

EASTERN WATER RESOURCES DEVELOPMENT AND MANAGEMENT PUBLIC COMPANY LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS FOR Q2/2025

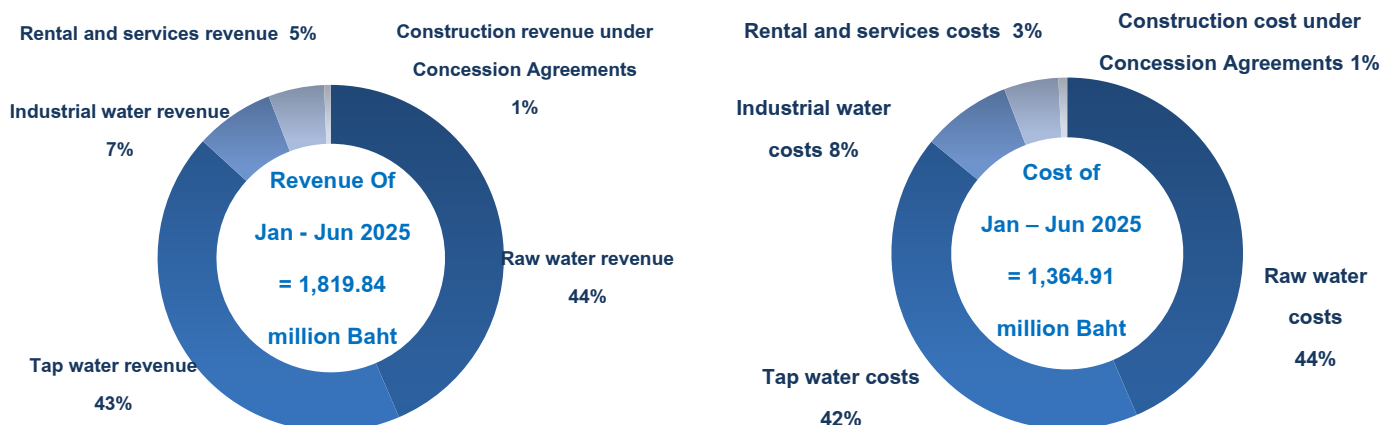
1. ANALYSIS OF FINANCIAL PERFORMANCE

For the first half of 2024, East Water Group generated a satisfactory EBITDA of 892.69 million Baht, an increase of 112.44 million Baht or +14.41% compared to the same period of the previous year, even though sales and services revenue decreased compared to the same period of the previous year, due the efficient management of expenses, especially from the raw water costs, which in 2024 East Water was obliged to temporarily purchase from another private company to sell to its customers during the construction of the pipelines to replace the Treasury Department's pipelines, which East Water returned in 2023. The replacement pipelines were completed at the end of 2024, eliminating the need for temporary raw water purchase from the other operator, resulting in higher EBITDA margin in 2025 compared to the same period of the previous year. Additionally, in 2025, the company's raw water pipeline network spans a total of 553 kilometers, positioning it as a major raw water provider with comprehensive pipeline coverage in the Eastern Economic Corridor (EEC).

For the first half of 2024, East Water Group had total consolidated sales and services income of 1,819.94 million Baht, decreased by 382.31 million Baht or -17.36%, compared to the same period of 2024, primarily from decreased raw water sales volume caused by more abundant rainfall during the first half of the year compared to 2024 and the intensifying competition in the raw water supply business in the EEC, whilst costs of sales and services totaled 1,364.91 million Baht, decreased by 373.73 million Baht or -21.50% compared to the same period in 2024, mainly from the completion of the construction of the replacement pipelines in 2024, thus lowering raw water costs as East Water discontinued the temporary purchase of raw water from the other operator, sales cost, SG&A costs, as well as, the continual efficiency improvement in all aspects of business management. These factors contributed to the 2025 EBITDA being higher than in 2024, as stated above. Nevertheless, the substantial investments in the pipeline network to support East Water's long-term competitiveness and growth lead to increased depreciation and costs of finance in 2025. This leads to net profit of 16.30 million Baht, decreased by 38.30 million Baht or -70.14%, with net profit attributable to equity holders of the parent company of 10.80 million Baht.

In Q2/2025, East Water was able to retain its major customer base, although sales and services revenue decreased 20.81%, compared the same period of the previous year, whilst sales and services expenses decreased 19.69%, resulting in the Company's ability to maintain operating performance at a level where net profit reflects its ability to manage expenses amidst challenging market conditions in an economy the has not yet fully recovered and other competitors entering the market.

