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No. TTW/095/15

27 February 2015

Subject: Invitation to attend the 2015 Annual Ordinary General Meeting of Shareholders

Attention: Shareholders of TTW Public Company Limited

Attachments: 1. The Minutes of Extraordinary General Meeting of Shareholders No.1/2014  
2. 2014 Annual Report and Sustainable Report (CD-ROM)  
3. Biography of the Nominated Company's Auditors  
4. Biography of the Nominated Persons to be elected as Directors and the Company's Definition on Independent Director  
5. Determination of Directors' Remuneration for the Year 2015 and Directors' Bonus for the Year 2014  
6. Company's Articles of Association regarding the Shareholders' Meeting and Voting  
7. Information on Independent Director as Proxy to Attend the Meeting  
8. Registration Form (to be brought to the meeting)  
9. Proxy Form (recommend to use Form B)  
10. Map of the Meeting Place

The Board of Directors of TTW Company Limited (the company) has passed a resolution in its Meeting No. 1/2015 held on Thursday, 17<sup>th</sup> February 2015, to summon the 2015 Annual Ordinary General Meeting of Shareholders to be held on Monday, 30 March 2015 at 2.30 p.m. at Landmark Ballroom, The Landmark Bangkok Hotel, 138 Sukhumvit Road, Klongtoey, Bangkok. TTW has invited shareholders to propose agendas and persons to be elected as members of the Board of Directors in advance. However, there was no such proposal, therefore the Board of Directors has set the agenda and details related to the meeting were publicized on company's web site [www.ttwplc.com](http://www.ttwplc.com) in advance since 27<sup>th</sup> February 2015. Agendas as follows:



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**Agenda 1 To Consider and Approve the Minutes of Extraordinary General Meeting of Shareholders No.1/2014**

**Facts and Reasons:** TTW Plc. has sent the Minutes of Extraordinary General Meeting of Shareholders No.1/2014 report held on 22<sup>th</sup> December 2014 to the Stock Exchange of Thailand (SET) within the prescribed time frame. It has also uploaded on the company's website and attached herewith this letter as Attachment 1.

**Opinion of Board of Directors:** The shareholder should approve the minutes of Extraordinary General Meeting of Shareholders No.1/2014 which was correct and completed.

**Resolution :** This agenda shall be determined by the majority of votes of shareholders present in pursuant to Clause 31 of the Company's Article of Association.

**Agenda 2 To Acknowledge the Performance of the Company for the Year 2014**

**Facts and Reasons :** the performance of the company for the year 2014 is as per Attachment 2 which shows overall performance, achievement and activities relate to community, social and environment as follows;

**Year 2014 Performance**

- The company year 2014 sale volume was 138.5 mil. m<sup>3</sup> or 2.5 mil. m<sup>3</sup> higher than that of 2013 or 1.8 percent while sale volume at Pathum Thani - Rungsit decrease by 3.6 mil. m<sup>3</sup> or 2.6 percent.

- The company net profit was 2,974 million Baht, higher than that of 2013 by 400 million Baht or 15.5 percent.

Statement of Financial Position

(unit : million Baht)

Particular	Consolidated financial statements			Separate financial statement		
	As at 31 December			As at 31 December		
	2014	2013	2012	2014	2013	2012
Total assets	24,628	24,525	24,672	23,470	23,650	23,994
Total liabilities	13,238	13,514	14,011	13,021	13,349	13,858
Total shareholders' equity	11,390	11,011	10,660	10,449	10,331	10,136



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Particular	Consolidated financial statements			Separate financial statement		
	As at 31 December			As at 31 December		
	2014	2013	2012	2014	2013	2012
Sales and services	5,383	5,182	4,925	3,653	3,442	3,245
Total revenues	5,622	5,790	5,273	4,683	4,777	4,141
Cost of sales of treated water and service	1,535	1,550	1,495	912	900	870
Administrative expense	246	342	262	199	274	190
Gross profit margin	3,848	3,632	3,430	2,741	2,542	2,375
Net profit	2,974	2,574	2,338	2,742	2,359	2,041
Book value (Baht / share)	2.85	2.76	2.67	2.62	2.59	2.54
Earnings per share (Baht/share)	0.75	0.65	0.59	0.69	0.59	0.51

