

TTW Public Company Limited and its subsidiaries
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2022

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 2022, 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 interim consolidated financial statements. I have also reviewed the separate financial information of TTW Public Company Limited for the same periods (collectively "interim financial information"). 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.

Kunlapee Piyawannasuth

Certified Public Accountant (Thailand) No. 6137

EY Office Limited

Bangkok: 11 August 2022

TTW Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		67,190	66,762	59,807	56,256
Trade and other receivables	2, 3	509,284	514,177	353,543	356,501
Current portion of long-term loans to related party and interest receivable	2	-	-	28,593	57,170
Raw materials and supplies		26,516	25,044	15,200	14,520
Other current financial assets		3,128,616	3,596,938	1,924,746	2,645,283
Other current assets		52,931	25,775	38,502	21,920
Total current assets		3,784,537	4,228,696	2,420,391	3,151,650
Non-current assets					
Other non-current financial assets		4,450	4,350	-	-
Investments in subsidiaries	4	-	-	1,362,255	1,472,092
Investment in associate	5	6,198,585	6,219,582	5,218,706	5,218,706
Property, plant and equipment	6	962,636	973,209	777,910	785,323
Assets for production of treated water with public sector agency:					
Assets that are owned by the Company	7	8,399,240	8,589,844	8,399,240	8,589,844
Assets that must be transferred at end of concession of subsidiary	8	751,844	1,039,023	-	-
Rights to produce and sell treated water and treat waste water from private sector agency	9	1,002,679	1,029,072	1,002,679	1,029,072
Rights to produce and sell treated water from business acquisition	10	251,561	348,233	-	-
Intangible assets		10,502	10,799	-	-
Deferred tax assets		5,177	4,917	-	-
Advance payment to subcontractor - related party	2	30,699	36,344	30,699	36,344
Other non-current assets		18,960	19,828	2,964	3,053
Total non-current assets		17,636,333	18,275,201	16,794,453	17,134,434
Total assets		21,420,870	22,503,897	19,214,844	20,286,084

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 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
		(Unaudited	(Audited)	(Unaudited	(Audited)
		but reviewed)		but reviewed)	
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	2	142,587	129,713	89,172	88,910
Current portion of long-term loans	11	660,000	460,000	660,000	460,000
Current portion of debentures	12	1,000,000	2,000,000	1,000,000	2,000,000
Current portion of lease liabilities		11,517	11,060	9,732	9,282
Income tax payable		299,602	291,118	222,909	218,169
Accrued interest		32,728	63,536	32,728	63,536
Other current liabilities		63,768	66,169	44,039	46,150
Total current liabilities		2,210,202	3,021,596	2,058,580	2,886,047
Non-current liabilities					
Retention payable - subsidiary	2	-	-	5,000	5,000
Long-term loans, net of current portion	11	2,210,000	1,640,000	2,210,000	1,640,000
Debentures, net of current portion	12	2,398,376	3,397,807	2,398,376	3,397,807
Lease liabilities, net of current portion		48,419	51,047	44,120	45,844
Provision for long-term employee benefits		77,938	73,379	50,596	47,816
Deferred tax liabilities		129,432	124,909	116,029	108,279
Total non-current liabilities		4,864,165	5,287,142	4,824,121	5,244,746
Total liabilities		7,074,367	8,308,738	6,882,701	8,130,793

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 2022

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2022	31 December 2021	30 June 2022	31 December 2021
		(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	13	1,691,231	1,691,231	1,691,231	1,691,231
Unappropriated		6,384,536	6,148,710	3,614,142	3,437,290
Other components of shareholders' equity		(796,870)	(712,825)	-	-
Equity attributable to owners of the Company		14,305,667	14,153,886	12,332,143	12,155,291
Non-controlling interests of the subsidiaries		40,836	41,273	-	-
Total shareholders' equity		14,346,503	14,195,159	12,332,143	12,155,291
Total liabilities and shareholders' equity		21,420,870	22,503,897	19,214,844	20,286,084
		-	-	-	-

