

TTW Public Company Limited and its subsidiaries
Report and consolidated financial statements
31 December 2022

Independent Auditor's Report

To the Shareholders of TTW Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of TTW Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of TTW Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TTW Public Company Limited and its subsidiaries and of TTW Public Company Limited as at 31 December 2022, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards as issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to Note 1.1 to the consolidated financial statements that a subsidiary's concession to produce and sell treated water with Provincial Waterworks Authority will expire on 14 October 2023. Under the concession, the subsidiary has the right to renew the concession after the expiry for total period of 20 years. The subsidiary affirmed its intention to exercise such right with the counterparty and is waiting to negotiate with the counterparty on the contractual renewal after the expiry. Whether the subsidiary succeeds in renewing the concession or what type of operations to produce and sell treated water is to be entirely subject to the relevant agencies' consideration. In addition, the Group's management already conducted a feasibility study for new business plans, to which it can apply its relevant experience, in response to changing business needs in the future. My opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for each matter is described below.

Assets for production of treated water and rights to produce and sell treated water and treat waste water

The Group recognised the amortisation expenses of the assets for the production of treated water, the rights to produce, sell treated water and treat waste water of the Company and the assets that must be transferred at the end of concession of the subsidiary in the financial statements amounting to Baht 1,098 million (Separate financial statements: Baht 515 million), of which the expenses during this year accounted for 44% of total expenses in the consolidated financial statements (34% of total expenses in the separate financial statements). In calculating the amortisation expenses, the Group used the units of production method which required an estimate of the number of units of treated water to be produced in the future, until the end of the concession period or the end of the operation contract or the end of useful live of the assets for the production of treated water of the Company or the end of the concession period of the subsidiary. The management must use judgement to estimate the amount of future production, based on present production volumes, production capacity, demand from customers, economic and industry conditions. This affects the amount of the amortisation expenses.

I assessed the assumptions applied by management in estimating the number of units to be produced in the future by inquiring with the responsible management and gaining an understanding of the method applied to estimate units of production. I also checked the duration of the concession and the duration of the rights to produce and sell treated water and treat waste water to the relevant documents. In addition, I compared the number of units of production estimated by the Group with actual past and current production volumes and tested the Group's calculation of amortisation expenses for the year.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine the matter that was of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe this matter in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Kunlapee Piyawannasuth
Certified Public Accountant (Thailand) No. 6137

EY Office Limited
Bangkok: 21 February 2023

TTW Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents	7	61,923,764	66,762,188	50,901,329	56,255,966
Trade and other receivables	6, 8	511,774,629	514,176,972	355,183,321	356,501,108
Current portion of long-term loans to related party and interest receivable	6	-	-	1,332	57,170,179
Raw materials and supplies	9	27,604,944	25,043,636	15,291,811	14,520,410
Assets that must be transferred at end of concession of subsidiary	16	456,028,094	-	-	-
Other current financial assets	10	3,300,909,187	3,596,937,742	1,867,824,457	2,645,282,783
Other current assets		33,558,557	25,775,192	22,750,920	21,919,314
Total current assets		4,391,799,175	4,228,695,730	2,311,953,170	3,151,649,760
Non-current assets					
Other non-current financial assets	11	4,250,000	4,350,000	-	-
Investments in subsidiaries	12	-	-	1,250,597,438	1,472,091,587
Investment in associate	13	6,648,263,116	6,219,581,998	5,218,706,282	5,218,706,282
Property, plant and equipment	14	969,311,031	973,209,214	784,685,591	785,323,140
Assets for production of treated water with public sector agency:					
Assets that are owned by the Company	15	8,280,816,145	8,589,844,176	8,280,816,145	8,589,844,176
Assets that must be transferred at end of concession of subsidiary	16	-	1,039,022,681	-	-
Rights to produce and sell treated water and treat waste water from private sector agency	17	978,451,795	1,029,071,471	978,451,795	1,029,071,471
Rights to produce and sell treated water from business acquisition	18	153,286,614	348,233,006	-	-
Intangible assets	19	10,199,936	10,799,525	-	-
Deferred tax assets	28	5,295,312	4,916,736	-	-
Advance payment to subcontractor - related party	6	12,967,398	36,344,230	12,967,398	36,344,230
Other non-current assets		35,279,487	19,827,983	2,881,276	3,052,941
Total non-current assets		17,098,120,834	18,275,201,020	16,529,105,925	17,134,433,827
Total assets		21,489,920,009	22,503,896,750	18,841,059,095	20,286,083,587

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 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 20	145,813,855	129,712,834	93,023,989	88,909,737
Current portion of long-term loans	21	660,000,000	460,000,000	660,000,000	460,000,000
Current portion of debentures	22	1,000,000,000	2,000,000,000	1,000,000,000	2,000,000,000
Current portion of lease liabilities	23	11,285,059	11,059,693	9,451,412	9,281,986
Income tax payable		283,751,428	291,118,055	216,375,455	218,169,128
Accrued interest		33,732,277	63,536,058	33,732,277	63,536,058
Other current liabilities		65,395,033	66,169,405	45,116,574	46,150,336
Total current liabilities		2,199,977,652	3,021,596,045	2,057,699,707	2,886,047,245
Non-current liabilities					
Retention payable - subsidiary	6	-	-	5,000,000	5,000,000
Long-term loans, net of current portion	21	1,880,000,000	1,640,000,000	1,880,000,000	1,640,000,000
Debentures, net of current portion	22	2,398,424,749	3,397,806,704	2,398,424,749	3,397,806,704
Lease liabilities, net of current portion	23	45,383,954	51,047,071	42,014,825	45,844,295
Provision for long-term employee benefits	24	81,708,615	73,379,121	53,376,120	47,816,192
Deferred tax liabilities	28	134,164,722	124,908,676	123,461,890	108,279,043
Total non-current liabilities		4,539,682,040	5,287,141,572	4,502,277,584	5,244,746,234
Total liabilities		6,739,659,692	8,308,737,617	6,559,977,291	8,130,793,479

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 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Shareholders' equity					
Share capital					
Registered					
3,990,000,000 ordinary shares of Baht 1 each		3,990,000,000	3,990,000,000	3,990,000,000	3,990,000,000
Issued and fully paid-up					
3,990,000,000 ordinary shares of Baht 1 each		3,990,000,000	3,990,000,000	3,990,000,000	3,990,000,000
Share premium		2,637,769,601	2,637,769,601	2,637,769,601	2,637,769,601
Retained earnings					
Appropriated - statutory reserve	25	399,000,000	399,000,000	399,000,000	399,000,000
Appropriated - other reserve	26	1,691,230,767	1,691,230,767	1,691,230,767	1,691,230,767
Unappropriated		6,721,759,510	6,148,710,378	3,563,081,436	3,437,289,740
Other components of shareholders' equity		(730,250,083)	(712,824,379)	-	-
Equity attributable to owners of the Company		14,709,509,795	14,153,886,367	12,281,081,804	12,155,290,108
Non-controlling interests of the subsidiaries		40,750,522	41,272,766	-	-
Total shareholders' equity		14,750,260,317	14,195,159,133	12,281,081,804	12,155,290,108
Total liabilities and shareholders' equity		21,489,920,009	22,503,896,750	18,841,059,095	20,286,083,587
		-	-	-	-

