

**EASTERN WATER RESOURCES DEVELOPMENT AND
MANAGEMENT PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION
(UNAUDITED)**

30 JUNE 2023

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and Board of Directors of Eastern Water Resources Development and Management Public Company Limited

I have reviewed the interim consolidated financial information of Eastern Water Resources Development and Management Public Company Limited and its subsidiaries, and the interim separate financial information of Eastern Water Resources Development and Management Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2023, the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated and separate statements of changes in equity, and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

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

Conclusion

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

Emphasis of matter

I draw your attention to Note 19 to the interim financial information regarding compensation for pipeline project. The Company paid compensation at a preliminary rate for two water pipeline projects which the compensation may be subject to change. My conclusion is not modified in respect of this matter.

PricewaterhouseCoopers ABAS Ltd.

Vichien Khingmontri
Certified Public Accountant (Thailand) No. 3977
Bangkok
9 August 2023

Eastern Water Resources Development and Management Public Company Limited

Statement of Financial Position

As at 30 June 2023

(Unit: Baht'000)

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
Assets					
Current assets					
Cash and cash equivalents		133,789	90,933	22,639	11,761
Financial assets measured at amortised cost	8	846,942	709,474	270,922	120,610
Trade and other receivables	9	523,357	416,110	355,359	277,944
Inventories		43,183	70,902	28,196	55,195
Current portion of long-term loan to a subsidiary	17.5	-	-	400,000	400,000
Other current assets		145,071	136,916	123,112	111,472
Total current assets		1,692,342	1,424,335	1,200,228	976,982
Non-current assets					
Restricted deposits at financial institutions		5,017	5,000	-	-
Investment in a subsidiary		-	-	510,000	510,000
Long-term loan to a subsidiary	17.5	-	-	400,000	400,000
Investment property - net		179,419	182,922	147,169	150,979
Property, plant and equipment - net	10	20,437,294	19,299,037	20,260,346	19,111,537
Right-of-use assets - net	11	278,619	286,111	227,855	231,461
Goodwill		103,283	103,283	-	-
Intangible assets - net	10	2,773,528	2,934,262	128,807	135,553
Deferred tax assets - net		16,544	14,310	-	-
Other non-current assets	12	760,042	848,534	720,940	811,165
Total non-current assets		24,553,746	23,673,459	22,395,117	21,350,695
Total assets		26,246,088	25,097,794	23,595,345	22,327,677

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The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Financial Position (continued)

As at 30 June 2023

		(Unit: Baht'000)			
		Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
Notes		2023	2022	2023	2022
Liabilities and equity					
Current liabilities					
Short-term borrowings from					
financial institutions	13.1	1,085,000	1,780,000	680,000	1,215,000
Bills of exchange	13.2	499,205	-	499,205	-
Trade and other payables	14	157,626	238,428	155,965	197,562
Current portion of long-term borrowings					
from financial institutions	13.3	1,625,000	1,306,500	1,625,000	1,306,500
Current portion of lease liabilities	13.5	38,623	32,786	26,745	23,065
Income tax payable		56,547	41,180	23,256	12,392
Accrued expenses		159,107	173,851	122,927	139,998
Other current liabilities		138,290	134,418	79,445	76,818
Total current liabilities		3,759,398	3,707,163	3,212,543	2,971,335
Non-current liabilities					
Long-term borrowings from					
financial institutions	13.3	5,092,500	5,977,500	5,092,500	5,977,500
Debentures	13.4	4,345,291	2,797,107	4,345,291	2,797,107
Lease liabilities	13.5	283,325	288,748	244,616	244,764
Deferred tax liabilities - net		295,890	305,451	96,138	91,796
Employee benefit obligations		203,270	195,735	139,035	134,646
Long-term provisions		56,112	53,617	-	-
Other non-current liabilities		560,913	204,809	547,306	191,308
Total non-current liabilities		10,837,301	9,822,967	10,464,886	9,437,121
Total liabilities		14,596,699	13,530,130	13,677,429	12,408,456

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Financial Position (continued)

As at 30 June 2023

	(Unit: Baht'000)			
	Consolidated		Separate	
	financial information		financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2023	2022	2023	2022
Liabilities and equity (continued)				
Equity				
Share capital				
Registered share capital				
Ordinary shares, 1,663,725,149 shares of par Baht 1 each	1,663,725	1,663,725	1,663,725	1,663,725
Issued and paid-up share capital				
Ordinary shares, 1,663,725,149 shares of par Baht 1 each	1,663,725	1,663,725	1,663,725	1,663,725
Share premium	2,138,522	2,138,522	2,138,522	2,138,522
Retained earnings				
Appropriated - legal reserve	166,500	166,500	166,500	166,500
- concession reserve	503,765	485,993	62,248	59,353
Unappropriated	7,027,510	6,959,680	5,886,921	5,891,121
Equity attributable to owners of the Company	11,500,022	11,414,420	9,917,916	9,919,221
Non-controlling interests	149,367	153,244	-	-
Total equity	11,649,389	11,567,664	9,917,916	9,919,221
Total liabilities and equity	26,246,088	25,097,794	23,595,345	22,327,677

