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August 10, 2022

Subject: Management Discussion and Analysis for Quarter 2 of 2022
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 and six-month periods ended June 30, 2022 as reviewed by the authorized Company’s auditor as follows;

Summary of Financial Performance for the three-month period ended June 30, 2022

Financial Performance for the three-month period ended June 30,2022 (Unit :Million Baht)						
	2022		2021		Change	
	MB	%	MB	%	MB	%
Construction income	53.16	99	70.85	96	-17.69	-25
Service income	0.28	1	1.50	2	-1.22	-81
Other income	0.40	1	1.65	2	-1.26	-76
Total Revenues	53.84	100	74.00	100	-20.16	-27
Costs of construction	51.73	96	66.69	90	-14.96	-22
Costs of services	1.10	2	0.79	1	0.31	40
Administrative expenses	9.92	18	10.34	14	-0.42	-4
Finance Cost	2.36	4	2.73	4	-0.36	-13
Total Expenses	65.11	121	80.55	109	-15.44	-19
Profit (Loss) for the period attributable to equity holders of the Company	-11.65	-22	-6.72	-9	-4.93	73

The Group’s operating result for the three-month ended June 30,2022, the Group has construction income from the Group’s projects for 2 contracts and service income for 1 contract which has shown the construction income Baht 53.16 million and Baht 0.28 million, respectively. Such construction income and service income decreased Baht 18.91 million or 26% from the same period in the prior year. The result came from the Group has main construction of operation in civil work and pipeline system which effect to increase in progress of completion in this period. In the present, such project has almost finished. The Group has other income Baht 0.40 million which has decreased 1.26 million or 76% from the same period of prior year, due to the Group has reversed the provision for warranty of work Baht 1 million.

Moreover, the costs of construction and service decreased Baht 14.65 million or 22% from the same period in prior year because of increment of construction's materials price and labors cost. It effected to gross margin decreased from 7% to 1% in this period. For the administrative expense and finance cost significantly decreased due to the Group has ability to control in fixed expenses and has management efficiency.

Summary of Financial Performance for the six-month period ended June 30, 2022

Financial Performance for the six-month period ended June 30,2022 (Unit :Million Baht)						
	2022		2021		Change	
	MB	%	MB	%	MB	%
Construction income	111.07	98	136.91	87	-25.84	-19
Service income	0.59	1	3.70	2	-3.11	-84
Other income	1.42	1	17.64	11	-16.22	-92
Total Revenues	113.08	100	158.25	100	-45.16	-29
Costs of construction	107.20	95	128.57	81	-21.38	-17
Costs of services	1.92	2	1.58	1	0.35	22
Administrative expenses	20.66	18	23.25	15	-2.59	-11
Finance Cost	4.76	4	5.42	3	-0.66	-12
Total Expenses	134.54	119	158.82	100	-24.28	-15
Profit (Loss) for the period attributable to equity holders of the Company	-21.85	-19	-0.89	-1	-20.96	2352

The Group's operating result for the six-month ended June 30,2022, the Group has construction income from the Group's projects for 2 contracts and service income for 1 contract which has shown the construction income Baht 111.07 million and Baht 0.59 million, respectively. Such construction income and service income decreased Baht 29.05 million or 21% from the same period in the prior year. The result came from the Group has main construction of operation in civil work and pipeline system in the same period of prior year which effect to increase in progress of completion in this period. In the present, such project has almost finished. The Group has other income Baht 0.40 million which has decreased 1.26 million or 76% from the same period of prior year, due to the Group has gain on sold land Baht 7 million, consult services for Pattaya Project Baht 7 million and reversed the provision for warranty of work Baht 1 million.



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HYDROTEK PUBLIC COMPANY LIMITED

Moreover, the costs of construction and service decreased Baht 21.03 million or 16% from the same period in prior year because of increment of construction's materials price and labors cost. It effected to gross margin decreased from 7% to 2% in this period. For the administrative expense and finance cost significantly decreased due to the Group has ability to control in fixed expenses and has management efficiency.

Please kindly be informed accordingly.

Yours faithfully,

(Mr. Bancherd Thongcharoen)
Chief Executive Officer