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

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 Directors

TTW Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: 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		5,180,928,446	5,092,028,057	3,510,387,792	3,428,598,957
Sales of treated water - above minimum offtake quantities		197,253,029	388,149,113	159,774,236	294,476,847
Sales of treated water to private sector agencies		196,756,115	202,222,569	196,756,115	202,222,569
Total sales of treated water	29	5,574,937,590	5,682,399,739	3,866,918,143	3,925,298,373
Service income		116,561,486	123,673,267	38,751,003	41,055,006
Dividend income	12, 13.1	-	-	762,663,455	1,009,462,131
Other income		9,705,589	11,681,278	24,875,880	22,674,928
Total revenues		5,701,204,665	5,817,754,284	4,693,208,481	4,998,490,438
Expenses					
Cost of sales of treated water and services		1,974,536,150	1,844,646,460	1,003,784,431	1,025,465,957
Administrative expenses		289,287,774	255,301,401	239,978,479	216,870,134
Amortisation of investments in subsidiaries	12	-	-	221,494,149	221,494,149
Amortisation of rights to produce and sell treated water and treat waste water from private sector agency	17	50,619,676	51,874,965	50,619,676	51,874,965
Amortisation of rights to produce and sell treated water from business acquisition	18	194,946,391	194,460,032	-	-
Total expenses		2,509,389,991	2,346,282,858	1,515,876,735	1,515,705,205
Operating profit		3,191,814,674	3,471,471,426	3,177,331,746	3,482,785,233
Share of profit from investment in associate	13.1	608,567,616	544,317,400	-	-
Finance income		3,655,273	4,631,501	3,704,518	6,016,331
Finance cost		(168,726,157)	(249,486,104)	(168,389,758)	(249,039,843)
Profit before income tax expenses		3,635,311,406	3,770,934,223	3,012,646,506	3,239,761,721
Income tax expenses	28	(656,537,396)	(650,959,542)	(492,857,000)	(490,434,698)
Profit for the year		2,978,774,010	3,119,974,681	2,519,789,506	2,749,327,023

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

TTW Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Share of other comprehensive income from associate	13.1	(17,425,704)	(208,619,561)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Actuarial gain - net of income tax		-	(3,129,627)	-	(6,385,967)
Other comprehensive income for the year		(17,425,704)	(211,749,188)	-	(6,385,967)
Total comprehensive income for the year		2,961,348,306	2,908,225,493	2,519,789,506	2,742,941,056
Profit attributable to:					
Equity holders of the Company		2,967,046,942	3,103,911,658	2,519,789,506	2,749,327,023
Non-controlling interests of the subsidiaries		11,727,068	16,063,023		
		2,978,774,010	3,119,974,681		
Total comprehensive income attributable to:					
Equity holders of the Company		2,949,621,238	2,892,162,470	2,519,789,506	2,742,941,056
Non-controlling interests of the subsidiaries		11,727,068	16,063,023		
		2,961,348,306	2,908,225,493		
Basic earnings per share					
	30				
Profit attributable to equity holders of the Company		0.74	0.78	0.63	0.69
Weighted average number of ordinary shares		3,990,000,000	3,990,000,000	3,990,000,000	3,990,000,000

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

TTW Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
	Note	Equity attributable to owners of the Company				Other components of equity						
						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
		Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Appropriated - other reserve	Unappropriated	Share of other comprehensive income from associate					
Balance as at 1 January 2021		3,990,000,000	2,637,769,601	399,000,000	1,691,230,767	5,441,451,795	96,158,048	(600,362,866)	(504,204,818)	13,655,247,345	44,360,903	13,699,608,248
Profit for the year		-	-	-	-	3,103,911,658	-	-	-	3,103,911,658	16,063,023	3,119,974,681
Other comprehensive income for the year		-	-	-	-	(3,129,627)	(208,619,561)	-	(208,619,561)	(211,749,188)	-	(211,749,188)
Total comprehensive income for the year		-	-	-	-	3,100,782,031	(208,619,561)	-	(208,619,561)	2,892,162,470	16,063,023	2,908,225,493
Dividend paid	33	-	-	-	-	(2,393,523,448)	-	-	-	(2,393,523,448)	-	(2,393,523,448)
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary		-	-	-	-	-	-	-	-	-	(19,151,160)	(19,151,160)
Balance as at 31 December 2021		3,990,000,000	2,637,769,601	399,000,000	1,691,230,767	6,148,710,378	(112,461,513)	(600,362,866)	(712,824,379)	14,153,886,367	41,272,766	14,195,159,133
Balance as at 1 January 2022		3,990,000,000	2,637,769,601	399,000,000	1,691,230,767	6,148,710,378	(112,461,513)	(600,362,866)	(712,824,379)	14,153,886,367	41,272,766	14,195,159,133
Profit for the year		-	-	-	-	2,967,046,942	-	-	-	2,967,046,942	11,727,068	2,978,774,010
Other comprehensive income for the year		-	-	-	-	-	(17,425,704)	-	(17,425,704)	(17,425,704)	-	(17,425,704)
Total comprehensive income for the year		-	-	-	-	2,967,046,942	(17,425,704)	-	(17,425,704)	2,949,621,238	11,727,068	2,961,348,306
Dividend paid	33	-	-	-	-	(2,393,997,810)	-	-	-	(2,393,997,810)	-	(2,393,997,810)
Decrease in non-controlling interests of the subsidiary from dividend payment of the subsidiary		-	-	-	-	-	-	-	-	-	(12,249,312)	(12,249,312)
Balance as at 31 December 2022		3,990,000,000	2,637,769,601	399,000,000	1,691,230,767	6,721,759,510	(129,887,217)	(600,362,866)	(730,250,083)	14,709,509,795	40,750,522	14,750,260,317

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

TTW Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

		Separate financial statements					
		Issued and paid-up	Retained earnings			Total	
Note	share capital	Share premium	Appropriated - statutory reserve	Appropriated - other reserve	Unappropriated	shareholders' equity	
Balance as at 1 January 2021	3,990,000,000	2,637,769,601	399,000,000	1,691,230,767	3,087,872,132	11,805,872,500	
Profit for the year	-	-	-	-	2,749,327,023	2,749,327,023	
Other comprehensive income for the year	-	-	-	-	(6,385,967)	(6,385,967)	
Total comprehensive income for the year	-	-	-	-	2,742,941,056	2,742,941,056	
Dividend paid	-	-	-	-	(2,393,523,448)	(2,393,523,448)	
Balance as at 31 December 2021	<u>3,990,000,000</u>	<u>2,637,769,601</u>	<u>399,000,000</u>	<u>1,691,230,767</u>	<u>3,437,289,740</u>	<u>12,155,290,108</u>	
Balance as at 1 January 2022	3,990,000,000	2,637,769,601	399,000,000	1,691,230,767	3,437,289,740	12,155,290,108	
Profit for the year	-	-	-	-	2,519,789,506	2,519,789,506	
Other comprehensive income for the year	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	-	2,519,789,506	2,519,789,506	
Dividend paid	-	-	-	-	(2,393,997,810)	(2,393,997,810)	
Balance as at 31 December 2022	<u>3,990,000,000</u>	<u>2,637,769,601</u>	<u>399,000,000</u>	<u>1,691,230,767</u>	<u>3,563,081,436</u>	<u>12,281,081,804</u>	

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

TTW Public Company Limited and its subsidiaries

Cash flows statement

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before tax	3,635,311,406	3,770,934,223	3,012,646,506	3,239,761,721
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	1,087,450,380	982,648,657	496,957,356	509,590,284
Reversal of allowance for expected credit losses	(130,704)	(129,543)	-	-
Amortisation of investments in subsidiaries	-	-	221,494,149	221,494,149
Amortisation of rights to produce and sell treated water and treat waste water from private sector agency	50,619,676	51,874,965	50,619,676	51,874,965
Amortisation of rights to produce and sell treated water from business acquisition	194,946,391	194,460,032	-	-
Loss (gain) on sales/written off of equipment	9,326	(1,016,770)	7,633	(841,504)
Gain on fair value adjustments of financial assets	(4,333,896)	(5,769,951)	(2,057,059)	(4,523,885)
Share of profit from investment in associate	(608,567,616)	(544,317,400)	-	-
Dividend income	-	-	(762,663,455)	(1,009,462,131)
Write-off withholding tax deducted at source	1,558,682	2,579,062	-	-
Provision for long-term employee benefits	9,118,562	8,586,368	5,559,928	5,319,055
Finance cost	168,726,157	249,486,104	168,389,758	249,039,843
Profit from operating activities before changes in operating assets and liabilities	4,534,708,364	4,709,335,747	3,190,954,492	3,262,252,497
Operating assets (increase) decrease				
Trade and other receivables	2,533,047	43,863,118	1,326,634	21,097,141
Raw materials and supplies	(2,561,308)	1,141,120	(771,401)	159,529
Other current assets	(7,783,365)	3,264,280	(831,606)	2,626,221
Other non-current assets	(14,828,334)	(11,829,041)	171,665	3,173,763
Operating liabilities increase (decrease)				
Trade and other payables	15,948,034	(75,300,844)	3,961,265	(45,693,107)
Other current liabilities	(774,372)	(3,343,517)	(1,033,762)	(1,290,742)
Cash paid for long-term employee benefits	(789,068)	(1,390,400)	-	(1,183,000)
Cash from operating activities	4,526,452,998	4,665,740,463	3,193,777,287	3,241,142,302
Cash paid for interest expenses	(195,455,666)	(245,410,891)	(195,455,666)	(245,410,891)
Cash paid for income tax	(657,208,405)	(648,101,543)	(479,467,826)	(471,459,929)
Net cash flows from operating activities	3,673,788,927	3,772,228,029	2,518,853,795	2,524,271,482

