



บริษัท วิค จำกัด (มหาชน)

WIİK PUBLIC COMPANY LIMITED

No. WH/ACC/21/08/LT214

August 11, 2021

Subject: Management discussion and analysis for the three-month period ended June 30, 2021

To: Director and Manager of the Stock Exchange of Thailand

Referring to the submission of the reviewed financial statements for quarter 2/2021 of WIİK Public Company Limited (“the Company”), the management would like to clarify the operating results for the period of three month ended June 30, 2021 as follows;

**Summarized of the Statement of income**

| Unit : million Baht                         | Quarter 2/2021 | Quarter 2/2020 | Changed (%)    |
|---|----------------|----------------|----------------|
| Income from pipe sale                       | 313.23         | 296.91         | 5.50           |
| Income from pipe installation               | 9.71           | 75.38          | (87.12)        |
| Incomes from the water management business  |                |                |                |
| - Sales and service of water supply         | 34.11          | 28.49          | 19.73          |
| - Installation of water treatment systems   | 16.11          | 54.18          | (70.27)        |
| Other income                                | 2.36           | 2.39           | (1.26)         |
| <b>Total revenues</b>                       | <b>375.52</b>  | <b>457.35</b>  | <b>(17.89)</b> |
| Cost from sale pipe                         | 243.65         | 243.04         | 0.25           |
| Cost from installation pipe                 | 8.06           | 66.83          | (87.94)        |
| Cost from the water management business     |                |                |                |
| - Sales and service of water supply         | 26.02          | 21.47          | 21.19          |
| - Installation of water treatment systems   | 9.32           | 42.49          | (78.57)        |
| Selling and distribution expenses           | 12.57          | 10.73          | 17.15          |
| Administrative expenses                     | 28.33          | 29.87          | (5.16)         |
| Finance cost                                | 7.09           | 8.37           | (15.29)        |
| <b>Profit before income tax expenses</b>    | <b>40.48</b>   | <b>33.55</b>   | <b>20.66</b>   |
| Income tax expenses                         | (7.10)         | (4.91)         | 44.60          |
| <b>Profit for the period</b>                | <b>33.38</b>   | <b>28.64</b>   | <b>16.55</b>   |
| <b>Profit attributable to:</b>              |                |                |                |
| Equity holders of the Company               | 33.34          | 28.64          |                |
| Non-controlling interests of the subsidiary | 0.04           | -              |                |
|   | <b>33.38</b>   | <b>28.64</b>   |                |



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The operating results of the Company and its subsidiaries in the quarter 2/2021 increased from quarter 2/2020 by 16.55%. The Company and its subsidiaries have the net profit amount of Baht 33.38 million compared to Baht 28.64 million in the quarter 2/2020. The Company's profit increased by Baht 4.74million due to the major reasons as follows;

1. Income from pipe sale in the quarter 2/2021 increased from quarter 2/2020 by Baht 16.32 million or 5.50% from;

1.1 Domestic sale increased by Baht 18.07 million or 6.59%

1.2 Export sale decreased by Baht 1.75 million or 7.74%

2. Incomes from pipe installation in the quarter 2/2021 decreased from quarter 2/2020 by Baht 65.67 million or 87.12% from;

2.1 Domestic installation revenue decreased by Baht 66.51million or 88.68%, because the Company got high revenue from pipe installation in EEC zone.

2.2 Export installation revenue increased by Baht 0.84 million or 219.12%

3. Income from the water management business are categorized into two types.

3.1 Income from water treatment and distribution increased from the quarter 2/2020 by Baht 5.62 million. The major increasing came from operating a water treatment contract with Chum Num Subb Industrial Project, Pathum Thani Province of indirect subsidiaries.

3.2 Income from installation of water treatment systems decreased from quarter 2/2020 by Baht 38.07million. The revenue decreased from design and construction of water treatment systems.

4. Cost of sale and services in percentages of income changed as follows;

| Cost  | Quarter 2/2021 | Quarter 2/2020 | The major reason   |
|---|----------------|----------------|--|
| 4.1 Cost from pipe sale                               | 77.78%         | 81.85%         | Decreased from lower cost of raw materials used in production and increasing of average of selling prices.   |
| 4.2 Cost from pipe installation                       | 83.10%         | 88.66%         | The cost per income rate is decreased. The gross margin usually depends on the conditions and agreements of each job.  |
| 4.3 Cost from Sales and service of water supply       | 76.27%         | 75.36%         | Increased from the Patong Municipality project, Phuket Province. Income from water treatment and distribution decreased from the epidemic of Covid-19 while major fix costs remained same. |
| 4.4 Cost from Installation of water treatment systems | 57.84%         | 80.27%         | The cost per income rate is decreased. The gross margin usually depends on the conditions and agreements of each job.  |



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5. Selling expenses in the quarter 2/2021 increased from the quarter 2/2020 by Baht 1.84 million or 17.15% from increasing in sale revenue.

6. Administrative expenses in the quarter 2/2021 decreased from the quarter 2/2020 in amount of Baht 1.54 million or 5.16%, from normal business operation.

7. Financial cost in quarter 2/2021 decreased from quarter 2/2020 by Baht 1.28 million or 15.29%. The average loan balance and interest rate in quarter 2/2021 decreased from the previous year. This is a result of using the capital increase as working capital instead of using more short-term loans.

8. Tax expenses in the quarter 2/2021 increased from quarter 2/2020 by Baht 2.19 million from increasing of profit.

#### Backlog

| (Unit : Million Baht)  | June 30, 2021 | December 31, 2020 |
|--|---------------|-------------------|
| Sales and installation of the pipeline business group                      | 622.58        | 664.85            |
| Water management business group (Only amount to be recognized in one year) |               |                   |
| - Sale and service of water supply   | 214.91        | 153.00            |
| - Installation of water treatment systems                                  | 16.24         | 4.42              |
| <b>Total</b>   | <b>853.73</b> | <b>822.27</b>     |

Yours Truly,

Mr. Wiboon Sangwithayanon  
Chief Executive Officer