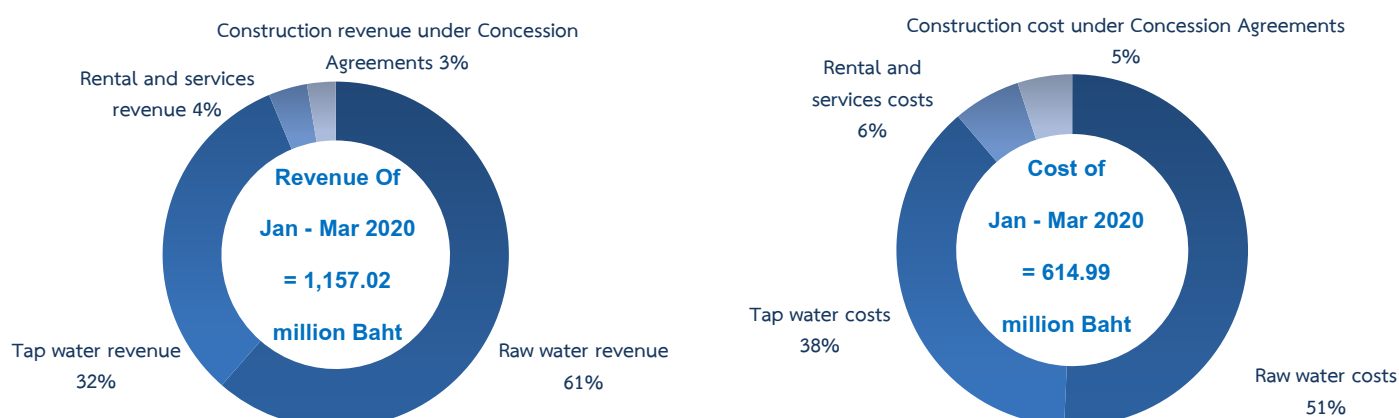


EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

1. ANALYSIS OF FINANCIAL PERFORMANCE

In Q1/2020, East Water Group had total consolidated sales and services income of 1,157.02 million Baht, decreased by 7.81 million Baht or -0.67% and costs of sales and services totaled 614.99 million Baht, decreased by 4.79 million Baht or -0.77% compared to Q1/2019, as construction revenue under concession agreements were reduced. Net profit attributable to equity holders of the parent company of 314.48 million Baht, decreased by 27.23 million Baht or -7.97%.

Proportion of revenues and cost



| Income statement (Million Baht) | 1 st Quarter | | | |
|----------------------------------------------------------------|-------------------------|-----------------|----------------|----------------|
| | 2020 | 2019 | YOY | % |
| Total Sales and Services revenue | 1,157.02 | 1,164.83 | (7.81) | (0.67%) |
| Raw water revenue | 710.74 | 695.87 | 14.86 | 2.14% |
| Tap water revenue | 373.49 | 366.63 | 6.86 | 1.87% |
| Rental and services revenue | 41.89 | 41.68 | 0.21 | 0.50% |
| Construction revenue under Concession Agreements ¹⁾ | 30.90 | 60.64 | (29.74) | (49.04%) |
| Costs of Sales and Services | 614.99 | 619.77 | (4.79) | (0.77%) |
| Raw water cost | 312.02 | 291.60 | 20.42 | 7.00% |
| Tap water cost | 233.73 | 230.66 | 3.07 | 1.33% |
| Rental and services cost | 38.33 | 36.86 | 1.46 | 3.97% |
| Construction cost under Concession Agreements ¹⁾ | 30.90 | 60.64 | (29.74) | (49.04%) |
| Gross profit | 542.03 | 545.06 | (3.02) | (0.55%) |
| Other income | 13.79 | 19.27 | (5.49) | (28.46%) |
| Selling and administrative expenses | 123.90 | 107.06 | 16.85 | 15.74% |
| Operating profit | 431.92 | 457.27 | (25.36) | (5.55%) |
| Finance cost | 44.26 | 41.60 | 2.66 | 6.39% |
| Income tax expenses | 70.26 | 71.35 | (1.09) | (1.53%) |
| Net profit | 317.40 | 344.32 | (26.92) | (7.82%) |
| Net profit attributable to the parent | 314.48 | 341.71 | (27.23) | (7.97%) |
| Earnings per share (EPS) | 0.19 | 0.21 | (0.02) | (7.97%) |