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

TTW Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Decrease (increase) in other current financial assets	300,462,451	(270,817,456)	779,515,385	(294,718,895)
Decrease in long-term loans to related party	-	-	57,160,000	57,140,000
Increase in property, plant and equipment	(29,140,713)	(137,454,394)	(25,469,000)	(21,831,885)
Increase in assets for production of treated water				
with public sector agency - assets that are owned by the Company	(132,468,712)	(88,879,019)	(132,468,712)	(88,879,019)
Increase in assets for production of treated water				
with public sector agency - assets that must be transferred				
at the end of concession of subsidiary	-	(134,394,567)	-	-
Increase in rights to produce and sell treated water				
and treat waste water from private sector agency	-	(1,568,000)	-	(1,568,000)
Proceeds from sales of equipment	39,049	1,063,841	7,242	873,682
Dividend received	162,460,794	71,076,597	762,663,455	1,009,462,131
Increase in advance payment to subcontractor - related party	-	(49,631,086)	-	(49,631,086)
Net cash flows from (used in) investing activities	301,352,869	(610,604,084)	1,441,408,370	610,846,928
Cash flows from financing activities				
Cash receipt from long-term loans	1,000,000,000	-	1,000,000,000	-
Repayment of long-term loans	(560,000,000)	(760,000,000)	(560,000,000)	(760,000,000)
Repayment of debentures	(2,000,000,000)	-	(2,000,000,000)	-
Repayment of principal portion of lease liabilities	(13,886,085)	(14,178,613)	(11,771,979)	(11,601,304)
Dividend paid	(2,393,844,823)	(2,393,501,185)	(2,393,844,823)	(2,393,501,185)
Dividend paid for non-controlling interests of the subsidiary	(12,249,312)	(19,151,160)	-	-
Net cash flows used in financing activities	(3,979,980,220)	(3,186,830,958)	(3,965,616,802)	(3,165,102,489)
Net decrease in cash and cash equivalents	(4,838,424)	(25,207,013)	(5,354,637)	(29,984,079)
Cash and cash equivalents at beginning of year	66,762,188	91,969,201	56,255,966	86,240,045
Cash and cash equivalents at end of year	61,923,764	66,762,188	50,901,329	56,255,966
	-	-	-	-

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

TTW Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Supplemental cash flows information				
Non-cash transactions				
Increase in dividend payable	152,987	22,263	152,987	22,263
Portion of advance payment to subcontractor deducted from payment for assets for production of treated water with public sector agency - assets that are owned by the Company	23,376,832	13,286,856	23,376,832	13,286,856
Portion of advance payment to subcontractor deducted from payment for assets for production of treated water with public sector agency - assets that must be transferred at the end of concession of subsidiary	-	23,268,100	-	-
Transfer assets for production of treated water with public sector agency - assets that are owned by the Company to property, plant and equipment	(136,835)	-	(136,835)	-
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	-	(148,600)	-	-
Transfer rights to produce and sell treated water and treat waste water from private sector agency to property, plant and equipment	-	(2,240,000)	-	(2,240,000)
Increase in right-of-use assets due to new lease agreements	(5,992,107)	(1,678,758)	(5,992,107)	(1,678,758)
Increase in lease liabilities due to new lease agreements	5,992,107	1,678,758	5,992,107	1,678,758
Reclassify of other non-current financial assets to other current financial assets	-	(9,000,000)	-	-

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

TTW Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

1. 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, Budha Monthon 5 Road, Rai Khing, Sam Pran, Nakhon Pathom.

1.1 The concession to produce and sell treated water with Provincial Waterworks Authority

The concession to produce and sell treated water (“the concession”) between Pathum Thani Water Company Limited (“the subsidiary”) and Provincial Waterworks Authority will expire on 14 October 2023. Under the concession, the subsidiary has the right to renew the concession after the expiry for a total period of 20 years. The subsidiary affirmed its intention to exercise such right with the counterparty and is waiting to negotiate with the counterparty on the contractual renewal after the expiry. Therefore, what type of the renewed concession after the expiry is to be depends on the negotiation between the subsidiary and the government agencies. As at 31 December 2022, the subsidiary’s assets accounted for 10% of total assets in the consolidated statement of financial position. The Group reclassified the assets that must be transferred at end of concession of subsidiary as current assets in the consolidated statement of financial position as at 31 December 2022.

Whether the subsidiary succeeds in renewing the concession or what type of operations to produce and sell treated water is to be entirely subject to the relevant agencies' consideration. As a result, changes in the value of assets of the subsidiary to the consolidated financial statements depends on what type of the renewed concession after the expiry is to be. The subsidiary's management expected to become aware of the outcome of the negotiation prior to the expiry. In addition, the Group's management already conducted a feasibility study for new business plans, to which it can apply its relevant experience, in response to changing business needs in the future.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of TTW Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022 (%)	2021 (%)
Pathum Thani Water Company Limited	Production and sale of treated water in Pathumthani	Thailand	98.0	98.0
Thai Water Operations Company Limited (31.5% held by Pathum Thani Water Company Limited)	Operating and maintenance of water supply project	Thailand	68.5	68.5

b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.

d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries and associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of treated water

Sales of treated water are recognised when the Group supplies the water to the Provincial Waterworks Authority, and comprise the invoiced value, excluding value added tax, of the treated water supplied, after deducting discounts and allowances.

Service income

Service income is recognised at a point in the time upon completion of service, presents the invoiced value, excluding value added tax, of services rendered.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other income and expenses

Other income and expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Raw materials and supplies

Raw materials and supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to treated water production costs whenever consumed.

4.4 Investments in subsidiaries and associate

Investment in associate is accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associate are accounted for in the separate financial statements using the cost method.

Investment costs of subsidiaries are the values paid for their acquisition. The subsidiary is engaged in business under the agreement for the production and sale of treated water with the Provincial Waterworks Authority and concessions granted by state enterprises or government agencies, which have defined fixed periods of operation, as stipulated in the agreement and concessions; and the subsidiary has committed to transfer most of its assets used in the operation to the Provincial Waterworks Authority. Hence, parts of the investment cost are deemed to be investments in the acquisition of rights to operate business under the agreement and concessions, and are amortised on a straight-line basis over the remaining periods of the agreements, commencing from the date of investment in the subsidiary. This amortised amount is presented as amortisation of investments in subsidiaries, and recognised as an expense in profit or loss.

In addition, parts of the investment costs in the subsidiary to which the subsidiary transferred most of its operations after investment, in order to reduce future operating costs, was amounts paid for acquisition of such operations. These are amortised on a straight-line basis over the remaining period of the Water Purchase Agreement made between the Company and the Provincial Waterworks Authority, commencing from the date of investing in the subsidiary, and presented as amortisation of investments in subsidiaries. The amortised amount is recognised as expense in profit or loss.

4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of assets is generally calculated by reference to their costs on the straight-line basis over estimated useful lives of 3, 5 and 10 years. However, depreciation of the Company's assets used for production of treated water is calculated using the units of production method, based on the following formula:

Depreciation for the period = Net assets for production of treated water at the beginning of the period
x Percentage of treated water produced in the period

Percentage of treated water produced in the period =
$$\frac{\text{Current period's actual production of treated water}}{\text{(Actual production of treated water for the period + Projected total production of treated water over the remaining term of the Water Purchase Agreement or the end of useful live of the assets for production of treated water)}}$$

Net assets for production of treated water at the beginning of the period = Total assets for production of treated water - Accumulated depreciation as at the beginning of the period

Assets for production of treated water consist of costs of construction of a water treatment plant and distribution system, and related interest expenses and financial costs.

