

**EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED**  
**MANAGEMENT DISCUSSION AND ANALYSIS FOR Q1/2026**

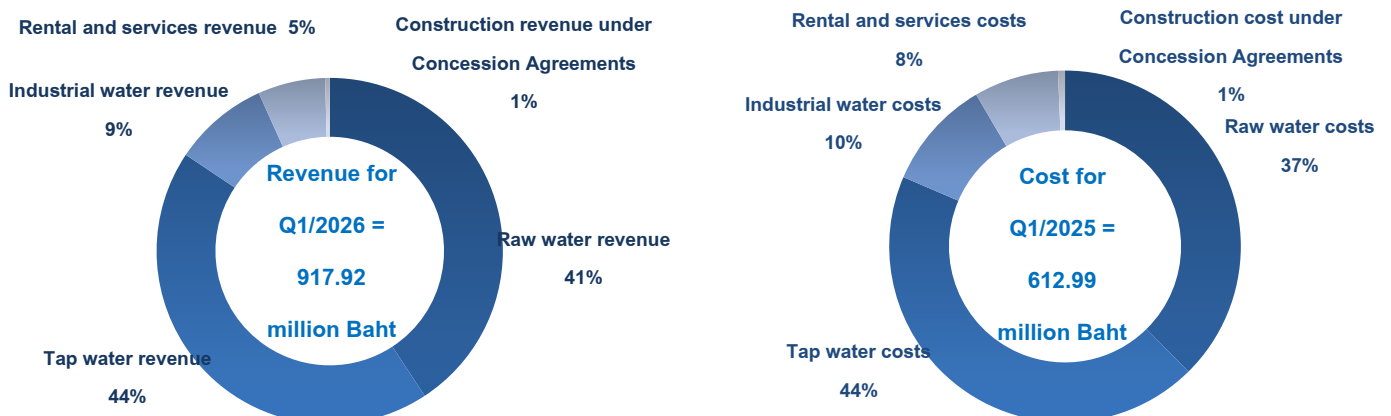
**1. ANALYSIS OF FINANCIAL PERFORMANCE**

In the first quarter of 2026, the company maintained its strong performance despite facing increasingly intense competition for raw water supply in the eastern region. This resulted in sales and service revenue of 917.92 million baht, a decrease of 0.26% compared to the same period of the previous year. The main factor was a decrease in raw water sales volume. However, the company managed its revenue structure efficiently, with revenue from the tap water and industrial water businesses continuing to grow year-on-year, partially offsetting the impact of the decreased raw water sales revenue. This reflects the Company's diverse revenue sources, as well as the ability to maintain its customer base and expand services in businesses with continuous growth potential.

At the same time, the company continuously focuses on cost management and operational efficiency improvements, resulting in a 10.67% decrease in the cost of sales and services this quarter compared to the same period last year. This was driven by effective energy cost management, improved efficiency in managing water pipeline and pumping station systems, and appropriate control of operating expenses. Consequently, the operating profit margin improved significantly, even though total revenue decreased. EBITDA for Q1/2026 was 467.74 million baht, an increase of 5.58% year-on-year, reflecting the company's potential for generating cash flow from core operations. Core operating profit increased by 47.68% year-on-year, demonstrating the effectiveness of proactive management and the ability to maintain profitability in increasingly challenging market conditions. Furthermore, the company effectively managed its capital structure and debt burden, with reduced financing costs from the gradual repayment of interest-bearing debt maturing in 2025, following borrowing to support strategic investments in water pipeline infrastructure. These investments aimed to enhance network stability, improve water resource management efficiency, and strengthen the capacity to meet the growing demand for water in key industrial and economic areas of the country. This resulted in a net profit of 62.04 million baht for the first quarter of 2026, an increase of 53.14 million baht, or a growth of 596.90 percent, compared to the same period of the previous year. This reflects the recovery in performance, the ability to control costs, and a stronger financial position.

Presently, the Company's raw water pipeline network spans a total of 553 kilometers, reflects the readiness of its infrastructure and competitiveness, positioning it as a major raw water provider set to support the continually increasing water demands for the industrial sector in the Eastern Economic Corridor (EEC).

Proportion of revenues and cost



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**1. ANALYSIS OF FINANCIAL PERFORMANCE (CONT.)**

Income statement (Million Baht)	Q1/2026 (3-month period)			
	2026	2025	Increase (decrease)	%
<b>Total Sales and Services revenue</b>	<b>917.92</b>	<b>920.28</b>	<b>(2.35)</b>	<b>(0.26%)</b>
Raw water revenue	374.14	416.63	(42.49)	(10.20%)
Tap water revenue	400.41	387.35	13.06	3.37%
Industrial water revenue	81.71	58.44	23.26	39.80%
Rental and services revenue	57.74	52.77	4.97	9.42%
Construction revenue under Concession Agreements	3.93	5.09	(1.16)	(22.74%)
<b>Costs of Sales and Services</b>	<b>612.99</b>	<b>686.24</b>	<b>(73.25)</b>	<b>(10.67%)</b>
Raw water cost	230.58	305.24	(74.66)	(24.46%)
Tap water cost	268.64	281.54	(12.90)	(4.58%)
Industrial water cost	62.11	59.24	2.87	4.84%
Rental and services cost	47.73	35.13	12.60	35.87%
Construction cost under Concession Agreements	3.93	5.09	(1.16)	(22.74%)
<b>Gross profit</b>	<b>304.94</b>	<b>234.04</b>	<b>70.90</b>	<b>30.29%</b>
Other income	6.52	22.70	(16.18)	(71.28%)
Sells and administrative expenses	113.94	122.99	(9.05)	(7.36%)
<b>Operating profit</b>	<b>197.51</b>	<b>133.74</b>	<b>63.77</b>	<b>47.68%</b>
Finance cost	117.63	136.32	(18.69)	(13.71%)
<b>Share of profit (loss) from investments</b>	<b>(0.03)</b>	<b>0.00</b>	<b>(0.03)</b>	<b>(100%)</b>
Income tax expenses (revenue)	17.81	(11.48)	29.30	255.16%
<b>Net profit</b>	<b>62.04</b>	<b>8.90</b>	<b>53.14</b>	<b>596.90%</b>
<b>Net profit attributable to shareholders of the parent company</b>	<b>59.22</b>	<b>6.15</b>	<b>53.07</b>	<b>863.36%</b>
<b>Earnings per share (EPS)</b>	<b>0.036</b>	<b>0.004</b>	<b>0.032</b>	<b>863.36%</b>

