

Translation

EW/100/197/20

May 11, 2020

Subject: Notification of Resolutions of the Board of Directors Meeting for approval of the connected transactions of the Company.

To: President
The Stock Exchange of Thailand

The Board of Directors of Eastern Water Resources Development and Management Public Company Limited (“Company / EASTW”) at the meeting No.8/2020 held on May 8, 2020 has resolved that EASTW will reduce the tap water tariff sold to the Provincial Waterworks Authority (“PWA”) by 1.5% for a period of 3 months (April – June 2020) for contracts that EASTW sell bulk tap water to PWA and by 20% for a period of 3 months (April – June 2020) for the Sattahip service area where EASTW operates a concession and sell tap water directly to the public in order to support the government’s assistance policy for the public affected by the Covid-19 crisis through the PWA to its customers.

As PWA which is the major shareholder of EASTW, as of April 30, 2020 holds 668,800,000 shares, equivalent to 40.20 % of EASTW’s total shares with voting rights. This transaction is a connected transaction in accordance with the Notification of the Capital Market Supervisory Board Tor Jor. 21/2551 Re: Connected Transaction Rules dated 31 August 2008 (as amended) and Notification of the Board Governors of Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transaction, 2003 dated 19 November 2003 (as amended). Base on the Company’s consolidated financial statements as of 31 December, 2019, the total size of the transaction is equivalent to 0.049% of the Company’s net tangible assets, which is more than 0.03%, but less than 3% of the net tangible assets of the Company, it is considered a medium-size connected transaction and the type of normal business transaction without general trading conditions. Therefore, the transaction must be approved by The Board of Directors of the Company and to disclose the information of connected transaction to the SET.

1. Date, Month, Year of entering into the transaction.

After obtaining the approval from the Company’s Board of Directors’ Meeting No. 8/2020 on May 8, 2020.

The attendance of the directors present at the meeting totaled 11 persons, thus constituting a quorum whereby 3 directors Mr. Kritsada Sunkhamani, Mr. Pisit Hongvanishkul and Mr. Bumrungsak Chingwangtakor, the directors of the Company and the executives of PWA, were considered connected persons of the Company and had no right to vote on this agenda.

2. Name of the connected persons and the relationship.

Discount Provider : Eastern Water Resources Development and Management Public Company Limited

Discount Recipient : Provincial Waterworks Authority

The Relationship with the Company

Provincial Waterworks Authority is the major shareholder of EASTW, as of April 30, 2020 holds 668,800,000 shares, equivalent to 40.20 % of EASTW’s total shares with voting rights.

3. General characteristics of the transaction.

Due to the Covid-19 situation, the government has measures to assist the public. One of the measures is to alleviate the burden of public utility expenses, such as PWA water tariff. PWA, which is a state enterprise under the supervision of the Ministry of Interior, sent a letter to EASTW requesting assistance to provide a discount to the water tariff for the 3 contracts with PWA, and under concession with the Department of Water Resources, for the Pattaya and Samui Island Waterworks service area by 1.5% for a period of 3 months (April – June 2020) and for the Sattahip Waterworks service area by 20% for a period of 3 months (April – June 2020). The discount totaling MB 5.27.

As PWA is the major shareholder of EASTW, which as of April 30, 2020 holds 668,800,000 shares, equivalent to 40.20% of EASTW’s total shares with voting rights, this transaction is considered a connected transaction.

4. Total Value of Consideration and Criterion Applied for Fixing the Value of Consideration

Percent of the net tangible assets (NTA)	Total Value of Consideration	Size of Transaction
$\leq 0.03\%$ of NTA	\leq Baht 1,000,000	Small
0.03% of NTA < X < 3% of NTA	Baht 1,000,000 < X < Baht 20,000,000	Medium
$\geq 3\%$ of NTA	\geq Baht 20,000,000	Large

According to the consolidated financial statements for the year 2019 ending 31 December 2019, the Company’s NTA is equal to MB. 10,684.01, 0.03% and 3 % of the NTA of the Company is equal to MB. 3.21 and MB. 320.52. The total size of the consideration is MB. 5.27 is equivalent to 0.049% of the Company’s net tangible assets, it is considered a

medium-size connected transaction and the type of normal business transaction without general trading conditions. Therefore, this transaction must be approved by The Board of Directors of the Company and to disclose the information of connected transaction to the SET.

5. Nature and Scope of Interest of the Connected Person

PWA is the major shareholder of EASTW, which as of April 30, 2020 holds 668,800,000 shares, equivalent to 40.20 % of EASTW's total shares with voting rights.

Mr. Kritsada Sunkhamani, Mr. Pisit Hongvanishkul and Mr. Bumrungsak Chingwangtakor, the directors of the Company and the executives of PWA, were considered connected person of the Company and had no right to vote on this agenda at the Company's Board of Directors' Meeting.

6. Value and Type of Transaction

This transaction is a connected transaction in accordance with the Notification of the Capital Market Supervisory Board Tor Jor. 21/2551 Re: Connected Transaction Rules dated 31 August 2008 (as amended) and Notification of the Board Governors of Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning Connected Transaction, 2003 dated 19 November 2003 (as amended). Base on the Company's consolidated financial statements as of 31 December, 2019, the total size of the transaction is equivalent to 0.049% of the Company's net tangible assets, which is more than 0.03%, but less than 3% of the net tangible assets of the Company, it is considered a medium-size connected transaction and the type of normal business transaction without general trading conditions. Therefore, the transaction must be approved by The Board of Directors of the Company and to disclose the information of connected transaction to the SET.

7. Opinions of the Company's Board of Directors.

The Company's Board of Directors has concluded that such a transaction is reasonable. The Company has considered the tap water tariff reduction is appropriate and will help alleviate the burden of the public. This transaction has no condition that may affect the rights of shareholders and helps to support the government's assistance policy for the public affected by the Covid-19 crisis through the PWA to its customers.

8. Opinions of the Audit Committee.

The Audit Committee has the opinion in correspondence with the opinion of the Board of Directors, and none of the directors had the different opinion or abstention.

The company certifies that the information in this report form is true and complete in all respects.

Please kindly be informed accordingly.

Yours sincerely,

-Signed-

Jirayut Rungsrihong

President & CEO

Legal Affairs and Corporate Governance Office.

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