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

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Directors

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(Unaudited but reviewed)

TTW Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 2022**

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

Note	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Profit or loss:				
Revenues				
Sales of treated water to public sector agency:				
Sales of treated water - minimum offtake quantities	1,294,250	1,269,519	875,193	854,801
Sales of treated water - above minimum offtake quantities	50,437	120,927	43,800	92,139
Sales of treated water to private sector agencies	52,140	53,290	52,140	53,290
Total sales of treated water	1,396,827	1,443,736	971,133	1,000,230
Service income	29,963	31,653	10,298	10,937
Dividend income	2, 5.2	-	162,461	71,076
Other income	1,329	1,504	5,656	5,013
Total revenues	1,428,119	1,476,893	1,149,548	1,087,256
Expenses				
Cost of sales of treated water and services	475,617	450,936	238,705	268,859
Administrative expenses	78,345	50,692	66,664	42,112
Amortisation of investments in subsidiaries	-	-	55,222	55,222
Amortisation of rights to produce and sell treated water and treat waste water from private sector agency	13,413	13,670	13,413	13,670
Amortisation of rights to produce and sell treated water from business acquisition	48,603	48,603	-	-
Total expenses	615,978	563,901	374,004	379,863
Operating profit	812,141	912,992	775,544	707,393
Share of profit from investment in associate	215,835	176,599	-	-
Finance income	883	1,154	924	1,533
Finance cost	(38,592)	(62,567)	(38,505)	(62,451)
Profit before income tax expenses	990,267	1,028,178	737,963	646,475
Income tax expenses	(167,734)	(167,204)	(125,970)	(124,304)
Profit for the period	822,533	860,974	611,993	522,171
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Share of other comprehensive income from associate	(123,848)	(45,452)	-	-
Other comprehensive income for the period	(123,848)	(45,452)	-	-
Total comprehensive income for the period	698,685	815,522	611,993	522,171

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 2022

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

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Profit attributable to:					
Equity holders of the Company		819,550	856,458	611,993	522,171
Non-controlling interests of the subsidiaries		2,983	4,516		
		822,533	860,974		
Total comprehensive income attributable to:					
Equity holders of the Company		695,702	811,006	611,993	522,171
Non-controlling interests of the subsidiaries		2,983	4,516		
		698,685	815,522		
Basic earnings per share					
	14				
Profit attributable to equity holders of the Company		0.21	0.21	0.15	0.13
Weighted average number of ordinary shares (Thousand shares)		3,990,000	3,990,000	3,990,000	3,990,000

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 2022**

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

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Profit or loss:					
Revenues					
Sales of treated water to public sector agency:					
Sales of treated water - minimum offtake quantities		2,568,805	2,525,088	1,740,768	1,700,209
Sales of treated water - above minimum offtake quantities		100,382	258,790	86,559	184,702
Sales of treated water to private sector agencies		102,467	98,813	102,467	98,813
Total sales of treated water		2,771,654	2,882,691	1,929,794	1,983,724
Service income		60,513	60,986	20,389	20,168
Dividend income	2, 4, 5.2	-	-	478,175	556,506
Other income		3,966	5,463	11,807	10,344
Total revenues		2,836,133	2,949,140	2,440,165	2,570,742
Expenses					
Cost of sales of treated water and services		933,620	900,054	470,299	542,706
Administrative expenses		146,349	108,428	124,045	91,890
Amortisation of investments in subsidiaries	4	-	-	109,837	109,837
Amortisation of rights to produce and sell treated water					
and treat waste water from private sector agency	9	26,393	25,339	26,393	25,339
Amortisation of rights to produce and sell treated water					
from business acquisition	10	96,672	96,186	-	-
Total expenses		1,203,034	1,130,007	730,574	769,772
Operating profit		1,633,099	1,819,133	1,709,591	1,800,970
Share of profit from investment in associate	5.2	225,509	205,225	-	-
Finance income		1,702	2,234	1,954	3,149
Finance cost		(88,009)	(126,449)	(87,829)	(126,209)
Profit before income tax expenses		1,772,301	1,900,143	1,623,716	1,677,910
Income tax expenses		(333,470)	(332,434)	(249,865)	(244,955)
Profit for the period		1,438,831	1,567,709	1,373,851	1,432,955
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods:					
Share of other comprehensive income from associate	5.2	(84,045)	(124,850)	-	-
Other comprehensive income for the period		(84,045)	(124,850)	-	-
Total comprehensive income for the period		1,354,786	1,442,859	1,373,851	1,432,955