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 30 June 2023

	Consolidated		(Unit: Baht'000)	
	financial information		Separate	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2023	2022	2023	2022
Revenues				
Sales - raw water	681,274	716,249	686,026	723,839
Sales - tap water	386,005	356,828	99,819	90,845
Sales - industrial water	45,957	16,090	45,957	16,090
Construction revenue under concession agreements	15,811	26,761	-	-
Rental and service income	39,275	35,060	23,961	22,625
Total sales and service income	1,168,322	1,150,988	855,763	853,399
Other income	12,532	53,695	36,767	88,892
Total revenues	1,180,854	1,204,683	892,530	942,291
Expenses				
Cost of sales - raw water	(407,078)	(354,619)	(411,691)	(360,817)
Cost of sales - tap water	(266,692)	(246,135)	(97,454)	(80,757)
Cost of sales - industrial water	(45,936)	(33,414)	(51,578)	(33,414)
Construction cost under concession agreements	(15,811)	(26,761)	-	-
Cost of rental and services	(31,392)	(29,676)	(22,995)	(19,451)
Total cost of sales and services	(766,909)	(690,605)	(583,718)	(494,439)
Selling expenses	(2,276)	(2,898)	(1,899)	(2,223)
Administrative expenses	(211,084)	(135,597)	(173,117)	(101,645)
Finance costs	(77,547)	(64,817)	(73,785)	(62,884)
Total expenses	(1,057,816)	(893,917)	(832,519)	(661,191)
Profit before income tax	123,038	310,766	60,011	281,100
Income tax	(34,082)	(55,044)	(18,951)	(44,505)
Profit for the period	88,956	255,722	41,060	236,595

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statement of Comprehensive Income (continued)
For the three-month period ended 30 June 2023

	(Unit: Baht'000)			
	Consolidated		Separate	
	financial information		financial information	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2023	2022	2023	2022
Other comprehensive income :				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Assets transferred from customers	-	(383)	-	(383)
Other comprehensive income for the period, net of tax	-	(383)	-	(383)
Total comprehensive income for the period	88,956	255,339	41,060	236,212
Profit attributable to				
Owners of the Company	86,228	253,633	41,060	236,595
Non-controlling interests	2,728	2,089	-	-
	88,956	255,722	41,060	236,595
Total comprehensive income attributable to				
Owners of the Company	86,228	253,250	41,060	236,212
Non-controlling interests	2,728	2,089	-	-
	88,956	255,339	41,060	236,212
Earnings per share (Baht)				
Basic earnings per share	0.05	0.15	0.02	0.14

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statement of Comprehensive Income
For the six-month period ended 30 June 2023

		(Unit: Baht'000)			
		Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Notes		2023	2022	2023	2022
Revenues	17.2				
Sales - raw water		1,367,421	1,448,432	1,378,560	1,462,169
Sales - tap water		749,991	689,551	192,050	173,409
Sales - industrial water		68,139	29,476	68,139	29,476
Construction revenue under concession agreements		20,148	47,760	-	-
Rental and service income		75,778	73,232	47,895	44,696
Total sales and service income		2,281,477	2,288,451	1,686,644	1,709,750
Other income		24,285	60,008	52,604	103,001
Total revenues		2,305,762	2,348,459	1,739,248	1,812,751
Expenses	17.2				
Cost of sales - raw water		(784,148)	(691,523)	(794,580)	(702,322)
Cost of sales - tap water		(537,099)	(477,764)	(189,353)	(155,064)
Cost of sales - industrial water		(85,199)	(54,353)	(90,573)	(54,353)
Construction cost under concession agreements		(20,148)	(47,760)	-	-
Cost of rental and services		(62,407)	(63,909)	(45,098)	(38,783)
Total cost of sales and services		(1,489,001)	(1,335,309)	(1,119,604)	(950,522)
Selling expenses		(4,651)	(5,291)	(4,022)	(4,064)
Administrative expenses		(355,054)	(262,837)	(280,554)	(191,552)
Finance costs		(150,687)	(120,147)	(143,298)	(116,216)
Total expenses		(1,999,393)	(1,723,584)	(1,547,478)	(1,262,354)
Profit before income tax		306,369	624,875	191,770	550,397
Income tax	15	(65,639)	(115,696)	(43,342)	(97,435)
Profit for the period		240,730	509,179	148,428	452,962

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited
Statement of Comprehensive Income (continued)
For the six-month period ended 30 June 2023

	Consolidated		(Unit: Baht'000)	
	financial information		Separate	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2023	2022	2023	2022
Other comprehensive income :				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Assets transferred from customers	-	(1,230)	-	(1,230)
Other comprehensive income for the period, net of tax	-	(1,230)	-	(1,230)
Total comprehensive income for the period	240,730	507,949	148,428	451,732
Profit attributable to				
Owners of the Company	235,335	505,610	148,428	452,962
Non-controlling interests	5,395	3,569	-	-
	240,730	509,179	148,428	452,962
Total comprehensive income attributable to				
Owners of the Company	235,335	504,380	148,428	451,732
Non-controlling interests	5,395	3,569	-	-
	240,730	507,949	148,428	451,732
Earnings per share (Baht)				
Basic earnings per share	0.14	0.30	0.09	0.27

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Changes in Equity

For the six-month period ended 30 June 2023

(Unit: Baht'000)										
Consolidated financial information										
(Unaudited)										
Attributable to owners of the parent										
Note	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other components of equity		Total owners of the Company	Non-controlling interests	Total equity
			Appropriated - legal reserve	Appropriated - concession reserve	Unappropriated	Assets transferred from customers-net	Total other components of equity			
Opening balance as at 1 January 2022	1,663,725	2,138,522	166,500	454,235	6,842,650	1,230	1,230	11,266,862	160,098	11,426,960
Dividend paid	-	-	-	-	(399,290)	-	-	(399,290)	(7,190)	(406,480)
Appropriation of concession reserve	-	-	-	16,938	(16,938)	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	505,610	(1,230)	(1,230)	504,380	3,569	507,949
Closing balance as at 30 June 2022	1,663,725	2,138,522	166,500	471,173	6,932,032	-	-	11,371,952	156,477	11,528,429
Opening balance as at 1 January 2023	1,663,725	2,138,522	166,500	485,993	6,959,680	-	-	11,414,420	153,244	11,567,664
Dividend paid	16	-	-	-	(149,733)	-	-	(149,733)	(9,272)	(159,005)
Appropriation of concession reserve	-	-	-	17,772	(17,772)	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	235,335	-	-	235,335	5,395	240,730
Closing balance as at 30 June 2023	1,663,725	2,138,522	166,500	503,765	7,027,510	-	-	11,500,022	149,367	11,649,389

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Changes in Equity (continued)