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

1. ANALYSIS OF FINANCIAL PERFORMANCE (CONT.)

| EBITDA (Million Baht) | 1 st Quarter | | | |
|-----------------------|-------------------------|---------------|---------------|----------------|
| | 2020 | 2019 | YOY | % |
| Operating profit | 431.92 | 457.27 | (25.36) | (5.55%) |
| Depreciation | 137.32 | 124.10 | 13.22 | 10.65% |
| Amortization | 82.61 | 78.25 | 4.37 | 5.58% |
| EBITDA | 651.85 | 659.62 | (7.77) | (1.18%) |

2. ECONOMIC SITUATION

Thailand economic situation in Q1/2020 in Central and Eastern regions contracted compared to the same period of 2019 due to the global economic slowdown and the COVID-19 pandemic, which are major negative impact to confidence and revenue of all business sectors. Manufacturing and exports contracted due to lower demands and shortage of raw materials and components from suppliers closed down due to the quarantine. Private investments and employment also shrank from the economic slowdown, as operators opted to invest in process improvement and efficiency enhancements, as well as introduction of technology to reduce costs. EEC area is also slowing down, but is expected to pick up again after the pandemic ends and positive influence from Chinese investments. Production cost are expected to increase from last year, especially agricultural raw materials which increased prices due to the drought. Operators are not expected to significantly increase prices and focus mainly on controlling cost, due to the economic slowdown and highly competitive market.

Business outlook for Q2/2020 was expected that the Thai economy would be contract appreciably from the impact of the COVID-19 pandemic and the ongoing drought, which are expected to clearly affect income and purchasing power in the coming quarter. Nevertheless, the business sector may recover within 3 – 6 months after the situation improves.

3. WATER SITUATION

As of 1 May 2020, the water supply situation in Chonburi and Rayong were in water shortage warning level. Water supply in the reservoirs was approximately lower than the average water quantity of the past 10 years as the drought impact during 2019-2020. The weather forecast of the Department of Meteorology was expected that the total rainfall in the Eastern part of Thailand will be lower than average level about 10% in May 2020 and slightly higher than average during June 2020 – July 2020. The average water in the reservoirs in Chonburi and Rayong were 20% and 12% of total capacity respectively.

| Water Volume (Million Cu.M) | Chonburi | | Rayong | | | |
|-----------------------------------|--------------|-------------|--------------|--------------|-------------|--------------|
| | Bangphra | Nongkho | Dokkrai | Nongplalai | Klongyai | Prasae |
| Water reserve | 24.52 | 3.66 | 11.98 | 24.87 | 3.96 | 26.17 |
| Percentage of total capacity | 21% | 17% | 15% | 15% | 10% | 9% |
| Average (2011-2020) | 53.89 | 8.08 | 34.13 | 95.39 | 21.28 | 145.60 |
| Above/(below) average (2011-2020) | (29.37) | (4.42) | (22.15) | (70.52) | (17.32) | (119.43) |

Due to the water supply situation in Chonburi and Rayong being lower than average, the Company has put in place the following water shortage mitigation measures:

1. Request customers use water more efficiently, and jointly set a demand reduction of 10% during the drought
2. Control water withdrawal from Dokkrai and Nongplalai Reservoirs to not exceed 600,000 cubic meter per day (CMD) to maintain the water level in the reservoirs above the dead storage
3. Transfer water from Prasae Reservoir to Nongplalai and Klongyai Reservoirs

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

3. WATER SITUATION (CONT.)

4. Transfer water from Klong Wang Tanoad, Chanthaburi to Prasae Reservoirs to maintain the water level in Prasae Reservoir
5. Back pump water from Klong Saphan to Prasae Reservoir to maintain the water level in Prasae Reservoir
6. Back pump water from Wat Lahan Rai station to Nongplalai Reservoir to maintain the water level in Nongplalai Reservoir
7. Source additional raw water from private ponds in Chonburi, both ponds with existing contracts with the Company and new ponds, to supply water to Chonburi and Chachoengsao areas
8. Upgrade Chachoengsao pump station to increase pumping capacity from Bangpakong River from 200,000 CMD to 300,000 CMD

4. SIGNIFICANT EVENTS

On 1 April 2020, The board of director approved interim dividend payment (July – December 2020) at 0.26 Baht per share or totally 432.57 million Baht paid on 19 May 2020, Included the interim dividend (January – June 2020) at 0.21 Baht per share that the annual dividend payment for 2019 was 0.47 Baht per share (Dividend for the year 2018 was 0.47 Baht per share).

