

No TTW/191/66

10 August 2023

Subject Explanation of the operating result of the 2023 second quarter as compared with 2022 second quarter.

To The President  
The Stock Exchange of Thailand

**Performance analysis of the 2023 and 2022 second quarter**

(Unit : MB)

Description	Quarter 2		Changes	
	2023	2022	+ / (-)	%
Total revenue	1,525.0	1,428.1	96.9	6.8
Total expenses	690.4	616.0	74.4	12.1
Profit sharing from investment in associated company	0.5	215.8	(215.3)	(99.8)
Net profit for the period	624.9	819.6	(194.7)	(23.8)

The operating results of TTW Public Company Limited (“the Company”) and its subsidiaries for the 2023 and 2022 second quarter are Baht 624.9 million and Baht 819.6 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 194.7 million or representing a decrease of 23.8% mainly due to the decrease in the profit sharing from investment in associated company. The Company hereby clarified the significant changes as follows:

1) Revenues

(Unit : MB)

Description	Quarter 2		Changes	
	2023	2022	+ / (-)	%
Sales of treated water	1,488.3	1,396.8	91.5	6.6
Service income	30.4	30.0	0.4	1.3
Other income	6.3	1.3	5.0	n/a
Total revenues	1,525.0	1,428.1	96.9	6.8

Total revenues increased by Baht 96.9 million or representing an increase of 6.8% mainly due to the increase in sales of treated water.

Description	Quarter 2		Changes	
	2023	2022	+ / (-)	%
Sales volume to PWA (million m <sup>3</sup> )				
TTW	35.1	35.7	(0.6)	(1.7)
PTW	34.6	33.3	1.3	3.9
Sales of treated water to PWA (million Baht)				
TTW	963.2	919.0	44.2	4.8
PTW	476.0	425.7	50.3	11.8
Total sales of treated water to PWA	1,439.2	1,344.7	94.5	7.0
Sales of treated water to private sector agencies	49.1	52.1	(3.0)	(5.8)
Total sales of treated water	1,488.3	1,396.8	91.5	6.6

## 2) Cost of sales of treated water and services

(Unit : MB)

Description	Quarter 2		Changes	
	2023	2022	+ / (-)	%
Depreciation and amortization	286.7	273.1	13.6	5.0
Cost of production, distribution of tap water and other service costs	281.9	215.9	66.0	30.6
Total cost of sales of treated water and services	568.6	489.0	79.6	16.3

Cost of sales of treated water and services increased by Baht 79.6 million or representing an increase of 16.3% mainly due to the increase of Ft change rate of electricity cost and price of chemical cost. As the result, the cost of production, distribution of treated water and other service cost increased by Baht 66.0 million or representing an increase of 30.6% from the same period of last year.

3) Sharing of profit from investment in associated company decreased by Baht 215.3 million or representing a decrease of 99.8% mainly due to the decreased performance of CKP's associated company.

4) The financial costs decreased by Baht 2.4 million or representing a decrease of 6.2% due to repayment of long-term loans.

## Analysis of financial position

(Unit : MB)

Description	30 June 2023	31 Dec 2022	Change	
			Amount	%
Total assets	20,145.2	21,489.9	(1,344.7)	(6.3)
Total liabilities	5,442.0	6,739.7	(1,297.7)	(19.3)
Total shareholders' equities	14,703.2	14,750.2	(47.0)	(0.3)

As at 30 June 2023, the Company and its subsidiaries have the total assets, total liabilities and total shareholders' equities of Baht 20,145.2 million, Baht 5,442.0 million and Baht 14,703.2 million respectively. As compared with 31 December 2022, the total assets decreased by Baht 1,344.7 million or decreased by 6.3% mainly due to the sale of financial assets for debentures redemption. The total liabilities decreased by Baht 1,297.7 million or decreased by 19.3%, mainly due to the redemption of debentures by Baht 1,000 million and loan repayment of Baht 330 million. The total shareholders' equities decrease by Baht 47.0 million or decrease by 0.3% due to the net profit from operations and dividend payment.

## Cash flow analysis

(Unit : MB)

Description	For six-month periods ended 30 June	
	2023	2022
Net cash flows from the operating activities	1,931.3	1,846.1
Net cash flows from the investing activities	611.4	595.2
Net cash flows used in the financing activities	(2,540.4)	(2,440.9)
Net increase of cash and cash equivalent	2.3	0.4
Cash and cash equivalent - beginning of the period	61.9	66.8
Cash and cash equivalent - ending of the period	64.2	67.2

For the six-month period ended 30 June 2023, the Company and its subsidiaries have the net cash flow from the operating activities, net cash flow from the investing activities, and net cash flow used in the financing activities of Baht 1,931.3 million, Baht 611.4 million, and Baht 2,540.4 million, respectively.

- Net cash flows from operating activities are mainly from the Company and its subsidiaries' operation.
- Net cash flows from investing activities are mainly from the investments in financial assets.
- Net cash flows used in financing activities are mainly from redemption of debentures and repayments of long-term loans from financial institutions and dividend payment.

Please be informed accordingly.

Yours Faithfully,

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Deputy Managing Director Finance