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Assets for production of treated water that must be transferred at end of concession and amortisation

Assets for production of treated water of Pathum Thani Water Company Limited that must be transferred to the Provincial Waterworks Authority at the end of the concession to produce and sell treated water (land, water treatment plant and distribution system) are stated at cost less accumulated amortisation and any impairment losses. Amortisation of assets for production of treated water is calculated using the units of production method, based on the following formula:

Amortisation for the period = Net assets for production of treated water that must be transferred at end of concession at the beginning of the period x Percentage of treated water produced in the period

Percentage of treated water produced in the period =
$$\frac{\text{Current period's actual production of treated water}}{(\text{Actual production of treated water for the period} + \text{Projected total production of treated water over the remaining term of concession for production and sale of treated water})}$$

Net assets for production of treated water that must be transferred at end of concession at the beginning of the period = Total assets for production of treated water that must be transferred at end of concession - Accumulated amortisation as at the beginning of the period

Amortisation is included in determining income.

No amortisation is provided on assets under installation.

4.7 Rights to produce and sell treated water and treat waste water and amortisation

The Company recorded cost of rights to produce and sell treated water and treat waste water ("Operation rights") at cost as at the acquisition date, and allocated such cost in line with forecasted revenues calculated as at the acquisition date.

a) Rights to produce and sell treated water

Rights to produce and sell treated water are stated at cost less accumulated amortisation and any impairment losses. Amortisation of the rights is calculated using the units of production method, based on the following formula:

Amortisation for the period = Net rights to produce and sell treated water as at the beginning of the period x Percentage of treated water produced in the period

Percentage of treated water produced in the period =
$$\frac{\text{Current period's actual production of treatment water}}{(\text{Actual production of treated water for the period} + \text{Projected total production of treated water over the remaining term of operation rights})}$$

Net rights to produce and sell treated water at the beginning of the period = Total rights to treated water - Accumulated amortisation as at the beginning of the period

Amortisation is included in determining income.

No amortisation is provided on construction in progress.

b) Rights to treat waste water

Rights to treat waste water are stated at cost less accumulated amortisation and any impairment losses. Amortisation of the rights is calculated using the units of production method, based on the following formula:

Amortisation for the period = Net rights to treat waste water at the beginning of the period x Percentage of waste water treatment in the period

Percentage of waste water treated in the period =
$$\frac{\text{Current period's actual treatment of waste water}}{(\text{Actual treatment of waste water for the period} + \text{Projected total treatment of waste water over the remaining term of operation rights})}$$

Net rights to treat waste water at the beginning of the period = Total rights to treat waste water - Accumulated amortisation as at the beginning of the period

Amortisation is included in determining income.

No amortisation is provided on construction in progress.

4.8 Rights to produce and sell treated water from business acquisition and amortisation

Rights to produce and sell treated water, which arose as a result of the acquisition of ordinary shares in Pathum Thani Water Company Limited being made at a cost higher than the fair value of this subsidiary, is regarded as an intangible asset with a definite life. It is carried at cost less accumulated amortisation and any impairment losses.

The Company amortises it on a straight-line basis over the remaining period of the subsidiary's agreement for the production and sale of treated water, starting from the acquisition date, (approximately 16 years) and tested for impairment whenever there is an indication that it may be impaired. The amortisation period and the amortisation method for rights to produce and sell treated water are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

4.9 Intangible assets

The intangible assets are assets for maintenance, management project, waste water treatment and sludge management system of the subsidiary are carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life (10 years and 20 years) and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

No amortisation is provided on intangible assets under installation.

4.10 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

a) Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	15 and 20 years
Motor vehicles	1 - 5 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right of use are presented as property, plant and equipment in the financial position.

b) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.11 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of rights to produce and sell treated water. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contribution is recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.16 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

Regular way purchases and sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the settlement date, i.e., the date on which an asset is delivered.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

4.17 Hedge accounting - Cash flow hedges

The associate recognises the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Assets for production of treated water and rights to produce and sell treated water and treat waste water

In determining recognised the amortisation expenses of the assets for the production of treated water, the rights to produce, sell treated water and treat waste water of the Company and the assets that must be transferred at the end of concession of the subsidiary. The Group used the units of production method which required an estimate of the number of units of treated water to be produced in the future, until the end of the concession period or the end of the operation contract or the end of useful live of the assets for the production of treated water of the Company or the end of the concession period of the subsidiary. The management must use judgement to estimate the amount of future production, based on present production volumes, production capacity, demand from customers, economic and industry conditions. This affect the amount of the amortisation expenses.

6. Related party transactions

During the years, the Group 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		
	2022	2021	2022	2021	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	1,166	3,008	Minimum Loan Rate minus stipulated margin per annum
Management income	-	-	19,909	16,527	Based on contract
Dividend income	-	-	600,203	938,386	As declared
Cost of sales and services	-	-	37,902	37,301	Based on contract
<u>Transaction with associate</u>					
Dividend income	-	-	162,461	71,076	As declared
<u>Transactions with related parties</u>					
Sales of treated water	46,681	44,740	46,681	44,740	Based on contract
Service income	3,253	3,136	3,253	3,136	Based on contract
Improvement of machinery, equipment of water supply and distribution system	132,469	256,776	132,469	124,923	Based on contract
Cost of sales and services	6,827	6,691	6,827	6,691	Based on contract
Electricity expenses	15,523	12,913	15,523	12,913	Based on contract
Purchase of raw materials	289	8,457	289	8,457	Selling prices as specified

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Trade and other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	5,010	4,187
Related companies (related by shareholders or committees)	4,040	4,356	4,040	4,356
Total trade and other receivables - related parties	4,040	4,356	9,050	8,543
<u>Advance payment to subcontractor - related party</u>				
Related company (related by committees)	12,967	36,344	12,967	36,344
Total advance payment to subcontractor - related party	12,967	36,344	12,967	36,344
<u>Trade and other payables - related parties (Note 20)</u>				
Subsidiaries	-	-	3,281	3,358
Related companies (related by shareholders or committees)	12,070	10,812	12,055	10,801
Related companies (entities under the group of Companies of the shareholders)	-	1,432	-	1,432
Total trade and other payables - related parties	12,070	12,244	15,336	15,591
<u>Retention payable - subsidiary</u>	-	-	5,000	5,000
	-	-	5,000	5,000

Long-term loans to related party

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

Company's name	Related by	(Unit: Thousand Baht)			
		Separate financial statements			
		Balance as at 1 January 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2022
Pathum Thani Water Company Limited	Subsidiary				
Loan		57,160	-	(57,160)	-
Interest receivable		10	1,166	(1,175)	1
Total		57,170			1

(Unit: Thousand Baht)

	Separate financial statements	
	2022	2021
<u>Long-term loans to related party and interest receivable</u>		
Pathum Thani Water Company Limited		
Loan	-	57,160
Interest receivable	1	10
Total	1	57,170
Less: Current portion and interest receivable	(1)	(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 years ended 31 December 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	
	2022	2021	2022	2021
Short-term employee benefits	58,980	56,713	56,180	50,244
Post-employment benefits	1,864	1,912	1,864	1,912
Total	60,844	58,625	58,044	52,156

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Cash	473	471	121	109
Bank deposits	61,451	66,291	50,780	56,147
Total	61,924	66,762	50,901	56,256

As at 31 December 2022, bank deposits in saving accounts carried interests 0.150% to 0.350% per annum (2021: bank deposits in saving accounts carried interests 0.125% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	4,040	4,348	4,040	4,348
Past due				
Up to 3 months	-	8	-	8
Total trade receivables - related parties	4,040	4,356	4,040	4,356
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	504,841	505,582	343,481	344,281
Past due				
Up to 3 months	1,668	2,302	1,668	2,302
Total trade receivables - unrelated parties	506,509	507,884	345,149	346,583
Total trade receivables	510,549	512,240	349,189	350,939
<u>Other receivables</u>				
Other receivables - related parties	-	-	5,010	4,187
Other receivables - unrelated parties	19,422	19,553	11,221	11,221
Interest receivables - unrelated parties	1,226	1,937	984	1,375
Total other receivables	20,648	21,490	17,215	16,783
Less: Allowance for expected credit losses	(19,422)	(19,553)	(11,221)	(11,221)
Total other receivables - net	1,226	1,937	5,994	5,562
Total trade and other receivables - net	511,775	514,177	355,183	356,501

The normal credit term is 7 days to 25 days.