Although, the East Water Group has not been directly nor significantly affected by the COVID-19 pandemic, the Company has put in place measures to alleviate the burden of the public in support of the government's measures to alleviate the public's burden of utility expenses. The Company's assistance measures support the PWA's assistance measures to the public, such as, reducing tap water tariff and refunding water meter deposit fees.

The above measures, which are considered a Related Parties Transaction in accordance with the Securities and Exchange Commission and Stock Exchange of Thailand Notifications, total 5.27 million Baht, which is calculated to be 0.049 of the Company's Net Tangible Assets (NTA)

5. RAW WATER BUSINESS

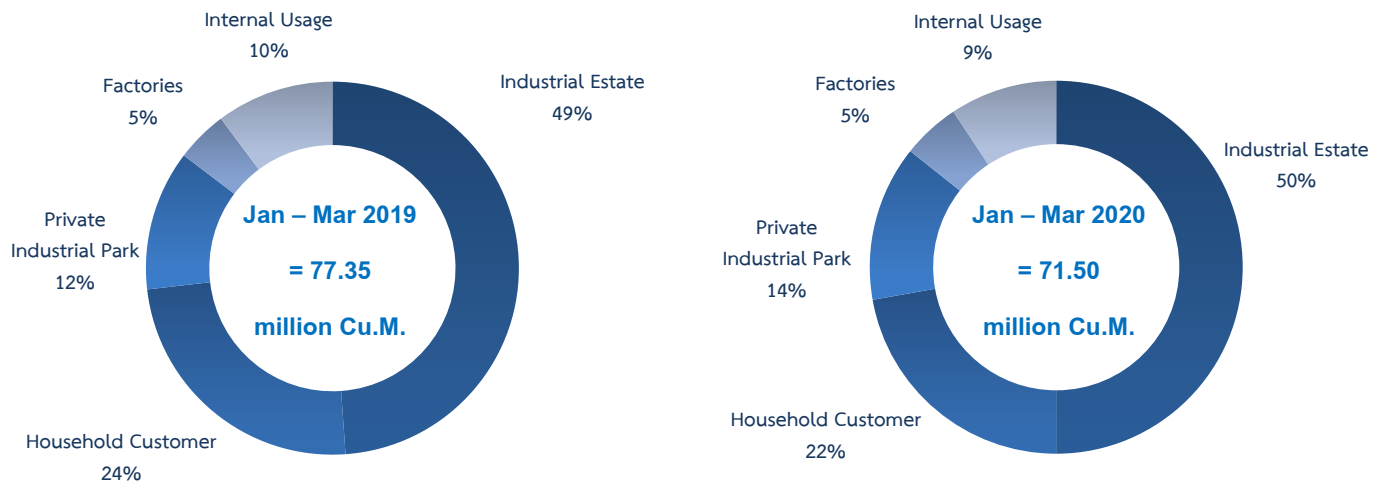
Raw water revenue in Q1/2020 was 710.74 million Baht, increased by 14.86 million Baht or +2.14% compared to Q1/2019. Total water sales volume was 64.85 million Cu.M. (excluding internal usage for tap water production of 6.65 million Cu.M.), decreased by 4.61 million Cu.M., or -6.64% due to East Water group compliance to the Royal Irrigation Department's policy for water resources management during drought in 2020. The average raw water tariff was at 10.96 Baht per Cu.M., increased by 0.94 Baht per Cu.M., or 9.40%, as the discount for household customers in 2019.

| Raw Water Volume (Million Cu.M) | 1 st Quarter | | | |
|-----------------------------------|-------------------------|--------------|---------------|----------------|
| | 2020 | 2019 | YOY | % |
| Total distribution volume | 71.50 | 77.35 | (5.85) | (7.56%) |
| Internal usage for tap water | 6.65 | 7.89 | (1.24) | (15.67%) |
| Net raw water sales volume | 64.85 | 69.46 | (4.61) | (6.64%) |