Proportion of revenues and cost



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1. ANALYSIS OF FINANCIAL PERFORMANCE (CONT.)

Income statement (Million Baht)	Q2 (3-month period)				Q2 (6 months cumulative)			
	2025	2024	YoY	%	2025	2024	YoY	%
Total Sales and Services revenue	899.57	1,135.97	(236.41)	(20.81%)	1,819.84	2,202.15	(382.31)	(17.36%)
Raw water revenue	375.92	624.28	(248.35)	(39.78%)	792.55	1,195.22	(402.67)	(33.69%)
Tap water revenue	399.48	399.42	0.05	0.01%	786.83	790.15	(3.32)	(0.42%)
Industrial water revenue	75.98	71.240	4.74	6.65%	134.42	124.50	9.92	7.97%
Rental and services revenue	42.22	29.2	12.98	44.37%	94.99	77.93	17.06	21.89%
Construction revenue under Concession Agreements	5.97	11.79	(5.82)	(49.35%)	11.06	14.35	(3.29)	(22.94%)
Costs of Sales and Services	678.67	845.04	(166.37)	(19.69%)	1,364.91	1,738.64	(373.73)	(21.50%)
Raw water cost	288.91	449.69	(160.77)	(35.75%)	594.15	958.99	(364.84)	(38.04%)
Tap water cost	297.53	291.09	6.44	2.21%	579.07	585.83	(6.76)	(1.15%)
Industrial water cost	52.95	69.43	(16.48)	(23.74%)	112.19	117.54	(5.35)	(4.55%)
Rental and services cost	33.31	23.05	10.26	44.51%	68.44	61.92	6.51	10.51%
Construction cost under Concession Agreements	5.97	11.79	(5.82)	(49.35%)	11.06	14.35	(3.29)	(22.94%)
Gross profit	220.90	290.93	(70.03)	(24.07%)	454.93	463.51	(8.58)	(1.85%)
Other income	15.34	23.22	(7.88)	(33.95%)	38.03	45.26	(7.23)	(15.97%)
Sells and administrative expenses	98.63	122.05	(23.41)	(19.18%)	221.62	268.39	(46.77)	(17.43%)
Operating profit	137.60	192.10	(54.50)	(28.37%)	271.34	240.38	30.96	12.88%
Finance cost	132.72	78.32	54.40	69.46%	269.04	164.83	104.20	63.22%
Income tax expenses	(2.52)	40.52	(43.04)	(106.22%)	(14.00)	20.94	(34.94)	(166.87%)
Net profit	7.40	73.26	(65.86)	(89.90%)	16.30	54.60	(38.30)	(70.14%)
Net profit attributable to shareholders of the parent company	4.65	70.29	(65.64)	(93.38%)	10.80	48.89	(38.10)	(77.92%)
Earnings per share (EPS)	0.003	0.04	(0.039)	(93.38%)	0.01	0.03	(0.02)	(77.92%)

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

EBITDA (Million Baht)	Q2 (3-month period)				Q2 (6 months cumulative)			
	2025	2024	YoY	%	2025	2024	YoY	%
Operating profit	137.60	192.10	(54.50)	(28.37%)	271.34	240.38	30.97	12.88%
Depreciation	216.67	176.46	40.21	22.79%	431.30	352.79	78.52	22.26%
Amortization	95.41	94.02	1.40	1.48%	190.05	187.10	2.95	1.58%
EBITDA	449.68	462.57	(12.89)	(2.79%)	892.69	780.26	112.44	14.41%

Note: Depreciation does not include depreciation from recognizing the rights to use assets in accordance with the lease financial standards (IFRS16)

2. ECONOMIC SITUATION

For Q2/2025, overall businesses expanded at the same rate as the same period last year, with support from exports of electronics and machinery, aligning with increasing global demands for technology products and partly to expedite exports during the grace period before US import tariffs take effect. On the other hand, the overall manufacturing sector contracted due to the uncertainty in the global economy, combined with the downward adjustment of the Thai Industries Sentiment Index from 91.8 in March 2025 to 87.7 in June 2025, high household debt levels, a slowdown in private consumption and tourism-related activities from lower number of foreign tourist, and the continued decreased sale of electricity in Q1/2025 and Q2/2025 compared to last year. The general inflation rate decreased compared to the previous quarter following the downward adjustment of global oil prices. The labor sector remains stable from the previous quarter.

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2. ECONOMIC SITUATION (CONT.)

