

WHA UTILITIES AND POWER PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2023



Independent Auditor's Report

To the shareholders and the Board of Directors of WHA Utilities and Power Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of WHA Utilities and Power Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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



Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matters	How my audit addressed the key audit matters
<p>Goodwill impairment assessment</p> <p>Refer to Note 6 'Critical accounting estimates and judgements' and Note 15 'Goodwill' to the financial statements. As at 31 December 2023, the Group had goodwill of Baht 2,773 million represented 9.3% of total consolidated assets of the Group.</p> <p>The Group's goodwill arose from past acquisitions of power and water businesses. The Group is required to test for goodwill impairment annually in accordance with the requirements of the Thai Financial Reporting Standards.</p> <p>I focussed on the goodwill impairment assessment because the goodwill balance is material to the financial statements. The Group's management uses its judgement and future projections to determine the recoverable amount of cash-generating units, which includes goodwill.</p> <p>The recoverable amount is based on the fair value less costs of disposal determined using the present value method. The key assumptions used to estimate the future net cash flow discounted to net present value are growth rate and discount rate.</p> <p>From the impairment assessment this year, the Group's management concluded that there was no impairment of goodwill because the recoverable amount was higher than the carrying amount.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> understood and assessed how the Group's management forecasted future cash flow, compared cash flow projections with approved budgets and business plans set by the Group's management, and reviewed other supporting evidence from the management on future operation plans, challenged the reasonableness of management's key assumptions used in cash flow projections, such as its future business plans, growth rate and discount rate using the weighted average cost of capital method (WACC), and taking into account the sensitivity of these assumptions with regards to the recoverable amount, and tested the mathematical accuracy of estimated key figures based on the above assumptions and used them to calculate the recoverable amount, then compared it with the carrying value. <p>Based on these audit procedures, I found that the goodwill impairment assessment was reasonable and consistent with the supporting evidences.</p>



Key audit matters	How my audit addressed the key audit matters
<p data-bbox="261 450 823 510"><i>Impairment assessment of investments in the associate</i></p> <p data-bbox="261 528 858 618">Refer to Note 6 'Critical accounting estimates and judgements' and Note 11 'Investments in associates and interests in joint ventures' to the financial statements.</p> <p data-bbox="261 651 858 976">The management tested the impairment of investments in the associate whenever there is any indicator that asset may be impaired and calculates their recoverable amounts by applying the fair value less costs of disposal models. These models involve management's significant judgements in determining the significant assumptions applied, which are the growth rate and discount rate that reflect risk of water business and country risk premium.</p> <p data-bbox="261 1014 858 1111">The management considered the following factors to assess whether there were any impairment indicators:</p> <ul data-bbox="261 1122 858 1267" style="list-style-type: none">• accumulated operation losses and• the carrying value of investment recognised at cost in the subsidiary's financial statement was higher than its net equity value at the consolidated level include goodwill as part of investment. <p data-bbox="261 1301 858 1559">I focused on the impairment assessment of the investments in the associate due to the risks from external factors of investments in other country, its significant values, the various assumptions applied for the calculation of the recoverable amounts and management's significant judgements involved in determining the appropriate level of impairment to be recorded.</p>	<p data-bbox="880 528 1238 555">My audit procedures included:</p> <ul data-bbox="880 589 1477 1357" style="list-style-type: none">• understood how management determine the impairment indicators and assessed the method that the management used to forecast the expected future cash flow,• compared cash flow projections with approved budgets set by the associate's management, and reviewed other supporting evidence from the management on future operation plans,• challenged management's significant assumptions used in the impairment testing of the investments in the associate, especially the estimated water selling price per cubic metre, estimated sale volume, operating expenditures, capital structure, growth rates and discount rate that reflect risk of water business and country risk premium. My procedures included comparing those assumptions to the underlying agreements and external sources, and• tested the mathematical accuracy of estimated key figures based on the above assumptions and used them to calculate the recoverable amount, then compared it with the carrying value. <p data-bbox="880 1391 1477 1514">Based on these audit procedures, I found that the impairment assessment of investment in this associate was reasonable and consistent with the supporting evidences.</p>



Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company'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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 and the Company'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 consolidated and separate 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters 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.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, reading 'B. Lerdwisewit', with a stylized flourish at the end.