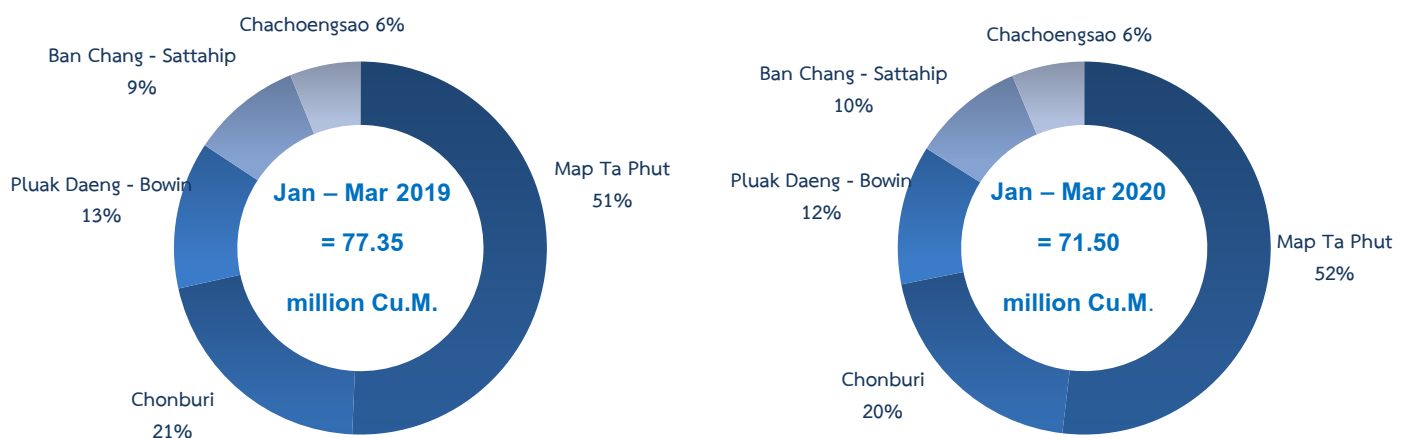
EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

5. RAW WATER BUSINESS (CONT.)

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



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



Gross Profit of Raw Water Business in Q1/2020 was 398.71 million Baht, decreased by 5.55 million Baht or -1.37% compared to Q1/2019 following to increasing of pipeline maintenances, depreciation and amortization. Therefore, costs of goods sold increased from the drought situation nationwide including Eastern area. The detail is as follows:

- 1) Electricity cost increased due to the higher raw water distribution to Chonburi area. Since the water supply in Chonburi was insufficient, therefore; the company needed to transfer water from Prasae reservoir to Chonburi area.
- 2) Maintenance cost increased because of rapidly increasing demand in Chonburi and Chachoengsao area.
- 3) Rising depreciation and amortization from investment to increase raw water distribution capacity.

Furthermore, the average sales price was higher because East Water Group discounted for household customer in 2019. As a result, Revenue in Q1/2020 increased by 14.86 million Baht or +2.14% but gross profit margin of raw water business dropped to 56.10%.

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

5. RAW WATER BUSINESS (CONT.)

| Major costs of raw water business (Million Baht) | 1 st Quarter | | | |
|-----------------------------------------------------|-------------------------|---------------|---------------|----------------|
| | 2020 | 2019 | YOY | % |
| Raw Water Revenue | 710.74 | 695.87 | 14.86 | 2.14% |
| Costs of Raw Water | 312.02 | 291.60 | 20.42 | 7.00% |
| Raw Water | 54.32 | 57.68 | (3.36) | (5.83%) |
| Electricity | 92.84 | 89.00 | 3.84 | 4.31% |
| Depreciation | 106.28 | 97.46 | 8.83 | 9.06% |
| Maintenance | 20.48 | 10.48 | 10.00 | 95.39% |
| Others | 38.10 | 36.99 | 1.11 | 3.01% |
| Gross Profit | 398.71 | 404.27 | (5.55) | (1.37%) |
| Gross Profit Margin | 56.10% | 58.10% | | |

6. TAP WATER BUSINESS

Tap water revenue in Q1/2020 was 373.49 million Baht, increased by 6.86 million Baht or +1.87%. Total tap water sales volume was 24.30 million Cu.M., decreased by 0.26 million Cu.M. or -1.07% compared to Q1/2019.