In Q2/2025, the electricity Float Time Rate (Ft) decreased following the downward trend in global oil prices. This was beneficial to the Company's cost of electricity which decreased compared to Q1/2025. Overall, the Company maintains a market share of approximately 63% of the raw water demand in the EEC.

For Q3/2025, the Thai economy is projected to slow down somewhat due to the impact of global trade policies on the export of goods, the production of both agricultural and industrial sectors, and consequent impact on the income of labor in the related sectors, as well as, a slowdown in tourist numbers. However, private sector construction is expected to expand from the previous quarter, especially for factories in industrial estates and mixed-use projects. The six key issues to monitor are: 1. The outcomes of trade negotiations between Thailand and various countries with the US, and indirect impacts from the influx of goods from countries affected by tariff policies shifting markets to Thailand, as well as the relocation of investment and production bases in industries affected by US tariff policies. 2. The direction of the US Federal Reserve's policy interest rate adjustments. 3. Geopolitical conflicts both domestically and internationally. 4. Developments in domestic tourism. 5. Impacts from the flood situation in the Northern region. And 6. Effects of government economic measures.

3. WATER SITUATION

As of 1 August 2025, the water reserves in:

- Chonburi province (2 major reservoirs combined) were at 65.9%,
- Rayong province (3 major reservoirs combined) were at 67.02% and
- Prasae Reservoir was at 58.7% of maximum capacity

The water reserves in the areas were in the "normal" range for the time of year ¹ and ².

Comparing the water reserves in the reservoirs to the same time in 2023 and 2024 show that Chonburi reservoirs had approximately 30.00 million cubic meters more water (54% and 49% higher compared to 2023 and 2024, respectively) and Rayong reservoirs had approximately 25.00 million cubic meters more water (14% and 16% higher compared to 2023 and 2024, respectively)

Rainfall Situation (from Thai Meteorological Department stations³) in Q1/2025 (January to March)

- Rayong area had 186.1 mm of rainfall, which is 68.6 mm and 103.5 mm higher than in 2023 and 2024 respectively (58.4% and 125.3% higher).
- Chonburi area had 158.3 mm of rainfall, which is 112.6 mm and 125.1 mm higher than in 2023 and 2024 respectively (246% and 376% higher).
- Chachoengsao area had 101.4 mm of rainfall, which is 40.1 mm higher than in 2023 (65.4% higher), but 85.00 mm lower than in 2024 (-45%)

The Thai Meteorological Department's (TMD) 3-month⁴ weather forecast (August - October 2025) predicts that total rainfall in most of Thailand will be 10% above normal. However, the Central and Eastern regions are expected to have 5% above normal rainfall, with the Eastern region receiving approximately 850 – 950 millimeters of rainfall (normal value: 856 mm). Average temperatures across most of Thailand are expected to be close to normal values, with average nationwide maximum temperatures of 32-34 °C (normal value: 32.2°C) and average nationwide minimum temperatures of 24-26°C (normal value 24.1°C)

The water reserves in the Company's reservoirs on 1 August 2025.

Water Volume (Million Cu.M)	Chonburi		Rayong			
	Bangphra	Nongkho	Dokkrai	Nongplalai	Klongyai	Prasae
Water reserve (1 Aug 2025)	79.26	11.93	58.84	103.58	22.06	173.30
Percentage of total capacity	68%	56%	82%	63%	55%	58.7%
Average (2013-2024)	+62.9	+11.6	+49.3	+117.4	+27.6	+194.3
Above/(below) average (2013-2024)	+16.39	+0.38	+9.54	-13.80	-5.56	-20.98

Source: 1. Water volumes in Chonburi reservoirs (Bangphra and Nongkho Reservoirs) from Chonburi Provincial Irrigation Office's Facebook page
2. Water volumes in Rayong reservoirs (Nongplalai, Dokkrai and Prasae Reservoirs) from Rayong Provincial Irrigation Office's Facebook page
3. Daily rainfall data of 3 stations: Rayong, Chonburi and Chachoengsao stations from TMD's online information (on 19 Jul 2025)
4. <https://www.tmd.go.th/forecast/threemonthcountry> for 3-month forecast (August – October 2025)

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4. SIGNIFICANT EVENTS

Dividend Payment: On 25 April 2025, the Annual General Shareholders Meeting (AGM) approved the 2024 dividend payout to shareholders of 0.02 Baht per share, totaling 33.28 million Baht, comprising of an interim dividend payout of 0.01 Baht per share, totaling 16.64 million Baht, which the shareholders received 27 September 2024 and dividend payout for the second 6-months of 2024 of 0.01 Baht per share, totaling 16.64 million Baht on 23 May 2025.