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 2022

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

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Profit attributable to:					
Equity holders of the Company		1,432,825	1,558,290	1,373,851	1,432,955
Non-controlling interests of the subsidiaries		6,006	9,419		
		1,438,831	1,567,709		
Total comprehensive income attributable to:					
Equity holders of the Company		1,348,780	1,433,440	1,373,851	1,432,955
Non-controlling interests of the subsidiaries		6,006	9,419		
		1,354,786	1,442,859		
Basic earnings per share					
	14				
Profit attributable to equity holders of the Company		0.36	0.39	0.34	0.36
Weighted average number of ordinary shares (Thousand shares)		3,990,000	3,990,000	3,990,000	3,990,000

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 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before tax	1,772,301	1,900,143	1,623,716	1,677,910
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	534,616	441,109	243,713	258,381
Reversal of allowance for expected credit losses	(55)	(22)	-	-
Amortisation of investments in subsidiaries	-	-	109,837	109,837
Amortisation of rights to produce and sell treated water and treat waste water from private sector agency	26,393	25,339	26,393	25,339
Amortisation of rights to produce and sell treated water from business acquisition	96,672	96,186	-	-
Loss (gain) on sales/written off of equipment	(1)	(179)	4	(3)
Gain on fair value adjustments of financial assets	(700)	(3,923)	(525)	(2,962)
Share of profit from investment in associate	(225,509)	(205,225)	-	-
Dividend income	-	-	(478,175)	(556,506)
Write-off withholding tax deducted at source	779	1,290	-	-
Provision for long-term employee benefits	4,559	4,258	2,780	2,374
Finance cost	88,009	126,449	87,829	126,209
Profit from operating activities before changes in operating assets and liabilities	2,297,064	2,385,425	1,615,572	1,640,579
Operating assets (increase) decrease				
Trade and other receivables	4,948	32,385	2,965	14,833
Raw materials and supplies	(1,472)	499	(680)	622
Other current assets	(27,156)	(19,620)	(16,582)	(15,673)
Other non-current assets	89	3,092	89	3,092
Operating liabilities increase (decrease)				
Trade and other payables	12,793	(54,557)	181	(58,069)
Other current liabilities	(2,401)	(3,424)	(2,111)	(1,937)
Cash from operating activities	2,283,865	2,343,800	1,599,434	1,583,447
Cash paid for interest expenses	(117,000)	(125,162)	(117,000)	(125,162)
Cash paid for income tax	(320,723)	(325,214)	(237,375)	(233,185)
Net cash flows from operating activities	1,846,142	1,893,424	1,245,059	1,225,100