For the six-month period ended 30 June 2023

(Unit: Baht'000)								
(Unaudited)								
Separate financial information						Other components of equity		
Note	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other comprehensive income		Total equity
			Appropriated - legal reserve	Appropriated - concession reserve	Unappropriated	Assets transferred from customers-net	Total other components of equity	
Opening balance as at 1 January 2022	1,663,725	2,138,522	166,500	55,838	5,862,649	1,230	1,230	9,888,464
Dividend paid	-	-	-	-	(399,290)	-	-	(399,290)
Appropriation of concession reserve	-	-	-	3,917	(3,917)	-	-	-
Total comprehensive income for the period	-	-	-	-	452,962	(1,230)	(1,230)	451,732
Closing balance as at 30 June 2022	<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>59,755</u>	<u>5,912,404</u>	<u>-</u>	<u>-</u>	<u>9,940,906</u>
Opening balance as at 1 January 2023	1,663,725	2,138,522	166,500	59,353	5,891,121	-	-	9,919,221
Dividend paid	16	-	-	-	(149,733)	-	-	(149,733)
Appropriation of concession reserve	-	-	-	2,895	(2,895)	-	-	-
Total comprehensive income for the period	-	-	-	-	148,428	-	-	148,428
Closing balance as at 30 June 2023	<u>1,663,725</u>	<u>2,138,522</u>	<u>166,500</u>	<u>62,248</u>	<u>5,886,921</u>	<u>-</u>	<u>-</u>	<u>9,917,916</u>

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Cash Flows

For the six-month period ended 30 June 2023

(Unit: Baht'000)					
		Consolidated financial information		Separate financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Note	2023	2022	2023	2022
Cash flows from operating activities					
Profit before income tax		306,369	624,875	191,770	550,397
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities					
Bad debt expenses		198	57	206	55
Depreciation		357,898	347,976	339,516	326,838
Amortisation of intangible assets	10	182,462	175,291	9,668	7,224
Income from amortisation of assets transferred from customers		-	(1,230)	-	(1,230)
Loss on impairment of fixed assets	10	101,605	-	101,605	
Losses on disposal/write-off of fixed assets		1,883	414	537	181
Long-term provisions		3,077	2,887	-	-
Employee benefit obligations		11,070	13,165	7,541	9,219
Dividend income		-	-	(24,378)	(32,487)
Interest income		(6,776)	(3,161)	(13,553)	(17,205)
Interest expenses		150,003	114,934	142,615	111,007
Profit from operating activities before changes in working capital					
Changes in working capital		1,107,789	1,275,208	755,527	953,999
Trade and other receivables		(107,445)	(42,619)	(77,621)	(24,065)
Inventories		27,719	8,660	26,999	10,457
Other current assets		(12,745)	10,256	(11,465)	8,365
Other non-current assets		(222)	(1,237)	(197)	465
Trade and other payables		(57,091)	(71,150)	(26,358)	(24,832)
Accrued expenses		(35,398)	(12,290)	(37,726)	(20,270)
Other current liabilities		4,678	(128)	2,629	(5,531)
Employee benefit obligations - paid		(3,536)	(10,401)	(3,151)	(8,104)
Long-term provisions - paid		(582)	-	-	-
Other non-current liabilities		27,557	(18,375)	27,451	(16,470)
Cash provided by operations		950,724	1,137,924	656,088	874,014
Income tax paid		(72,395)	(121,103)	(28,136)	(81,314)
Income tax received		14,918	-	-	-
Net cash generated from operating activities					

The accompanying notes are an integral part of this interim financial information.

Eastern Water Resources Development and Management Public Company Limited

Statement of Cash Flows (continued)

For the six-month period ended 30 June 2023

		(Unit: Baht'000)			
		Consolidated		Separate	
		financial information		financial information	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Notes		2023	2022	2023	2022
Cash flows from investing activities					
		(17)	-	-	-
Increase in restricted deposits at financial institutions					
Payment for financial assets measured at amortised cost		(360,692)	(368,251)	(150,312)	(446)
Proceeds from disposal of financial assets					
measured at amortised cost		223,224	392,165	-	-
Interest received		5,093	3,445	13,378	17,246
Dividend received from a subsidiary		-	-	24,378	32,487
Proceeds from disposal of fixed assets		7,229	3,140	7,220	3,140
Payment for fixed assets					
and advance for construction		(1,135,531)	(401,592)	(1,129,996)	(392,227)
Payment for intangible assets		(28,506)	(84,042)	(2,923)	(21,701)
Interest paid capitalised in qualifying assets		(38,798)	(23,470)	(38,798)	(23,470)
Net cash used in investing activities		(1,327,998)	(478,605)	(1,277,053)	(384,971)
Cash flows from financing activities					
Proceeds from short-term borrowings from					
financial institutions	13.1	2,205,000	679,000	1,215,000	294,000
Payment for short-term borrowings from					
financial institutions	13.1	(2,900,000)	(597,000)	(1,750,000)	(147,000)
Proceeds from bills of exchange	13.2	995,081	-	995,081	-
Payment for bills of exchange	13.2	(500,000)	-	(500,000)	-
Proceeds from long-term borrowings from					
financial institutions		-	1,490,000	-	1,490,000
Payment for long-term borrowings from					
financial institutions	13.3	(566,500)	(2,148,000)	(566,500)	(2,148,000)
Proceeds from debentures	13.4	1,550,000	1,600,000	1,550,000	1,600,000
Payment for issuing cost of debentures	13.4	(2,224)	(2,631)	(2,224)	(2,631)
Payment for debentures		-	(1,200,000)	-	(1,200,000)
Payments for lease liabilities		(7,778)	(8,274)	(2,870)	(65)
Dividend paid		(159,007)	(406,352)	(149,735)	(399,165)
Interest paid		(136,965)	(118,520)	(128,773)	(114,603)
Net cash generated from (used in) financing activities		477,607	(711,777)	659,979	(627,464)
Net increase (decrease) in cash and cash equivalents		42,856	(173,561)	10,878	(219,735)
Cash and cash equivalents at the beginning of the period		90,933	293,434	11,761	238,314
Cash and cash equivalents at the end of the period		133,789	119,873	22,639	18,579
Supplemental cash flow information					
Non-cash transactions:					
Purchase of fixed assets and intangible assets					
on payable		12,822	106,578	14,495	105,981
Acquisition of right-of-use assets under lease liabilities		8,180	101	6,402	101

The accompanying notes are an integral part of this interim financial information.