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.

Lawsuits:

As of 30 June 2025, the company was involved in lawsuits with potential values totaling 150.93 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.

Later, on 10 March 2025, the Civil Court made an appointment for the pretrial conference and determined that it was appropriate for the Company to prepare a map of the disputed land. On 25 July 2025, the company, the plaintiff, and land officials surveyed the area to prepare the map of the disputed area. The Civil Court has scheduled a hearing and inspection of the map of the disputed area map on 27 October 2025.

In the case 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.

2. On 22 March 2025, the company received a summons for a preliminary hearing and a complaint for a criminal case. A private company filed this complaint against the Company on 11 March 2025 with the Rayong Provincial Court, accusing the company of property damage and embezzlement. The plaintiff alleges that the company disconnected a water pipe of the Maptaphut – Sattahip water pipeline project, which the plaintiff claims is part of a state agency's Dokkrai Water Pipeline Project, causing damage to the property in the plaintiff's possession.

The case is in the preliminary hearing stage, and the Court has not yet issued an order to accept the complaint. The court has scheduled a hearing on 27 August 2025. Management believes that the company will not incur significant damages when the case concludes, and therefore, no provision for liabilities has been recorded in the financial statements

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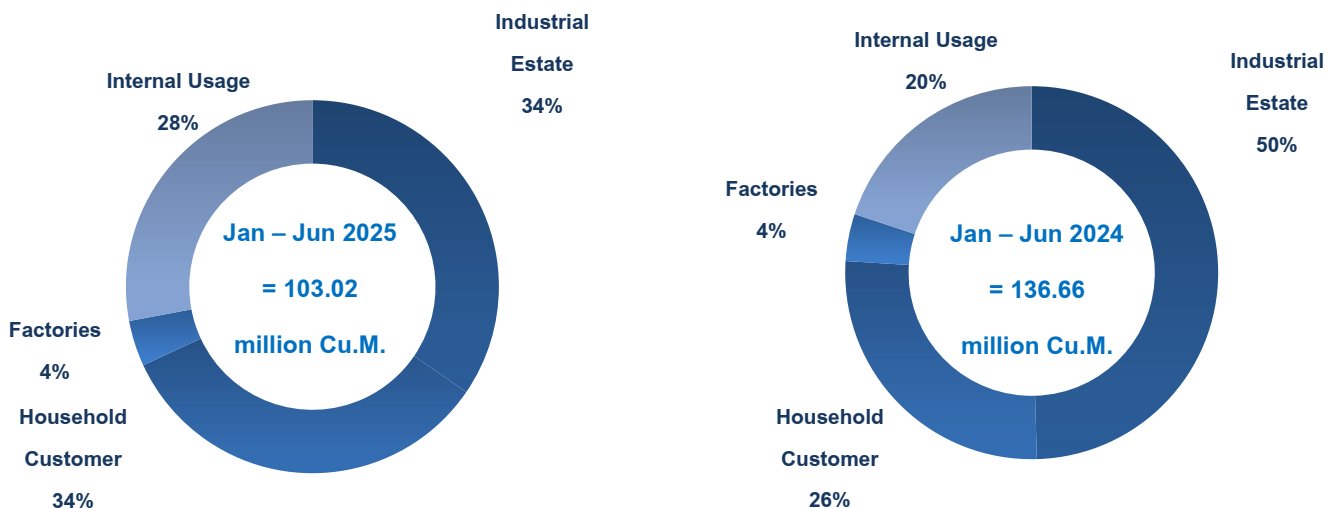
5. RAW WATER BUSINESS

Raw water revenue for Q2/2025 was 792.55 million Baht, decreased by 402.67 million Baht or -33.69% compared to Q2/2024, mainly from raw water sales volume decrease of 33.63 million Cu.M or -24.61% (excluding internal usage of the Group of Companies of 28.79 million Cu.M.) mainly due to impact of the global economy and other factors as detailed above, causing raw water demand for the industrial sector to decline.

The average raw water sales price was 10.68 Baht per Cu.M., decreased by 0.24 Baht per Cu.M. or -2.23% compared to the same period of 2024.

