

No TTW/044/66

21 February 2023

Subject Explanation of the 2022 operating result as compared that of 2021

To The President
The Stock Exchange of Thailand

Performance analysis of year 2022 and 2021

(Unit : MB)

Description	2022	2021	Changes	
			+ / (-)	%
Total revenue	5,701.2	5,817.8	(116.6)	(2.0)
Total expenses	2,509.4	2,346.3	163.1	7.0
Profit sharing from investment in associated company	608.6	544.3	64.3	11.8
Net profit for the year of TTW	2,967.0	3,103.9	(136.9)	(4.4)

The operating results of TTW Public Company Limited (“the Company”) and its subsidiaries for the year 2022 and 2021 are Baht 2,967.0 million and Baht 3,103.9 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 136.9 million or representing a decrease of 4.4% mainly due to the decrease in total revenues and increase in cost. The Company hereby clarified the significant changes as follows:

1) Revenues

(Unit : MB)

Description	2022	2021	Changes	
			+ / (-)	%
Sales of treated water	5,574.9	5,682.4	(107.5)	(1.9)
Service income	116.6	123.7	(7.1)	(5.7)
Other income	9.7	11.7	(2.0)	(17.1)
Total revenues	5,701.2	5,817.8	(116.6)	(2.0)

Total revenues decreased by Baht 116.6 million or representing a decrease of 2.0% because sales of treated water decreased by Baht 107.5 million or representing a decrease of 1.9%.

Description	2022	2021	Changes	
			+ / (-)	%
Sales volume to PWA (million m ³)				
TTW	141.9	153.3	(11.4)	(7.4)
PTW	133.5	138.0	(4.5)	(3.3)
Sales of treated water to PWA (MB)				
TTW	3,670.1	3,723.1	(53.0)	(1.4)
PTW	1,708.0	1,757.1	(49.1)	(2.8)
Total sales of treated water to PWA	5,378.1	5,480.2	(102.1)	(1.9)
Sales of treated water to private sector agencies	196.8	202.2	(5.4)	(2.7)
Total sales of treated water	5,574.9	5,682.4	(107.5)	(1.9)

2) Cost of sales of treated water and services

(Unit : MB)

Description	2022	2021	Changes	
			+ / (-)	%
Depreciation and amortization	1,047.7	1,034.5	13.2	1.3
Cost of production, distribution of treated water and other service costs	977.4	862.0	115.4	13.4
Total cost of sales of treated water and services	2,025.1	1,896.5	128.6	6.8

Cost of sales of treated water and services increased by Baht 128.6 million or representing an increase of 6.8% because the amortization of the additional assets of tap water production of its subsidiary (PTW) and the cost of production, distribution of treated water and other service costs increase by Baht 115.4 million or representing an increase of 13.4% due to the increase of Ft change rate of electricity cost and price of chemical from the same period of last year.

3) Administrative expenses increased by Baht 34.0 million or representing an increase of 13.3% mainly due to the increase in the employee expenses, bank fee, consulting fee, and others.

4) The sharing of profit from investment in associated company increased by Baht 64.3 million or representing an increase of 11.8% mainly due to the increase in the performance of CKP's associated company.

5) Financial costs decreased by Baht 80.8 million or representing a decrease of 32.4% due to repayment of long-term loans and redemption of debentures.

Statement of financial position

(Unit : MB)

Description	31 Dec 2022	31 Dec 2021	Change	
			Amount	%
Total assets	21,489.9	22,503.9	(1,014.0)	(4.5)
Total liabilities	6,739.6	8,308.7	(1,569.1)	(18.9)
Total shareholders' equities	14,750.3	14,195.2	555.1	3.9

As at 31 December 2022, the company and its subsidiaries have the total assets, total liabilities and total shareholders' equities of Baht 21,489.9 million, Baht 6,739.6 million and Baht 14,750.3 million respectively. As compared with 31 December 2021, the total assets decreased by Baht 1,014.0 million or decreased by 4.5% mainly due to the depreciation and amortization of assets. The total liabilities decreased by Baht 1,569.1 million or decreased by of 18.9%, mainly due to the debenture redemption of Baht 2,000 million by current investments of Baht 1,000 million and long-term loans of Baht 1,000 million and loan repayment of Baht 560 million. The total shareholders' equities increase by Baht 555.1 million or increase by of 3.9% due to the net profit from operations and dividend payment.

Please be informed accordingly.

Yours Faithfully,

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Deputy Managing Director of Finance