1 General information

Eastern Water Resources Development and Management Public Company Limited (“the Company”) is a public limited company. It is incorporated in Thailand. The address of the Company’s registered office is as follows:

23rd - 26th Floors, East Water Building, No. 1 Soi Vipavadeerangsit 5, Vipavadeerangsit Road, Jomphol Sub-district, Chatujak District, Bangkok 10900.

The principal business operations of the Company and its subsidiaries (“the Group”) are development and management of the major water distribution pipeline systems in the Eastern Seaboard area of Thailand, supply of raw water, produce and supply of tap water.

This interim financial information was authorised on 9 August 2023 by the Audit Committee of the Company under authority delegated by the Company’s Board of Directors.

This interim financial information has been reviewed, not audited.

2 Significant events during the current period

The participant in the selection of a private sector to manage the water distribution pipeline business

On 30 July 2021, the Company has participated in the selection of a private sector according to the government agency’s invitation letter dated 16 July 2021 to manage and operate the main water distribution pipeline business in the Eastern region which covers 1) Dok Krai Water Pipeline Project, 2) Nong Pla Lai-Nong Khor Pipeline Project and 3) Nong Khor-Laem Chabang Pipeline Project (Phase 2) in response to the government agency’s selection process according to the Ratchaphatsadu Land Act BE 2562 (2019) and the Ministerial Regulation of the Ratchaphatsadu Land Act BE 2564 (2021) in order to manage and operate the main water distribution pipeline business in the Eastern region. The Company already submitted the proposal on 9 August 2021. After that, on 26 August 2021, the government agency issued a letter noticing of cancellation of the aforementioned private selection proposal and invited the Company to resubmit the proposal on 10 September 2021, of which the Company had already submitted the proposal to participate in this new selection on 28 September 2021.

On 29 March 2022, the government agency issued the letter on the selection results that another private company had been granted the right to manage and operate the water pipeline business. It also specified the process of preparing a summary of delivery assets for Nong Pla Lai-Nong Khor Pipeline Project and Nong Khor-Laem Chabang Pipeline Project (Phase 2) to the government agency.

On 23 September 2021, on 23 March 2022 and on 4 November 2022, the Company filed a lawsuit against the government agency and related committees with the Central Administrative Court to issue the following judgment:

- 1) Revoke the resolution or order informing the cancellation of the private sector selection according to the private sector invitation letter dated 16 July 2021. Also, proceed the private sector selection as it was and announce the private sector selection results.
- 2) Revoke the announcement and the request for proposal of the invitation letter dated 10 September 2021.
- 3) Stop the government agency and related committees from taking any actions regarding the private sector selection process according to the announcement dated 10 September 2021.
- 4) Revoke the resolution approving the private sector selection results of 14 March 2022.
- 5) Revoke the contract to manage and operate the main water distribution pipeline business in the Eastern region between the government agency and the private company which signed on 23 September 2022.

Currently, it is in the process of the Central Administrative Court’s consideration.

On 10 March 2023, the government agency issued a lease/management termination notice for two water pipeline projects: Nong Pla Lai-Nong Kho and Nong Kho-Laem Chabang (Phase 2) which do not have contracts with the Company. The notice requested the Company to demolish its buildings and structures on the site, remove the assets and followers, and completely deliver the area and assets of the two projects to the government agency by 11 April 2023. On 22 March 2023, the Company disputed the notice's accuracy and explained the potential impacts on water users if the property was handed over to the government agency on the specified date. The Company is still awaiting the Central Administrative Court's order results regarding the lawsuits it filed. Despite the ongoing legal dispute, the government agency insisted that the Company deliver the assets within the deadline. As a result, the Company delivered the projects' assets to the government agency on 11 April 2023.

Furthermore, while the property was in the process of being delivered, the Company reserved its rights to make legal disputes and to use the property and manage the main water pipeline system in the eastern region based on the legal relationship between the Company and the government agency. This included the right to initiate legal proceedings in the Administrative Court or any other appropriate court with a private selection committee until the case is resolved. The Company also retained any other legal rights and the right to claim any damages that have occurred or are likely to occur in the future.

3 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

4 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the financial statements for the year ended 31 December 2022.

Amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2023 do not have material impact on the Group.

5 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Eastern Water Resources Development and Management Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the six-month period ended 30 June 2023

6 Segment and revenue information

The Group's president identified the business' reportable operating segments and used each segment's operating profit, categorised by business activity, to measure the Group's performance. The business activities include supply of raw water, production and supply of tap water, supply of industrial water, waterworks management and engineering services. Other business activities, such as renting office buildings, are included in others.