The operating profit before interests, taxes, depreciation and amortization (EBITDA) is shown in the following table:

EBITDA (Million Baht)	Q1/2026 (3-month period)			
	2026	2025	Increase (decrease)	%
Operating profit	197.51	133.74	63.77	47.68%
Depreciation	175.00	214.64	(39.63)	(18.47%)
Amortization	95.25	94.64	0.61	0.65%
Share of loss from investments	(0.03)	0.00	(0.03)	(100%)
<b>EBITDA</b>	<b>467.74</b>	<b>443.02</b>	<b>24.72</b>	<b>5.58%</b>

Note: Depreciation does not include depreciation from recognizing the rights to use assets in accordance with the lease financial standards (TFRS16)

**2. ECONOMIC AND INDUSTRIAL SITUATION**

**2.1 GLOBAL ECONOMIC SITUATION IN Q1/2026**

The global economy in the first quarter of 2026 faced pressure from escalating geopolitical uncertainties, particularly the conflict in the Middle East that erupted in late February 2026. This has significantly slowed the previously positive outlook for the global economy. Such tensions have also impacted global supply chains and trade through disruptions in transportation and increased logistics costs. Furthermore, global financial conditions have tightened due to capital shifts to safe-haven assets,

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#### 2. ECONOMIC SITUATION (CONT.)

leading to higher borrowing costs and a projected slowdown in private investment. In addition, economic polarization and protectionism remain long-term pressures on global trade. However, the global economy continues to receive support from the growth of digital technologies and artificial intelligence (AI), which are emerging drivers of the future economy. The International Monetary Fund (IMF) revised its 2026 global economic growth forecast from 3.3 percent down to 3.1 percent, 0.3 percent lower than in 2025, primarily due to the impact of the Middle East conflict and increased uncertainty in international trade. Meanwhile, global headline inflation is projected to rise to 4.4 percent, driven by increasing energy and food prices, which would have severe impact on energy-importing countries with economic vulnerabilities.

#### 2.2 THAILAND ECONOMIC SITUATION IN Q1/2026

Overall, the Thai economy showed continued recovery trend driven by external demand, including increased goods export and higher foreign tourist arrivals. Simultaneously, domestic demand has increased, encompassing both private consumption and investment, as well as continued government spending expansion, spearheaded by infrastructure investment projects in transportation and logistics, and rail construction and development projects. This has resulted in corresponding increases in industrial production and service sector activity. The headline inflation rate was -0.54 percent, similar to the previous quarter, with the energy category declining due to lower electricity prices, while the fresh food category experienced a smaller decline. The core inflation rate was 0.58 percent, also similar to the previous quarter.

Economic stability in the first quarter: The headline inflation rate remained negative, similar to the previous quarter, primarily due to the energy category declining due to lower electricity prices compared to high base cost in the previous year. However, the headline inflation rate began to be affected by higher energy prices in March 2026, however, the pass-through of costs to core inflation still remained limited. The current account balance showed a surplus mainly due to the balance of services, income, and financial transfers. The labor market declined from the previous quarter.

#### 2.3 THAILAND MANUFACTURING SECTOR SITUATION IN Q1/2026

Thailand's manufacturing sector in the first quarter of 2026 faced severe and sudden external crises. Although the early part of the quarter received a boost from the end of 2025, when the manufacturing sector expanded due to accelerated production of electric vehicles (EVs) to compensate for imports under government conditions and investment in data centers, a significant turning point occurred with the outbreak of war in the Middle East. This led to the closure of the Strait of Hormuz and the destruction of critical energy infrastructure in the Middle East. This situation significantly increased the production costs of Thai industries, as Thailand has a net import share of oil and natural gas amounting to 7% of its GDP. As a result, the forecast for Thailand's economic growth in 2026 was revised downwards to 1.5–1.6%, a level below its potential (estimated by the Fiscal Policy Office).

In addition to the energy price crisis, the manufacturing sector was also pressured by the continued high tariffs imposed by the United States from 2025, including retaliatory tariffs, sectoral tariffs, and new global tariffs, which reduced the competitiveness of Thai goods in international markets. Coupled with the high level of uncertainty in global trade policy, this negatively impacted long-term investment confidence and employment. Furthermore, The Thai industrial sector still faces chronic structural problems. The productivity of leading Thai companies is lagging behind global leaders, and there is a widening technological gap compared to advanced economies.

However, amidst these negative factors, there are positive signs in new S-Curve industries, particularly the digital and artificial intelligence (AI) sectors. Thai exports of AI-related equipment and midstream products, such as AI development platforms, AI models, cloud AI systems, and AI data management systems, continue to show growth. Meanwhile, investment in data centers continues to grow, both in operational and under-construction projects within the Eastern Economic Corridor (EEC). Furthermore, Thailand's "EV 3.5" policy supporting electric vehicles remains a key mechanism for attracting foreign investment and serves as an example of a regional industrial policy focused on building modern manufacturing bases.

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## 2. ECONOMIC SITUATION (CONT.)

The Office of Industrial Economics (OIE) reported that the Manufacturing Production Index (MPI) for March 2026 stood at 108.69, expanding by 0.75% compared to the same period last year. The capacity utilization rate was 64.6%, an increase from 62.30% in the same period of the previous year, driven by the rebound in the petroleum and automotive industries, continued growth in industrial goods exports, and an increase in foreign tourists. This stimulated demand for industrial goods throughout the supply chain, resulting in an overall MPI index of 102.76 in the first quarter of 2026, an increase by 0.83% compared to the same period of the previous year, with an average capacity utilization rate of 61.26%.

