

25<sup>th</sup> March 2015

- Subject : Invitation to the 2014 Annual General Meeting of Shareholders
- Attention : The Shareholders of Eastern Water Resources Development and Management Public Company Limited.
- Attachment
1. A copy of the Minutes of 2013 Annual General Meeting of Shareholders
  2. Annual Report 2014
  3. Articles of Association related to the Annual General Meeting of Shareholders
  4. Profiles and experiences of PricewaterhouseCoopers ABAS Limited (PwC)'s certified auditors
  5. Profiles of the nominated persons to be the Company's Directors
  6. Definition of Independent Director and Profiles of Directors to be appointed as proxies
  7. Guidelines of Registration and Proxy form
  8. Registration Form (to be shown at the meeting)
  9. Procedures for sending any query in advance
  10. Map of venue

The Board of Directors of Eastern Water Resources Development and Management Public Company Limited in the meeting No.2/2015 held on 16<sup>th</sup> February 2015 - has resolved to call the 2014 Annual General Meeting of Shareholders which shall be held at 1.00 P.M. on Monday, 27<sup>th</sup> April 2015 at Makawan Rangsan, The Army Club, at Vipahavadi-Rangsit Road, Phayathai, Bangkok. The agendas to be acknowledged or considered are as follows:

**Agenda 1** To inform the Meeting.

1. The Corporate Governance and Nomination Committee's Meeting No.6/2014 (10<sup>th</sup> September 2014) and the Board of Directors' Meeting No. 10/2014 (25<sup>th</sup> September 2014) had defined the process to facilitate the rights of minority shareholders to propose the AGM's agendas in advance through the Company's websites and have reported the Stock Exchange of Thailand already. However, there was no shareholder proposing any agendas through the specified channels.

2. In accordance with the report of quality evaluation of 2014 Annual General Meeting of Shareholders 2014, the Company received 98.25 points which rated "Excellent" by the evaluation of Thailand Investor Association. In addition, The Company was also evaluated in terms of Corporate Governance Report of Thai Listed Companies 2014 by Thai Institute of Directors (IOD). The firm gained a high score of 87 points, rated "Very Good".

Agenda 2 To certify the Minutes of 2013 Annual General Meeting of Shareholders.

Objective and Reason The Company had held the 2013 AGM on 22<sup>nd</sup> April 2014 of which the meeting considered subjects as stipulated by law. The Company delivered a copy of the minutes of the meeting to the Stock Exchange of Thailand and the Ministry of Commerce within 14 days as stipulated by law, including distributed through the Company's website.

Opinion of the Board The Shareholders' Meeting shall certify the Minutes of 2013 Annual General Meeting of Shareholders. A Copy of the minutes is attached herewith (Attachment 1).

Voting: The majority vote of the Shareholders who attend the meeting and cast their votes.

**Agenda 3** To acknowledge the Board of Directors' report on the 2014 Company's Performance.

**Objective and Reason** To acknowledge the operating results of the Company and its subsidiaries in the accounting period of 2014 as ended 31<sup>st</sup> December 2014 as follows:.

1.	Water sales volume		Million Cubic Meters
		<u>Consolidated</u>	<u>Company</u>
		<u>Financial Statement</u>	<u>Financial Statement</u>
	1.1 Raw Water	257.09	263.34
	1.2 Tap Water Services	75.61	17.82
	Total	<u>332.70</u>	<u>281.16</u>

  

			Unit: Baht
		<u>Consolidated</u>	<u>Company</u>
		<u>Financial Statement</u>	<u>Financial Statement</u>
2.	Total Revenue	4,304,759,737	3,312,159,107
3.	Operating Expenses	2,509,886,560	1,690,625,881
4.	Financial Expenses	121,225,452	81,224,697
5.	Corporate Income Tax	339,197,329	300,982,933
6.	Net Profit	1,334,450,396	1,239,325,596
	6.1 Owner of the parent company	1,334,205,246	1,239,325,596
	6.2 Non-controlling interests	245,150	0.00

**Opinion of the Board** : The Shareholders' Meeting should acknowledge the Board of Directors' report on the 2014 Company's Performance, as mentioned above and in Annual Report 2014 (Attachment 2).

**Agenda 4** To consider and approve the Statement of Financial Position, and The Statement of Comprehensive Income for 2014 (1<sup>st</sup> January – 31<sup>st</sup> December 2014).