| Tap water sales volume (Million Cu.M) | 1 st Quarter | | | |
|--------------------------------------------|-------------------------|--------------|---------------|----------------|
| | 2020 | 2019 | YOY | % |
| Tap water sales volume | 5.90 | 5.50 | 0.40 | 7.19% |
| Tap water sales volume of the subsidiaries | 18.40 | 19.06 | (0.66) | (3.46%) |
| Total tap water sales volume | 24.30 | 24.56 | (0.26) | (1.07%) |

Gross Profit of Tap Water Business in Q1/2020 was 139.76 million Baht, increased by 3.79 million Baht or +2.78% compared to Q1/2019 with gross profit margin of 37.42% comparable to the same period in 2019.

| Major Costs of Tap Water Business (Million Baht) | 1 st Quarter | | | |
|-----------------------------------------------------|-------------------------|---------------|-------------|--------------|
| | 2020 | 2019 | YOY | % |
| Tap Water Revenue | 373.49 | 366.63 | 6.86 | 1.87% |
| Costs of Tap Water | 233.73 | 230.66 | 3.07 | 1.33% |
| Raw Water | 43.07 | 41.41 | 1.66 | 4.02% |
| Electricity | 36.45 | 36.46 | (0.00) | (0.01%) |
| Chemical | 10.78 | 7.61 | 3.18 | 41.75% |
| Payroll, Outsource Expenses & Maintenance | 50.42 | 55.65 | (5.24) | (9.41%) |
| Depreciation | 82.35 | 78.76 | 3.59 | 4.56% |
| Others | 10.66 | 10.78 | (0.12) | (1.13%) |
| Gross Profit | 139.76 | 135.97 | 3.79 | 2.78% |
| Gross Profit Margin | 37.42% | 37.09% | | |

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

7. FINANCIAL POSITION ANALYSIS

| Financial Position (MB) | As of 31 Mar 2020 | As of 31 Dec 2019 | Increased (Decreased) | % |
|--------------------------------------------------------------|----------------------|----------------------|--------------------------|--------------|
| Total Assets | 22,096.70 | 21,180.88 | 915.82 | 4.32% |
| Total Liabilities | 10,766.33 | 10,167.06 | 599.27 | 5.89% |
| Equity | 11,330.37 | 11,013.82 | 316.55 | 2.87% |
| - Equity attributable to owners of the parent company | 11,153.24 | 10,839.60 | 313.64 | 2.89% |

1) Assets At the end of 31 March 2020, total assets were 22,096.70 million Baht, increased by 915.82 million Baht or 4.32% from the end of the year 2019 due to the changes in the following items:

- Property, plant and equipment were 15,708.47 million Baht, increased by 447.52 million Baht mainly from progress of construction including clarified water & total water solution projects, Bangpakong pump system upgrade project and Tubma Reservoir project; after depreciation and amortization of the completed projects.

- Rights of assets usage were 461.34 million Baht from accounting adjustments according to new accounting standards in leasing agreement (TFRS 16).

2) Liabilities At the end of 31 March 2020, total liabilities were 10,766.33 million Baht, increased by 599.27 million Baht or 5.89% from the end of the year 2019 due to changes in the following items:

- Long-term loans from financial institutions were 4,546.20 million Baht, decreased by 110.00 million Baht mainly from the drawdown of long-term loan by 450.00 million Baht for project construction net off with the repayment of long term loan as schedule in an amount of 560.00 million Baht.

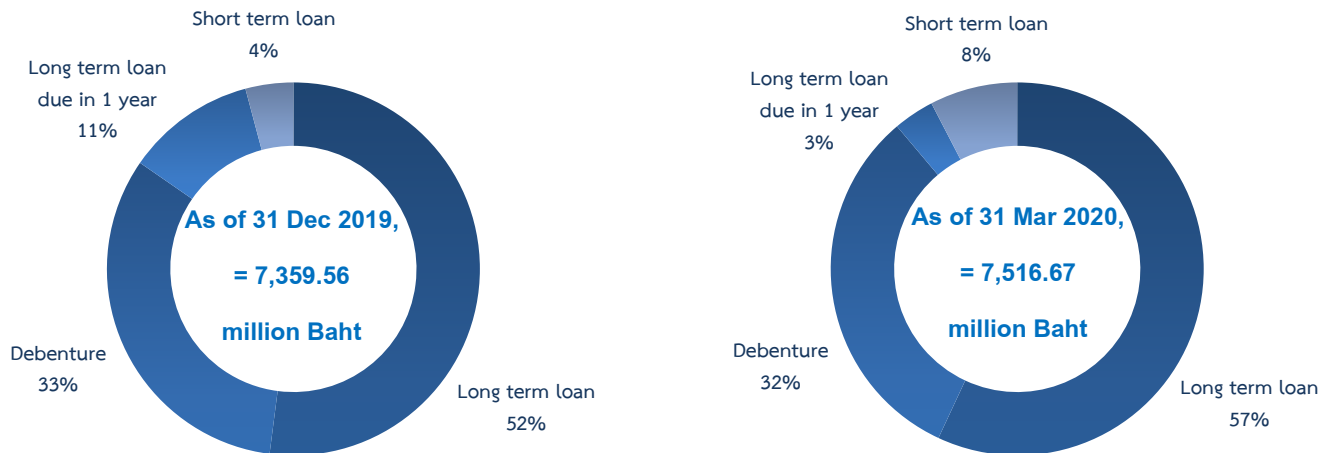
- Short-term loans from financial institutions were 572.00 million Baht, increased by 267.00 million Baht.

