

No TTW/202/65

11 August 2022

Subject Explanation of the operating result of the 2022 second quarter as compared with 2021 second quarter

To The President
The Stock Exchange of Thailand

Performance analysis of the 2022 and 2021 second quarter

Description	Quarter 2 2022	Quarter 2 2021	Changes	
			+ / (-)	%
Total revenues	1,428.1	1,476.9	(48.8)	(3.3)
Total expenses	616.0	563.9	52.1	9.2
Profit sharing from investment in associated company	215.8	176.6	39.2	22.2
Net profit attributable to equity holders of the Company	819.6	856.5	(36.9)	(4.3)

The operating results of TTW Public Company Limited (“the Company”) and its subsidiaries for the 2022 and 2021 second quarter are Baht 819.6 million and Baht 856.5 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 36.9 million or representing a decrease of 4.3% mainly due to decreased total revenues and increased profit sharing from investment in associated company. The Company hereby clarified the significant changes as follows:

1) Revenues

Description	Quarter 2 2022	Quarter 2 2021	Changes	
			+ / (-)	%
Sales of treated water	1,396.8	1,443.7	(46.9)	(3.3)
Service income	30.0	31.7	(1.7)	(5.4)
Other income	1.3	1.5	(0.2)	(13.3)
Total revenues	1,428.1	1,476.9	(48.8)	(3.3)

Total revenues decreased by Baht 48.8 million or representing a decrease of 3.3% mainly due to decreased sales of treated water caused by the impact of the COVID-19 epidemic situation.

Description	Quarter 2	Quarter 2	Changes	
	2022	2021	+ / (-)	%
Sales volume to PWA (million m ³)				
TTW	35.7	39.7	(4.0)	(10.1)
PTW	33.3	34.8	(1.5)	(4.3)
Sales of treated water to PWA				
TTW	919.0	946.9	(27.9)	(3.0)
PTW	425.7	443.5	(17.8)	(4.0)
Total sales of treated water to PWA	1,344.7	1,390.4	(45.7)	(3.3)
Sales of treated water to private sector agencies	52.1	53.3	(1.2)	(2.3)
Total sales of treated water	1,396.8	1,443.7	(46.9)	(3.3)

2) Cost of sales of treated water and services

Description	Quarter 2	Quarter 2	Changes	
	2022	2021	+ / (-)	%
Depreciation and amortization	273.1	231.5	41.6	18.0
Cost of production, distribution of tap water and other service costs	215.9	233.1	(17.2)	(7.4)
Total cost of sales of treated water and services	489.0	464.6	24.4	5.3

Cost of sales of treated water and services increased by Baht 24.4 million or representing an increase of 5.3% because the amortization of the additional assets of tap water production of its subsidiary (PTW) completed during the midyear of 2021, and the cost of production, distribution of treated water and other service costs decrease by Baht 17.2 million, relating to sales volume decrease.

3) Administrative expenses increased by Baht 27.6 million or representing a increase of 54.4% mainly due to the increase of CSR expenses.

4) Sharing of profit from investment in associated company increased by Baht 39.2 million or representing a increase of 22.2% mainly due to the increase in electricity sales, resulting in better performance of CKP's subsidiaries.

5) Financial costs decreased by Baht 24.0 million or representing a decrease of 38.3% due to repayment of long-term loans by Baht 230 million and redemption of debentures by Baht 2,000 million in February 2022.

Statement of financial position

(Unit : MB)

Description	30 Jun 2022	31 Dec 2021	Change	
			Amount	%
Total assets	21,420.9	22,503.9	(1,083.0)	(4.8)
Total liabilities	7,074.4	8,308.7	(1,234.3)	(14.9)
Total shareholders' equities	14,346.5	14,195.2	151.3	1.1

As at 30 June 2021, the company and its subsidiaries have the total assets, total liabilities and total shareholders' equities of Baht 21,420.9 million, Baht 7,074.4 million and Baht 14,346.5 million respectively. As compared with 31 December 2021, the total assets decreased by Baht 1,083.0 million or decrease by 4.8% mainly due to the depreciation and amortization of assets. The total liabilities decreased by Baht 1,234.3 million or decrease by of 14.9%, mainly due to the redemption of debentures by Baht 2,000 million and loan repayment of Baht 230 million. The total shareholders' equities increased by Baht 151.3 million or increase by of 1.1% due to the net profit from operations and dividend payment.

Please be informed accordingly.

Yours Faithfully,

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Deputy Managing Director Finance