### 2.4 OVERVIEW OF INVESTMENT PROMOTION APPLICATIONS (BOI) AND FOREIGN DIRECT INVESTMENT (FDI) IN Q1/2026.

Amidst global volatility and the trend of relocating production bases, Thailand continues to attract investment interest. In the first quarter of 2026, there were 624 investment promotion applications with an investment value of 1,016,962 million baht, a 2.4-fold increase compared to the same period of the previous year. This is due to large-scale investment projects in the digital and electronics industries, reflecting investors' confidence in Thailand's potential as a base for high-tech investment. The top five industries with the highest investment value are:

1. Digital industry, valued at 873,741 million baht (48 projects). The majority of this investment is in data centers and cloud services, accounting for 86% of the investment in this quarter. This is due to the rapid growth of the digital economy, especially AI technology and the digital transformation of the business sector, which has increased the demand for data storage, cloud services, and high-performance computing, for which data centers are a crucial infrastructure component.
2. Electronics and electrical appliance industry, valued at 40,456 million baht (80 projects). The majority of this investment is for the production of advanced electronic components, printed circuit boards (PCBs), and key equipment used in data Centers
3. Energy and infrastructure industry, valued at 17,103 million baht (108 projects), mostly investments in clean energy power generation, especially solar and wind power.
4. Agriculture and food industry, valued at 16,963 million baht (61 projects), mostly for investments in processing businesses to add value to agricultural products.
5. High-value logistics and services, valued at 14,548 million baht (68 projects), mostly investments in air transport, cargo handling for cargo ships, and maritime transport.

Foreign Direct Investment (FDI) continues to expand. There were 427 projects applying for investment promotion, with a total investment of 965,869 million baht. The top 10 countries/economies with the highest value of investment promotion applications were: Singapore (837,941 million baht), the United Kingdom (47,150 million baht), Japan (22,593 million baht), China (17,327 million baht), Hong Kong (16,097 million baht), Taiwan (14,679 million baht), the United States (1,282 million baht), the Netherlands (915 million baht), Malaysia (625 million baht), and Sweden (352 million baht).

In terms of location, the majority of the investment was in the Central region, valued at 831,531 million baht from 237 projects, followed by the Eastern region (149,994 million baht), the Southern region (7,395 million baht), the Western region (5,978 million baht), the Northern region (5,279 million baht), and the Northeastern region (5,078 million baht).

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## 2. ECONOMIC SITUATION (CONT.)

### 2.5 ECONOMIC FORECAST FOR Q2/2026

The Thai economy is projected to grow by only 1.5-1.6% in the second quarter of 2026. The manufacturing and export sectors may face significant pressure from slowing global demand and high uncertainty surrounding trade protectionism from the United States. There is also high vulnerability to costs due to volatile energy prices. Despite these negative factors, the tourism sector is expected to continue its gradual recovery and remain a key driver. Furthermore, the digital industry and continued investment in data centers in the Eastern Economic Corridor (EEC) will remain strong points attracting investment this quarter, supporting long-term investment. In this regard, the company, as a major supplier of raw water in the country, has adopted a proactive approach to address these changes, aiming to transform challenges into business opportunities by developing strategies that respond to new demands and creating a new S-curve to expand its customer base into the data center sector in the EEC. The company positions itself as a comprehensive water management partner, covering everything from raw water to high-quality industrial water services to support the modern cooling systems used by data center customers, which require high levels of continuity and stability in water supply.

## 3. WATER SITUATION

### 3.1 Regional climate monitoring

#### ➤ Storms that may affect Thailand<sup>1, 2</sup>

Tracking tropical cyclones from the beginning of 2026 to the present shows that no tropical cyclones have directly made landfall in Thailand. However, during March – early May 2026, Thailand was affected by several waves of summer storms due to alternating hot and cold air masses. The Meteorological Department issued numerous summer storm warnings. Nevertheless, based on long-term statistics and the average seasonal storm pattern of the Western Pacific, Thailand is affected by 1–2 tropical cyclones per year.

- Sources:
1. Weather Warning Announcements, Meteorological Department, <https://www.tmd.go.th/warning-and-events/warning-storm?page=1&show=10>
  2. Tropical Cyclone Statistics, Meteorological Department, <https://tmd.go.th/climate/climateStat/TropicalCyclone>

#### ➤ Monitoring natural weather phenomena affecting Thailand at the regional level

##### - Pacific Ocean Side: El Niño Southern Oscillation (ENSO)<sup>3</sup> (published on 9 April 2026)

Currently, the ENSO phenomenon Sea surface temperatures (SST) in the equatorial Pacific are “near average to above average” in the central and eastern Pacific, and the latest Relative Oceanic Niño Index (RONI) (February–April 2026) is approximately -0.5 degrees Celsius, reflecting the end of La Niña and a transition to a neutral state. Short-term forecasts are as follows:

- May – July 2026: 55 – 80% chance of ENSO-neutral condition.
- June – August 2026: 60 – 62% chance of El Niño occurring, and it is expected to continue at least until the end of 2026 or early 2027.
- Thailand is expected to experience a dry spell or below-normal rainfall in late Q3 – Q4 of 2026.
- For 2027, there is a similar chance that El Niño will be of “moderate to severe” intensity. While the chance of ENSO turning neutral is less than 10% (considering the relatively high probability of El Niño occurring).

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**3. WATER SITUATION (CONT.)**

**- Indian Ocean Side: Indian Ocean Dipole (IOD)<sup>4</sup>**

Based on the IOD index forecasting model (12 April 2026), the probability forecast for the IOD situation indicates that IOD will be “Neutral” , with an IOD index of +0.06 degrees, with the models indicating the IOD is likely to remain “Neutral” until May, and the possibility of a “Positive” IOD in June. This is due to decreased moisture from the Indian Ocean moving towards Thailand.