#### Financial ratio

Particular	Consolidated financial statements			Separate financial statement		
	As at 31 December			As a31 December		
	2014	2013	2012	2014	2013	2012
<b>Profitability Ratio</b>						
Gross profit margin (%)	71.48	70.09	69.64	75.05	73.85	73.19
Net profit margin (%)	52.89	44.46	44.34	58.55	53.21	49.29
Return on Equity (%)	26.64	23.38	21.93	26.43	22.83	20.14
<b>Efficiency Ratio</b>						
Total assets turn over (%)	12.10	10.50	9.48	11.64	9.97	8.51
Fixed assets turn over (%)	24.86	22.40	19.55	31.40	27.52	23.19
<b>Leverage Ratio</b>						
Debt to equity ratio	1.16	1.23	1.31	1.25	1.29	1.37
Dividends payout (%)	87.21	85.24	80.20	94.57	93.01	91.87

#### Achievements

- 1) Continue to secure presence in the SET50 for 3 years consecutively.
- 2) Received AA- in credit rating on the company and senior unsecured debentures.
- 3) Received “Very Good” grade for Corporate Governance Report of Thai Listed Companies.



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4) Received 100 score on 2014 Annual General Meeting of Shareholder evaluation from Thai Investor Promotion Association.

**Activities relate to Community, Social and Environment**

1) Activities at community level such as granting 160 scholarships for students near service areas, organizing national children day fair etc.

2) Activities at national level such as hosting “Thai Tap Junior Water Prize 2014 contest and continue the “1 million trees planting project” for the 4<sup>th</sup> year. This included the hand - over ceremony of 200,000 trees planted in year 2012 to the Department of National Parks Wildlife and Plant Conservation.

3) Activity at international was sponsoring Suratpittaya School, the Thai Tap Junior Water Prize 2013 winner with the project name “Transforming wastewater from raw rubber sheets production into GBC plastic” to participate in the Stockholm Junior Water Prize 2014 together with 28 other countries. The result was Thai team won “Diploma of Excellence” which was equivalent to 2<sup>nd</sup> prize from joining the world water event for only 2<sup>nd</sup> time.

**Opinion of Board of Directors** : The shareholders should acknowledge the performance of the company for the year 2014.

**Resolution** : This agenda shall not be determined by votes since it is only a report for share holders’ acknowledgement.

**Agenda 3 To Approve the Statement of Financial Position for the Year Ended on December 31, 2014**

**Facts and Reasons** : Company statement of financial position and statement of comprehensive income for the year ended on 31 December 2014 which have been reviewed by Mr.Khitsada Lerdwana, CPA No.4958 from EY Office Limited and the Audit Committee that were accurate and in line with accounting standard as per attachment 2 page 86 which could be summarized below.



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(unit : million Baht)

Particular	Consolidated financial statement		Separate financial statement	
	2014	2013	2014	2013
Statement of financial position				
Total assets	24,628	24,525		23,650
Total liabilities	13,238	13,514		13,349
Shareholders' equity	11,390	11,011		10,300
Statement of comprehensive income				
Total revenues	5,622	5,790		4,777
Total expenses	2,019	2,124		1,432
Net profit	2,974	2,574		2,359
Earnings per share	0.75	0.65		0.59
Cash flow statement				
Cash flow from operating activities				
Net cash from operating activities	3,638	3,279	2,527	1,860
Cash flow from investing activities				
Net cash flow (used in) investing activities	(1,306)	(1,101)	3	368
Cash flow from financing activities				
Net cash from (used in) financing activities	(3,283)	(2,707)	(3,268)	(2,684)
Net increase (decrease) in cash and cash equivalents	(950)	(529)	(738)	(456)
Cash and cash equivalents at beginning of year	2,148	2,677	1,643	2,098
Cash and cash equivalents at end of year	1,198	2,148	904	1,643

**Opinion of Board of Directors :** The shareholder should approve the financial statements for the year ended on December 31, 2014 which were reviewed by the company's auditors and Audit Committee as per Attachment 2.

**Resolution :** This agenda shall be determined by the majority of votes of shareholders present and casting their votes in pursuant to Clause 31 of the Company's Article of Association.



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**Agenda 4 To approve the 2014 Profit Appropriation and Dividend Payment**

**4.1 To Approve 2014 Net Profit Allocation to Other Reserve**

**Facts and Reasons :** The company has fully set the legal reserve at 10 percent of its registered capital or 399 mil Baht. However, the company is required to set aside other reserve fund of 10 percent of its annual net profit as described in the amendment of concession right. The company had the 2014 net profit of 2,742,049,392 Baht so it is required to set aside 274,204,939 Baht to other reserve.

**Opinion of Board of Directors :** The shareholders should approve the allocation of 2014 net profit to other reserve at the amount of 274,204,939 Baht.

**Resolution :** This agenda shall be determined by the majority of votes of shareholders present and casting their votes in pursuant to Clause 31 of the Company's Article of Association.

