

036/0864

11 August,2021

Subject: Management Discussion and Analysis Quarter 2 of 2021

To: Director and Manager,  
The Stock Exchange of Thailand

Hydrotek Public Company Limited and its subsidiaries (“the Group”) would like to report the operating result for the three-month period ended June 30, 2021 as reviewed by the authorized Company’s auditor as follows;

**Summary of the 2<sup>nd</sup> quarter/3-month Financial Position as ended 30 June 2021**

Financial Performance for the three-month period ended June 30,2021 (Unit :Million Baht)						
	2021		2020		QoQ	
	MB	%	MB	%	MB	%
Construction income	70.85	96	41.53	99	29.32	71
Service income	1.50	2	-	0	1.50	100
Other income	1.66	2	0.34	1	1.32	392
<b>Total Revenues</b>	<b>74.00</b>	<b>100</b>	<b>41.86</b>	<b>100</b>	<b>32.14</b>	<b>77</b>
Costs of construction	66.69	90	40.20	96	26.49	66
Costs of services	0.79	1	-	0	0.79	100
Administrative expenses	10.34	14	24.13	58	- 13.79	-57
Finance Cost	2.73	4	3.14	8	- 0.42	-13
<b>Total Expenses</b>	<b>80.54</b>	<b>109</b>	<b>67.48</b>	<b>161</b>	<b>13.06</b>	<b>19</b>
<b>Profit (Loss) for the period attributable to equity holders of the Company</b>	<b>- 6.72</b>	<b>-9</b>	<b>- 25.77</b>	<b>-62</b>	<b>19.05</b>	<b>74</b>

From the above numbers, the Group’s has Construction Income Baht 70.85 million, an increased Baht 29.32 million or 71 per cent from same period in the prior year. The Group has Service Income Baht 1.50 million, an increased 100 per cent came from the Group has only 1 service contract that signed in the end of 2020. And in the second quarter, the Group has other income Baht 1.66 million, an increased from same period in the prior year Baht 1.32 million because in this quarter, the Group has reversed the provision for warranty of work Baht 1 million.

The gross profit margin was 5.87 per cent, it is better than same period in the prior year which the gross margin was 3.20 per cent. Because the Management can reduce fixed cost and the management can be managing them more efficiency. Hence, in quarter 2 of 2021, the Group has shown loss for the period less than same period in the prior year Baht 19.05 million or 74 per cent.

**Summary of 6-month Financial Position as ended 30 June 2021**

Financial Performance for the six-month period ended June 30,2021 (Unit :Million Baht)						
	2021		2020		YoY	
	MB	%	MB	%	MB	%
Construction income	136.91	185	70.50	168	66.42	94
Service income	3.70	5	-	0	3.70	100
Other income	17.64	24	1.99	5	15.65	787
<b>Total Revenues</b>	<b>158.25</b>	<b>214</b>	<b>72.48</b>	<b>173</b>	<b>85.77</b>	<b>118</b>
Costs of construction	128.57	174	68.08	163	60.50	89
Costs of services	1.58	2	-	0	1.58	100
Administrative expenses	23.25	31	39.44	94	- 16.19	-41
Finance Cost	5.42	7	6.50	16	- 1.08	-17
<b>Total Expenses</b>	<b>158.82</b>	<b>215</b>	<b>114.01</b>	<b>272</b>	<b>44.81</b>	<b>39</b>
<b>Profit (Loss) for the period attributable to equity holders of the Company</b>	<b>- 0.89</b>	<b>-1</b>	<b>- 41.73</b>	<b>-100</b>	<b>40.84</b>	<b>98</b>

From the above numbers, the Group's operating result in six-month of 2021 has shown total revenues Baht 158.25 million, an increased Baht 85.77 million or 118 per cent from same period in the prior year. The Group has income from construction and service 136.91 and 3.70 Baht million, respectively. And the Group has other income Baht 17.64 million came from Gain on Sold Land and Pattaya Project Baht 7 million and Baht 7 million, respectively. And have income from reversed provision for warranty for work that has expired insurance of Baht 1 million.

While, the gross profit margin was 7.44 per cent increased from prior year 3.43 per cent. And it's shown administrative expense and finance cost significantly decreased due to the Group has been doing fixed cost control and the management can be managing them more efficiency. Hence, In the first six-month of this year, the Group has loss Baht 0.89 million greater than same period in the prior year Baht 40.84 million or 98 per cent.

Please kindly be informed accordingly.

Yours faithfully,

(Mr. Bancherd Thongcharoen)



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HYDROTEK PUBLIC COMPANY LIMITED

Chief Executive Officer