9. Raw materials and supplies

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Raw materials	6,672	5,465	4,374	3,717
Spare parts	20,933	19,579	10,918	10,803
Total	27,605	25,044	15,292	14,520

10. Other current financial assets

The balances represented investments in open-ended fund, debentures and fixed deposits, carrying interests and return on investments between 0.20% and 0.75% per annum (the Company only: between 0.20% and 0.60% per annum) (2021: between 0.20% and 4.10% per annum (the Company only: between 0.20% and 0.625% 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 26 to the consolidated financial statements.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<u>Debt instruments at amortised cost</u>				
Fixed deposits over 3 months but less than 1 year	565,321	884,309	425,320	744,309
Current portion of debentures	-	9,000	-	-
Total debt instruments at amortised cost	<u>565,321</u>	<u>893,309</u>	<u>425,320</u>	<u>744,309</u>
<u>Financial assets state FVTPL</u>				
Investments in open-ended fund - debt securities	<u>2,735,588</u>	<u>2,703,629</u>	<u>1,442,504</u>	<u>1,900,974</u>
Total financial assets at FVTPL	<u>2,735,588</u>	<u>2,703,629</u>	<u>1,442,504</u>	<u>1,900,974</u>
Total other current financial assets	<u>3,300,909</u>	<u>3,596,938</u>	<u>1,867,824</u>	<u>2,645,283</u>

11. Other non-current financial assets

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2022	2021
<u>Financial assets at FVTPL</u>		
Real estate investment trust	5,000	5,000
Less: Unrealised loss on changes in value of investments	(750)	(650)
Real estate investment trust - net	<u>4,250</u>	<u>4,350</u>
Total financial assets at FVTPL	<u>4,250</u>	<u>4,350</u>
Total other non-current financial assets	<u>4,250</u>	<u>4,350</u>

12. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	2022	2021	2022	2021	2022	2021	2022	2021
			(%)	(%)				
Pathum Thani Water								
Company Limited	1,200,000	1,200,000	98.0	98.0	3,998,310	3,998,310	600,203	938,386
Thai Water Operations								
Company Limited	60,000	60,000	68.5	68.5	700,000	700,000	-	-
					4,698,310	4,698,310	600,203	938,386
Less: Accumulated amortisation of investments in subsidiaries					(3,427,712)	(3,206,218)	-	-
Less: Dividend received from income before purchase of shares					(20,000)	(20,000)	-	-
Total					1,250,598	1,472,092	600,203	938,386

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.

13. 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	
			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	6,648,263	6,219,582
Total					5,218,706	5,218,706	6,648,263	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	
			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

13.1 Share of comprehensive income and dividend received

During the years, the Company has recognised its share of profit (loss) from investment in associate in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Associate	Consolidated financial statements				Separate financial statements	
	Share of profit from investment in associate during the years		Share of loss from investment in associate as presented in other comprehensive income during the years		Dividend received during the years	
	2022	2021	2022	2021	2022	2021
CK Power Public Company Limited	608,568	544,317	(17,426)	(208,620)	162,461	71,076
Total	608,568	544,317	(17,426)	(208,620)	162,461	71,076

13.2 Fair value of investment in listed associate

In respect of investment in associate that is listed company on the Stock Exchange of Thailand, its fair value is as follows:

(Unit: Thousand Baht)

Associate	Fair values as at 31 December	
	2022	2021
CK Power Public Company Limited	9,260,265	10,153,800
Total	9,260,265	10,153,800

13.3 Summarised financial information about material associate

Summarised information about financial position

(Unit: Thousand Baht)

	CK Power Public Company Limited	
	2022	2021
Current assets	10,423,445	9,711,841
Non-current assets	59,422,671	59,265,506
Current liabilities	(4,631,998)	(3,393,985)
Non-current liabilities	(27,274,650)	(29,453,296)
Net assets	37,939,468	36,130,066
Equity attributable to non-controlling interest of the associate	(11,389,601)	(11,296,310)
Net assets of the Company	26,549,867	24,833,756
Shareholding percentage	24.98%	24.98%
Share of net assets	6,632,157	6,203,472
Goodwill	16,106	16,110
Carrying amounts of associate based on equity method	6,648,263	6,219,582

Summarised information about comprehensive income

	(Unit: Thousand Baht)	
	CK Power Public Company Limited	
	For the years ended 31 December	
	2022	2021
Revenue	11,441,869	9,369,493
Profit from continuing operations	2,845,950	2,751,253
Other comprehensive income	(69,759)	(835,146)
Total comprehensive income	2,776,191	1,916,107

14. Property, plant and equipment

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value:				
Property, plant and equipment	914,721	911,753	735,004	730,626
Right-of-use assets (Note 23)	54,590	61,456	49,682	54,697
Total	969,311	973,209	784,686	785,323

Movements of property, plant and equipment for the years ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Construction in progress	Building and building improvement	Furniture and office equipment	Motor vehicles	Tools	Total
Cost:							
As at 1 January 2021	737,631	1,355	81,948	170,523	69,342	29,579	1,090,378
Additions	108,514	-	974	26,083	2,537	1,025	139,133
Disposals/write-offs	-	-	-	(1,697)	(9,230)	(39)	(10,966)
Transfer in (out)	-	(1,355)	-	1,355	-	-	-
Transfer from assets for production of treated water with public sector agency - assets that must be transferred at end of concession of subsidiary	-	-	-	149	-	-	149
Transfer from rights to produce and sell treated water and treat waste water from private sector agency	-	-	-	2,240	-	-	2,240
As at 31 December 2021	846,145	-	82,922	198,653	62,649	30,565	1,220,934
Additions	-	-	797	27,955	6,045	336	35,133
Disposals/write-offs	-	-	-	(3,528)	(2,173)	(1,241)	(6,942)
Transfer from assets for production of treated water with public sector agency - assets that are owned by the Company	-	-	-	137	-	-	137
As at 31 December 2022	846,145	-	83,719	223,217	66,521	29,660	1,249,262
Accumulated depreciation:							
As at 1 January 2021	1,677	-	41,358	129,859	20,121	26,827	219,842
Depreciation for the year	1,677	-	7,352	15,945	12,721	1,106	38,801
Depreciation on disposals/write-offs	-	-	-	(1,655)	(9,229)	(34)	(10,918)
As at 31 December 2021	3,354	-	48,710	144,149	23,613	27,899	247,725
Depreciation for the year	1,677	-	6,576	17,369	12,495	1,002	39,119
Depreciation on disposals/write-offs	-	-	-	(3,496)	(2,172)	(1,225)	(6,893)
As at 31 December 2022	5,031	-	55,286	158,022	33,936	27,676	279,951
Net book value:							
As at 31 December 2021	842,791	-	34,212	54,504	39,036	2,666	973,209
As at 31 December 2022	841,114	-	28,433	65,195	32,585	1,984	969,311
Depreciation for the year							
2021 (Baht 19 million included in cost of sales of treated water and service, and the remaining balance in administrative expenses)							38,801
2022 (Baht 20 million included in cost of sales of treated water and service, and the remaining balance in administrative expenses)							39,119

(Unit: Thousand Baht)

Separate financial statements

	Land	Construction in progress	Building and building improvement	Furniture and office equipment	Motor vehicles	Tools	Total
Cost:							
As at 1 January 2021	682,899	1,355	81,948	119,722	50,966	12,473	949,363
Additions	-	-	974	19,897	2,366	274	23,511
Disposals/write-offs	-	-	-	(1,163)	(7,599)	(30)	(8,792)
Transfer in (out)	-	(1,355)	-	1,355	-	-	-
Transfer from rights to produce and sell treated water and treat waste water from private sector agency	-	-	-	2,240	-	-	2,240
As at 31 December 2021	682,899	-	82,922	142,051	45,733	12,717	966,322
Additions	-	-	797	24,514	6,045	105	31,461
Disposals/write-offs	-	-	-	(1,991)	(2,032)	(76)	(4,099)
Transfer from assets for production of treated water with public sector agency - assets that are owned by the Company	-	-	-	137	-	-	137
As at 31 December 2022	682,899	-	83,719	164,711	49,746	12,746	993,821
Accumulated depreciation:							
As at 1 January 2021	1,677	-	41,358	88,037	14,867	11,905	157,844
Depreciation for the year	1,677	-	7,352	13,133	9,503	249	31,914
Depreciation on disposals/write-offs	-	-	-	(1,136)	(7,599)	(24)	(8,759)
As at 31 December 2021	3,354	-	48,710	100,034	16,771	12,130	180,999
Depreciation for the year	1,677	-	6,576	14,009	9,714	245	32,221
Depreciation on disposals/write-offs	-	-	-	(1,980)	(2,032)	(73)	(4,085)
As at 31 December 2022	5,031	-	55,286	112,063	24,453	12,302	209,135
Net book value:							
As at 31 December 2021	679,545	-	34,212	42,017	28,962	587	785,323
As at 31 December 2022	677,868	-	28,433	52,648	25,293	444	784,686
Depreciation for the year							
2021 (Baht 12 million included in cost of sales of treated water and service, and the remaining balance in administrative expenses)							31,914
2022 (Baht 13 million included in cost of sales of treated water and service, and the remaining balance in administrative expenses)							32,221

As at 31 December 2022, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 166 million (the Company only: Baht 111 million) (2021: Baht 154 million (the Company only: Baht 99 million)).