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 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Decrease (increase) in other current financial assets	468,922	(246,731)	721,062	(234,037)
Decrease in long-term loans to related party	-	-	28,570	28,570
Increase in property, plant and equipment	(4,256)	(18,107)	(3,983)	(15,301)
Increase in assets for production of treated water				
with public sector agency - assets that are owned by the Company	(31,988)	(1,750)	(31,988)	(1,750)
Increase in assets for production of treated water				
with public sector agency - assets that must be transferred				
at the end of concession of subsidiary	-	(125,000)	-	-
Increase in rights to produce and sell treated water				
and treat waste water from private sector agency	-	(1,569)	-	(1,569)
Proceeds from sales of equipment	16	193	5	3
Dividend received	162,461	71,076	478,175	556,506
Net cash flows from (used in) investing activities	595,155	(321,888)	1,191,841	332,422
Cash flows from financing activities				
Cash receipt from long-term loans	1,000,000	-	1,000,000	-
Repayment of long-term loans	(230,000)	(380,000)	(230,000)	(380,000)
Repayment of debentures	(2,000,000)	-	(2,000,000)	-
Repayment of principal portion of lease liabilities	(7,508)	(7,815)	(6,431)	(6,470)
Dividend paid	(1,196,918)	(1,196,482)	(1,196,918)	(1,196,482)
Dividend paid for non-controlling interests of the subsidiary	(6,443)	(9,907)	-	-
Net cash flows used in financing activities	(2,440,869)	(1,594,204)	(2,433,349)	(1,582,952)
Net increase (decrease) in cash and cash equivalents	428	(22,668)	3,551	(25,430)
Cash and cash equivalents at beginning of period	66,762	91,969	56,256	86,240
Cash and cash equivalents at end of period	67,190	69,301	59,807	60,810
	-		-	

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 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Supplemental cash flows information				
Non-cash transactions				
Increase in dividend payable	81	74	81	74
Portion of advance payment to subcontractor deducted from payment for asset for production of treated water with public sector agency - assets that are owned by the Company	5,645	-	5,645	-
Portion of advance payment to subcontractor deducted from payment for asset for production of treated water with public sector agency - assets that must be transferred at the end of concession of subsidiary	-	22,059	-	-
Transfer assets for production of treated water with public sector agency - assets that are owned by the Company to property, plant and equipment	(137)	-	(137)	-
Transfer assets for production of treated water with public sector agency - assets that must be transferred at end of concession of subsidiary to property, plant and equipment	-	(149)	-	-
Increase in assets to produce and sell treated water and treat waste water from private sector agency from construction payable	-	(2,240)	-	(2,240)
Increase in right-of-use assets due to new lease agreements	(4,090)	(1,679)	(4,090)	(1,679)
Increase in lease liabilities due to new lease agreements	4,090	1,679	4,090	1,679

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 2022

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
						Other components of equity						
						Other comprehensive income						
						Share of other comprehensive income	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	
Note	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Appropriated - other reserve	Unappropriated	from associate						
Balance as at 1 January 2021	3,990,000	2,637,770	399,000	1,691,231	5,441,452	96,158	(600,363)	(504,205)	13,655,248	44,361	13,699,609	
Profit for the period	-	-	-	-	1,558,290	-	-	-	1,558,290	9,419	1,567,709	
Other comprehensive income for the period	-	-	-	-	-	(124,850)	-	(124,850)	(124,850)	-	(124,850)	
Total comprehensive income for the period	-	-	-	-	1,558,290	(124,850)	-	(124,850)	1,433,440	9,419	1,442,859	
Dividend paid	16	-	-	-	(1,196,556)	-	-	-	(1,196,556)	-	(1,196,556)	
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary		-	-	-	-	-	-	-	-	(9,907)	(9,907)	
Balance as at 30 June 2021	3,990,000	2,637,770	399,000	1,691,231	5,803,186	(28,692)	(600,363)	(629,055)	13,892,132	43,873	13,936,005	
Balance as at 1 January 2022	3,990,000	2,637,770	399,000	1,691,231	6,148,710	(112,462)	(600,363)	(712,825)	14,153,886	41,273	14,195,159	
Profit for the period	-	-	-	-	1,432,825	-	-	-	1,432,825	6,006	1,438,831	
Other comprehensive income for the period	-	-	-	-	-	(84,045)	-	(84,045)	(84,045)	-	(84,045)	
Total comprehensive income for the period	-	-	-	-	1,432,825	(84,045)	-	(84,045)	1,348,780	6,006	1,354,786	
Dividend paid	16	-	-	-	(1,196,999)	-	-	-	(1,196,999)	-	(1,196,999)	
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary		-	-	-	-	-	-	-	-	(6,443)	(6,443)	
Balance as at 30 June 2022	3,990,000	2,637,770	399,000	1,691,231	6,384,536	(196,507)	(600,363)	(796,870)	14,305,667	40,836	14,346,503	