The information by operating segment can be summarised as follows:

	Consolidated financial information (Unaudited)								(Unit: Baht'000)
	Sales			Service income					
	Supply of raw water business	Production and supply of tap water business	Supply of industrial water business	Waterworks management business	Engineering services	Others	Elimination	Total	
For the six-month period ended 30 June 2023									
Revenues									
Total revenue from sales and services	1,378,560	760,552	68,139	169,577	48,688	43,059	(187,098)	2,281,477	
Revenue from inter-segment	(11,139)	-	-	(142,191)	(15,380)	(18,388)	187,098	-	
Revenue from third parties	1,367,421	760,552	68,139	27,386	33,308	24,671	-	2,281,477	
Timing of revenue recognition									
- At a point in time	1,378,560	749,991	68,139	2,082	-	-	(11,139)	2,187,633	
- Overtime	-	10,561	-	167,495	48,688	43,059	(175,959)	93,844	
Total revenues	1,378,560	760,552	68,139	169,577	48,688	43,059	(187,098)	2,281,477	
Cost of sales and services	(794,580)	(568,264)	(90,573)	(132,451)	(45,280)	(42,553)	184,700	(1,489,001)	
Segment operating profit (loss)	583,980	192,288	(22,434)	37,126	3,408	506	(2,398)	792,476	
Unallocated income (expenses)									
Other income								24,285	
Selling expenses								(4,651)	
Administrative expenses								(355,054)	
Finance costs								(150,687)	
Income tax								(65,639)	
Net profit								240,730	

Eastern Water Resources Development and Management Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the six-month period ended 30 June 2023

	(Unit: Baht'000)						
	Consolidated financial information (Unaudited)						
	Sales			Service income			
	Supply of raw water business	Production and supply of tap water business	Supply of industrial water business	Waterworks management business	Engineering services	Others	Elimination
							Total
For the six-month period ended 30 June 2022							
Revenues							
Total revenue from sales and services	1,462,169	725,790	29,476	119,700	32,488	41,489	(122,661)
Revenue from inter-segment	(13,737)	-	-	(91,391)	-	(17,533)	122,661
Revenue from third parties	1,448,432	725,790	29,476	28,309	32,488	23,956	-
Timing of revenue recognition							
- At a point in time	1,462,169	689,551	29,476	2,032	-	-	(13,737)
- Overtime	-	36,239	-	117,668	32,488	41,489	(108,924)
Total revenues	1,462,169	725,790	29,476	119,700	32,488	41,489	(122,661)
Cost of sales and services	(702,322)	(535,009)	(54,353)	(95,788)	(33,226)	(37,272)	122,661
Segment operating profit (loss)	759,847	190,781	(24,877)	23,912	(738)	4,217	-
Unallocated income (expenses)							
Other income							60,008
Selling expenses							(5,291)
Administrative expenses							(262,837)
Finance costs							(120,147)
Income tax							(115,696)
Net profit							509,179

Disaggregation of revenue from contracts with customers for the separate financial information is as follows:

	(Unit: Baht'000)					
	Separate financial statements (Unaudited)					
	Sales			Service income		
	Supply of raw water business	Production and supply of tap water business	Supply of industrial water business	Waterworks management business	Others	Total
For the six-month period ended 30 June 2023						
Timing of revenue recognition						
- At a point in time	1,378,560	192,050	68,139	2,082	-	1,640,831
- Overtime	-	-	-	2,752	43,061	45,813
Total revenues	1,378,560	192,050	68,139	4,834	43,061	1,686,644
For the six-month period ended 30 June 2022						
Timing of revenue recognition						
- At a point in time	1,462,169	173,409	29,476	2,032	-	1,667,086
- Overtime	-	-	-	1,174	41,490	42,664
Total revenues	1,462,169	173,409	29,476	3,206	41,490	1,709,750

7 Fair value

The fair value of financial assets and financial liabilities of the Group are approximate the carrying amounts since the majority of the instruments are short-term in nature except for long-term borrowings from financial institutions, debentures and long-term loan to a subsidiary in which the fair value is disclosed in Note 13.3, 13.4 and 17.5, respectively.

8 Financial assets measured at amortised cost

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Fixed deposits	337,576	219,678	206,875	61,257
Fixed deposits under the requirement of concession agreement	509,366	489,796	64,047	59,353
Total	846,942	709,474	270,922	120,610

9 Trade and other receivables

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Trade receivables - Third parties				
- Billed	127,969	116,139	118,462	113,536
- Unbilled	22,073	14,618	20,658	13,599
Trade receivables - Related parties (Note 17.3)				
- Billed	171,266	116,529	163,648	108,220
- Unbilled	150,701	131,932	-	-
Other receivables				
- Third parties	8,909	8,684	8,909	8,684
- Related parties (Note 17.3)	7,909	17	18,848	12,137
Prepayments	32,149	25,193	22,453	18,770
Others	2,381	2,998	2,381	2,998
Total	523,357	416,110	355,359	277,944

The aging analysis of trade receivables - billed is as follows:

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Within credit term	292,229	232,089	282,104	221,256
Overdue below 3 months	4,635	29	-	-
Overdue 3 - 6 months	2,341	4	-	-
Overdue 6 - 12 months	24	46	-	-
Overdue more than 12 months	6	500	6	500
Total	299,235	232,668	282,110	221,756

10 Property plant and equipment and intangible assets - net

Change in property plant and equipment and intangible assets - net is as follows:

	(Unit: Baht'000)	
	Consolidated financial information	
	Property, plant and equipment	Intangible assets
For the six-month period ended 30 June 2023		
Opening net book amount (Audited)	19,299,037	2,934,262
Addition	1,587,412	23,071
Disposal/Write-off, net	(10,170)	-
Reclassification	1,343	(1,343)
Loss on impairment of assets	(101,605)	-
Depreciation/Amortisation	(338,723)	(182,462)
Closing net book amount (Unaudited)	20,437,294	2,773,528
	(Unit: Baht'000)	
	Separate financial information	
	Property, plant and equipment	Intangible assets
For the six-month period ended 30 June 2023		
Opening net book amount (Audited)	19,111,537	135,553
Addition	1,584,915	2,922
Disposal/Write-off, net	(8,803)	-
Loss on impairment of assets	(101,605)	-
Depreciation/Amortisation	(325,698)	(9,668)
Closing net book amount (Unaudited)	20,260,346	128,807

Borrowing costs of Baht 50 million arising from financing specifically entered into a pipeline constructing project and tap water production system are capitalised during the period and are included in "Addition".