**Objective and Reason** To consider the Statement of Financial Position, and the Statement of Comprehensive Income for 2014 (from 1<sup>st</sup> January – 31<sup>st</sup> December 2014) of the Company, which was already examined by the Audit Committee and the Auditors. The Company already submitted the information to the SET on 13<sup>rd</sup> February 2015, detailed on "Financial Statement" of Annual Report 2014 (Attachment 2) which can be summarized as follows:

Unit : Baht

Description	Consolidated Financial Statement	Company Financial Statement
Total Assets	15,243,445,087	13,597,801,373
Total Liabilities	6,726,374,839	5,757,295,386
Equity attributable to the Company's shareholders	8,517,070,248	7,840,505,987
Total Revenue	4,304,759,737	3,312,159,107
Net Profit	1,334,450,396	1,239,325,596
- Owners of the parent company	1,334,205,246	1,239,325,596
- Non-controlling interests	245,150	0.00
Net Profit per Share	0.80	0.74

**Opinion of the Board** The Shareholders' Meeting should consider and approve the Statement of Financial Position, and the Statement of Comprehensive Income for 2014 as at 31<sup>st</sup> December 2014 of the Company which were examined by the Auditors as proposed above.

**Voting:** The majority vote of the Shareholders who attend the meeting and cast their votes.



**Agenda 5** To consider and approve the net profit allocation and dividend payment.

**Objectives and Reasons** Section 116 of the Public Company Limited Act B.E. 2535 stipulates that the Company shall allocate the annual profit of no less than 5% of the annual net profit as reserved until the capital reserve is no less than 10% of the registered capital. The Company has a dividend payment policy to shareholders of no less than 30% of the net profit of the owners of the parent company after the deduction of the legal reserve of each year as well as the Company's agreement of necessity and suitability. The summary of the Company's dividend payment to shareholders are as follows:

Description	Unit	2014 (Proposed year)	2013
1. Net Profit (Owners of the parent company)	Million Baht	1,334.21	1,312.94
2. Profit as a reserve <sup>①</sup>	Million Baht	- <sup>①</sup>	- <sup>①</sup>
3. Earnings per share	Baht/share	0.80	0.79
4. Amount of shares			
4.1 Amount of shares for the interim dividend payment	share	1,663,725,149	1,663,725,149
4.2 Amount of shares for the annual dividend payment		1,663,725,149	1,663,725,149
5. Total dividend per share		<u>0.45</u>	<u>0.42</u>
5.1 Interim dividend	Baht/share	0.21 <sup>②</sup>	0.20
5.2 The second half 2014 dividend		0.24	0.22
6. Total dividend	Baht Million	748.68	698.76
7. Dividend payout ratio	%	56.11	53.22

**Remark** <sup>①</sup> The Company has allotted profit and established capital reserve, stipulated by Section 116 of the Public Limited Company Act B.E. 2535, in amount of 166.50 million baht since 30<sup>th</sup> September 2006 which has been legally conformed, as stipulated by law that the capital reserve is obligatory to own not less than 10% of registered capital. Therefore, it is unnecessary to add capital reserve from the net profit of 2014.

<sup>②</sup> The Company paid interim dividend on 26<sup>th</sup> September 2014 at the rate of 0.21 Baht/share (the Company's performance from 1<sup>st</sup> January – 30<sup>th</sup> June 2014), according to the Board of Directors' approval in the Meeting No. 9/2014 (27<sup>th</sup> August 2014)

**Opinion of the Board** The Board of Directors' meeting No. 2/2015 (16<sup>th</sup> February 2015), agreed with the opinion of Executive and Investment Committee's meeting No. 2/2015 (10<sup>th</sup> February 2015) in the reference to further proposing to the AGM on approval of net profit allocation and dividend payment for 2014 as follows:

1. Allocation of the profit: The Company had completely allocated the profit as a capital reserve in the compliance with Section 116 of the Public Company Limited Act B.E. 2535 since 30<sup>th</sup> September 2006.