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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 2022

(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 2021		3,990,000	2,637,770	399,000	1,691,231	3,087,872	11,805,873
Profit for the period		-	-	-	-	1,432,955	1,432,955
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	1,432,955	1,432,955
Dividend paid	16	-	-	-	-	(1,196,556)	(1,196,556)
Balance as at 30 June 2021		3,990,000	2,637,770	399,000	1,691,231	3,324,271	12,042,272
Balance as at 1 January 2022		3,990,000	2,637,770	399,000	1,691,231	3,437,290	12,155,291
Profit for the period		-	-	-	-	1,373,851	1,373,851
Other comprehensive income for the period		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	1,373,851	1,373,851
Dividend paid	16	-	-	-	-	(1,196,999)	(1,196,999)
Balance as at 30 June 2022		3,990,000	2,637,770	399,000	1,691,231	3,614,142	12,332,143
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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 2022

1. General information

1.1 Corporate 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 No. 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 interim consolidated financial statements include the financial statements of TTW Public Company Limited and its subsidiaries (hereinafter called “the Group”) and are prepared on the same basis as the consolidated financial statements for the year ended 31 December 2021, with no structural changes related to subsidiaries occurring during the current period.

1.4 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Group’s financial statements.

2. Related party transactions

During the periods, the Group had significant business transactions with related persons or 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 Group and those related persons or related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2022	2021	2022	2021
<u>Transactions with subsidiary companies</u>				
(eliminated from the consolidated financial statements)				
Interest income	-	-	346	809
Management income	-	-	4,957	3,900
Cost of sales and services	-	-	9,613	9,450
<u>Transaction with associate company</u>				
Dividend income	-	-	162,461	71,076

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2022	2021	2022	2021
<u>Transactions with related parties</u>				
Sales of treated water	12,386	11,728	12,386	11,728
Service income	858	822	858	822
Improvement of machinery, equipment of water supply and distribution system	26,556	44,269	26,556	-
Cost of sales and services	2,379	2,361	2,379	2,361
Electricity expenses	3,711	3,419	3,711	3,419
Purchase of raw materials	-	2,122	-	2,122

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2022	2021	2022	2021
<u>Transactions with subsidiary companies</u>				
(eliminated from the consolidated financial statements)				
Interest income	-	-	803	1,724
Management income	-	-	9,914	7,800
Dividend income	-	-	315,714	485,430
Cost of sales and services	-	-	19,156	18,548
<u>Transaction with associate company</u>				
Dividend income	-	-	162,461	71,076
<u>Transactions with related parties</u>				
Sales of treated water	23,852	20,992	23,852	20,992
Service income	1,658	1,489	1,658	1,489
Improvement of machinery, equipment of water supply and distribution system	31,988	125,000	31,988	-
Cost of sales and services	4,724	3,331	4,724	3,331
Electricity expenses	7,364	6,876	7,364	6,876
Purchase of raw materials	289	4,283	289	4,283

(Unaudited but reviewed)