Raw Water Volume (Million Cu.M)	Q2 (3-month period)				Q2 (6 months cumulative)			
	2025	2024	YoY	%	2025	2024	YoY	%
Total distribution volume	51.10	73.70	(22.60)	(30.66%)	103.02	136.66	(33.63)	(24.61%)
(deduct) Internal usage for within the group of companies	15.09	14.52	0.58	3.97%	28.79	27.21	1.58	5.81%
Net raw water sales volume	36.01	59.19	(23.18)	(39.16%)	74.23	109.44	(35.21)	(32.18%)

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

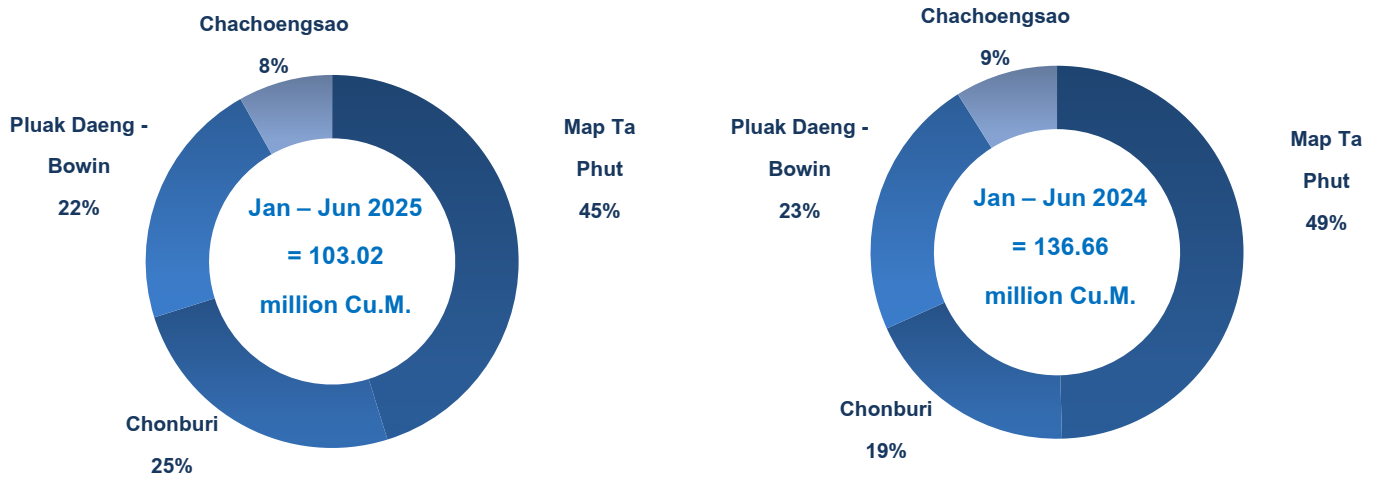


Considering the direction and trend industries, there is substantial raw water business growth potential from the expansion of industries, as well as, the government policy promoting Rayong, Chonburi and Chachoensao provinces to be the production hub of high-tech industries and increasing competitiveness with the Eastern Economic Corridor (EEC). The Company's raw water capabilities are considered highly ready to support the EEC; from investments, stability of water resources and water distribution network.

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5. RAW WATER BUSINESS (CONT.)

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



Gross Profit of Raw Water Business for the first half of 2025 was 198.40 million Baht, decreased by 37.83 million Baht or -16.01% compared to the same period of 2024. The details are as follow:

Raw water revenue decreased 402.67 million Baht or -33.69%, mainly due to the lower raw water demands from global economic and other impact to customers in the industrial sector, as detailed above.

However, the cost of sales of raw water also decreased by 364.84 million Baht or -38.04%, mainly from the completed construction of the pipelines to replace the Treasury Department's pipelines ensuring continued water delivery to customers and discontinuing the Company's purchase of raw water from another private company.

From the above reasons, the gross profit margin of raw water business for the first half of 2025 increased to 25.03% from 19.76% YoY.