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

(Unit: Thousand Baht)

	Consolidated / Separate financial statements		
	Water treatment plant and distribution treated water system	Construction in progress	Total
Cost:			
As at 1 January 2021	14,776,089	-	14,776,089
Additions	13,450	88,716	102,166
As at 31 December 2021	14,789,539	88,716	14,878,255
Additions	-	155,846	155,846
Transfer to property, plant and equipment	-	(137)	(137)
As at 31 December 2022	14,789,539	244,425	15,033,964
Accumulated amortisation:			
As at 1 January 2021	5,810,735	-	5,810,735
Amortisation for the year	477,676	-	477,676
As at 31 December 2021	6,288,411	-	6,288,411
Amortisation for the year	464,737	-	464,737
As at 31 December 2022	6,753,148	-	6,753,148
Net book value:			
As at 31 December 2021	8,501,128	88,716	8,589,844
As at 31 December 2022	8,036,391	244,425	8,280,816
Amortisation for the years			
2021			477,676
2022			464,737

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

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land	Water treatment plant and distribution treated water system	Construction in progress	Total
Cost:				
As at 1 January 2021	413,401	6,553,173	184,848	7,151,422
Additions	-	2,543	155,120	157,663
Write-offs	-	(186)	-	(186)
Transfer in (out)	-	339,968	(339,968)	-
Transfer to property, plant and equipment	-	(149)	-	(149)
As at 31 December 2021	413,401	6,895,349	-	7,308,750
Disposals/write-offs	-	(110)	-	(110)
As at 31 December 2022	413,401	6,895,239	-	7,308,640
Accumulated amortisation:				
As at 1 January 2021	365,850	5,439,051	-	5,804,901
Amortisation for the year	17,054	447,958	-	465,012
Amortisation on write-offs	-	(186)	-	(186)
As at 31 December 2021	382,904	5,886,823	-	6,269,727
Amortisation for the year	17,047	565,948	-	582,995
Amortisation on disposals/write-offs	-	(110)	-	(110)
As at 31 December 2022	399,951	6,452,661	-	6,852,612
Net book value:				
As at 31 December 2021	30,497	1,008,526	-	1,039,023
As at 31 December 2022	13,450	442,578	-	456,028
Amortisation for the years				
2021				465,012
2022				582,995

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 the Provincial Waterworks Authority after the end of the 25-year concession to produce and sell treated water. The concession will be expired in October 2023.

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

The net book value of rights to produce and sell treated water and treat waste water from private sector agency as at 31 December 2022 and 2021 are presented below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	Rights	Machinery and equipment	Construction in progress	Total
As at 31 December 2022:				
Cost	1,410,075	154,350	-	1,564,425
Less: Accumulated amortisation/depreciation	(549,743)	(36,230)	-	(585,973)
Net book value	860,332	118,120	-	978,452
As at 31 December 2021:				
Cost	1,410,075	154,350	-	1,564,425
Less: Accumulated amortisation/depreciation	(505,357)	(29,997)	-	(535,354)
Net book value	904,718	124,353	-	1,029,071

A reconciliation of the net book of right to produce and sell treated water and treat waste water from private sector agency for the years 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements			
	Rights	Machinery and equipment	Construction in progress	Total
Net book value as at 1 January 2021	950,211	130,736	671	1,081,618
Addition during period - at cost	-	-	1,569	1,569
Transfer in (out)	-	2,240	(2,240)	-
Transfer to property, plant and equipment	-	(2,240)	-	(2,240)
Amortisation/depreciation for the year	(45,493)	(6,383)	-	(51,876)
Net book value as at 31 December 2021	904,718	124,353	-	1,029,071
Amortisation/depreciation for the year	(44,386)	(6,233)	-	(50,619)
Net book value as at 31 December 2022	860,332	118,120	-	978,452

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

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

(Unit: Thousand Baht)

	Consolidated financial statements	
	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	(3,015,822)	(2,820,876)
Rights to produce and sell treated water from business acquisition, net	<u>153,287</u>	<u>348,233</u>

19. Intangible assets

The net book value of intangible assets as at 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Waste water treatment system	Sludge management system	Total
As at 31 December 2022			
Cost	14,104	12,000	26,104
Less: Accumulated amortisation	(14,104)	(1,800)	(15,904)
Net book value	<u>-</u>	<u>10,200</u>	<u>10,200</u>
As at 31 December 2021			
Cost	14,104	12,000	26,104
Less: Accumulated amortisation	(14,104)	(1,200)	(15,304)
Net book value	<u>-</u>	<u>10,800</u>	<u>10,800</u>

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Waste water treatment system	Sludge management system	Total
Net book value as at 1 January 2021	560	11,399	11,959
Amortisation	(560)	(599)	(1,159)
Net book value as at 31 December 2021	-	10,800	10,800
Amortisation	-	(600)	(600)
Net book value as at 31 December 2022	<u>-</u>	<u>10,200</u>	<u>10,200</u>

20. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Trade payables - related party	-	1,432	3,281	4,790
Trade payables - unrelated parties	32,095	28,401	17,248	14,679
Amounts due to related parties	771	751	756	740
Amounts due to unrelated parties	14,171	12,185	10,696	9,421
Retention payable for contract work - related party	9,576	8,858	9,576	8,858
Retention payable for contract work - unrelated parties	2,438	3,708	1,939	3,192
Accrued expenses - related party	1,723	1,203	1,723	1,203
Accrued expenses - unrelated parties	85,040	73,175	47,805	46,027
Total trade and other payables	145,814	129,713	93,024	88,910

21. Long-term loans

Loan	Interest rate (% per annum)	Repayment schedule	(Unit: Thousand Baht)	
			Consolidated / Separate	
			financial statements	
			2022	2021
1	The 12-month fixed deposit rate + a stipulated margin	Quarterly installments as from June 2020 to June 2026	1,640,000	2,100,000
2	The fixed rate of 1.2% per annum + non-cumulative compounded reference interest rate	Quarterly installments as from July 2022 to April 2027	900,000	-
Total			2,540,000	2,100,000
Less: Current portion			(660,000)	(460,000)
Long-term loans, net of current portion			1,880,000	1,640,000

Movement of long-term loans account during the years ended 31 December 2022 and 2021 is summarised below:

	(Unit: Thousand Baht)	
	Consolidated / Separate	
	financial statements	
	2022	2021
Beginning balance	2,100,000	2,860,000
Add: Additional borrowings	1,000,000	-
Less: Repayment	(560,000)	(760,000)
Ending balance	2,540,000	2,100,000

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.

22. Debentures

						(Unit: Thousand Baht)	
						Consolidated / Separate	
						financial statements	
Debentures	Life	Date of issue	Maturity date	Interest rate	2022	2021	
					(% per annum)		
1	10 years	22 February 2012	22 February 2022	4.60	-	2,000,000	
2	10 years	21 May 2015	21 May 2025	3.98	1,400,000	1,400,000	
3	5 years	1 February 2018	1 February 2023	2.33	1,000,000	1,000,000	
4	7 years 2 months	20 December 2019	20 February 2027	2.41	1,000,000	1,000,000	
Total					3,400,000	5,400,000	
Less: Current portion of debentures					(1,000,000)	(2,000,000)	
Less: Deferred debenture issuing costs					(1,575)	(2,193)	
Debentures, net of current portion					2,398,425	3,397,807	

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.

