

No TTW/259/63

11 August 2020

Subject Explanation of the operating result of the 2020 second quarter as compared with 2019 second quarter

To The President
The Stock Exchange of Thailand

Performance analysis of the 2020 and 2019 second quarter

Description	Quarter 2		Changes	
	2020	2019	+ / (-)	%
Total revenues	1,549.1	1,541.0	8.1	0.5
Total expenses	586.9	575.0	11.9	2.1
Profit (Loss) sharing from investment in associated company	(23.7)	21.2	(44.9)	(211.8)
Net profit for the year of TTW	694.3	729.8	(35.5)	(4.9)

The operating results of TTW Public Company Limited (“the Company”) and its subsidiaries for the 2020 and 2019 second quarter are Baht 694.3 million and Baht 729.8 million, respectively. As compared with the operating results for the same period of last year, the operating results of the Company and its subsidiaries decreased by Baht 35.5 million or representing a decrease of 4.9% mainly due to profit (loss) sharing from investment in associated company. The Company hereby clarified the significant changes as follows:

1) Revenues

Description	Quarter 2		Changes	
	2020	2019	+ / (-)	%
Sales of treated water	1,516.7	1,503.2	13.5	0.9
Service income	30.1	30.2	(0.1)	(0.3)
Other income	2.3	7.6	(5.3)	(69.7)
Total revenues	1,549.1	1,541.0	8.1	0.5

Total revenues increased by Baht 8.1 million or representing an increase of 0.5% by the main reasons as follow:-

a) Sales of treated water increased by Baht 13.5 million or representing an increase of 0.9%.

Description	Quarter 2		Changes	
	2020	2019	+ / (-)	%
Sales volume to PWA (million m ³)				
TTW Pcl.	41.4	42.1	(0.7)	(1.7)
Pathum Thani Water Co.,Ltd.	38.5	37.2	1.3	3.5
Sales of treated water to PWA				
TTW Pcl.	968.8	974.9	(6.1)	(0.6)
Pathum Thani Water Co.,Ltd.	494.9	472.2	22.7	4.8
Total sales of treated water to PWA	1,463.7	1,447.1	16.6	1.2
Sales of treated water to private sector agencies	53.0	56.1	(3.1)	(5.5)
Total sales of treated water	1,516.7	1,503.2	13.5	0.9

b) Other incomes decreased by Baht 5.3 million or representing a decrease of 69.7% mainly due to the return on cash balances is decrease return of last year.

2) Cost of sales of treated water and services

Description	Quarter 2		Changes	
	2020	2019	+ / (-)	%
Depreciation and amortisation	237.5	227.4	10.1	4.4
Cost of production, distribution of tap water and other service costs	238.6	229.8	8.8	3.8
Total cost of sales of treated water and services	476.1	457.2	18.9	4.1

Cost of sales of treated water and services increased by Baht 18.9 million or representing an increase of 4.1% mainly due to depreciation expenses increased by Baht 10.1 million, the electricity expenses increased by Baht 5.2 million, the maintenance expenses increased by Baht 3.8 million, the employee expenses increased by Baht 2.0 million and the other expenses increased by Baht 2.0 million. While the chemical expenses decreased by Baht 3.4 million.

3) Administrative expenses decreased by Baht 7.0 million or representing a decrease of 10.1% mainly due to the decrease in CSR expenses.

4) The profit (loss) sharing from investment in associated company decreased by Baht 44.9 million or representing a decrease of 211.8% mainly due to the decrease performance of CKP's subsidiaries

5) Financial costs decreased by Baht 3.4 million or representing a decrease of 4.7% due to repayment of long-term loans.

Please be informed accordingly.

Yours Faithfully,

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