Major costs of raw water business (Million Baht)	Q2 (3-month period)				Q2 (6 months cumulative)			
	2025	2024	YoY	%	2025	2024	YoY	%
Raw Water Revenue	375.92	624.28	(248.35)	(39.78%)	792.55	1,195.22	(402.67)	(33.69%)
Costs of Raw Water	288.91	449.69	(160.77)	(35.75%)	594.15	958.99	(364.84)	(38.04%)
Raw Water	18.20	162.53	(144.32)	(88.80%)	41.46	381.82	(340.35)	(89.14%)
Electricity	92.10	101.87	(9.78)	(9.60%)	200.79	211.14	(10.35)	(4.90%)
Maintenance	138.41	112.38	26.02	23.16%	274.58	224.30	50.28	22.42%
Depreciation	13.59	43.89	(30.30)	(69.03%)	21.89	59.37	(37.48)	(63.13%)
Others	26.61	29.01	(2.40)	(8.27%)	55.42	82.36	(26.94)	(32.71%)
Gross Profit	87.01	174.59	(87.58)	(50.16%)	198.40	236.23	(37.83)	(16.01%)
Gross Profit Margin	23.15%	27.97%			25.03%	19.76%		

Note: 1) The Company has moved the project demobilization of assets totaling 18.00 million Baht (booked in Q1/2024) from "cost of raw water sales" to "sales and administrative expenses" in Q2/2024

2) For cost of sales in Q2/2025 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 and was prepared according to accounting principles approved by the auditor

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6. TAP WATER BUSINESS

Tap water revenue for the first half of 2025 was 786.83 million Baht, a decrease of 3.32 million Baht or -0.42% compared to the same period of 2024, following the tap water sales increase of 0.35 million Cu.M. or +2.85% of the same period of 2024.

Tap water sales volume (Million Cu.M)	Q2 (3-month period)				Q2 (6 months cumulative)			
	2025	2024	YoY	%	2025	2024	YoY	%
Tap water sales volume of Company	6.40	6.38	0.02	0.34%	12.57	12.22	0.35	2.85%
Tap water sales volume of subsidiaries	18.45	18.92	(0.48)	(2.52%)	36.49	37.81	(1.32)	(3.50%)
Total tap water sales volume	24.85	25.30	(0.45)	(1.80%)	49.06	50.03	(0.98)	(1.95%)

Gross Profit of Tap Water Business for the first half of 2025 was 207.75 million Baht, increased by 3.44 million Baht or +1.68% compared to the same period of 2024, mainly due to the decrease in raw water costs for tap water production, compared to the same period of 2024. Thus, the gross profit margin was 26.04%, increased from 25.86% during the same period of 2024, mainly from the costs for raw water and electricity in the tap water business adjusting in the same direction as the raw water sales business as they are linked to the same raw water sources and distribution system. The company also efficiently managed other costs, such as the costs of chemicals and other employee-related costs, which decreased from the previous year, resulting in an appropriate overall production cost for the tap water business.

Depreciation in the tap water business increased due to the allocation of costs from newly constructed raw water pipeline systems to the tap water business that utilizes raw water from these systems. This reflects actual usage costs and contributes to better long-term cost management.

Major Costs of Tap Water Business (Million Baht)	Q2 (3-month period)				Q2 (6 months cumulative)			
	2025	2024	YoY	%	2025	2024	YoY	%
Tap Water Revenue	399.48	399.42	0.05	0.01%	786.83	790.15	(3.32)	(0.42%)
Costs of Tap Water	297.53	291.09	6.44	2.21%	579.07	585.83	(6.76)	(1.15%)
Raw Water	22.11	81.94	(59.83)	(73.02%)	45.03	166.44	(121.40)	(72.94%)
Electricity	57.29	39.11	18.18	46.47%	116.17	78.67	37.50	47.67%
Chemical	12.49	14.03	(1.55)	(11.04%)	23.01	27.82	(4.81)	(17.29%)
Payroll, Outsource Expenses & Maintenance	43.29	58.10	(14.81)	(25.49%)	81.63	107.00	(25.36)	(23.71%)
Depreciation	129.80	85.41	44.39	51.98%	249.23	172.67	76.55	44.34%
Others	32.56	12.50	20.06	160.53%	64.00	33.23	30.76	92.56%
Gross Profit	101.95	108.33	(6.39)	(5.90%)	207.75	204.31	3.44	1.68%
Gross Profit Margin	25.52%	27.12%			26.40%	25.86%		

Note: 1) For cost of sales in Q2/2025, 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 and was prepared according to accounting principles approved by the auditor

7. INDUSTRIAL WATER BUSINESS

Industrial water revenue for the first half of 2025 was 134.42 million Baht, increased by 9.92 million Baht or +7.97% compared to the same period in 2024, as industrial water sales volume gradually increased to match existing and current customer demands

Gross Profit of Industrial Water Business for the first half of 2025 was 22.23 million Baht, an increase of 15.27 million Baht or +219.28% compared to the same period of 2024, mainly due the Company's efficient management of industrial water production costs, especially raw water costs, by utilizing raw water from internal sources instead of purchasing from another private entity. This significantly reduced the average raw water cost, proving to be a key strategy for enhancing sustainable cost control.