Based on the significant events during the period disclosed in Note 2 to the interim financial information, the Company has participated in the selection of a private sector according to the government agency's invitation letter to manage and operate the main water distribution pipeline business in the Eastern region which covers 1) Dok Krai Water Pipeline Project, 2) Nong Pla Lai-Nong Khor Pipeline Project and 3) Nong Khor-Laem Chabang Pipeline Project (Phase 2) and received the letter on the selection results that another private company had been granted the right to manage and operate the water pipeline business. The Company returned the project areas and assets of the Nong Pla Lai-Nong Kho and Nong Kho-Laem Chabang water pipeline projects (Phase 2) on 11 April 2023. While the Dok Krai Water Pipeline Project, the contract will be expired and have to return the project areas and assets by 31 December 2023. Consequently, the Company recorded the impairment loss of assets that could not be demolished for all 3 projects in the total amount of Baht 102 million, presented in administrative expenses in the consolidated and separate financial information.

11 Right-of-use assets - net

Change in right-of-use assets - net is as follows:

	(Unit: Baht'000)	
	Consolidated financial information	Separate financial information
For the six-month period ended 30 June 2023		
Opening net book amount (Audited)	286,111	231,461
Addition	8,180	6,402
Depreciation	(15,672)	(10,008)
Closing net book amount (Unaudited)	278,619	227,855

12 Other non-current assets

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Advance for construction	353,499	444,967	353,499	444,967
Development cost of water supply project	299,000	299,000	299,000	299,000
Prepaid expenses	24,375	23,066	10,217	8,966
Deposit and retention	2,398	2,431	-	-
Other receivables	32,802	32,802	-	-
Less Allowance for doubtful accounts - other receivables	(32,802)	(32,802)	-	-
Other receivables - net	-	-	-	-
Refundable withholding tax	20,458	17,933	-	-
Receivable - industrial water project	41,458	42,230	41,458	42,230
Receivable - recycle water project	10,228	10,511	10,228	10,511
Others	8,626	8,396	6,538	5,491
Total	760,042	848,534	720,940	811,165

13 Borrowings

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Current				
Short-term borrowings from financial institutions	1,085,000	1,780,000	680,000	1,215,000
Bills of exchange	499,205	-	499,205	-
Current portion of long-term borrowings from financial institutions	1,625,000	1,306,500	1,625,000	1,306,500
Current portion of lease liabilities	38,623	32,786	26,745	23,065
Total current portion	3,247,828	3,119,286	2,830,950	2,544,565
Non-current				
Long-term borrowings from financial institutions	5,092,500	5,977,500	5,092,500	5,977,500
Debentures	4,345,291	2,797,107	4,345,291	2,797,107
Lease liabilities	283,325	288,748	244,616	244,764
Total non-current portion	9,721,116	9,063,355	9,682,407	9,019,371
Total borrowings	12,968,944	12,182,641	12,513,357	11,563,936

13.1 Short-term borrowings from financial institutions

Change in short-term borrowings from financial institutions is as follows:

	(Unit: Baht'000)	
	Consolidated financial information	Separate financial information
Balance as at 1 January 2023 (Audited)	1,780,000	1,215,000
Addition	2,205,000	1,215,000
Repayment	(2,900,000)	(1,750,000)
Balance as at 30 June 2023 (Unaudited)	1,085,000	680,000

Short-term borrowings from financial institutions are represented promissory notes bear interest rate at 2.45% to 2.90% per annum. Principal is repayable at call.

As at 30 June 2023, the Group and the Company have outstanding short-term credit facilities of Baht 2,682 million and Baht 1,967 million, respectively.

13.2 Bills of exchange

Change in bills of exchange is as follows:

	(Unit: Baht'000)
	Consolidated financial information and Separate financial information
Balance as at 1 January 2023 (Audited)	-
Addition	1,000,000
Discount on bills of exchange	(4,919)
Amortisation of discount on bills of exchange	4,124
Repayment	(500,000)
Balance as at 30 June 2023 (Unaudited)	499,205

During the six-month period ended 30 June 2023, the Company issued six bills of exchange, totalling Baht 1,000 million. These bills of exchange bear interest rate at 2.22% per annum and have a three-month maturity period.

13.3 Long-term borrowings from financial institutions

	(Unit: Baht'000)	
	Consolidated financial information and Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Long-term borrowings from financial institutions	6,717,500	7,284,000
<u>Less</u> Current portion	(1,625,000)	(1,306,500)
Long-term borrowings from financial institutions - net	5,092,500	5,977,500

Change in long-term borrowings from financial institutions is as follows:

	(Unit: Baht'000)
	Consolidated financial information and Separate financial information
Balance as at 1 January 2023 (Audited)	7,284,000
Repayment	(566,500)
Balance as at 30 June 2023 (Unaudited)	6,717,500

Long-term borrowings from financial institutions of the Company are unsecured loan. The Company is required to comply with certain conditions including debt to equity ratio not exceeding 2:1 and interest bearing debt to equity ratio not exceeding 2:1.

The interest rate of borrowings from financial institutions for the six-month period ended 30 June 2023 is 2.47% to 3.83%.

As at 30 June 2023, the fair value of long-term borrowings from financial institutions is Baht 6,706 million. The fair value is determined in level 3 of fair value, calculated by discounted cash flow model over the loan agreement period based on market interest rate.

13.4 Debentures

Change in debentures is as follows:

	(Unit: Baht'000)
	Consolidated financial information and Separate financial information
Balance as at 1 January 2023 (Audited)	2,797,107
Issuance of debentures	1,550,000
Issuing cost	(2,224)
Amortisation of issuing cost	408
Balance as at 30 June 2023 (Unaudited)	4,345,291

During the six-month period ended 30 June 2023, the Company issued debentures which are senior and unsecured debenture for private placement to institutional investors and high net worth investors as follows:

Debentures	Interest rate (% per annum)	Terms	Due date	Interest payment Terms	Par value (baht per unit)	Book value (Baht'000)
Debenture No. 1/2023 tranche 1	3.07	2 years	23 December 2025	Semi-annually on 23 February and 23 August	1,000	350,000
Debenture No. 1/2023 tranche 2	4.15	10 years	23 February 2033	Semi-annually on 23 February and 23 August	1,000	1,000,000
Debenture No. 2/2023	4.15	10 years	25 April 2033	Semi-annually on 24 April and 24 October	1,000	200,000
						1,550,000

As at 30 June 2023, the fair value of debentures is Baht 4,460 million. The fair value is determined in level 3 of fair value, calculated by discounted cash flow model over the debentures period based on market interest rate.