- Sources: 3. ENSO: Recent Evolution, Current Status and Predictions, [https://www.cpc.ncep.noaa.gov/products/analysis\\_monitoring/lanina/enso\\_evolution-status-fcsts-web.pdf](https://www.cpc.ncep.noaa.gov/products/analysis_monitoring/lanina/enso_evolution-status-fcsts-web.pdf)  
4. Southern hemisphere outlooks, <https://www.bom.gov.au/climate/ocean/outlooks/?index=iod#tabs=Graphs>

**3.2 Analysis of climate and water conditions that affect the raw water business.**

The company closely monitors weather conditions, which are currently neutral but are transitioning into El Niño conditions in the second half of the year. While this may result in below-average rainfall, the company utilizes in-depth forecasts for proactive planning, ensuring sufficient and efficient water allocation to meet industrial demand. The water situation, particularly in the Prasae Reservoir, a strategic water source, shows above-average water storage volume of 167.70 million cubic meters (56.8% of the reservoir's capacity), exceeding both historical averages and projected water levels for 2025. Similarly, reservoirs in the Chonburi area also maintain above-average water levels, demonstrating the stability of water resources in most of the company's service areas. Furthermore, thanks to its comprehensive water grid system, the company can effectively manage drought conditions by efficiently and continuously diverting water between the Prasae Reservoir and the Rayong-Chonburi network, maintaining both quantity and quality.

**4. SUSTAINABLE BUSINESS PRACTICES AND ESG ASPECTS.**

The company's operations focus on the efficient use of resources, encompassing business processes throughout the supply chain. The company has incorporated expectations/feedback from its key stakeholders and various international standards as guidelines for its operations to develop sustainable practices across all dimensions: economic and corporate governance, environmental, and social, in order to mitigate potential risks and impacts on the business. The Corporate Governance and Sustainability Committee considers both internal and external factors and promotes improvements in operational processes for sustainability. The key achievements are summarized as follows:

Corporate governance and economic	Social	Environmental
<p><b>Corporate governance</b></p> <p>The company adopts the SEC's good corporate governance principles and best practices in its business operations to ensure transparency, accountability of the board of directors, and investor confidence.</p> <p>Furthermore, the Board of Directors considered the appointment of five sub-committees to review specific issues to screen information and propose approaches for approval. At its meeting on 26 April 2026, the Board approved the structure of these sub-committees, which were revised to suitably align with the Skill Matrix and the Stock Exchange of Thailand's recommendations to further develop and enhance sustainable practices of the organization.</p>	<p><b>Safety aspects goals for 2026:</b></p> <ul style="list-style-type: none"> <li>● LTIFR (Lost Time Injury Frequency Rate) to be lower than the average LTIFR value over the past 3 years (2023-2025, in units of person per million working hours).</li> </ul> <p><b>Stakeholders aspects goals for 2026:</b></p> <ul style="list-style-type: none"> <li>● Stakeholder satisfaction scores must be at least the same as in 2025.</li> </ul> <p><b>Human Rights Aspects, goal for 2026:</b></p> <ul style="list-style-type: none"> <li>● 100% of human rights complaints must be resolved.</li> <li>● At least two people with disabilities must be employed in the workplace.</li> </ul>	<p><b>Water aspects goal for 2026:</b></p> <ul style="list-style-type: none"> <li>● Reduce water loss to below 2.00%.</li> </ul> <p><b>Energy aspects, goal for 2026:</b></p> <ul style="list-style-type: none"> <li>● Reduce electricity consumption per unit of water pumped by 1.00% compared to the 3-year average electricity consumption (2023-2025, kWh/y).</li> </ul> <p><b>General and hazardous waste aspects goal for 2026:</b></p> <ul style="list-style-type: none"> <li>● Recycling of waste within East Water buildings to 10.00% of the total waste in 2026 (kg/year).</li> </ul> <p><b>Air pollution and greenhouse gas aspects goal for 2026:</b></p> <ul style="list-style-type: none"> <li>● Reduce greenhouse gas emissions (3 scopes) per unit of water pumped by 1.00% compared to the 3-year average greenhouse gas emissions (3 scopes) per unit of water pumped.</li> </ul>

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## 5. SIGNIFICANT EVENTS

**Dividend Payment:** On 27 April 2026, the Annual General Shareholders Meeting (AGM) approved the 2025 dividend payout to shareholders of 0.01 Baht per share, totaling 17 million Baht, which the shareholders received on 27 May 2026.

**TRIS Rating:** On 26 June 2025, TRIS RATING announced the downward adjustment of the rating of the Company's credit and the ratings on its outstanding senior unsecured debentures to "A-" with "Stable Outlook" from "A" with "Stable Outlook". The credit rating downgrade reflects the intensifying competition in the raw water business from the entry of several competitors. Nevertheless, the credit rating still reflects the strength of the Company as a major raw water supplier with a comprehensive pipeline network in the Eastern Economic Corridor (EEC) and its reliable services and lengthy track record.

**Establishment of a Joint Venture:** On August 26, 2025, the Company established a subsidiary company together with STECON Power Co., Ltd., named Eastwater STECON Utilities Co., Ltd., with an initial registered capital of 1,000,000 baht. The Company holds a 60% stake in this subsidiary company. However, although the Company holds more than 50% of the registered capital in the joint venture, the Company does not have sole control over the joint venture as joint control was specified in the joint venture agreement. Subsequently, on October 20, 2025, Eastwater Stecon Utilities Co., Ltd. registered an additional capital of 61.75 million baht with the Ministry of Commerce, and 70% of the registered capital was called for payment. The Company invested in its 60% stake and paid for the shares in proportion to its investment, totaling 25.94 million baht.