Boonrueng Lerdwisewit
Certified Public Accountant (Thailand) No. 6552
Bangkok
23 February 2024

WHA Utilities and Power Public Company Limited
Statements of Financial Position
As at 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	8	1,295,368,942	721,203,689	970,364,326	416,064,088
Trade and other receivables	9	499,919,992	404,600,996	575,764,423	708,450,584
Short-term loans to related parties	27	12,666,537	-	535,000,000	560,000,000
Derivative assets		8,696,918	-	-	-
Other current assets		223,237,626	198,733,332	35,993,011	54,500,159
Total current assets		2,039,890,015	1,324,538,017	2,117,121,760	1,739,014,831
Non-current assets					
Financial assets measured at					
fair value through profit or loss	10	238,766,332	331,579,089	-	-
Long-term loans to related parties	27	218,602,052	225,490,552	6,785,450,520	6,540,250,520
Investments in associates	11	13,946,879,907	13,402,351,437	-	-
Investments in subsidiaries	12	-	-	9,524,499,944	9,524,499,944
Interests in joint ventures	11	1,014,073,702	918,340,172	158,900,000	158,900,000
Lease receivables	10	20,740,238	21,222,092	-	-
Property, plant and equipment	13	7,667,651,268	6,645,418,238	3,478,630,444	3,253,717,892
Intangible assets	14	1,868,990,523	1,907,737,622	1,819,218,374	1,863,669,414
Goodwill	15	2,772,877,526	2,772,877,526	597,693,413	597,693,413
Deferred income tax assets	16	3,168,036	3,789,987	-	-
Other non-current assets		25,466,056	92,048,271	353,907,413	42,378,022
Total non-current assets		27,777,215,640	26,320,854,986	22,718,300,108	21,981,109,205
Total assets		29,817,105,655	27,645,393,003	24,835,421,868	23,720,124,036

Director

The accompanying notes are an integral part of these consolidated and separate financial statements.

WHA Utilities and Power Public Company Limited
Statements of Financial Position
As at 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term loans	17	1,649,931,616	1,599,904,548	1,649,931,616	1,599,904,548
Trade and other payables	18	529,251,393	474,980,813	319,068,939	265,590,581
Current portion of debentures	17	2,049,173,455	2,789,187,762	2,049,173,455	2,789,187,762
Derivative liabilities		-	8,242,323	-	-
Income tax payable		22,254,649	28,897,254	1,026,788	12,808,463
Current portion of lease liabilities		11,054,699	13,477,861	7,909,657	11,150,541
Current portion of provision for liabilities from water business	19	39,613,024	36,384,614	38,998,106	35,914,904
Other current liabilities		41,512,530	30,880,879	31,665,729	24,025,279
Total current liabilities		4,342,791,366	4,981,956,054	4,097,774,290	4,738,582,078
Non-current liabilities					
Long-term loan	17	398,004,960	-	398,004,960	-
Debentures	17	10,561,286,856	9,110,728,368	10,561,286,856	9,110,728,368
Lease liabilities		436,605,980	412,169,690	295,840,146	277,084,806
Provision for liabilities from water business	19	398,217,047	388,698,243	391,582,667	384,096,619
Deferred income tax liabilities	16	54,150,580	80,868,873	26,746,853	36,185,748
Employee benefit obligations	20	24,365,821	23,928,427	24,365,821	23,928,427
Other non-current liabilities		34,959,923	25,618,715	33,748,742	24,848,533
Total non-current liabilities		11,907,591,167	10,042,012,316	11,731,576,045	9,856,872,501
Total liabilities		16,250,382,533	15,023,968,370	15,829,350,335	14,595,454,579

The accompanying notes are an integral part of these consolidated and separate financial statements.

WHA Utilities and Power Public Company Limited
Statements of Financial Position
As at 31 December 2023