2. Dividend payment: The Company had 1,334.21 million Baht for a net profit of the owners of the parent company. According to the dividend payment policy, it is stipulated that the dividend payment is no less than 30% of the net profit of the owners of the parent company of the consolidated financial statement. Therefore, this shall be further proposed to the AGM for consideration dividend payment 2014 at 0.45 Baht per share as follows:
- 2.1 Interim payment: According to the Board of Directors meeting No. 9/2014 held on 27<sup>th</sup> August 2014, the interim payment had been approved based on the operating results of six-month period (1<sup>st</sup> January - 30<sup>th</sup> June 2014) at the rate of 0.21 Baht per share, paid on 26<sup>th</sup> September 2014.
- 2.2 The second half of 2014 dividend payment at 0.24 Baht per share. The Record Date specifies the list of shareholders entitled to receive dividend on 6<sup>th</sup> May 2015, and the list of shareholders shall be complied pursuant to Section 225 of the Securities and Exchange Act B.E. 2535 by the closing date of the share registration book to suspend the share transfer on 7<sup>th</sup> May 2015. The dividend payment date is scheduled on 26<sup>th</sup> May 2015.

**Voting:** The majority vote of the Shareholders who attend the meeting and cast their votes.

**Agenda 6** To consider and approve the appointment of the Company's auditor and the auditor's remuneration for year 2015.

**Objectives and Reasons:** Section 120 of the Public Limited Company Act B.E. 2535 stipulates that the Annual General Meeting of Shareholders shall appoint the auditor and determine the auditor's remuneration annually, and the present auditors can be re-appointed.

In 2014, the PricewaterhouseCoopers ABAS Limited (PwC) was appointed by the 2013 Annual General Meeting of Shareholders. The meeting has resolved to appoint either Mr. Vichien Khingmontri, Certified Public Accountant No. 3977 ;or Mr. Prasit Yuengsrikul, Certified Public Accountant No. 4174 ;or Mr. Sudwin Panyawongkhanti, Certified Public Accountant No. 3534 of PwC as the auditor of the Company, one of whom shall perform the audit duties and express an opinion on the Company's Financial Statements for fiscal year 2014, by approving the audit fees to examine the Company's Financial Statements for year 2014 in the amount of 890,000 Baht (other expenses in excessive to 2% of the audit fees are not included).

For year 2015, PwC is on the list approved by the Securities and Exchange Commission (SEC), offered the services as the Company's auditor and the management has considered the performance of PwC and compare the fee to previous year as follows:

Comparison of the Auditing Fee				Unit: Baht
Types of Auditing Fee	2015 (proposed year)	2014	Change Increase / (Decrease)	
			Amount	%
Auditing Fee of the Company	890,000	890,000	-	-
Out-of-pocket expenses	Cost of actual not exceed 2% of the audit fee	Cost of actual not exceed 2% of the audit fee	-	-

In addition, PwC and the proposed auditors do not have any interest or relationship with the Company, its subsidiaries, the management, major shareholders, or other related parties in a way that will affect their independence in discharging their duties. In addition, the non-audit fee paid to the office of the auditors and other related parties of the auditors' office is significant and shall not affect their independent judgments in reviewing the financial statements.



#### Opinion of the Audit Committee

The Audit Committee Meeting No.3/2015 (13<sup>rd</sup> February 2015), informed the meeting that CEO, Executive Vice President of Finance and Accounting and Vice President of Finance and Accounting evaluate auditors' performance in the period of 2010-2014. By the result of assessment, PwC understand the business very well, as a professional, with qualified ability to perform their duties and capability in accounting advice and information in accordance with international standardization, including coordinate with the smooth audit review on specific date. The resolution had been submitted to the Board of Directors for approval of proposing 2014 Annual General Meeting of Shareholders to appoint Miss. Sukhumaporn Wong-ariyaporn, Certified Public Accountant No. 4843, and Mr. Prasit Yuengsrikul, Certified Public Accountant No. 4174, and Miss. Varaporn Vorathitikul, Certified Public Accountant No. 4474, of PricewaterhouseCoopers ABAS Ltd (PwC) as the auditor of the Group of Company for the year 2015 continue for 1 year and approve the Company's audit fees in the amount of 890,000 Baht (other expenses in accordance with actual cost not excessive to 2% of the audit fees). However, the auditor's remuneration of the Company is the same as previous year.

Opinion of the Board The Board of Directors' Meeting No.2/2015 (16<sup>th</sup> February 2015) considered the resolution of the Audit Committee Meeting No. 3/2015 (13<sup>rd</sup> February 2015) submitted for approval of further proposing the AGM of 2014 for the appointment of the auditors of PricewaterhouseCoopers ABAS Limited (PwC) as the Company's external auditors, and remunerate the audit fees for the year 2015 as follows:

1. The list of auditors are as below:

- |                                      |   |
|--------------------------------------|---|
| 1.1 Miss. Sukhumaporn Wong-ariyaporn | C.P.A. (Thailand) No. 4843<br>(never signed the Company's audited financial statements) |
| 1.2 Mr. Prasit Yuengsrikul           | C.P.A. (Thailand) No. 4174<br>(never signed the Company's audited financial statements) |
| 1.3 Miss. Varaporn Vorathitikul      | C.P.A. (Thailand) No. 4474<br>(never signed the Company's audited financial statements) |

Any of the above auditors can conduct the audit and express an opinion on the Company's financial statements. The auditors' profiles and experiences are shown in Attachment 4.