The objective of establishing this joint venture is to support the water infrastructure and integrated water systems services business expansion to data centers in the Eastern Economic Corridor (EEC), which is an industrial cluster with high growth potential. This is in line with the Company's strategy to expand its customer base in the water infrastructure business and increase opportunities for long-term revenue generation for the Company.

### **Lawsuits:**

As of 31 March 2026, the company was involved in lawsuits with potential values totaling 131.27 million Baht as detailed below:

1. On 16 November 2024, the Company received the lawsuit filed to the Civil Court by the government agency as the plaintiff. The lawsuit demands the eviction of the Company and the demolition of properties and followers on its site in the overlapping areas of Nong Pla Lai-Nong Khor Pipeline Project, and Nong Khor-Laem Chabang Pipeline Project (Phase 2). Additionally, the lawsuit seeks compensation for damages due to loss of benefit from not receiving the entrance fee (second instalment) and for not receiving share of revenue (first year), totaling Baht 127.77 million. The lawsuit also demands interest of 5% per annum on the said amount from the filing date until the Company fully vacates the premises. On 10 March 2025, the Civil Court made an appointment for the pretrial conference and determined that it was appropriate to prepare a map of the disputed land. On 25 July 2025, the Company along with the plaintiff and the land officer already conducted a cadastral survey and prepared a map of the disputed land.

Later, on 27 October 2025, the Civil Court ordered to prepare an additional map of the disputed land, and scheduled an appointment for the pretrial conference and examine a map of the disputed land on 23 February 2026.

On 23 February 2026, both parties appeared as scheduled. The land officer notified the Court that the preparation of the map of the disputed land had not yet been completed. Upon consideration, the Court was of the view that the proceedings could not yet be carried out and therefore adjourned the appointment for examination of a map of the disputed land on 27 April 2026. However, the land survey remains incomplete. Therefore, the examination of the disputed land map has been further postponed to 22 June 2026.

However, if the outcome of the lawsuit causes the Company to return the said site, the management has a water grid management contingency plan in place by preparing to build a replacement water pipeline in the overlapping area.

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**5. SIGNIFICANT EVENTS (CONT.)**

2. On 22 March 2025, the Company received a summons for a preliminary examination and a copy of a complaint in a criminal case. The complaint was filed by a private company against the Company on 11 March 2025 at Rayong Provincial Court. The charges are for causing damage to property and defalcation. The plaintiff alleged that the Company disconnected water pipelines of the Map Ta Phut - Sattahip water pipeline project. The plaintiff claims that these pipelines are part of the Dok Krai water pipeline project owned by a government agency, and the disconnection caused damage to the plaintiff's property.

The case was dismissed by the court on 27 August 2025. Subsequently, on 8 January 2026, the plaintiff filed an appeal with the Court and the Company filed its response to the appeal on 8 April 2026.

Management believes that the ultimate outcome will not give rise to any significant losses from these lawsuits, so the Company has not recorded any provision for liability in the financial information.

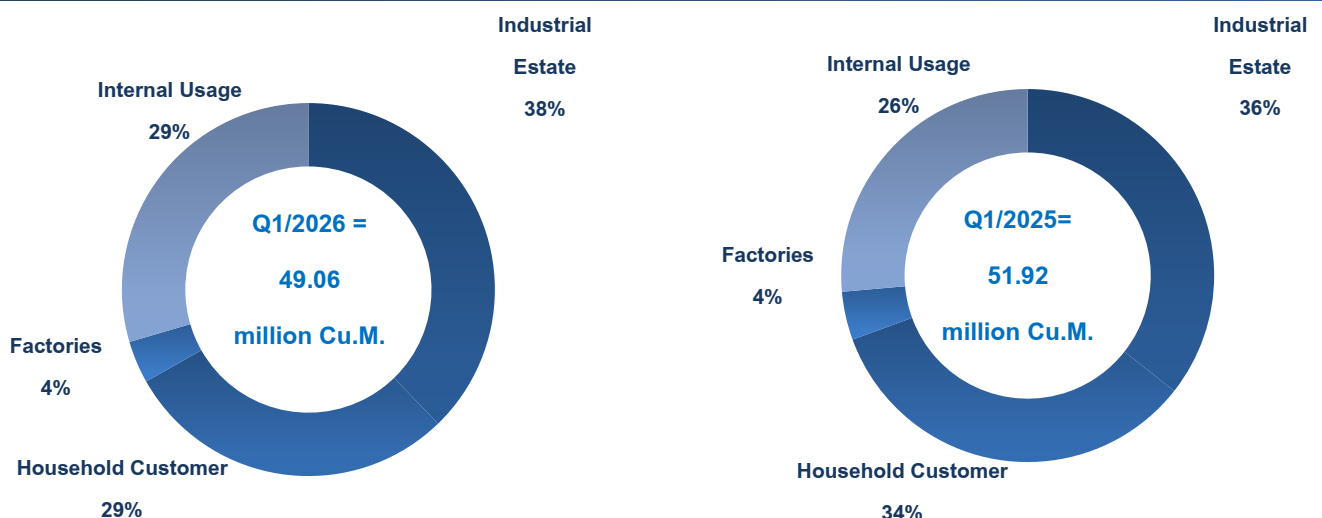
**6. RAW WATER BUSINESS**

Raw water revenue for Q1/2026 was 374.14 million Baht, decreased by 42.49 million Baht or -10.20% compared to the same period of 2025, mainly from raw water sales volume decrease of 3.65 million Cu.M or -9.55% (excluding internal usage of the Group of Companies of 14.49 million Cu.M.) mainly due to impact of the global economy and other factors as detailed above.

The average raw water sales price was 10.82 Baht per Cu.M., decreased by 0.08 Baht per Cu.M. or -0.72% compared to the same period of 2025.

