

TTW Public Company Limited and its subsidiaries
Review report and interim consolidated financial statements
For the three-month and six-month periods ended
30 June 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TTW Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of TTW Public Company Limited and its subsidiaries as at 30 June 2018, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements.

I have also reviewed the separate financial information of TTW Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Manee Rattanabunnakit

Certified Public Accountant (Thailand) No. 5313

EY Office Limited

Bangkok: 9 August 2018

TTW Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 June 2018	31 December 2017	30 June 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		90,731	316,808	80,938	280,915
Current investments	4	3,037,939	2,359,470	2,380,252	1,744,712
Trade and other receivables	5	566,718	553,314	395,114	380,288
Current portion of long-term loans to related party and interest receivable	3	-	-	367,292	367,433
Raw materials and supplies		23,642	23,055	12,795	12,696
Other current assets		46,608	26,903	38,648	22,501
Total current assets		3,765,638	3,279,550	3,275,039	2,808,545
Non-current assets					
Long-term loans to related party, net of current portion	3	-	-	277,510	461,080
Investments in subsidiaries	6	-	-	2,248,838	2,358,675
Investment in associate	7	4,524,474	4,508,502	4,228,013	4,228,013
Other long-term investments		29,000	29,000	-	-
Property, plant and equipment	8	782,929	775,910	722,022	714,865
Assets for production of treated water with public sector agency:					
Assets that are owned by the Company	9	9,762,662	9,993,246	9,762,662	9,993,246
Assets that must be transferred at end of concession of subsidiary	10	2,107,539	2,270,108	-	-
Rights to produce and sell treated water and treat waste water from private sector agency	11	1,214,893	1,238,008	1,214,893	1,238,008
Rights to produce and sell treated water from business acquisition	12	1,031,394	1,128,553	-	-
Intangible assets		3,469	4,045	-	-
Deferred tax assets		4,283	3,615	-	-
Other non-current assets		46,597	46,504	43,209	43,043
Total non-current assets		19,507,240	19,997,491	18,497,147	19,036,930
Total assets		23,272,878	23,277,041	21,772,186	21,845,475

The accompanying notes are an integral part of the financial statements.

TTW Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2018

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 June 2018</u>	<u>31 December 2017</u>	<u>30 June 2018</u>	<u>31 December 2017</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	13	163,667	127,841	118,467	88,315
Current portion of long-term loans	14	480,000	480,000	480,000	480,000
Current portion of debentures	15	1,500,000	1,000,000	1,500,000	1,000,000
Income tax payable		269,702	269,785	192,743	208,301
Accrued interest		95,657	100,018	95,657	100,018
Other current liabilities		67,264	68,680	45,655	46,507
Total current liabilities		2,576,290	2,046,324	2,432,522	1,923,141
Non-current liabilities					
Retention payable - subsidiary	3	-	-	5,000	5,000
Long-term loans, net of current portion	14	3,555,000	3,795,000	3,555,000	3,795,000
Debentures, net of current portion	15	4,895,521	5,395,118	4,895,521	5,395,118
Provision for long-term employee benefits		43,861	40,253	23,314	21,319
Deferred tax liabilities		122,277	122,440	92,547	90,586
Total non-current liabilities		8,616,659	9,352,811	8,571,382	9,307,023
Total liabilities		11,192,949	11,399,135	11,003,904	11,230,164

The accompanying notes are an integral part of the financial statements.

TTW Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 June 2018	31 December 2017	30 June 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered					
3,990,000,000 ordinary shares of Baht 1 each		3,990,000	3,990,000	3,990,000	3,990,000
Issued and fully paid-up					
3,990,000,000 ordinary shares of Baht 1 each		3,990,000	3,990,000	3,990,000	3,990,000
Share premium		2,637,770	2,637,770	2,637,770	2,637,770
Retained earnings					
Appropriated - statutory reserve		399,000	399,000	399,000	399,000
Appropriated - other reserve	16	1,691,231	1,691,231	1,691,231	1,691,231
Unappropriated		3,863,191	3,699,629	2,050,281	1,897,310
Other components of shareholders' equity		(544,104)	(582,131)	-	-
Equity attributable to owners of the Company		12,037,088	11,835,499	10,768,282	10,615,311
Non-controlling interests of the subsidiaries		42,841	42,407	-	-
Total shareholders' equity		12,079,929	11,877,906	10,768,282	10,615,311
Total liabilities and shareholders' equity		23,272,878	23,277,041	21,772,186	21,845,475
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 2018**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit or loss:					
Revenues					
Sales of treated water to public sector agency:					
Sales of treated water - minimum offtake quantities		1,258,969	1,249,856	849,789	838,885
Sales of treated water - above minimum offtake quantities		137,246	63,175	90,401	46,069
Sales of treated water to private sector agencies		53,992	51,397	53,992	51,397
Total sales of treated water		1,450,207	1,364,428	994,182	936,351
Service income		29,994	29,443	10,751	10,712
Interest income		3,039	3,789	9,961	14,036
Dividend income	3, 7	-	-	41,977	111,939
Other income		-	28,724	-	25,641
Total revenues		1,483,240	1,426,384	1,056,871	1,098,679
Expenses					
Cost of sales of treated water and services	9, 10	435,708	392,717	260,885	229,697
Administrative expenses		66,922	57,001	51,538	45,601
Amortisation of investments in subsidiaries	6	-	-	55,222	55,222
Amortisation of rights to produce and sell treated water and treat waste water from private sector agency	11	13,591	12,226	13,591	12,226
Amortisation of rights to produce and sell treated water from business acquisition	12	48,603	48,651	-	-
Total expenses		564,824	510,595	381,236	342,746
Profit before share of profit from investment in associate, finance cost and income tax expenses					
Share of profit from investment in associate	7	16,754	2,136	-	-
Profit before finance cost and income tax expenses		935,170	917,925	675,635	755,933
Finance cost		(92,560)	(91,726)	(92,560)	(91,726)
Profit before income tax expenses		842,610	826,199	583,075	664,207
Income tax expenses	17	(145,359)	(163,805)	(104,247)	(114,081)
Profit for the period		697,251	662,394	478,828	550,126