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7. INDUSTRIAL WATER BUSINESS (CONT.)

Industrial Water Sale Volume Industrial Water Revenue	Q2 (3-month period)				Q2 (6 months cumulative)			
	2025	2024	YoY	%	2025	2024	YoY	%
Industrial Water Sale Volume	5.63	5.31	0.32	6.04%	9.90	9.16	0.74	8.08%
Industrial Water Revenue	75.98	71.24	4.74	6.65%	134.42	124.50	9.92	7.97%
Costs of Industrial Water	52.95	69.43	(16.48)	(23.74%)	112.19	117.54	(5.35)	(4.55%)
Cost of Raw Water	4.47	5.90	(1.43)	(24.20%)	8.60	8.84	(0.24)	(2.66%)
Direct cost (electricity, RW chemicals, O&M)	22.40	29.08	(6.68)	(22.96%)	41.20	40.35	0.85	2.10%
Depreciation	21.96	34.44	(12.48)	(36.23%)	55.09	64.38	(9.29)	(14.43%)
Other costs	4.10	0.00	4.10	-	7.30	3.97	3.33	83.89%
Gross Profit	23.03	1.81	21.22	1,171.29%	22.23	6.96	15.27	219.28%
Gross Profit Margin	30.31%	2.54%			16.54%	5.59%		

Note: 1) For cost of sales in Q2/2025, 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 and was prepared according to accounting principles approved by the auditor

8. FINANCIAL POSITION ANALYSIS

Financial Position (MB)	As of 30 Jun 2025	As of 31 Mar 2025	Increased (Decreased)	%
Total Assets	28,366.16	30,000.97	(1,634.81)	(5.45%)
Total Liabilities	16,806.91	18,423.16	(1,616.25)	(8.77%)
Equity	11,559.25	11,577.81	(18.55)	(0.16%)
- Equity attributable to owners of the parent company	11,424.82	11,436.81	(11.99)	(0.10%)

1) Assets As 30 June 2025, total assets were 28,366.16 million Baht, decreased by 1,634.81 million Baht or -5.45% from 31 March 2025 mainly from the following changes:

- financial assets measured by amortized cost (long-term savings and bonds) of 618.04 million Baht, decreased 1,077.95 million Baht, compared to 31 March 2025 due to drawdown for the Company's operations and cash and cash equivalents of 410.16 million Baht, a decrease of 378.39 million Baht since 31 March 2025.

- land, buildings and equipment (net) of 23,316.79 million Baht, decreased by 110.94 million Baht since 31 March 2025 from recognizing depreciation and amortization expenses.

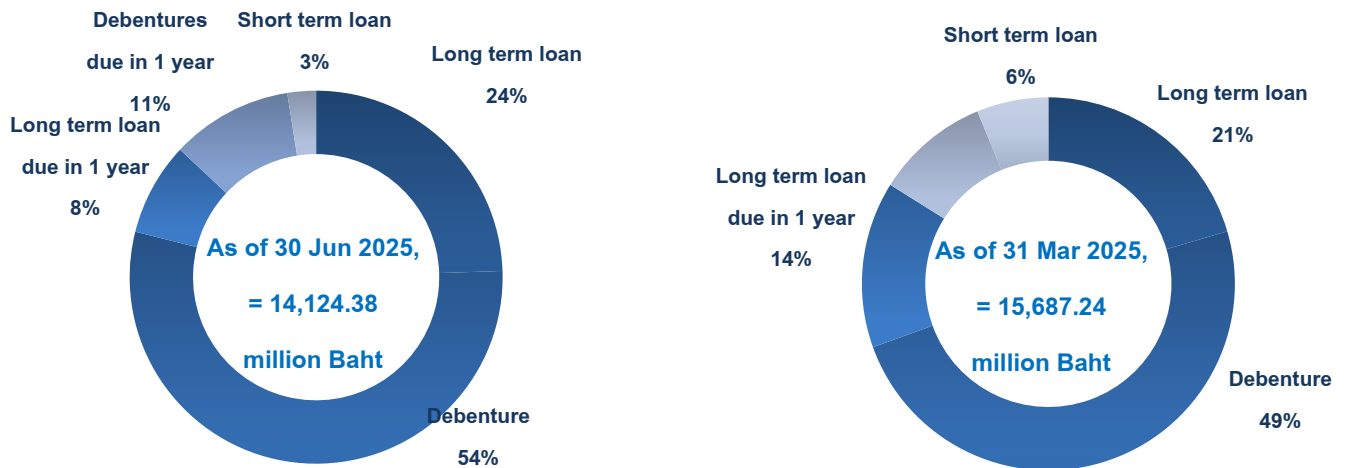
2) Liabilities At the end of 30 June 2025, total liabilities were 16,806.91 million Baht, decreased 1,616.25 million Baht or -8.77% from 31 March 2025, mainly due to changes in long-term loans from financial institutions and debentures due within 1 year decreasing by 2,324.41 million Baht, since 31 March 2025.