As at 30 June 2022 and 31 December 2021, the balances of the accounts between the Group and those related parties are as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
<u>Trade and other receivables - related parties</u>					
(Note 3)					
Subsidiaries		-	-	3,157	4,187
Related companies (related by shareholders or committees)		4,581	4,356	4,581	4,356
Total trade and other receivables - related parties		4,581	4,356	7,738	8,543
<u>Advance payment to subcontractor - related party</u>					
Related company (related by committees)		30,699	36,344	30,699	36,344
Total advance payment to subcontractor - related party		30,699	36,344	30,699	36,344
<u>Trade and other payables - related parties</u>					
Subsidiaries		-	-	3,444	3,358
Related companies (related by shareholders or committees)		16,251	10,812	16,247	10,801
Related company (entities under the group of companies of the major shareholders)		-	1,432	-	1,432
Total trade and other payables - related parties		16,251	12,244	19,691	15,591
<u>Retention payable - subsidiary</u>		-	-	5,000	5,000
		-	-	5,000	5,000

Long-term loans to related party

As at 30 June 2022 and 31 December 2021, the balance of long-term loans between the Company and a related party and the movements of long-term loans account are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
		Balance as at 1 January 2022	Increase during the period	Decrease during the period	Balance as at 30 June 2022
Company's name	Related by				
Pathum Thani Water Company Limited	Subsidiary				
Loans		57,160	-	(28,570)	28,590
Interest receivable		10	803	(810)	3
Total		57,170			28,593

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements	
	30 June 2022	31 December 2021
<u>Long-term loans to related party and interest receivable</u>		
Pathum Thani Water Company Limited		
Loans	28,590	57,160
Interest receivable	3	10
Total	28,593	57,170
Less: Current portion and interest receivable	(28,593)	(57,170)
Long-term loans to related party, net of current portion	-	-

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 2022 and 2021, the Group 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			
	2022	2021	2022	2021
Short-term employee benefits	15,115	13,592	14,415	11,698
Post-employment benefits	466	399	466	313
Total	15,581	13,991	14,881	12,011

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2022	2021	2022	2021
Short-term employee benefits	30,339	29,135	28,939	25,359
Post-employment benefits	932	798	932	627
Total	31,271	29,933	29,871	25,986

(Unaudited but reviewed)

3. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	4,581	4,348	4,581	4,348
Past due				
Up to 3 months	-	8	-	8
Total trade receivables - related parties	4,581	4,356	4,581	4,356
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	501,139	505,582	342,584	344,281
Past due				
Up to 3 months	2,129	2,302	2,129	2,302
Total trade receivables - unrelated parties	503,268	507,884	344,713	346,583
Total trade receivables	507,849	512,240	349,294	350,939
<u>Other receivables</u>				
Other receivables - related parties	-	-	3,157	4,187
Other receivables - unrelated parties	19,498	19,553	11,221	11,221
Interest receivables - unrelated parties	1,435	1,937	1,092	1,375
Total other receivables	20,933	21,490	15,470	16,783
Less: Allowance for expected credit losses	(19,498)	(19,553)	(11,221)	(11,221)
Total other receivables - net	1,435	1,937	4,249	5,562
Total trade and other receivables - net	509,284	514,177	353,543	356,501

The normal credit term is 7 days to 25 days.

4. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht)	
							Dividend received	
	30 June		31 December		30 June		during the six-month	
	2022	2021	2022	2021	2022	2021	periods ended 30 June	
			(%)	(%)			2022	2021
Pathum Thani Water								
Company Limited	1,200,000	1,200,000	98.0	98.0	3,998,310	3,998,310	315,714	485,430
Thai Water Operations								
Company Limited	60,000	60,000	68.5	68.5	700,000	700,000	-	-
					4,698,310	4,698,310	315,714	485,430
Less: Accumulated amortisation of investments in subsidiaries					(3,316,055)	(3,206,218)	-	-
Less: Dividend received from income before purchase of shares					(20,000)	(20,000)	-	-
Total					1,362,255	1,472,092	315,714	485,430

Thai Water Operations Company Limited ("the subsidiary") provides services in Amata City Chonburi Industrial Estate which the contract expired during the year 2021. The subsidiary is currently providing the services as usual. At present, the Group is in the process of preparing services offer.