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the three-month period ended 30 June 2018

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Unrealised gain (loss) from cash flow hedges - net of income tax		(114)	1,316	-	-
Gain (loss) on change in value of available-for-sale investments - net of income tax		(844)	109	-	-
Other comprehensive income for the period		<u>(958)</u>	<u>1,425</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>696,293</u>	<u>663,819</u>	<u>478,828</u>	<u>550,126</u>
Profit attributable to:					
Equity holders of the Company		692,498	658,133	<u>478,828</u>	<u>550,126</u>
Non-controlling interests of the subsidiaries		<u>4,753</u>	<u>4,261</u>		
		<u>697,251</u>	<u>662,394</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		691,540	659,558	<u>478,828</u>	<u>550,126</u>
Non-controlling interests of the subsidiaries		<u>4,753</u>	<u>4,261</u>		
		<u>696,293</u>	<u>663,819</u>		
Basic earnings per share	18				
Profit attributable to equity holders of the Company		<u>0.17</u>	<u>0.17</u>	<u>0.12</u>	<u>0.14</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries**Statement of comprehensive income****For the six-month period ended 30 June 2018**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit or loss:					
Revenues					
Sales of treated water to public sector agency:					
Sales of treated water - minimum offtake quantities		2,504,103	2,481,119	1,690,240	1,668,552
Sales of treated water - above minimum offtake quantities		254,296	85,951	164,711	68,845
Sales of treated water to private sector agencies		103,595	98,547	103,595	98,547
Total sales of treated water		2,861,994	2,665,617	1,958,546	1,835,944
Service income		59,065	58,292	20,623	20,773
Interest income		5,509	6,920	20,434	29,536
Dividend income	3, 6, 7	-	-	479,239	558,397
Other income		150	49,619	4,917	48,178
Total revenues		2,926,718	2,780,448	2,483,759	2,492,828
Expenses					
Cost of sales of treated water and services	9, 10	849,457	755,032	503,569	448,857
Administrative expenses		122,938	119,963	95,096	95,097
Amortisation of investments in subsidiaries	6	-	-	109,837	109,837
Amortisation of rights to produce and sell treated water and treat waste water from private sector agency	11	26,092	22,971	26,092	22,971
Amortisation of rights to produce and sell treated water from business acquisition	12	97,159	98,638	-	-
Total expenses		1,095,646	996,604	734,594	676,762
Profit before share of profit (loss) from investment in associate, finance cost and income tax expenses					
Share of profit (loss) from investment in associate	7	19,922	(8,846)	-	-
Profit before finance cost and income tax expenses		1,850,994	1,774,998	1,749,165	1,816,066
Finance cost		(187,239)	(184,846)	(187,239)	(184,846)
Profit before income tax expenses		1,663,755	1,590,152	1,561,926	1,631,220
Income tax expenses	17	(293,835)	(330,341)	(211,955)	(239,364)
Profit for the period		1,369,920	1,259,811	1,349,971	1,391,856

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the six-month period ended 30 June 2018

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Unrealised gain from cash flow hedges - net of income tax		37,893	29,044	-	-
Gain on change in value of available-for-sale investments - net of income tax		134	3,886	-	-
Other comprehensive income for the period		<u>38,027</u>	<u>32,930</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>1,407,947</u>	<u>1,292,741</u>	<u>1,349,971</u>	<u>1,391,856</u>
Profit attributable to:					
Equity holders of the Company		1,360,562	1,251,384	<u>1,349,971</u>	<u>1,391,856</u>
Non-controlling interests of the subsidiaries		<u>9,358</u>	<u>8,427</u>		
		<u>1,369,920</u>	<u>1,259,811</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		1,398,589	1,284,314	<u>1,349,971</u>	<u>1,391,856</u>
Non-controlling interests of the subsidiaries		<u>9,358</u>	<u>8,427</u>		
		<u>1,407,947</u>	<u>1,292,741</u>		
Basic earnings per share	18				
Profit attributable to equity holders of the Company		<u>0.34</u>	<u>0.32</u>	<u>0.34</u>	<u>0.35</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries