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8. 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 2.00.

3) Shareholder's Equity At the end of 30 June 2025, Shareholders' equity attributable to owners of the parent company was 11,424.82 million Baht, decreased by 11.99 million Baht or -0.10% from 31 March 2025

9. LIQUIDITY ANALYSIS AND FUNDING ADEQUACY

For the first half of 2025, the company had carried over cash and cash equivalents of 410.16 million Baht, whereby during the financial period, net cash increased 148.18 million Baht. This comprised of the following items:

1) Net cash received from Operating Activities totaling 729.25 million Baht from net income from operations and changes in working capital

2) Net cash received from Investment Activities amounted to 739.20 million Baht. This was mainly due to redemption of financial assets totaling 1,643.62 million Baht and cash receivable from interests of 22.34 million Baht.

3) Net cash used in Financing Activities amounted to 1,320.27 million Baht, mainly from the cash repayment of short-term and long-term loans from financial institutes of 2,752.50 million Baht and cash repayment of debentures of 1,200 million Baht.

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10. KEY FINANCIAL RATIOS

Key Financial Ratios	Q2/2025	Q2/2024
Liquidity Ratio		
Current ratio (times)	0.38	0.35
Average A/R collection days (days) ¹⁾	38.19	37.81
Average A/P collection days (days)	14.18	17.72
Profitability Ratio ²⁾		
Gross profit / total sales and services revenue (%)	24.72%	21.19%
Net profit / total sales and services revenue (%)	0.83%	2.50%
Performance Ratio		
Return on Equity (ROE) (%)	4.01%	4.24%
Return on Assets (ROA) (%)	1.57%	1.75%
Capital Structure and Debt Ratio		
Debt to Equity ratio (time)	1.45	1.49
Debt Service Coverage ratio (DSCR) (time)	0.84	0.38
Net Debt to EBITDA ratio	8.54	9.10

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. TorJor. 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 the first half of 2025, East Water Group reported an increase in net operating profit but decreases in net profit compared to the same period of 2024, mainly revenue lower from raw water sales and tap water sales due to an incomplete market recovery and increased competition in the industry. Consequently, gross profit margin increased to 24.72% while net profit margin decreased to 0.83%, compared to the same period of 2024 when the gross profit margin was 21.19% and net profit margin was 2.50%.

Return on Equity (ROE) and Return on Asset (ROA) for the first half of 2025 decreased to 4.01% and 1.57%, respectively compared to the same period in 2024, when the ROE was 4.24% and ROA was 1.75%, mainly from decrease in operating profit, assets and equity for Q2/2025.

As for the liquidity at the end of Q2/2025, the Liquidity Ratio was 0.38 times, increased from Q2/2024's 0.35 times. Debt to Equity ratio was 1.45 times, decreased from 1.47 times in Q2/2024, due to debt repayments of short-term loans from financial institutions and debentures.

The Debt Service Coverage Ratio (DSCR) increased to 0.84 times from 0.38 times in Q2/2024 due to long-term loans due within 1 year, debentures due within 1 year, and decreased finance costs.

The Net Debt to EBITDA ratio was 8.46 times, a decrease from 9.10 times in Q2/2024, mainly due to debt repayments made during the past quarter, demonstrating the ability to manage liquidity and repay various debts normally, with continuous annual and interim financial structure management planning.

11. 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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12. CAPITAL EXPENDITURE COMMITMENT

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

Capital Expenditure (MB)	30 June 2025	31 December 2024
Land, buildings and equipment	260.34	394.29
Intangible assets	12.96	73.41
Total	273.29	467.70

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

13. RELATED PARTIES TRANSACTIONS

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

- 1) The Provincial Waterworks Authority (PWA), which 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. 15.1 of the financial statement relating to related transactions with individuals or businesses.