- Payable for financial leasing agreements were 450.59 million Baht, increased by 447.44 million Baht from accounting adjustments according to new accounting standards in leasing agreement (TFRS 16).

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

7. FINANCIAL POSITION ANALYSIS (CONT.)

Proportion of Interest-Bearing Debt



Note: According to the debentures and long-term loan agreements, the company was required to maintain its D/E ratio of not higher than 2.0. For the long-term loan agreements, there is additional condition to maintain DSCR of not less than 1.1.

3) Shareholder's Equity At the end of 31 March 2020, Shareholders' equity attributable to owners of the parent company was 11,153.24 million Baht, increased by 313.64 million Baht or 2.89% from the end of the year 2019, basically from the net profit in Q1/2020.

8. LIQUIDITY ANALYSIS AND FUNDING ADEQUACY

In Q1/2020, the company had beginning cash and cash equivalents of 58.21 million Baht, whereby during the financial period, net cash was decreased by 0.53 million Baht. This comprised of the following items:

1) Net cash received from Operating Activities totaling 454.58 million Baht from the net income and the changes in assets and liabilities from operations

2) Net cash used in Investment Activities amounted to 572.48 million Baht. This was mainly due to the investment in fixed assets, advance payment for the construction, and net short-term investment increased by 461.42 and 107.56 million Baht respectively.

3) Net cash received from Financing Activities amounted to 117.37 million Baht, mainly due to net short-term increased by 267.00 million Baht net off with net long-term loan decreased by 110.00 million Baht and paid interest by 32.65 million Baht.

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED
MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2020

9. KEY FINANCIAL RATIOS

| Key Financial Ratios | As of 31 Mar 2020 | As of 31 Dec 2019 |
|-----------------------------------------------------|----------------------|----------------------|
| Liquidity Ratio | | |
| Current ratio (times) | 0.44 | 0.68 |
| Profitability Ratio ¹⁾ | | |
| Gross profit / total sales and services revenue (%) | 48.13% | 49.36% |
| Net profit / total sales and services revenue (%) | 28.19% | 31.18% |
| Performance Ratio | | |
| Return on Equity (ROE) (%) | 9.20% | 10.75% |
| Return on Assets (ROA) (%) | 4.80% | 5.80% |
| Capital Structure and Debt Ratio | | |
| Debt to Equity ratio (time) | 0.97 | 0.83 |
| Debt Service Coverage ratio (DSCR) (time) | 4.61 | 2.27 |

Note: 1) Gross profit and Net profit were excluded construction revenue under concession agreement and other income.

In Q1/2020, East Water Group reported a decline in net profit and the profit margin compared to the year Q1/2019 because of the higher cost of sales following to severely drought nationwide including Eastern area. Therefore; gross profit margin and net profit margin were down to 48.13% and 28.19% respectively.

Return on Equity (ROE) and Return on Asset (ROA) decreased to 9.20% and 4.80%, respectively compared to the same period in 2019 due to the lower net profit.

For the liquidity analysis, current ratio decreased to 0.44 times because of decrease in cash on hand and increase in payable for purchase of fixed assets. Debt to equity ratio was at 0.97 times in-line with increasing in payable for purchase of fixed assets following to the progress of Tubma Reservoir Development project and Debt service coverage ratio (DSCR) remained strong at 4.61 times.