Cash flows statement

For the six-month period ended 30 June 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from operating activities				
Profit before tax	1,663,755	1,590,152	1,561,926	1,631,220
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	397,543	354,166	232,005	210,859
Allowance for doubtful accounts	5,771	-	2,456	-
Amortisation of investments in subsidiaries	-	-	109,837	109,837
Amortisation of rights to produce and sell treated water from business acquisition	97,159	98,638	-	-
Amortisation of rights to produce and sell treated water and treat waste water from private sector agency	26,092	22,971	26,092	22,971
Share of (profit) loss from investment in associate	(19,922)	8,846	-	-
Dividend income	-	-	(479,239)	(558,397)
Written off of withholding tax deducted at source	1,047	431	-	-
Provision for long-term employee benefits	3,608	3,801	1,995	2,613
Interest expenses	187,239	184,846	187,239	184,846
Profit from operating activities before changes in operating assets and liabilities	2,362,292	2,263,851	1,642,311	1,603,949
Operating assets (increase) decrease				
Trade and other receivables	(7,310)	(35,839)	(5,276)	(17,002)
Raw materials and supplies	(587)	(1,988)	(99)	(1,519)
Other current assets	(19,705)	(6,639)	(16,147)	(1,098)
Other non-current assets	(167)	2,008	(166)	2,008
Operating liabilities increase (decrease)				
Trade and other payables	13,118	(179,399)	7,444	(189,969)
Other current liabilities	(1,416)	5,300	(852)	5,063
Cash from operating activities	2,346,225	2,047,294	1,627,215	1,401,432
Cash paid for interest expenses	(190,094)	(184,513)	(190,094)	(184,513)
Cash paid for income tax	(295,722)	(305,800)	(225,552)	(217,585)
Net cash from operating activities	1,860,409	1,556,981	1,211,569	999,334

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries**Cash flows statement (continued)****For the six-month period ended 30 June 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from investing activities				
Decrease (increase) in current investments	(667,616)	568,659	(624,687)	500,164
Decrease in long-term loans to related party	-	-	183,570	183,570
Increase in property, plant and equipment	(9,463)	(1,690)	(8,578)	(1,118)
Cash paid for capitalised interest	-	(45,656)	-	(45,656)
Increase in assets for production of treated water				
with public sector agency - assets that are owned by the Company	-	(385,714)	-	(385,714)
Increase in assets for production of treated water that must be transferred at the end of concession of subsidiary	(1,370)	-	-	-
Increase in rights to produce and sell treated water and treat waste water from private sector agency	(2,977)	(15,944)	(2,977)	(15,944)
Dividend received	41,977	111,939	479,239	558,397
Net cash from (used in) investing activities	(639,449)	231,594	26,567	793,699
Cash flows from financing activities				
Repayment of long-term loans	(240,000)	(545,000)	(240,000)	(545,000)
Cash received from debentures	998,897	-	998,897	-
Repayment of debentures	(1,000,000)	-	(1,000,000)	-
Dividend paid	(1,197,010)	(1,196,740)	(1,197,010)	(1,196,740)
Dividend paid for non-controlling interests of the subsidiary	(8,924)	(9,111)	-	-
Net cash used in financing activities	(1,447,037)	(1,750,851)	(1,438,113)	(1,741,740)
Net increase (decrease) in cash and cash equivalents	(226,077)	37,724	(199,977)	51,293
Cash and cash equivalents at beginning of period	316,808	246,287	280,915	196,870
Cash and cash equivalents at end of period	90,731	284,011	80,938	248,163
	-		-	
Supplemental cash flows information				
Non-cash transactions				
Increase (decrease) in dividend payable	(10)	140	(10)	140
Increase in accounts receivable from securities trading	(11,865)	(60,864)	(11,865)	(60,864)
Increase in accounts payable from securities trading	22,718	32,034	22,718	32,034
Increase in assets for production of treated water with public sector agency from construction payable	-	6,920	-	6,920
Portion of advance payment to subcontractor deducted from payment for equipment	-	1,244	-	1,244
Portion of advance payment to subcontractor deducted from payment for assets production of treated water with public sector agency	-	7,704	-	7,704
Transfer property, plant and equipment to (from) assets for production of treated water with public sector agency	(4,296)	7,700	(4,296)	7,700
Transfer property, plant and equipment to rights to produce and sell treated water and treat waste water from private sector agency	-	134,711	-	134,711
Transfer assets for production of treated water with public sector agency to rights to produce and sell treated water and treat waste water from private sector agency	-	(94)	-	(94)
Transfer assets for production of treated water with public sector agency to other non-current assets	-	(502)	-	(502)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the six-month period ended 30 June 2018

(Unit: Thousand Baht)