13.5 Lease liabilities

Maturity of lease liabilities is as follows:

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Minimum lease liabilities payments				
Not later than one year	50,698	44,978	37,505	33,843
Later than 1 year but not later than 5 years	104,203	99,509	70,278	68,438
Later than 5 years	347,308	358,260	337,884	340,246
Total	502,209	502,747	445,667	442,527
<u>Less</u> Future finance charges on leases	(180,261)	(181,213)	(174,306)	(174,698)
Present value of lease liabilities	321,948	321,534	271,361	267,829
Lease liabilities				
- Current portion	38,623	32,786	26,745	23,065
- Non-current portion	283,325	288,748	244,616	244,764
Total	321,948	321,534	271,361	267,829
Present value of lease liabilities				
Not later than one year	38,623	32,786	26,745	23,065
Later than 1 year but not later than 5 years	61,904	57,924	31,496	30,100
Later than 5 years	221,421	230,824	213,120	214,664
Total	321,948	321,534	271,361	267,829

14 Trade and other payables

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Trade payables				
- Third parties	126,729	172,706	98,145	136,332
- Related parties (Note 17.3)	1,932	2,288	40,257	31,496
Payable for purchase of fixed assets and intangible assets				
- Third parties	12,822	36,535	6,363	29,734
- Related parties (Note 17.3)	-	-	8,132	-
Other payables				
- Related parties (Note 17.3)	16,143	26,899	3,068	-
Total	157,626	238,428	155,965	197,562

15 Income tax

The interim income tax expense is accrued by management's estimate using the tax rate that based on the expected profit for the full year. The estimated tax rate for the consolidated financial information is 21.43% (30 June 2022: 18.52%) and the estimated tax rate for the separate financial information is 22.60% (30 June 2022: 17.70%).

16 Dividend Payment

The Company

On 20 April 2023, the Annual General Shareholders' meeting of the Company approved a dividend payment for the year 2022 of Baht 0.21 per share, totalling Baht 349 million. The Company already paid an interim dividend of Baht 0.12 per share, totalling Baht 199 million on 27 September 2022. The remaining dividend of Baht 0.09 per share, totalling Baht 150 million, was paid on 19 May 2023.

Indirect subsidiary

On 28 April 2023, the Annual General Shareholders' meeting of Egcom Tara Company Limited approved a dividend payment for the year 2022 of Baht 4.65 per share, totalling Baht 160 million. The indirect subsidiary already paid an interim dividend of Baht 3.25 per share, totalling Baht 113 million in 2022. The remaining dividend of Baht 1.40 per share, totalling Baht 47 million, was paid on 17 May 2023. The dividend of Baht 43 million was paid to Universal Utilities Public Company Limited and Baht 4 million was paid to non-controlling interests.

On 6 June 2023, the Board of Directors' meeting of Egcom Tara Company Limited approved a dividend payment for the first quarter of 2023 of Baht 1.31 per share, totalling Baht 45 million. The dividend was paid on 26 June 2023. The dividend of Baht 40 million was paid to Universal Utilities Public Company Limited and Baht 5 million was paid to non-controlling interests.

17 Related parties transactions

17.1 Related parties

Related parties are as follows:

Name	Type
Provincial Waterworks Authority	Major shareholder which owns 40.20% of share and board of directors
Industrial Estate Authority of Thailand	Major shareholder which owns 4.57% of share and board of directors
Universal Utilities Public Company Limited	Subsidiary
Chachoengsao Water Supply Company Limited	Indirect subsidiary
Bangpakong Water Supply Company Limited	Indirect subsidiary
Nakornsawan Water Supply Company Limited	Indirect subsidiary
Egcom Tara Company Limited	Indirect subsidiary

17.2 Transactions incurred during the periods

		(Unit: Baht'000)			
		Consolidated financial information		Separate financial information	
		(Unaudited) 2023	(Unaudited) 2022	(Unaudited) 2023	(Unaudited) 2022
For the six-month period ended 30 June					
<u>Sales - raw water</u>					
Major shareholders		773,390	766,441	773,390	766,441
Subsidiary		-	-	11,139	13,737
		773,390	766,441	784,529	780,178
<u>Sales - tap water</u>					
Major shareholder		622,649	573,586	64,951	57,444
<u>Construction revenue under concession agreement</u>					
Major shareholder		19,156	45,026	-	-
<u>Rental and Service income</u>					
Major shareholder		25,135	21,468	5,037	-
Subsidiary		-	-	18,428	17,534
		25,135	21,468	23,465	17,534
<u>Interest income</u>					
Subsidiary		-	-	10,612	15,918
<u>Dividend income</u>					
Subsidiary		-	-	24,378	32,487
<u>Other income</u>					
Subsidiary		-	-	2,983	4,121
<u>Cost of sales and cost of services</u>					
Major shareholder		10,525	9,891	4,677	4,233
Subsidiary		-	-	142,191	91,391
		10,525	9,891	146,868	95,624
<u>Administrative expenses</u>					
Indirect subsidiary		-	-	61	163

17.3 Outstanding balances at the end of the periods

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
<u>Trade receivables - billed</u>				
Major shareholders	171,266	116,529	160,297	104,857
Subsidiary	-	-	3,351	3,363
	171,266	116,529	163,648	108,220
<u>Trade receivables - unbilled</u>				
Major shareholder	150,701	131,932	-	-
<u>Other receivables</u>				
Major shareholder	7,909	17	-	-
Subsidiary	-	-	18,848	12,137
	7,909	17	18,848	12,137
<u>Deposit payment</u>				
Major shareholder	9	8	9	8
<u>Trade payables</u>				
Major shareholder	1,932	2,288	874	1,252
Subsidiary	-	-	39,383	30,244
	1,932	2,288	40,257	31,496
<u>Payable for purchase of fixed assets</u>				
Subsidiary	-	-	8,132	-
<u>Other payables</u>				
Major shareholder	16,143	26,899	3,068	-
<u>Rental guarantees</u>				
Subsidiary	-	-	59	59