2. The audit's fee of the Company is Baht 890,000 and the other expenses in accordance with the actual cost not excessive to 2% of the audit fees.

**Voting:** The majority vote of the Shareholders who attend the meeting and cast their votes.



**Agenda 7**      To consider and approve the appointment of directors to replace those who retire by rotation.

**Objective and Reason:** According to of the Company's Articles of Association No. 17, at the Annual General Meeting of Shareholders, 1/3 of Directors have to retire by rotation. There are 4 directors retiring by rotation as follows:

1. Mr.Amorn Laohamontri
2. Mr.Phaiboon Siripanoosatien
3. Mr. Chanin Tinnachote
4. Mrs.Tatchada Jitmahawong

The Corporate Governance and Nomination Committee Meeting No.6/2014 (10<sup>th</sup> September 2014) and the Board of Directors' Meeting No. 10/2014 (25<sup>th</sup> September 2014) had defined provision on the right of minority shareholders to nominate qualified candidate(s) to be the director through the Company's websites and have already reported to the Stock Exchange of Thailand, There was no minority shareholder proposing candidate for the position of Director through the website of the Company.

**Opinion of the Board**

The Board of Directors' Meeting No.2/2015 (16<sup>th</sup> February 2015) considered and agreed as follows :

1. To inform the shareholder that no minority shareholders nominate person to be the director through the Company's website.
2. The Directors who retire by rotation at a ratio of 1 in 3 equal to 4 persons. The Directors who served the longest term and must retire by rotation are Mr.Amorn Laohamontri, Mr.Phaiboon Siripanoosatien ,Mr.Chanin Tinnachote and the meeting take a random for 1 director from a list of 4 directors to a longest term and had to retire in the next year. The result is Mrs.Tatchada Jitmahawong who has to retire by rotation this year. Therefore, the Board of Director's Meeting has an approval of further proposing the 2014 AGM for nomination 4 retired directors be the directors for another term which the details are shown in Attachment 5.

**Voting:** The majority vote of the Shareholders who attend the meeting and cast their votes individually.

**Agenda 8**      To consider and approve the remuneration and the benefit of the Company's Directors for the year 2015.

**Objective and Reason:** According to the Company's Article of Association No. 14, clause 2-3, and Section 90 of the Public Company Limited Act B.E. 2535, it stipulates that the remuneration of the Directors shall comply with the resolution of the AGM of which consisting of voting points of no less than two-third of the total voting rights of the attended shareholders at the meeting.

**Opinion of the Performance Assessment and Remuneration Committee**

The Evaluation and Remuneration Committee Meeting No.1/2015 (12<sup>nd</sup> January 2015) agreed to propose the remuneration of the Board of Directors and Sub-Committees for the year 2015 as follows:

1. Remuneration of the Board of Directors for 2015

Remuneration of the Board of Directors for 2015 shall remain the monthly remuneration of Baht 40,000 per person consisting the monthly remuneration Baht 30,000 per person, and the meeting allowance is Baht 10,000 per person. If there is more than 1 meeting per month, the meeting allowance shall remain for one meeting, with the increase of 25% for the Chairman of the Board.

2. Remuneration of the Sub-Committee (without monthly remuneration) shall adjust the meeting allowance to be the same rate for all Sub-Committees. The Sub-Committee will receive the meeting allowance based on attendance but not exceed 2 times per month.

3. Remuneration (Bonus) of the Board of Directors for 2014

Although, net profit of 2014 has increase, to reduce the cost of the Company and protect the interests of the shareholders, the Board of Directors has agreed to propose the resolution to the Shareholders for consideration and approval to **maintain remuneration (Bonus) of the Board of Directors for 2014 to be the same as 2013** at 486,066 Baht per person, with the increase of 25% for the Chairman of the Board, and the calculation of the bonus pursuant to the directorship period.