Consolidated financial statements

Equity attributable to owners of the Company

Note	Issued and paid-up		Retained earnings			Other components of equity											
						Other comprehensive income		Surplus on changes in value of available-for-sale investments	Unrealised gain (loss) from cash flow hedges	Difference on reorganisation of business of group companies	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity			
						Appropriated - statutory reserve	Appropriated - other reserve								Unappropriated	Other comprehensive income	
																of available-for-sale investments	cash flow hedges
Balance as at 1 January 2017	3,990,000	2,637,770	399,000	1,691,231	3,432,943	4,974	(62,419)	(600,363)	(657,808)	11,493,136	42,254	11,535,390					
Profit for the period	-	-	-	-	1,251,384	-	-	-	-	1,251,384	8,427	1,259,811					
Other comprehensive income for the period	-	-	-	-	-	3,886	29,044	-	32,930	32,930	-	32,930					
Total comprehensive income for the period	-	-	-	-	1,251,384	3,886	29,044	-	32,930	1,284,314	8,427	1,292,741					
Dividend paid	20	-	-	-	(1,196,880)	-	-	-	-	(1,196,880)	-	(1,196,880)					
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary		-	-	-	-	-	-	-	-	-	(9,111)	(9,111)					
Balance as at 30 June 2017	3,990,000	2,637,770	399,000	1,691,231	3,487,447	8,860	(33,375)	(600,363)	(624,878)	11,580,570	41,570	11,622,140					
Balance as at 1 January 2018	3,990,000	2,637,770	399,000	1,691,231	3,699,629	8,974	9,258	(600,363)	(582,131)	11,835,499	42,407	11,877,906					
Profit for the period	-	-	-	-	1,360,562	-	-	-	-	1,360,562	9,358	1,369,920					
Other comprehensive income for the period	-	-	-	-	-	134	37,893	-	38,027	38,027	-	38,027					
Total comprehensive income for the period	-	-	-	-	1,360,562	134	37,893	-	38,027	1,398,589	9,358	1,407,947					
Dividend paid	20	-	-	-	(1,197,000)	-	-	-	-	(1,197,000)	-	(1,197,000)					
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary		-	-	-	-	-	-	-	-	-	(8,924)	(8,924)					
Balance as at 30 June 2018	3,990,000	2,637,770	399,000	1,691,231	3,863,191	9,108	47,151	(600,363)	(544,104)	12,037,088	42,841	12,079,929					

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2018

(Unit: Thousand Baht)

Separate financial statements							
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity	
				Appropriated - statutory reserve	Appropriated - other reserve		Unappropriated
Balance as at 1 January 2017		3,990,000	2,637,770	399,000	1,691,231	1,590,866	10,308,867
Profit for the period		-	-	-	-	1,391,856	1,391,856
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	1,391,856	1,391,856
Dividend paid	20	-	-	-	-	(1,196,880)	(1,196,880)
Balance as at 30 June 2017		<u>3,990,000</u>	<u>2,637,770</u>	<u>399,000</u>	<u>1,691,231</u>	<u>1,785,842</u>	<u>10,503,843</u>
Balance as at 1 January 2018		3,990,000	2,637,770	399,000	1,691,231	1,897,310	10,615,311
Profit for the period		-	-	-	-	1,349,971	1,349,971
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	1,349,971	1,349,971
Dividend paid	20	-	-	-	-	(1,197,000)	(1,197,000)
Balance as at 30 June 2018		<u>3,990,000</u>	<u>2,637,770</u>	<u>399,000</u>	<u>1,691,231</u>	<u>2,050,281</u>	<u>10,768,282</u>

The accompanying notes are an integral part of the financial statements.

TTW Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and six-month periods ended 30 June 2018

1. General information

1.1 The Company's general information

TTW Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its major shareholder is Mitsui Water Holdings (Thailand) Company Limited, which was incorporated in Thailand. The Company is principally engaged in the production and sale of treated water to the Provincial Waterworks Authority ("PWA") in the Amphur Nakorn Chaisri, Amphur Sam Pran, and Amphur Budha Monthon areas of Nakhon Pathom and the Amphur Muang and Amphur Kratumban areas of Samut Sakhon, under the "Water Purchase Agreement" made with the PWA dated 21 September 2000 (An amendment agreement dated 29 December 2008), which covers a period of 30 years as from the Actual Commencement Date (21 July 2004), and under the Concession to operate treated water granted by the Ministry of Natural Resources and Environment ("the Concessionaire") for a period of 25 years commencing on 11 March 2005. The Company has to comply with certain conditions as stipulated in the Water Purchase Agreement and the Concession.

The terms of the Concession include certain significant conditions, such as that when the Company has completed half of the concession period, if the government or the local government agency wish to purchase the water production business of the Company, the Concessionaire is entitled to cancel the concession in order to purchase it, or permit the relevant local government agency to purchase it, at market price. However, it must provide the Company with advance notice of six months of such action.

The Company's registered office is at 30/130 Moo 12, Buddha Monthon 5 Road, Rai Khing, Sam Pran, Nakhon Pathom.