Raw Water Volume (Million Cu.M)	Q1/2026 (3-month period)			
	2026	2025	Increase (decrease)	%
Total distribution volume	49.06	51.92	(2.86)	(5.51%)
(deduct) Internal usage for within the group of companies	14.49	13.70	0.79	5.76%
<b>Net raw water sales volume</b>	<b>34.57</b>	<b>38.22</b>	<b>(3.65)</b>	<b>(9.55%)</b>

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



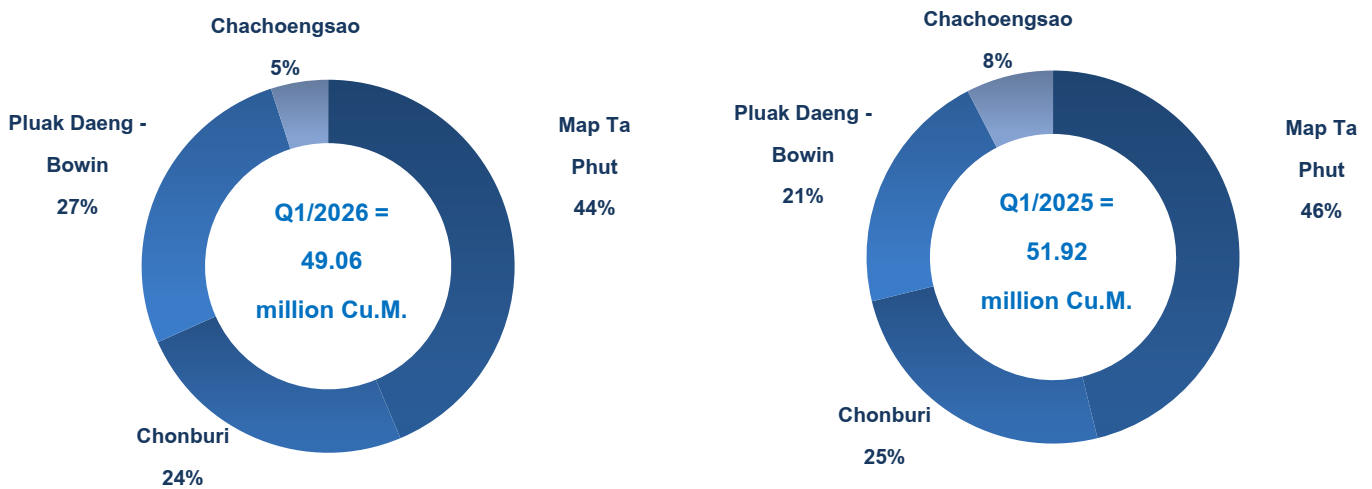
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**6. RAW WATER BUSINESS (CONT.)**

Considering the direction and trend of industrial sector, there is substantial raw water business growth potential from the expansion of industries, as well as, the government policy promoting Rayong, Chonburi and Chachoengsao provinces to be the production hub of high-tech industries and increasing competitiveness with the Eastern Economic Corridor (EEC), a major supporting factor is the development of data centers in the EEC which is projected to significantly increase water demands and water service business in the region. The Company's raw water capabilities are considered highly ready to support the EEC from investments, stability of water resources and water distribution network.

Currently, the Company's raw water distribution volume to each service area is as follows:

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



**Gross Profit of Raw Water Business** for Q1/2026 was 143.56 million Baht, increased by 32.18 million Baht or +28.89% compared to the same period of 2025 although Raw water revenue decreased 42.49 million Baht or -10.20%, mainly due to the lower raw water demands from global economic uncertainty. Nevertheless, the company was able to effectively manage raw water transmission and control expenses, resulting in a decrease in cost of sales of 74.66 million baht, or -24.46%, which is a better rate than the decrease in revenue.

From the above reasons, the gross profit margin of raw water business for Q1/2026 increased to 38.37% from 27.88% YoY, reflecting the Company's competitiveness of the business in the long term, even amidst the above-mentioned economic environment and challenging competition.

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**6. RAW WATER BUSINESS (CONT.)**

Major costs of raw water business (Million Baht)	Q1/2026 (3-month period)			
	2026	2025	Increase (decrease)	%
<b>Raw Water Revenue</b>	<b>374.14</b>	<b>416.63</b>	<b>(42.49)</b>	<b>(10.20%)</b>
<b>Costs of Raw Water</b>	<b>230.58</b>	<b>305.24</b>	<b>(74.66)</b>	<b>(24.46%)</b>
Raw Water	16.97	23.26	(6.29)	(27.04%)
Electricity	75.34	108.70	(33.36)	(30.69%)
Maintenance	101.49	136.17	(34.68)	(25.47%)
Depreciation	11.97	8.30	3.67	44.19%
Others	24.81	28.81	(4.00)	(13.88%)
<b>Gross Profit</b>	<b>143.56</b>	<b>111.39</b>	<b>32.18</b>	<b>28.89%</b>
<b>Gross Profit Margin</b>	<b>38.37%</b>	<b>26.73%</b>		

**Note:** 1) For cost of sales from Q2/2025 onwards, the Financial Analysis and Investor Relations Division (FA&IR) has adjusted the allocation method for certain cost items to better align with the nature of the costs and actual resource utilization. This change may result in differences in cost of sales figures compared to the previous period, but this has no impact on the company's overall net profit.

**7. TAP WATER BUSINESS**

Tap water revenue for Q1/2026 was 400.41 million Baht, an increase of 13.06 million Baht or +3.37% compared to the same period of 2025, following the tap water cost which increase by 0.90 million Baht or +3.71% from the same period of 2025.

Tap water sales volume (Million Cu.M)	Q1/2026 (3-month period)			
	2026	2025	Increase (decrease)	%
Tap water sales volume of Company	6.34	6.17	0.17	2.82%
Tap water sales volume of subsidiaries	18.76	18.04	0.72	4.01%
<b>Total tap water sales volume</b>	<b>25.10</b>	<b>24.21</b>	<b>0.90</b>	<b>3.71%</b>

**Gross Profit of Tap Water Business** for Q1/2026 was 131.77 million Baht, increased by 25.96 million Baht or +24.53% compared to the same period of 2025, mainly due to the increase in sales volume which resulted in a gross profit margin of 32.91%, increased from 27.32% during the same period of 2025.