**Opinion of the Board** The Board of Director's Meeting No. 1/2015 (19<sup>th</sup> January 2015) considered the criteria for the Board's remuneration for the year 2015 as proposed the Evaluation and Remuneration Committee to approve the remuneration of the Board and reduce the remuneration of the Sub-Committees for the year 2015 at the same rate at 10,000 Baht per attended meeting and propose to the 2014 AGM as follows:

Details of Remuneration	2014	2015 (proposed year)
<b><u>Remuneration of the Board of Directors</u></b>		<b><u>Remains</u></b>
1. Monthly remuneration	30,000 Baht /person/ month (Chairman of the Board receives an increase of 25%)	30,000 Baht /person/ month (Chairman of the Board receives an increase of 25%)
2. Meeting allowance	10,000 Baht/month (Chairman of the Board receives an increase of 25%) (Paid only to Directors attending the meeting, If there is more than 1 meeting per month, the meeting allowance shall remain for one meeting)	<b><u>Remains</u></b> 10,000 Baht/month (Chairman of the Board receives an increase of 25%) (Paid only to Directors attending the meeting, If there is more than 1 meeting per month, the meeting allowance shall remain for one meeting)
3. Bonus from the 2014 Company's Performance	486,066 Baht per person (Chairman of the Board receives an increase of 25%)	<b><u>Remains</u></b> 486,066 Baht per person (Chairman of the Board receives an increase of 25%) (Calculation of bonus pursuant to the directorship period in 2014)
4. Other benefits	None	None
<b><u>Remuneration of the Sub-Committees</u></b>		<b><u>Reduced</u></b>
	<b><u>Audit Committee</u></b> - Receive meeting allowance at 20,000 Baht/meeting (If there is more than 1 meeting per month, the meeting allowance shall not exceed 20,000 Baht/month) - Paid only to Directors attending the meeting - No monthly remuneration - No other benefits	<b><u>Audit Committee</u></b> - Receive meeting allowance at 10,000 Baht/meeting ,If there is more than 1 meeting per month, the meeting allowance shall remain for two meeting) - Paid only to Directors attending the meeting - No monthly remuneration - No other benefits
	<b><u>Other Sub-Committees</u></b> - Receive meeting allowance at 10,000 Baht/meeting (If there is more than 1 meeting per month, the meeting allowance shall not exceed 20,000 Baht/month) - Paid only to Directors attending the meeting - No monthly remuneration - No other benefits	<b><u>Remains</u></b> <b><u>Other Sub-Committees</u></b> - Receive meeting allowance at 10,000 Baht/meeting (If there is more than 1 meeting per month, the meeting allowance shall remain for two meeting) - Paid only to Directors attending the meeting - No monthly remuneration - No other benefits

**Voting:** The vote of not less than two-thirds (2/3) of the total number of votes of the shareholders attend the meeting and cast their vote.



Agenda 9

Others (if any).

The Record Date (to collect the list of shareholders who have the right to attend the shareholders' meeting as stipulated in Section 225 of the Securities and Exchange Act, B.E. 2535) will be scheduled on 2<sup>nd</sup> March 2015. The Company's share registration book will be closed on 3<sup>rd</sup> March 2015.

Please be informed accordingly and attend the meeting on the date, time, and venue as stated above. The registration time for the shareholders to attend the meeting begins at 11.30 hours onwards.

Any shareholder who wishes to appoint a proxy to attend the Meeting and vote on his or her behalf must complete only one proxy form (Proxy Form can be found in Attachment 7).

Any shareholder who is unable to attend the shareholders' meeting can authorize one of the Company's directors: either Mr. Amorn Laohamontri (independent director); or Mr. Chanin Tinnachote (independent director); or Mr. Wanchai Lawattanatrakul (President & CEO) to attend and vote on his or her behalf. Details of directors can be found in Attachment 6. The Company requests the shareholders to deliver the proxy form to the Company by 23<sup>rd</sup> April 2015.

The shareholder shall complete and sign the proxy form, attach 20 Baht duty stamp, and submit to the Company prior to the attendance of the meeting.

Shareholder who has queries or comments shall send the document in advance at Facsimile No. +66 2 272 1603 or mail to the Company Secretary. Details are shown in attachment 9.

By the Resolution of the Board



Mr. Wanchai Lawattanatrakul

President & CEO

*The Company has prepared snacks and drinks for the shareholders and proxies in attendance.*

*No lunch.*

President & CEO Office

Tel +662-279-1600 Ext 2523, 2564