1.2 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These consolidated interim financial statements include the financial statements of TTW Public Company Limited and its subsidiaries and are prepared on the same basis as the consolidated financial statements for the year ended 31 December 2017, with no structural changes related to subsidiaries occurring during the current period.

1.4 New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

3. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

					(Unit: Thousand Baht)
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 June				
	2018	2017	2018	2017	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	7,882	11,851	Minimum Loan Rate minus stipulated margin per annum
Management income	-	-	3,900	3,900	Based on contract
Cost of sales and services	-	-	9,157	8,889	Based on contract
<u>Transaction with associate</u>					
Dividend income	-	-	41,977	111,939	As declared
<u>Transactions with related parties</u>					
Sales of treated water	12,062	9,277	12,062	9,277	Based on contract
Service income	828	656	828	656	Based on contract
Construction in progress	-	77,588	-	77,588	Based on contract
Cost of sales and services	1,926	1,539	1,926	1,539	Based on contract

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	For the six-month periods ended 30 June				
	2018	2017	2018	2017	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	16,656	24,550	Minimum Loan Rate minus stipulated margin per annum
Management income	-	-	7,800	7,800	Based on contract
Dividend income	-	-	437,262	446,458	As declared
Cost of sales and services	-	-	18,120	17,603	Based on contract
<u>Transaction with associate</u>					
Dividend income	-	-	41,977	111,939	As declared
<u>Transactions with related parties</u>					
Sales of treated water	23,000	16,598	23,000	16,598	Based on contract
Service income	1,581	1,185	1,581	1,185	Based on contract
Construction in progress	-	362,545	-	362,545	Based on contract
Cost of sales and services	2,158	2,018	2,158	2,018	Based on contract

As at 30 June 2018 and 31 December 2017, the balances of the account between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
<u>Trade and other receivables - related parties</u>				
(Note 5)				
Subsidiaries	-	-	1,391	1,391
Related companies (related by shareholders or committees)	4,778	8,194	4,778	8,194
Total trade and other receivables - related parties	4,778	8,194	6,169	9,585
<u>Trade and other payables - related parties</u>				
(Note 13)				
Subsidiary	-	-	3,304	3,157
Related company (related by shareholders or committees)	122	241	122	241
Total trade and other payables - related parties	122	241	3,426	3,398
<u>Retention payable - subsidiary</u>				
	-	-	5,000	5,000
	-	-	5,000	5,000

(Unaudited but reviewed)

Long-term loans to related party

As at 30 June 2018 and 31 December 2017, the balance of long-term loans between the Company and a related party and the movement are as follows:

(Unit: Thousand Baht)

Company's name	Related by	Separate financial statements			
		Balance as at	During the period		Balance as at
		1 January	Increase	Decrease	30 June
		2018			2018
Pathum Thani Water Company Limited	Subsidiary				
Loans		828,220	.	(183,570)	644,650
Interest receivable		293	16,657	(16,798)	152
Total		828,513	16,657	(200,368)	644,802

(Unit: Thousand Baht)

	Separate financial statements	
	30 June 2018	31 December 2017
<u>Long-term loans to related party and interest receivable</u>		
Pathum Thani Water Company Limited		
Loans	644,650	828,220
Interest receivable	152	293
Total	644,802	828,513
<u>Less:</u> Current portion and interest receivable	(367,292)	(367,433)
Long-term loans to related party, net of current portion	277,510	461,080

Long-term loans to subsidiary were subject to interest at the Minimum Loan Rate minus a stipulated margin (MLR - margin) per annum. Repayment is to be made in quarterly installments and due in full within December 2022.

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2018	2017	2018	2017
Short-term employee benefits	14,026	18,357	10,530	14,871
Post-employment benefits	549	860	477	799
Total	14,575	19,217	11,007	15,670

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2018	2017	2018	2017
Short-term employee benefits	30,827	36,008	23,696	29,038
Post-employment benefits	949	1,719	800	1,597
Total	31,776	37,727	24,496	30,635

4. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
Fixed deposits	565,176	535,176	405,176	405,176
	565,176	535,176	405,176	405,176
Investments in trading securities at fair value				
Government and state enterprise bonds	441,652	522,967	441,652	522,967
Private sector debt securities	1,818,573	1,065,478	1,320,886	580,720
Marketable equity securities	212,538	235,849	212,538	235,849
	2,472,763	1,824,294	1,975,076	1,339,536
Total current investments	3,037,939	2,359,470	2,380,252	1,744,712

The balances of current investments represent investments in trading securities and the 4 - 12 month fixed deposits, carrying interests and return on investments between 0.65% and 4.80% per annum (31 December 2017: between 0.65% and 4.38% per annum). The Company had maintained the fixed deposits according to the addition amendment of the agreement to the concession to operate treated water as described in Note 16.

5. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	4,761	3,896	4,761	3,896
Past due				
Up to 3 months	17	4,298	17	4,298
Total trade receivables - related parties	4,778	8,194	4,778	8,194

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	524,584	510,411	354,174	340,827
Past due				
Up to 3 months	2,358	11,121	2,358	11,121
Total trade receivables - unrelated parties	526,942	521,532	356,532	351,948
Total trade receivables	531,720	529,726	361,310	360,142
<u>Other receivables</u>				
Other receivables - related parties	-	-	1,391	1,391
Other receivables - unrelated parties	20,139	20,139	11,221	11,221
Interest receivables - unrelated parties	9,282	3,966	7,846	3,597
Other receivables from securities trading	21,412	9,547	21,412	9,547
Total other receivables	50,833	33,652	41,870	25,756
Less: Allowance for doubtful debts	(15,835)	(10,064)	(8,066)	(5,610)
Total other receivables - net	34,998	23,588	33,804	20,146
Total trade and other receivables - net	566,718	553,314	395,114	380,288

6. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)							
	Paid-up capital		Shareholding percentage		Cost		Dividend received	
	30 June	31 December	30 June	31 December	30 June	31 December	during the six-month periods ended 30 June	
	2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)				
Thai Water Operations								
Company Limited	60,000	60,000	68.5	68.5	700,000	700,000	-	-
Pathum Thani Water								
Company Limited	1,200,000	1,200,000	98.0	98.0	3,998,310	3,998,310	437,262	446,458
					4,698,310	4,698,310	437,262	446,458
<u>Less:</u> Accumulated amortisation of investments in subsidiaries					(2,429,472)	(2,319,635)	-	-
<u>Less:</u> Dividend received from income before purchase of shares					(20,000)	(20,000)	-	-
Total					2,248,838	2,358,675	437,262	446,458

(Unaudited but reviewed)

7. Investment in associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	31 December 2017
			(%)	(%)				
CK Power Public Company Limited	Making investment in other companies	Thailand	25.31	25.31	4,228,013	4,228,013	4,524,474	4,508,502
Total					<u>4,228,013</u>	<u>4,228,013</u>	<u>4,524,474</u>	<u>4,508,502</u>

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Shareholding percentage		Cost		Carrying amounts based on cost method	
			30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	31 December 2017
			(%)	(%)				
CK Power Public Company Limited	Making investment in other companies	Thailand	25.31	25.31	4,228,013	4,228,013	4,228,013	4,228,013
Total					<u>4,228,013</u>	<u>4,228,013</u>	<u>4,228,013</u>	<u>4,228,013</u>

(Unaudited but reviewed)

In May 2015, the Company received, at no cost, 490.64 million warrants to purchase 490.64 million newly issued ordinary shares (at a ratio of 1 warrant to 1 ordinary share), with an exercise price of Baht 6 per share. The warrants have a term of 5 years from the date they were issued and offered and can be exercised every 3 months, beginning on 30 September 2015 and with the final exercise date on 28 May 2020.

In addition, during the second quarter of the year 2018, the Company received dividend from the associate amounting to Baht 42 million, in accordance with a resolution of the Annual General Meeting of the associate's shareholders held on 10 April 2018.

8. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2018 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	775,910	714,865
Acquisitions during period - at cost	9,463	8,578
Depreciation for the period	(6,740)	(5,717)
Transfer from assets for production of treated water with public sector agency - assets that are owned by the Company	4,296	4,296
Net book value as at 30 June 2018	782,929	722,022

9. Assets for production of treated water with public sector agency - assets that are owned by the Company

Movements of assets for production of treated water that are owned by the Company account during the six-month period ended 30 June 2018 are summarised below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Net book value as at 1 January 2018	9,993,246
Amortisation for the period	(226,288)
Transfer to property, plant and equipment	(4,296)
Net book value as at 30 June 2018	9,762,662

Amortisation of such assets for production of treated water has been included as part of cost of sales of treated water.

(Unaudited but reviewed)

10. Assets for production of treated water with public sector agency - assets that must be transferred at end of concession of subsidiary

Movements of assets for production of treated water that must be transferred at end of concession of subsidiary account during the six-month period ended 30 June 2018 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 1 January 2018	2,270,108
Acquisition during period - at cost	1,370
Amortisation for the period	(163,939)
Net book value as at 30 June 2018	2,107,539

Amortisation of such assets for production of treated water has been included as part of cost of sales of treated water.

Assets for production of treated water of Pathum Thani Water Company Limited will be transferred to Provincial Waterworks Authority after the end of the 25-year concession to produce and sell treated water.

11. Rights to produce and sell treated water and treat waste water from private sector agency

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	Rights	Machinery and equipment	Assets in progress	Total
Net book value as at 1 January 2018	1,091,138	143,042	3,828	1,238,008
Acquisitions during period - at cost	-	957	2,020	2,977
Transfers in (out)	-	3,828	(3,828)	-
Amortisation for the period	(22,989)	(3,103)	-	(26,092)
Net book value as at 30 June 2018	1,068,149	144,724	2,020	1,214,893

During the period, the Company had construction in progress to produce, sell additional treated water and treat waste water from private sector. These assets must be transferred to the owner of the rights after the end of the 30-year concession.