(Unaudited but reviewed)

5. Investment in associate

5.1 Details of 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	31 December	30 June	31 December	30 June	31 December
			2022	2021	2022	2021	2022	2021
			(%)	(%)				
CK Power Public Company Limited	Making investment in other companies	Thailand	24.98	24.98	5,218,706	5,218,706	6,198,585	6,219,582
Total					5,218,706	5,218,706	6,198,585	6,219,582

(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	31 December	30 June	31 December	30 June	31 December
			2022	2021	2022	2021	2022	2021
			(%)	(%)				
CK Power Public Company Limited	Making investment in other companies	Thailand	24.98	24.98	5,218,706	5,218,706	5,218,706	5,218,706
Total					5,218,706	5,218,706	5,218,706	5,218,706

(Unaudited but reviewed)

5.2 Share of comprehensive income and dividend received

During the six-month periods ended 30 June 2022 and 2021, the Company has recognised its share of profit (loss) from investment in associate in the consolidated financial statements and dividend income in separate financial statements as follows:

Associate	Consolidated financial statements				(Unit: Thousand Baht)	
					Separate financial statements	
	Share of loss					
	from investment in associate					
	Share of profit from		as presented in other		Dividend received	
	investment in associate		comprehensive income		during the periods	
	during the periods		during the periods			
	2022	2021	2022	2021	2022	2021
CK Power Public Company Limited	225,509	205,225	(84,045)	(124,850)	162,461	71,076
Total	225,509	205,225	(84,045)	(124,850)	162,461	71,076

6. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2022	973,209	785,323
Acquisitions during period - at cost	8,346	8,073
Disposal/write-off during the period - net book value at disposal/write-off date	(15)	(9)
Depreciation for the period	(19,041)	(15,614)
Transfer from assets for production of treated water with public sector agency - assets that are owned by the Company	137	137
Net book value as at 30 June 2022	962,636	777,910

7. 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 2022 are summarised below.

	(Unit: Thousand Baht)
	Consolidated / Separate
	financial statements
Net book value as at 1 January 2022	8,589,844
Addition during period - at cost	37,632
Amortisation for the period	(228,099)
Transfer to property, plant and equipment	(137)
Net book value as at 30 June 2022	8,399,240

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

(Unaudited but reviewed)

8. 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 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Net book value as at 1 January 2022	1,039,023
Amortisation for the period	(287,179)
Net book value as at 30 June 2022	751,844

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. The concession will be expired in 2023.

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

Movements of rights to produce and sell treated water and treat waste water from private sector agency account during the six-month period ended 30 June 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements		
		Machinery and equipment	Total
Net book value as at 1 January 2022	Rights		
	904,718	124,354	1,029,072
Amortisation/depreciation for the period	(23,145)	(3,248)	(26,393)
Net book value as at 30 June 2022	881,573	121,106	1,002,679

Assets to produce and sell treated water and treat waste water from private sector agency must be transferred to the owner of the rights after the end of the 30-year concession. The concession will be expired in 2039.

(Unaudited but reviewed)

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

(Unit: Thousand Baht)		
Consolidated financial statements		
	30 June	31 December
	2022	2021
Rights to produce and sell treated water from business acquisition	3,169,109	3,169,109
Less: Accumulated amortisation of rights to produce and sell treated water from business acquisition	(2,917,548)	(2,820,876)
Rights to produce and sell treated water from business acquisition - net	251,561	348,233

11. Long-term loans

(Unit: Thousand Baht)		
Consolidated / Separate financial statements		
	30 June	31 December
	2022	2021
Long-term loans	2,870,000	2,100,000
Less: Current portion	(660,000)	(460,000)
Long-term loans, net of current portion	2,210,000	1,640,000

Movements of long-term loans account during the six-month period ended 30 June 2022 are summarised below.