Major costs of tap water business (Million Baht)	Q1/2026 (3-month period)			
	2025	2024	Increase (decrease)	%
<b>Tap Water Revenue</b>	<b>400.41</b>	<b>387.35</b>	<b>13.06</b>	<b>3.37%</b>
<b>Costs of Tap Water</b>	<b>268.64</b>	<b>281.54</b>	<b>(12.90)</b>	<b>(4.58%)</b>
Raw Water	20.42	22.92	(2.50)	(10.92%)
Electricity	51.80	58.89	(7.08)	(12.03%)
Chemical	10.95	10.53	0.43	4.04%
Payroll, Outsource Expenses & Maintenance	38.94	49.82	(10.88)	(21.83%)
Depreciation	118.35	119.42	(1.07)	(0.90%)
Others	28.18	19.96	8.22	41.16%
<b>Gross Profit</b>	<b>131.77</b>	<b>105.81</b>	<b>25.96</b>	<b>24.53%</b>
<b>Gross Profit Margin</b>	<b>32.91%</b>	<b>27.32%</b>		

**Note:** 1) For cost of sales from Q2/2025 onwards, the FA&IR Division adjusted the allocation method for certain cost items to better align with the nature of the costs and actual resource utilization. This change may result in differences in cost of sales figures compared to the previous period but has no impact on the company's net profit.

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**8. INDUSTRIAL WATER BUSINESS**

Industrial water revenue for Q1/2026 was 81.71 million Baht, increased by 23.26 million Baht or +39.80% compared to the same period in 2025, as industrial water sales volume gradually increased to match existing and new customer demands.

**Gross Profit of Industrial Water Business** for Q1/2026 was 19.60 million Baht, an increase of 20.39 million Baht or +2,552.44% compared to the same period of 2025, mainly due to an increase in the volume of industrial water sales from both existing and new customers, resulting in significantly improved revenue and operating profits. These results reflect the company's potential for expanding its industrial water business, as well as its ability to efficiently meet the industrial water needs in the area. These factors will support the company's long-term revenue growth and profitability.

Major costs of industrial water business (Million Baht)	Q1/2026 (3-month period)			
	2026	2025	Increase (decrease)	%
Industrial Water Sale Volume	5.73	4.27	1.46	34.29%
Industrial Water Revenue	81.71	58.44	23.26	39.80%
Costs of Industrial Water sales	62.11	59.24	2.87	4.84%
Raw Water	2.38	2.36	0.02	0.67%
Direct cost (electricity, RW chemicals, O&M)	24.05	20.56	3.49	16.99%
Depreciation	29.61	33.12	(3.51)	(10.60%)
Other Costs	6.07	3.20	2.87	89.81%
<b>Gross Profit</b>	<b>19.60</b>	<b>(0.80)</b>	<b>20.39</b>	<b>2,552.44%</b>
Gross Profit Margin	23.98%	(1.37%)		

**Note:** 1) For cost of sales from Q2/2025 onwards, the FA&IR Division adjusted the allocation method for certain cost items to better align with the nature of the costs and actual resource utilization. This change may result in differences in cost of sales figures compared to the previous period but has no impact on the company's net profit.

**9. FINANCIAL POSITION ANALYSIS**

Financial Position (MB)	As of 31 Mar 2026	As of 31 Dec 2025	Increase (Decrease)	%
Total Assets	27,840.93	27,792.56	48.37	0.17%
Total Liabilities	16,228.34	16,242.01	(13.67)	(0.08%)
Equity	11,612.59	11,550.55	62.04	0.54%
- Equity attributable to owners of the parent company	11,436.81	11,424.82	11.99	0.10%

**1) Assets** As of 31 March 2026, total assets were 27,840.93 million Baht, increased by 48.37 million Baht or -0.17% from end of 2025 mainly from the following changes:

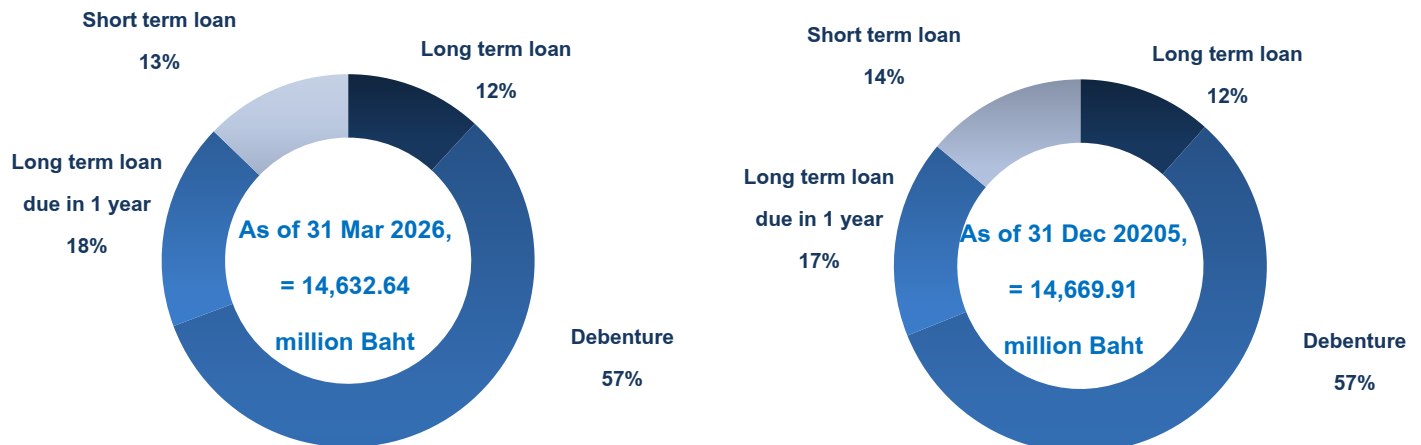
- cash and cash equivalents of 240.05 million Baht, an increase of 113.75 million Baht since end of 2025 from revenue generated from the Company's operations.