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity					
Equity					
Share capital					
Authorised share capital					
Ordinary shares,					
3,825,000,000 shares					
of par Baht 1 each					
		<u>3,825,000,000</u>	<u>3,825,000,000</u>	<u>3,825,000,000</u>	<u>3,825,000,000</u>
Issued and paid-up share capital					
Ordinary shares,					
3,825,000,000 shares					
of paid-up Baht 1 each					
		3,825,000,000	3,825,000,000	3,825,000,000	3,825,000,000
Share premium on ordinary shares					
		2,557,841,248	2,557,841,248	2,557,841,248	2,557,841,248
Retained earnings					
Appropriated - legal reserve					
	28	364,266,075	339,181,004	364,266,075	339,181,004
Unappropriated					
		3,599,718,709	2,605,547,374	1,038,678,523	1,174,062,168
Other components of equity					
		<u>3,219,896,997</u>	<u>3,293,854,918</u>	<u>1,220,285,687</u>	<u>1,228,585,037</u>
Equity attributable to the owners of					
 the parent					
		<u>13,566,723,029</u>	<u>12,621,424,544</u>	<u>9,006,071,533</u>	<u>9,124,669,457</u>
Non-controlling interests					
		<u>93</u>	<u>89</u>	<u>-</u>	<u>-</u>
Total equity					
		<u>13,566,723,122</u>	<u>12,621,424,633</u>	<u>9,006,071,533</u>	<u>9,124,669,457</u>
Total liabilities and equity					
		<u>29,817,105,655</u>	<u>27,645,393,003</u>	<u>24,835,421,868</u>	<u>23,720,124,036</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

WHA Utilities and Power Public Company Limited
Statements of Comprehensive income
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Revenues from sales		2,201,084,180	1,958,924,190	1,660,923,787	1,456,521,892
Revenues from leases and services		580,563,089	484,044,763	363,403,514	346,027,245
Costs of sales		(1,368,129,744)	(1,287,105,820)	(1,151,006,832)	(1,087,900,563)
Costs of leases and services		(409,244,289)	(373,790,578)	(236,996,064)	(211,551,231)
Gross profit		1,004,273,236	782,072,555	636,324,405	503,097,343
Other income	22	19,920,480	228,419,701	583,624,038	723,352,923
Administrative expenses		(276,961,596)	(253,256,540)	(237,122,916)	(215,998,921)
Finance costs	23	(465,023,555)	(413,142,614)	(476,764,182)	(418,827,358)
Share of profit from associates and joint ventures		1,380,264,000	155,872,887	-	-
Profit before income tax		1,662,472,565	499,965,989	506,061,345	591,623,987
Income tax expense	25	(31,216,163)	(45,823,233)	(4,359,919)	(10,183,342)
Profit for the year		1,631,256,402	454,142,756	501,701,426	581,440,645
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of retirement benefit obligations		-	6,699,156	-	6,699,156
Income tax on items that will not be reclassified subsequently to profit or loss	25	-	(1,339,831)	-	(1,339,831)
Remeasurements of provision for liabilities from water business		(12,985,604)	6,480,761	(10,374,187)	7,497,262
Income tax on items that will not be reclassified subsequently to profit or loss	25	2,597,121	(1,296,152)	2,074,837	(1,499,452)
Total items that will not be reclassified subsequently to profit or loss		(10,388,483)	10,543,934	(8,299,350)	11,357,135
Items that will be reclassified subsequently to profit or loss					
Currency translation differences		10,193,679	(11,602,403)	-	-
Share of other comprehensive income (expense) of associates and interests in joint ventures accounted for using the equity method		(73,763,117)	625,914,277	-	-
Total items that will be reclassified subsequently to profit or loss		(63,569,438)	614,311,874	-	-
Other comprehensive income (expense) for the year, net of tax		(73,957,921)	624,855,808	(8,299,350)	11,357,135
Total comprehensive income for the year		1,557,298,481	1,078,998,564	493,402,076	592,797,780

The accompanying notes are an integral part of these consolidated and separate financial statements.

WHA Utilities and Power Public Company Limited
 Statements of Comprehensive income
 For the year ended 31 December 2023

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Profit attributable to:					
Owners of the parent		1,631,256,406	454,142,761	501,701,426	581,440,645
Non-controlling interests		(4)	(5)	-	-
		<u>1,631,256,402</u>	<u>454,142,756</u>	<u>501,701,426</u>	<u>581,440,645</u>
Total comprehensive income attributable to:					
Owners of the parent		1,557,298,485	1,078,998,569	493,402,076	592,797,780
Non-controlling interests		(4)	(5)	-	-
		<u>1,557,298,481</u>	<u>1,078,998,564</u>	<u>493,402,076</u>	<u>592,797,780</u>
Earnings per share					
Basic earnings per share	26	<u>0.43</u>	<u>0.12</u>	<u>0.13</u>	<u>0.15</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.