(Unit: Thousand Baht)	
Consolidated / Separate financial statements	
Balance as at 1 January 2022	2,100,000
Add: Additional borrowings	1,000,000
Less: Repayment during period	(230,000)
Balance as at 30 June 2022	2,870,000

Such loans carry interest at the fixed rate per annum plus non-cumulative compounded reference interest rate and the 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 ratio and EBITDA to interest expense ratio at the rate prescribed in the agreements.

12. Debentures

Movements of debentures account during the six-month period ended 30 June 2022 are summarised below.

	(Unit: Thousand Baht) Consolidated / Separate financial statements
Balance as at 1 January 2022	5,397,807
Less: Repayment	(2,000,000)
Add: Amortisation of deferred debentures issuing cost	569
Balance as at 30 June 2022	3,398,376
Less: Current portion	(1,000,000)
Debentures, net of current portion	2,398,376

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 ratio and EBITDA to interest expense ratio at the rate prescribed.

13. 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.

14. 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.

15. 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 Group is 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.

For the six-month period ended 30 June 2022, the Group has revenue from a major customer in amount of Baht 2,669 million accounted for 94% of total revenues of the Group.

16. Dividend paid

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends from the earnings of the non-promoted operations for July to December 2020	Annual General Meeting of the shareholders on 8 April 2021	1,196,556	0.30
Total dividends for 2021		<u>1,196,556</u>	<u>0.30</u>
Dividends from the earnings of the non-promoted operations for July to December 2021	Annual General Meeting of the shareholders on 11 April 2022	1,196,999	0.30
Total dividends for 2022		<u>1,196,999</u>	<u>0.30</u>

17. Commitments and contingent liabilities**17.1 Capital commitments**

As at 30 June 2022, the Company had capital commitments of Baht 191 million (31 December 2021: Baht 209 million) relating to the improvement project on water supply and distribution systems at Bang Len water supply plant with a related company.

As at 30 June 2022 and 31 December 2021, the subsidiary had capital commitments of Baht 2 million relating to the installation of booster pump at Pathumthani water supply plant.

17.2 Service commitments and other commitments

- a) The Group has entered into operation and maintenance agreements with Thai Water Operations Company Limited (“the subsidiary”), whereby the subsidiary is to manage and maintenance of production and supply of treated water system and to manage the waste water treatment system. Under the conditions of the agreements, the Group is 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.
- b) As at 30 June 2022 and 31 December 2021, the Group had commitments totaling Baht 28 million (the Company only: Baht 22 million) under other service agreements.

17.3 Bank guarantees

As at 30 June 2022 and 31 December 2021, there were outstanding bank guarantees of Baht 300 million (the Company only: Baht 110 million) issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Guarantee under the Water Purchase				
Agreement with the Provincial Waterworks				
Authority	230,650	230,650	63,000	63,000
Guarantee electricity use	69,097	69,097	46,894	46,894
Guarantee for others	101	101	101	101
Total	299,848	299,848	109,995	109,995

18. Financial instrument**18.1 Fair value of financial instrument**

Most of the Group’s financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

(Unaudited but reviewed)

18.2 Fair value hierarchy

As of 30 June 2022, the Group had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 30 June 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in open-ended fund - debt securities	-	2,554,308	-	2,554,308
Real estate investment trust	4,450	-	-	4,450

(Unit: Thousand Baht)

	Separate financial statements			
	As at 30 June 2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in open-ended fund - debt securities	-	1,499,437	-	1,499,437

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

19. Events after the reporting period

On 11 August 2022, the Subsidiary's Board of Directors Meeting passed a resolution approving the payment of an interim dividend of Baht 24.19 per share, totally amount of Baht 290 million, to the ordinary shareholders, from the operating results for the period as from 1 January 2022 to 30 June 2022. The dividend will be paid on 9 September 2022.

20. Approval of interim financial statements

These interim consolidated financial statements were authorised for issue by the Company's Audit Committee on 11 August 2022.