

No TTW/264/66

9 November 2023

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

To The President
The Stock Exchange of Thailand

Key transactions in the third quarter period ended 30 September 2023

On 22 August 2023, the Board of Directors meeting has a resolution to approve the interim dividend payment from the performance period during 1 January 2023 to 30 June 2023 to the shareholders at the rate of Baht 0.30 per share or total amount of Baht 1,197 million. The dividend was made on 21 September 2023.

Explanation of the operating results for the third quarter period of 2023 and 2022

(Unit : MB)

Description	Third quarter		Changes	
	2023	2022	+ / (-)	%
Total revenues	1,538.6	1,436.3	102.3	7.1
Total expenses	683.6	628.9	54.7	8.7
Profit sharing from investment in associated company	255.3	365.1	(109.8)	(30.1)
Net profit for the period	896.7	963.7	(67.0)	(7.0)

The operating results of TTW Public Company Limited ("the Company") and its subsidiaries for the 2023 and 2022 third quarter are Baht 896.7 million and Baht 963.7 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 67.0 million or representing a decrease of 7.0% 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	Third quarter		Changes	
	2023	2022	+ / (-)	%
Sales of treated water	1,502.6	1,406.2	96.4	6.9
Service income	29.0	28.6	0.4	1.4
Other income	7.0	1.5	5.5	366.7
Total revenues	1,538.6	1,436.3	102.3	7.1

Total revenues increased by Baht 102.3 million or representing an increase of 7.1% mainly due to the increase in sales of treated water.

Description	Third quarter		Changes	
	2023	2022	+ / (-)	%
Sales volume to PWA (million m ³)				
TTW Plc.	35.2	35.7	(0.5)	(1.4)
Pathum Thani Water Co., Ltd.	35.2	33.8	1.4	4.1
Sales of treated water to PWA (million Baht)				
TTW Plc.	970.1	924.7	45.4	4.9
Pathum Thani Water Co., Ltd.	484.9	432.8	52.1	12.0
Total sales of treated water to PWA	1,455.0	1,357.5	97.5	7.2
Sales of treated water to private sector agencies	47.6	48.7	(1.1)	(2.3)
Total sales of treated water	1,502.6	1,406.2	96.4	6.9

2) Cost of sales of treated water and services

(Unit : MB)

Description	Third quarter		Changes	
	2023	2022	+ / (-)	%
Depreciation and amortization	287.2	275.0	12.2	4.4
Cost of production, distribution of tap water and other service costs	283.0	238.7	44.3	18.6
Total cost of sales of treated water and services	570.2	513.7	56.5	11.0

Cost of sales of treated water and services increased by Baht 56.5 million or representing an increase of 11.0% mainly due to the increase of Ft charge rate of electricity cost. As the result,

the cost of production, distribution of treated water and other service cost increased by Baht 44.3 million or representing an increase of 18.6% from the same period of last year.

3) Sharing of profit from investment in associated company decreased by Baht 109.8 million or representing a decrease of 30.1% mainly due to the decreased performance of CKP's associated companies.

4) The financial costs decreased by Baht 3.0 million or representing a decrease of 7.6% due to repayment of long-term loans.

Explanation of financial position

(Unit : MB)

Description	30 Sep 2023	31 Dec 2022	Change	
			Amount	%
Total assets	19,525.3	21,489.9	(1,964.6)	(9.1)
Total liabilities	5,192.8	6,739.7	(1,546.9)	(23.0)
Total shareholders' equities	14,332.5	14,750.2	(417.7)	(2.8)

As at 30 September 2023, the Company and its subsidiaries have the total assets, total liabilities and total shareholders' equities of Baht 19,525.3 million, Baht 5,192.8 million and Baht 14,332.5 million respectively. As compared with 31 December 2022, the total assets decreased by Baht 1,964.6 million or decreased by 9.1% mainly due to the sale of financial assets for debentures redemption. The total liabilities decreased by Baht 1,546.9 million or decreased by 23.0%, mainly due to the redemption of debentures by Baht 1,000 million and loan repayment of Baht 495 million. The total shareholders' equities decrease by Baht 417.7 million or decrease by 2.8% due to the net profit from operations and dividend payment.

Explanation of cash flows

(Unit : MB)

Description	For nine-month periods ended 30 Sep	
	2023	2022
Net cash flows from the operating activities	2,843.1	2,687.1
Net cash flows from the investing activities	1,598.8	1,112.7
Net cash flows used in the financing activities	(3,911.7)	(3,811.3)
Net increase (decrease) of cash and cash equivalent	530.2	(11.5)
Cash and cash equivalent - beginning of the period	61.9	66.8
Cash and cash equivalent - ending of the period	592.1	55.3

For the nine-month period ended 30 September 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 2,843.1 million, Baht 1,598.8 million, and Baht 3,911.7 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 change in the investments in financial assets.
- Net cash flows used in financing activities are mainly from the redemption of debentures and repayments of long-term loans from financial institutions and dividend payment.

Please be informed accordingly.

Yours Faithfully,

(Mr. Somkiat Pattamamongkolchai)

Deputy Managing Director Finance