17.4 Key management compensation

Key management compensation can be categorised as follows:

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
For the six-month period ended 30 June	(Unaudited) 2023	(Unaudited) 2022	(Unaudited) 2023	(Unaudited) 2022
Short-term benefits	49,343	53,584	34,551	41,022
Post-employee benefits	3,545	3,715	2,674	2,935
Other long-term benefits	15	22	8	16
Total	52,903	57,321	37,233	43,973

17.5 Long-term loan to a subsidiary

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Long-term loan to a subsidiary				
- Current portion of long-term loan to a subsidiary	-	-	400,000	400,000
- Non-current portion of long-term loan to a subsidiary	-	-	400,000	400,000
Total	-	-	800,000	800,000

The Company provided long-term loan to Universal Utilities Public Company Limited of Baht 1,600 million. The loan period is six years with fixed interest rate per annum. The repayment is Baht 400 million per annum, starting from August 2021.

As at 30 June 2023, the fair value of long-term loan to a subsidiary is Baht 801 million. The fair value is determined in level 3 of fair value, calculated by discounted cash flow model over the loan period based on market interest rate.

18 Commitments and contingent liabilities

18.1 Capital commitments

Capital commitments which are not recognised in the financial information are as follows:

	(Unit: Baht'000)			
	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023	(Audited) 31 December 2022	(Unaudited) 30 June 2023	(Audited) 31 December 2022
Plant and equipment	1,971,554	2,232,400	1,971,554	2,232,400
Intangible assets	132,491	123,060	58,483	76,784
Total	2,104,045	2,355,460	2,030,037	2,309,184

18.2 Contingent liabilities

As at 30 June 2023, there is no significant change in contingent liabilities from the disclosures in the financial statements for the year ended 31 December 2022.

19 Compensation for pipeline projects

The Company paid compensation for the two water pipeline projects: Nong Pla Lai-Nong Kho and Nong Kho-Laem Chabang (Phase 2) at a percentage of the raw water sold from the commencing of the operating year (year 1998). In addition, if it is decided that a final rate is more than the rate at which the Company already paid, the Company is to make additional payment, in full, as a lump sum; while if the final rate is lower, the government agency agrees to pay back the surplus by offsetting it against the remuneration of the following years.

In 2015, the Company and the government agency hold a meeting to agree on project compensation rate. On 21 July 2015, the Company sent a letter to the government agency to inform that the Company was willing to pay the compensation for the current year at a higher rate and keep the previous rate for the past years. Subsequently, the government agency issued a letter dated 14 October 2015 to the Company notifying that the compensation rate must be processed and considered in accordance with the Act on Private Participation in a State Undertaking B.E. 2556 and then submitted to the Cabinet for approval. In the meanwhile, the government agency accepted the temporary payment with the new compensation rate from the year 2015 onwards.

The Company records the project compensation by using the new compensation rate since the year 2015. The management considers that such rate is the best estimation based on the current information.

On 29 August 2019, the government agency issued a letter notifying to the Company that the Company's pipeline projects are infrastructure and public service as defined by Article 7 of the Public-Private Partnership Act B.E. 2562. The government agency is required to hire a consultant to study and analyse the investment project in order to comply with Section 8, Section 22 and Section 27 of the Public-Private Partnership Act. B.E. 2562. On 30 November 2020, the consultant hired by the government agency sent a letter requesting information from the Company to support the preparation of the study and analysis of the investment project under the aforementioned steps.

Later in the year 2021, the government agency issued the letter on the selection results that another private company had been granted the right to manage and operate the water pipeline business (as detailed in the significant events during the current period disclosed in Note 2 to the interim financial information) and on 10 March 2023, the government agency issued a lease/management termination notice for these water pipeline projects and required to return the projects' areas and assets to the government agency within 11 April 2023. The Company has already returned the projects' areas and assets.

20 Information of sales volume of raw water classified by distribution networks

A government agency, owner of the pipeline of distribution networks, requires the Company to disclose information about raw water sales classified by distribution networks which is used for calculation of compensation as follows:

Sales of raw water classified by distribution networks

	(Unit: Baht'000)	
	Separate financial information (Unaudited)	
	For the six-month period ended 30 June	
	2023	2022
Total sales of raw water		
The Company's water pipeline network		
Nong Pla Lai - Map Ta Pud Network	518,148	498,598
Chachoengsao Network	92,585	88,793
Nong Pla Lai - Nong Khor Network	44,678	-
The Government agency's water pipeline network		
Nong Pla Lai - Nong Khor Network	141,127	215,573
Dok Krai - Map Ta Pud Network	450,190	512,078
Nong Khor - Laem Chabang Network 1	224,019	194,974
Nong Khor - Laem Chabang Network 2	36,752	74,156
Total	1,507,499	1,584,172
Less sales of raw water used to produce tap water		
Dok Krai - Map Ta Pud Network	(88,812)	(78,076)
Nong Pla Lai - Nong Khor Network	(40,127)	(43,927)
Total sales of raw water	1,378,560	1,462,169

Since the six-month period ended 30 June 2023, the Company has changed the disclosure information about raw water sales classified by distribution networks by separating into the Company's water pipeline network and the Government agency's water pipeline network in order to be consistent with the return of pipeline to the government agency for the Nong Pla Lai - Nong Khor Network and Nong Khor - Laem Chabang Network 2 on 11 April 2023 as disclosed in Note 2 to the interim financial information. Consequently, the comparative figures for the six-month period ended 30 June 2022 have been changed to conform.