23. Leases

The Group as a lessee

The Group has lease contracts in its operations. Land leases have lease terms of 15 and 20 years and motor vehicles leases have lease terms between 1 - 5 years.

a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Motor		Total	Motor		Total
	Land	vehicles		Land	vehicles	
As at 1 January 2021	28,693	44,249	72,942	28,693	35,208	63,901
Additions	-	1,679	1,679	-	1,679	1,679
Depreciation for the year	(1,677)	(11,488)	(13,165)	(1,677)	(9,206)	(10,883)
As at 31 December 2021	27,016	34,440	61,456	27,016	27,681	54,697
Additions	-	5,992	5,992	-	5,992	5,992
Depreciation for the year	(1,677)	(11,181)	(12,858)	(1,677)	(9,330)	(11,007)
As at 31 December 2022	25,339	29,251	54,590	25,339	24,343	49,682

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Lease payments	65,618	72,585	60,002	64,854
Less: Deferred interest expenses	(8,949)	(10,478)	(8,536)	(9,728)
Total	56,669	62,107	51,466	55,126
Less: Portion due within one year	(11,285)	(11,060)	(9,451)	(9,282)
Lease liabilities - net of current portion	45,384	51,047	42,015	45,844

c) Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	12,858	13,165	11,007	10,883
Interest expense on lease liabilities	2,456	2,863	2,120	2,417
Expense relating to short-term leases	36,612	35,370	36,197	35,076
Expense relating to leases of low-value assets	164	210	-	-

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 51 million, (2021: Baht 50 million) (the Company only: Baht 48 million (2021: Baht 47 million)), including the cash outflow related to short-term lease and leases of low-value assets.

24. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Provision for long-term employee benefits				
at beginning of year	73,379	62,271	47,816	35,698
Included in profit or loss:				
Current service cost	7,670	7,301	4,678	4,533
Interest cost	1,449	1,285	882	786
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	1,143	-	248
Financial assumptions changes	-	(1,661)	-	(360)
Experience adjustments	-	4,430	-	8,094
Benefits paid during the year	(789)	(1,390)	-	(1,183)
Provision for long-term employee benefits				
at end of year	<u>81,709</u>	<u>73,379</u>	<u>53,376</u>	<u>47,816</u>

The Group does not expect to pay of long-term employee benefits during the next year.

As at 31 December 2022 and 2021, the weighted average duration of the liabilities for long-term employee benefits is 10.54 - 15.76 years (the Company only: 10.54 years).

Significant actuarial assumptions are summarised below:

	(Unit: % per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Discount rate	1.80 - 2.29	1.80 - 2.29	1.80	1.80
Salary increase rate	5.0	5.0	5.0	5.0
Turnover rate	0 - 9.0	0 - 9.0	0 - 8.0	0 - 8.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2022			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(5,102)	5,855	(2,700)	3,070
Salary increase rate	6,362	(5,663)	3,428	(3,086)
Turnover rate	(5,378)	3,441	(2,832)	1,709

(Unit: Thousand Baht)

	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(4,873)	5,600	(2,631)	2,995
Salary increase rate	5,285	(4,706)	2,818	(2,533)
Turnover rate	(5,137)	3,318	(2,761)	1,675

25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

26. 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.

27. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Salaries, wages and other employee benefits	207,660	195,529	117,167	105,143
Depreciation and amortisation	504,455	517,637	496,957	509,590
Amortisation of assets for production of treated water that must be transferred at end of concession	582,995	465,012	-	-
Amortisation of investments in subsidiaries	-	-	221,494	221,494
Operating and maintenance expenses	-	-	37,902	37,301
Production and maintenance cost	720,562	702,130	412,110	423,863

28. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current income tax:				
Current income tax charge	647,660	642,313	477,674	476,244
Deferred tax:				
Relating to origination and reversal of temporary differences	8,877	8,647	15,183	14,191
Income tax expenses reported in profit or loss	<u>656,537</u>	<u>650,960</u>	<u>492,857</u>	<u>490,435</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax on share of other comprehensive income from associate	(4,356)	(52,155)	-	-
Deferred tax on actuarial loss	-	(782)	-	(1,596)
	<u>(4,356)</u>	<u>(52,937)</u>	<u>-</u>	<u>(1,596)</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Accounting profit before tax	3,635,311	3,770,934	3,012,647	3,239,762
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	727,062	754,187	602,529	647,952
Effects of:				
Promotional privileges (Note 29)	-	(41,428)	-	-
Non-deductible expenses	47,843	48,718	44,603	45,296
Additional expense deductions allowed	(1,463)	(2,070)	(1,401)	(1,986)
Exemption of income	-	-	(152,533)	(201,892)
Effect of elimination entry on the consolidated financial statements	(129,877)	(117,124)	-	-
Others	12,972	8,677	(341)	1,065
Total	(70,525)	(103,227)	(109,672)	(157,517)
Income tax expenses reported in profit or loss	656,537	650,960	492,857	490,435

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Statements of financial position as at 31 December			
	2022	2021	2022	2021
Deferred tax assets				
Allowance for expected credit losses	3,884	3,910	2,244	2,244
Provision for long-term employee benefits	16,342	14,675	10,675	9,563
Unrealised fair value loss on investment	116	121	-	-
Leases	416	130	357	86
Total	20,758	18,836	13,276	11,893
Deferred tax liabilities				
Accumulated depreciation - assets for production of treated water	(119,488)	(102,967)	(119,488)	(102,967)
Accumulated amortisation - rights to produce and sell treated water and treat waste water	(16,533)	(15,862)	(16,533)	(15,862)
Accumulated depreciation - assets for production of treated water that must be transferred at end of concession of subsidiary	(11,774)	(17,000)	-	-
Unrealised fair value gain on investments	(852)	(1,029)	(411)	(904)
Deferred debenture issuing costs	(306)	(439)	(306)	(439)
Fair value adjustment of assets for production of treated water that must be transferred at end of concession regarding business combination	(674)	(1,531)	-	-
Total	(149,627)	(138,828)	(136,738)	(120,172)
Net	(128,869)	(119,992)	(123,462)	(108,279)

29. Promotional privileges

- a) The Company received promotional privileges from the Board of Investment for production of treated water, pursuant to the investment promotion certificate No. 59-0683-1-00-1-0 issued on 29 February 2016. Subject to certain imposed conditions, the main privileges include the following:
- Exemption from import duty on imported machinery under specified conditions.
 - Exemption from corporate income tax on net profit from the promoted operations for a period of five years from the date the promoted operations begin generating revenues (31 March 2019).
- b) The subsidiary received the promotional privileges extension for a period of eight years according to investment promotional privileges for restore investment after the floods, pursuant to the investment promotion certificate No. 5187(2)/2556 (replacing earlier investment promotion certificate No. 1451(2)/2551) and during the year 2015, the subsidiary received promotional privileges from the Board of Investment for expand production of treated water, pursuant to the investment promotion certificate No. 59-0392-1-00-1-0 issued on 1 September 2015. Subject to certain imposed conditions, the main privileges include the following:
- Exemption of import duty on imported machinery under specified conditions.
 - Exemption from corporate income tax on net profit from the promoted operations for a period of five years from the date the promoted operations begin generating revenues (1 December 2017).

All tax privileges of the subsidiary have ended during the year 2022.

The Group's operating revenues for the years ended 31 December 2022 and 2021, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2022	2021	2022	2021	2022	2021
Sales of treated water	-	419,554	5,574,938	5,262,846	5,574,938	5,682,400

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2022	2021	2022	2021	2022	2021
Sales of treated water	-	630	3,866,918	3,924,668	3,866,918	3,925,298

30. Basic earnings per share

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

31. 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 to the aforementioned reportable operating segment and geographic area.

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customer

For the year 2022, the Group has revenue from a major customer in amount of Baht 5,378 million (2021: Baht 5,480 million) accounted for 94% of total revenues of the Group.