- land, buildings and equipment (net) of 22,915.02 million Baht, decreased by 137.03 million Baht since end of 2025, and intangible assets of 1,858.79 million Baht, a decrease of 91.32 million Baht since end of 2025 from recognizing depreciation and amortization expenses.

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**2) Liabilities** As of 31 March 2026, total liabilities were 16,228.34 million Baht, decreased 13.67 million Baht or -0.08% from end of 2025, mainly due to changes short-term loans from financial institutions which decreased by 170 million Baht from end of 2025.

**Proportion of Interest-Bearing Debt**



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

**3) Shareholder's Equity** As of 31 March 2026, Shareholders' equity attributable to owners of the parent company was 11,479.31 million Baht, increased by 59.22 million Baht or +0.52% from end of 2025

**10. LIQUIDITY ANALYSIS AND FUNDING ADEQUACY**

For Q1/2026, the company had carried over cash and cash equivalents of 126.30 million Baht, whereby during the first quarter, net cash increased 113.75 million Baht. This is comprised of the following items:

**1) Net cash received from Operating Activities** totaling 457.29 million Baht from net income from operations and changes in working capital

**2) Net cash used in Investment Activities** amounted to 195.92 million Baht. This was mainly due to the purchase of financial assets totaling 724.86 million Baht, the purchase of fixed assets and cash advance for construction projects of 57.18 million Baht.

**3) Net cash used in Financing Activities** amounted to 147.62 million Baht, mainly from the cash repayment of short-term and long-term loans from financial institutes of 2,471.00 million Baht.

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**11. KEY FINANCIAL RATIOS**

Key Financial Ratios	Q1/2026	Q1/2025
<b>Liquidity Ratio</b>		
Current ratio (times)	0.35	0.49
Average A/R collection days (days) <sup>1)</sup>	40.15	37.83
Average A/P collection days (days)	16.57	15.59
<b>Profitability Ratio <sup>2)</sup></b>		
Gross profit / total sales and services revenue (%)	33.36%	25.57%
Net profit / total sales and services revenue (%)	6.79%	0.97%
<b>Performance Ratio</b>		
Return on Equity (ROE) (%)	5.11%	4.48%
Return on Assets (ROA) (%)	2.11%	1.75%
<b>Capital Structure and Debt Ratio</b>		
Debt to Equity ratio (time)	1.40	1.59
Debt Service Coverage ratio (DSCR) (time)	0.55	0.39
Net Debt to EBITDA ratio	8.47	9.41
Net Debt to Equity	1.29	1.38

**Note:** 1) the company changed the calculation method/formula for financial ratios (key financial ratios) by business type (industrial group and general services) according to the Securities and Exchange Commission Announcement No. Tor.Jor. 14/2567 (Vol. 27) to comply with the standard. This change started from Q3 2024 onwards and had a retrospective effect on the ratios for the same period in the previous year.

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

For Q1/2026, The company and its subsidiaries have adapted and maintained strong profitability, despite revenue from raw water sales facing pressure from increased competition and an incomplete industrial recovery. However, the company offset these impacts through growth in the tap and industrial water businesses, as well as efficient cost and operating expense management. As a result, the gross profit margin increased to 33.36% from 25.57% for the same period of 2025, while the net profit margin increased to 6.79% from 0.97%, reflecting the company's continued ability to maintain profitability.

Return on Equity (ROE) and Return on Asset (ROA) for Q1/2026 increased to 5.11% and 2.11%, respectively compared to the same period in 2025, when the ROE was 4.48% and ROA was 1.75, reflecting more efficient resource and asset structure management, as well as the ability to generate returns from core businesses under uncertain economic conditions..

Regarding its financial position, the Company continues to manage its debt and liquidity effectively. The debt-to-equity ratio decreased to 1.40 times from 1.59 times at the end of Q1/2025 due to the gradual repayment of long-term loans and maturing debentures. Meanwhile, the Debt Service Coverage ratio (DSCR) improved to 0.55 times from 0.39 times, and the Net Debt to EBITDA ratio and Net Debt to Equity decreased to 8.33 times from 9.41 times and 1.29 times from 1.38 times, respectively. This reflects the Company's strong financial position and effective capital structure management. The Company will continue to focus on cost management, maintaining liquidity, and investing in water infrastructure to support the growing water demand and ensure long-term business stability.

**12. CREDIT TERM POLICY**

The Company has set credit terms for raw water customers, tap water customers and tenants at approximately 30 days. For trading partners, the Company will negotiate credit terms to be approximately 30 days as well. The Group of Companies has appropriate policies and procedures to control credit risk from transactions with customers. As the majority of the group's customers are either governmental agencies or large private companies, Management assessed credit risk as "low".

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**13. CAPITAL EXPENDITURE COMMITMENT**

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

Capital Expenditure (MB)	31 March 2026	31 December 2025
Land, buildings and equipment	145.96	143.17
Intangible assets	46.29	49.23
<b>Total</b>	<b>192.25</b>	<b>192.40</b>

Capital expenditure commitment in land, buildings and equipment stem from ongoing construction projects, such as the total water service for U-Tapao International Airport project and the Klong Luang – Chonburi raw water pipeline construction project.

**14. RELATED PARTIES TRANSACTIONS**

The Company has related transactions with entities that might experience conflicts of interest, as identified by the Auditor as follow:

- 1) The Provincial Waterworks Authority (PWA), which is the largest shareholder, with 40.20% of the Company's issued shares and has representatives appointed to the Company's Board of Directors
- 2) The Industrial Estate Authority of Thailand (IEAT), which holds 4.57% of the Company's issued shares and has a representative appointed to the Company's Board of Directors

The details of related transactions are sorted by type of transaction and included in the note to financial statement no. 16.1 of the financial statement relating to related transactions with individuals or businesses.