**4.2 To Approve of Dividend Payment**

**Facts and Reasons :** The company in 2014 has net profit of 2,742,049,392 Baht with no accumulated loss so it can pay dividend in accordance with Public Company Act and Company's Article 38. Payment of dividends from money other than profit is not allowed. In the case where the company still has accumulated losses, payment of dividends is prohibited. The dividend payment policy stipulated that dividends shall be paid at the rate of no less than 50 percent of net profit after corporate income tax, statutory reserve and other reserve as described in any agreement. Having considered such policy, the company still has free cash to pay dividend of 0.65 Baht per share, or 94.6 percentage totaling 2,593,500,000 Baht. As the company has already paid the interim dividend payment of 0.30 Baht per share so it is allowed to pay dividend of 0.35 Baht more per share or 1,396,500,000 Baht. The payment shall be made on 10<sup>th</sup> April 2015. Information relating to previous paid dividend as follows.



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Particular	Separate financial statement		
	2014	2013	2012
1. Net profit (mil Baht)	2,742	2,359	2,041
2. No. of share (mil shares)	3,990	3,990	3,990
3. Dividend (Baht/share)	0.65	0.60	0.52
4. Total of dividend (mil Baht)	2,593.5	2,394.0	2,075.0
5. Payment ratio (%)	94.6	101.5	101.7

Information relate to tax benefit are as follows;

- 1) Profit gained from corporate income tax-exempted business (BOI) at the rate of 0.265 Baht totaling 1,057.35 mil Baht. Recipients of natural person shareholders are not subjected to withholding tax and shall not be entitled to tax credited.
- 2) Profits gained from 20 percent corporate income tax-paid business at the rate of 0.053 Baht per share totaling 211.47 mil Baht. Recipients of natural person shareholders are subjected to 10 percent withholding tax and shall be entitled to tax credited.
- 3) Dividend from unappropriated retained earnings at the rate of 0.032 Baht per share, totaling 127.68 million Baht. Individual shareholders are subjected to 10% withholding tax, and shall not be entitled to a tax credited.

**Opinion of Board of Directors :** The shareholder should approve the distribution of additional dividend at the rate of 0.35 Baht per share, making the total additional dividend payment of 1,396.50 mil Baht. The list of shareholders shall be collected pursuant to Section 225 of the Securities and Exchange Act by setting the shareholder register book closing date on Friday, 6<sup>th</sup> March 2015. The dividend payment shall be made on 10<sup>th</sup> April 2015. Thus, the company has paid the dividend for the year 2014 at the rate of 0.65 Baht per share.

**Resolution :** This agenda shall be determined by the majority of votes of shareholders present and casting their votes in pursuant to Clause 31 of the Company's Article of Association.



**Agenda 5 To Approve the Appointment of Auditor and Determination of Remuneration**

**Facts and Reasons :** According to Public limited company act 1992 article 120, the auditor shall be appointed and auditor's fee shall be approved at the Annual General Meeting of Shareholders.

The Audit Committee had considered appointing the auditor for year 2015 by their experience, transparency and capability to provide technical service in timely manner. It is deemed appropriate to nominate the same auditor namely, EY Office Limited, as the company's auditor for year 2015 comprising of Ms.Manee Rattanabunnakit CPA No.5313 or Ms.Sumalee Reewarabandith CPA No.3970 or Mrs. Ponnard Paocharoen CPA No.5238 to sign certify the company financial statement. The remuneration fee is not more than 1,350,000 Baht. The fee is an increase of 9.3 percent from that of the previous year. Biography of individual auditor as per attachment 3

Furthermore, the proposed auditors to be the auditors of subsidiary companies and have no conflict of interest with the company or subsidiaries, management and major shareholders. Details of remunerations presented below:

Particular	Year 2015	Year 2014	Year 2013
1. Examination of annual financial statements	600,000	525,000	525,000
2. Review of financial statements for the first 3 quarters	600,000	570,000	570,000
3. Review of BOI compliance	150,000	140,000	70,000
Total	1,350,000	1,235,000	1,165,000

**Opinion of Board of Directors :** The shareholders should approve the appointment of auditors from EY Office Limited, namely Ms.Manee Rattanabunnakit CPA No.5313 or Ms. Sumalee Reewarabandith CPA No.3970 or Mrs. Ponnard Paocharoen CPA No.5238 to be the auditors of the company for the year 2015 and the audit remuneration of not exceeding 1,350,000 Baht as proposed by Audit committee.

**Resolution :** This agenda shall be determined by the majority of votes of shareholders present and casting their votes in pursuant to Clause 31 of the Company's Article of Association.





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**Agenda 6 To Approve the Election of Directors to Replace Those Retiring by Rotation**

**Facts and Reasons :** According to article 16 of Company's Article of Association, each Annual Ordinary General Meeting the directors who serve the longest shall resign by rotation up to one third of the existing directors during that time. The resigning directors may be re-elected.

