 | |
| Financial liabilities | | | | | | | |
| Trade and other payables | - | - | - | - | 545 | 545 | - |
| Long-term loans | - | - | - | 6,965 | - | 6,965 | 3.2125 - 4.8750 |
| Debentures | - | 3,297 | 1,997 | - | - | 5,294 | 4.40 - 5.35 |
| | - | 3,297 | 1,997 | 6,965 | 545 | 12,804 | |

Foreign currency risk

The Company and its subsidiaries do not consider themselves exposed to foreign currency risk because they have no significant foreign currency transactions.

36.2 Fair values of financial instruments

Since the majority of the Company's and the subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in statement of financial position.

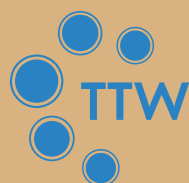
37. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2015, the Group's debt-to-equity ratio was 1.33:1 (2014: 1.16:1) and the Company's was 1.46:1 (2014: 1.25:1).

38. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2016.





TTW PUBLIC COMPANY LIMITED

30/130 Moo 12, Buddha Monthon 5 Rd., Rai Khing, Sam Pran, Nakhon Pathom 73210
Tel : (+66) 2019 9490-1 Fax : (+66) 2420 6064

www.ttwplc.com