(Unaudited but reviewed)

12. Rights to produce and sell treated water from business acquisition

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June	31 December
	2018	2017
Rights to produce and sell treated water from business acquisition	3,169,109	3,169,109
<u>Less:</u> Accumulated amortisation of rights to produce and sell treated water from business acquisition	<u>(2,137,715)</u>	<u>(2,040,556)</u>
Rights to produce and sell treated water from business acquisition, net	<u>1,031,394</u>	<u>1,128,553</u>

13. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
Trade payables - related party	-	-	3,304	3,157
Trade payables - unrelated parties	19,935	18,431	11,029	9,510
Amounts due to related parties	122	241	122	241
Amounts due to unrelated parties	14,761	14,788	12,664	12,268
Construction payable - unrelated parties	143	143	143	143
Retention payable for contract work - unrelated parties	4,569	4,004	4,040	3,593
Accounts payable from securities trading	31,254	8,536	31,254	8,536
Accrued expenses	92,883	81,698	55,911	50,867
Total trade and other payables	<u>163,667</u>	<u>127,841</u>	<u>118,467</u>	<u>88,315</u>

(Unaudited but reviewed)

14. Long-term loans

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	30 June 2018	31 December 2017
Long-term loans	4,035,000	4,275,000
<u>Less:</u> Current portion	(480,000)	(480,000)
Long-term loans, net of current portion	<u>3,555,000</u>	<u>3,795,000</u>

Movements in the long-term loans account during the six-month period ended 30 June 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements
Balance as at 1 January 2018	4,275,000
<u>Less:</u> Repayment	(240,000)
Balance as at 30 June 2018	<u>4,035,000</u>

Such loans carry interest at the fixed rate per annum and the 6-month and 12-month fixed deposit rate plus a stipulated margin per annum.

The loan agreements contain several covenants which, among other things, require the Company to maintain certain debt to equity ratio, net debt to EBITDA and EBITDA to interest ratio at the rate prescribed in the agreements.

15. Debentures

Movements in the debentures account during the six-month period ended 30 June 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements
Balance as at 1 January 2018	6,395,118
<u>Less:</u> Repayment	(1,000,000)
<u>Add:</u> Debenture issuing during period	1,000,000
<u>Less:</u> Deferred debenture issuing costs	(1,103)
<u>Add:</u> Amortisation of deferred debentures issuing cost	1,506
<u>Less:</u> Current portion of debentures	(1,500,000)
Balance as at 30 June 2018	<u>4,895,521</u>

(Unaudited but reviewed)

All debentures of the Company are unsecured senior debentures, with no trustees and with a par value of Baht 1,000 each. The interest is payable every 6 months throughout the life of the debentures.

The Company is required to maintain certain financial ratios i.e. debt to equity ratio, net debt to EBITDA and EBITDA to interest ratio at the rate prescribed.

16. Other reserve

According to the amendment of the concession to operate treated water dated 20 March 2008, prior to paying a dividend the Company is required to set aside 10% of its annual net profit to other reserve.

However, according to the additional amendment of the agreement to the concession to operate treated water dated 28 October 2016, amendment the articles above to prior to paying a dividend from net profit the Company is required to set aside 10% of its full registered share capital to the legal reserve.

Retained earnings set aside as the legal reserve are to be retained in cash and deposited at a bank or financial institution licensed by the Bank of Thailand.

17. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current income tax:				
Interim corporate income tax charge	147,168	157,362	104,507	114,255
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,809)	6,443	(260)	(174)
Income tax expenses reported in the statements of comprehensive income	<u>145,359</u>	<u>163,805</u>	<u>104,247</u>	<u>114,081</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the six-month periods ended 30 June				
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current income tax:				
Interim corporate income tax charge	294,666	309,609	209,994	224,742
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>(831)</u>	<u>20,732</u>	<u>1,961</u>	<u>14,622</u>
Income tax expenses reported in the statements of comprehensive income	<u>293,835</u>	<u>330,341</u>	<u>211,955</u>	<u>239,364</u>

18. Basic earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

19. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company and the subsidiaries are principally engaged in the production and sell of treated water. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographic area.

(Unaudited but reviewed)

20. Dividend paid

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends from the earnings of the promoted operations for July to December 2016	Annual General Meeting of the shareholders on 18 April 2017	51,865	0.013
Dividends from the earnings of the non-promoted operations for July to December 2016	Annual General Meeting of the shareholders on 18 April 2017	1,145,015	0.287
Total dividends for 2017		1,196,880	0.300
Dividends from the earnings of the promoted operations for July to December 2017	Annual General Meeting of the shareholders on 19 April 2018	91,770	0.023
Dividends from the earnings of the non-promoted operations for July to December 2017	Annual General Meeting of the shareholders on 19 April 2018	1,105,230	0.277
Total dividends for 2018		1,197,000	0.300

21. Commitments and contingent liabilities

21.1 Capital commitments

As at 30 June 2018, the Company had capital commitments of Baht 4 million relating to interior decoration of office building at Krathumban water supply plant. (31 December 2017: Baht 6 million relating to magnetic flow chamber construction in Mahachai pumping station and installation of fire protection system at Bang Len water supply plant).