32. Provident fund

The Group and its employees have established provident funds jointly with their employees in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiaries and their employees contribute to the funds monthly at the rates of 5.0% - 15.0% of basic salary. The funds, which are managed by Kasikorn Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 10 million (the Company only: Baht 6 million) (2021: Baht 10 million (the Company only: Baht 5 million)) were recognised as expenses.

33. 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 shareholders on 8 April 2021	1,196,556	0.30
Dividends from the earnings of the non-promoted operations for January to June 2021	Board of Directors' meeting on 26 August 2021	1,196,967	0.30
Total dividends for 2021		2,393,523	0.60
Dividends from the earnings of the non-promoted operations for July to December 2021	Annual General Meeting of shareholders on 11 April 2022	1,196,999	0.30
Dividends from the earnings of the non-promoted operations for January to June 2022	Board of Directors' meeting on 23 August 2022	1,196,999	0.30
Total dividends for 2022		2,393,998	0.60

34. Commitments and contingent liabilities

34.1 Capital commitments

As at 31 December 2022, the Company had capital commitments of Baht 79 million (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 and other system improvement projects.

34.2 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 31 December 2022, the Group had commitments totaling Baht 30 million (the Company only: Baht 20 million) (2021: Baht 28 million (the Company only: Baht 22 million)) under other service agreements.

34.3 Bank guarantees

As at 31 December 2022, there were outstanding bank guarantees of Baht 301 million (the Company only: Baht 111 million) (2021: 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:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Guarantee under the Water Purchase Agreement				
with the Provincial Waterworks Authority	230,650	230,650	63,000	63,000
Guarantee electricity use	70,555	69,097	48,178	46,894
Guarantee for others	101	101	101	101
Total	<u>301,306</u>	<u>299,848</u>	<u>111,279</u>	<u>109,995</u>

35. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	As at 31 December 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	-	2,735,588	-	2,735,588
Real estate investment trust	4,250	-	-	4,250
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Investment in associate	9,260,265	-	-	9,260,265
Liabilities for which fair value are disclosed				
Debentures	-	3,443,018	-	3,443,018

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2021

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Financial assets measured at FVTPL				
Investments in open-ended fund - debt securities	-	2,703,629	-	2,703,629
Real estate investment trust	4,350	-	-	4,350
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Investment in associate	10,153,800	-	-	10,153,800
Current portion of debt investments - debentures	-	9,058	-	9,058
Liabilities for which fair value are disclosed				
Debentures	-	5,550,559	-	5,550,559

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2022

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Financial assets measured at FVTPL				
Investments in open-ended fund - debt securities	-	1,442,504	-	1,442,504
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Investment in associate	9,260,265	-	-	9,260,265
Liabilities for which fair value are disclosed				
Debentures	-	3,443,018	-	3,443,018

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2021

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Financial assets measured at FVTPL				
Investments in open-ended fund - debt securities	-	1,900,974	-	1,900,974
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Investment in associate	10,153,800	-	-	10,153,800
Liabilities for which fair value are disclosed				
Debentures	-	5,550,559	-	5,550,559

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

36. Financial instruments

36.1 Financial risk management

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, long-term loans to related party, investments, trade and other payables, long-term loans and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivables and there is a high concentration of risk since the Group has only one major customer, the Provincial Waterworks Authority. However, because the Provincial Waterworks Authority is a government agency, the Group does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposures to interest rate risk relate primarily to their cash at banks, other current financial assets, long-term loans to related party, other non-current financial assets, long-term loans and debentures. However, since most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

	2022						
	Consolidated financial statements						
	Fixed interest rates			Floating	Non-interest	Total	Effective interest rate (% per annum)
Within 1 year	1 - 5 years	Over 5 years	interest rate	bearing			
Financial assets							
Cash and cash equivalents	-	-	-	50,126	11,798	61,924	0.15 - 0.35
Trade and other receivables	-	-	-	-	511,775	511,775	-
Other current financial assets	565,321	-	-	-	2,735,588	3,300,909	0.20 - 0.75
Other non-current financial assets	-	-	-	-	4,250	4,250	-
	565,321	-	-	50,126	3,263,411	3,878,858	
Financial liabilities							
Trade and other payables	-	-	-	-	145,814	145,814	-
Long-term loans	-	-	-	2,540,000	-	2,540,000	2.225 - 2.318
Debentures	1,000,007	2,398,418	-	-	-	3,398,425	2.33 - 3.98
	1,000,007	2,398,418	-	2,540,000	145,814	6,084,239	

(Unit: Thousand Baht)

2021

Consolidated financial statements

	Fixed interest rates			Floating		Total	Effective interest rate (% per annum)
	Within	1 - 5	Over	interest	Non-interest		
	1 year	years	5 years	rate	bearing		
Financial assets							
Cash and cash equivalents	-	-	-	46,673	20,089	66,762	0.125
Trade and other receivables	-	-	-	-	514,177	514,177	-
Other current financial assets	893,309	-	-	-	2,703,629	3,596,938	0.20 - 4.10
Other non-current financial assets	-	-	-	-	4,350	4,350	-
	<u>893,309</u>	<u>-</u>	<u>-</u>	<u>46,673</u>	<u>3,242,245</u>	<u>4,182,227</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	129,713	129,713	-
Long-term loans	-	-	-	2,100,000	-	2,100,000	1.875 - 2.950
Debentures	2,000,060	2,398,641	999,106	-	-	5,397,807	2.33 - 4.60
	<u>2,000,060</u>	<u>2,398,641</u>	<u>999,106</u>	<u>2,100,000</u>	<u>129,713</u>	<u>7,627,520</u>	

(Unit: Thousand Baht)

2022

Separate financial statements

	Fixed interest rates			Floating		Total	Effective interest rate (% per annum)
	Within	1 - 5	Over	interest	Non-interest		
	1 year	years	5 years	rate	bearing		
Financial assets							
Cash and cash equivalents	-	-	-	39,553	11,348	50,901	0.15 - 0.35
Trade and other receivables	-	-	-	-	355,183	355,183	-
Other current financial assets	425,320	-	-	-	1,442,504	1,867,824	0.20 - 0.60
	<u>425,320</u>	<u>-</u>	<u>-</u>	<u>39,553</u>	<u>1,809,036</u>	<u>2,273,909</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	93,024	93,024	-
Long-term loans	-	-	-	2,540,000	-	2,540,000	2.225 - 2.318
Debentures	1,000,007	2,398,418	-	-	-	3,398,425	2.33 - 3.98
	<u>1,000,007</u>	<u>2,398,418</u>	<u>-</u>	<u>2,540,000</u>	<u>93,024</u>	<u>6,031,449</u>	

2021

	Separate financial statements						
	Fixed interest rates			Floating		Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	36,627	19,629	56,256	0.125
Trade and other receivables	-	-	-	-	356,501	356,501	-
Other current financial assets	744,309	-	-	-	1,900,974	2,645,283	0.200 - 0.625
Long-term loans to related party	-	-	-	57,170	-	57,170	3.25
	<u>744,309</u>	<u>-</u>	<u>-</u>	<u>93,797</u>	<u>2,277,104</u>	<u>3,115,210</u>	
Financial liabilities							
Trade and other payables	-	-	-	-	88,910	88,910	-
Long-term loans	-	-	-	2,100,000	-	2,100,000	1.875 - 2.950
Debentures	<u>2,000,060</u>	<u>2,398,641</u>	<u>999,106</u>	<u>-</u>	<u>-</u>	<u>5,397,807</u>	2.33 - 4.60
	<u>2,000,060</u>	<u>2,398,641</u>	<u>999,106</u>	<u>2,100,000</u>	<u>88,910</u>	<u>7,586,717</u>	

Foreign currency risk

The Group does not consider themselves exposed to foreign currency risk because they have no significant foreign currency transactions.

36.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

37. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2022, the Group's debt-to-equity ratio was 0.46:1 (2021: 0.59:1) and the Company's was 0.53:1 (2021: 0.67:1).

38. Events after the reporting period

On 21 February 2023, a meeting of the Company's Board of Directors passed a resolution to propose a dividend payment for the year 2022 of Baht 0.60 per share, of which Baht 0.30 per share was paid as an interim dividend and the remaining dividend payment will be Baht 0.30 per share. Dividend payment is subject to the approval of shareholders.

39. Approval of financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 21 February 2023.