There are 4 directors to resign in year 2015 whose are

1. Mr. Plew Trivisvavet, Director
2. Mr. Narong Sangsuriya, Director
3. Mr. Suvich Pungchareon Director
4. Mr. Somnuk Chaidejsuriya Director

From 1 October 2014 to 30 December 2014 the company has extended opportunity for shareholder to nominate persons to be elected as directors but there was no nomination.

The nomination and Remuneration Committee therefore has suggested that those 4 resigning directors shall be re-appointed. Biography of each individual as per Attachment 4

**Opinion of Board of Directors:** The directors excluded those who had conflict of interest agreed with the Nomination and Remuneration Committee and suggested that the shareholders approve the election of 4 resigning directors, namely Mr. Plew Trivisvavet, Mr. Narong Sangsuriya, Mr. Suvich Pungchareon and Mr. Somnuk Chaidejsuriy to be the directors for another term.

**Resolution :** This agenda shall be determined by the majority of votes of shareholders present and casting their votes in pursuant to Clause 31 of the Company's Article of Association.

**Agenda 7 To Approve the Determination of Directors' Remunerations**

**Facts and Reasons :** According to Public limited company act 1992, Directors' Remunerations shall be determined by the Annual Ordinary General Meeting with the majority vote of no less than two third of the shareholders present. Article 32 of



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company's Article of Association stipulated that directors shall receive remuneration such as salary, per diem and bonus etc.

The Nomination and Remuneration Committee thoroughly consider related factors and recommend that the remuneration of directors for 2015 should be:

1. Bonus: For year 2014 totaling of 19,940,000 Baht or 0.77 percent of the dividend paid. The net profit of 2014 is 2,973,913,599 Baht compared to 2,573,764,791 Baht of 2013 or 15.5 percent increased. Bonus for 2013 was at 0.77 percent of paid dividend.
2. Salary and per diem: totaling of 7,890,000 Baht. Paid by considering performance against targets at the rate of 0.31 percent of paid dividend compared to 0.30 of year 2014

Description	2015	2014	2013
Board of Directors	5,205,000	4,840,000	4,549,290
Executive Committee	944,000	879,000	828,900
Audit Committee	466,000	433,000	406,600
Risk Management Committee	426,000	394,000	372,100
Nomination and Remuneration committee	426,000	394,000	293,700
Corporate Governance Committee	423,000	394,000	372,100
Total	7,890,000	7,334,000	6,822,690

Details as per [attachment 5](#)

**Opinion of Board of Directors** : The shareholders should approve the bonus for the year 2014 in the amount of 19,940,000 Baht and Directors' remuneration at the amount of not exceeding 7,890,000 Baht as proposed by the Nomination and Remuneration Committee and as per [Attachment 5](#).

**Resolution** : This agenda shall be determined by the votes of not less than two-thirds of the total votes of shareholders present in pursuant to Section 90 of the Public Company Limited Company Act 1992.



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**Agenda 8 Other matter (if any)**

The Company determines the list of shareholders entitled to attend the Meeting and vote in the 2015 Annual Ordinary General Meeting of Shareholders and entitled to receive dividend on Friday, 10<sup>th</sup> April 2015. The list of shareholders shall be collected pursuant to Section 225 of the Securities and Exchange Act by setting the shareholder register book closing date for suspension of share transfer on Friday, 6<sup>th</sup> March 2015.

The registration and document examination of all attendees will take place at the meeting venue from 12.30 hours. The Company will conduct the meeting in accordance with Company's Articles of Association relating to the Shareholders' Meeting and Voting as per Attachment 6. The company is pleased to invite the shareholders to attend the meeting at above-mentioned time, date and venue. Should you be unavailable to attend the meeting yourself, you can appoint Mr. Techapit Sangsingkeo, Independent Director, to do so (his profile as per Attachment 7), or appoint any person to attend the meeting and vote on your behalf.

Please kindly fill in the details and sign on the Proxy Form as per Attachment 9. To ensure that the Meeting would be conducted conveniently and orderly, in case of proxy, please send the Proxy Form to the Company via facsimile No. 0-2420-6064 by Thursday, 26<sup>th</sup> March 2015. The shareholders or proxy holders are requested to bring and present the documents and evidence as per the list in Attachment 8 for registration on the meeting date.

In addition, if there is any question relating to the agendas, such question can be submitted via [www.ttwplc.com](http://www.ttwplc.com) or Tel. 0-2811-7526, 0-2811-7528 ต่อ 1106. Map showing the location of the meeting venue as per Attachment 10.

Very truly yours,

(Dr. Thanong Bidaya)

Chairman of the Board of Directors