21.2 Service commitments and other commitments

- a) The Company and its subsidiary have entered into operation and maintenance agreements with Thai Water Operations Company Limited (“the subsidiary of the Company”), whereby the subsidiary is to manage and maintenance of production and supply of treated water system and to manage the waste water system. Under the conditions of the agreements, the Company and its subsidiary are to pay service fees at a rate stipulated in the agreements, which have an initial term of 1 year from 8 January 2010 and thereafter automatically renews each year for a further period of 1 year.

(Unaudited but reviewed)

- b) As at 30 June 2018, the Company and its subsidiaries had commitments totaling Baht 13 million (Separate financial statement: Baht 5 million) ((31 December 2017: Baht 12 million (Separate financial statements: Baht 3 million)) under other service agreements.

21.3 Operating lease commitments

The Company has entered into vehicles and land lease agreements for office building. The term of the land lease agreement is between 1 March 2010 and 31 August 2039.

Future minimum lease payments required under this non-cancellable operating lease contract were as follows:

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	30 June 2018	31 December 2017
Payable:		
In up to 1 year	7,910	7,637
In over 1 and up to 5 years	14,938	17,087
In over 5 years	32,723	33,679

21.4 Bank guarantees

As at 30 June 2018, there were outstanding bank guarantees of Baht 307 million (Separate financial statements: Baht 120 million) ((31 December 2017: Baht 307 million (Separate financial statements: Baht 120 million)) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
Guarantee under the Water Purchase Agreement				
with the Provincial Waterworks Authority	228,500	228,300	62,200	62,000
Guarantee electricity use	65,732	65,732	44,984	44,984
Guarantee for others	13,101	13,101	13,101	13,101
Total	307,333	307,133	120,285	120,085

(Unaudited but reviewed)

22. Fair value hierarchy

As of 30 June 2018 and 31 December 2017, the Company and its subsidiaries had the assets and liability that were measured at fair value or assets for which fair value are disclosed using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 30 June 2018			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in trading securities				
Equity instruments	212,538	-	-	212,538
Debt instruments	-	2,260,225	-	2,260,225
Other long-term investment - real estate				
investment trust	4,875	-	-	4,875
Asset for which fair value are disclosed				
Investment in associate	7,014,823	-	-	7,014,823
Other long-term investment - debentures	-	23,973	-	23,973
Liability for which fair value are disclosed				
Debentures	-	6,684,783	-	6,684,783

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in trading securities				
Equity instruments	235,849	-	-	235,849
Debt instruments	-	1,588,445	-	1,588,445
Other long-term investment - real estate				
investment trust	5,000	-	-	5,000
Asset for which fair value are disclosed				
Investment in associate	7,537,203	-	-	7,537,203
Other long-term investment - debentures	-	24,128	-	24,128
Liability for which fair value are disclosed				
Debentures	-	6,787,405	-	6,787,405

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	As at 30 June 2018			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in trading securities				
Equity instruments	212,538	-	-	212,538
Debt instruments	-	1,762,538	-	1,762,538
Asset for which fair value are disclosed				
Investment in associate	7,014,823	-	-	7,014,823
Liability for which fair value are disclosed				
Debentures	-	6,684,783	-	6,684,783

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in trading securities				
Equity instruments	235,849	-	-	235,849
Debt instruments	-	1,103,687	-	1,103,687
Asset for which fair value are disclosed				
Investment in associate	7,537,203	-	-	7,537,203
Liability for which fair value are disclosed				
Debentures	-	6,787,405	-	6,787,405

Valuation techniques and inputs to Level 2 valuation

The fair value of investments in debt instruments has been determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies determined by using the yield curve of government bonds, adjusted with an appropriate risk premium, or, calculated using the yield curve announced by the Thai Bond Market Association, adjusted with an appropriate risk premium.

During the current period, there were no transfers within the fair value hierarchy.

23. Events after the reporting period

On 3 July 2018, a meeting of the Company's Board of Directors resolved to give the rectification to establishment of Myanmar Tap Water Company Limited ("MTW") by Thai Water Operations Company Limited ("TWO"), a subsidiary of the Company, and Z Corporation Company Limited ("Z Corp"), which was a legal entity established in the Republic of the Union of Myanmar and which was not a related party of the Company. The registered share capital of Myanmar Tap Water Company Limited was USD 12 million in which Thai Water Operations Company Limited, holds a 70 percent interest and Z Corporation Company Limited holds a 30 percent interest. Myanmar Tap Water Company Limited invested in the Tap Water Project in Mawlamyine, the Republic of the Union of Myanmar. The value of investment in the Project was approximately USD 15 million (equivalent to approximately Baht 486 million).

24. Approval of financial statements

These interim financial statements were authorised for issue by the Company's Audit Committee on 9 August 2018.